

**Gotion High-Tech Co., Ltd.**

**2023 Semi-annual Report**



**August 2023**

## **Section I Important Notes, Contents and Definitions**

**The Board of Directors, Board of Supervisors, directors, supervisors and senior officers of the Company guarantee that the information of this report is true, accurate and complete, and free from false records, misrepresentations or major omissions, and will bear individual and joint and several liabilities with respect thereto.**

**Li Zhen, the person in charge of the Company, Zhang Yifei, the accounting principal, and Zhao Hua, head of the Accounting Department (person in charge of accounting), declare that the financial statements herein are true, accurate and complete.**

**All directors attended the meeting of the Board of Directors for deliberation of this semi-annual report.**

**The future development plans and other forward-looking statements involved herein do not constitute substantial commitments of the Company to investors. Investors and relevant persons should be fully aware of risks and understand the differences between plans, forecasts and commitments, and pay attention to investment risks.**

**There is no risk factor that may have a major adverse impact on the production and operation status, financial status and sustainable profitability of the Company. For details of the main risks and the Company's response measures, please refer to the "X. Risks faced by the Company and the response measures" in "Section III Discussion and Analysis of the Management" of this report. Please pay attention to the investment risks.**

**The Company does not plan to distribute cash dividends, bonus shares, or increase share capital with reserved funds.**

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## **Documents Available for Reference**

- I. The financial statements signed and sealed by the legal representative, the accounting principal and head of the Accounting Department of the Company;
- II. The original 2023 semi-annual report and its abstract signed by the legal representative of the Company and sealed by the Company;
- III. The originals of all corporate documents and announcements publicly disclosed on the designated information disclosure media and websites during the Reporting Period;
- IV. Other reference documents.

The said reference documents are kept at the Securities Affairs Department of the Company.



## Definitions

Item of definition	Refers to	Definitions
Company, the Company, Gotion High-tech	Refers to	Gotion High-Tech Co., Ltd.
<i>Company Law</i>	Refers to	<i>Company Law of the People's Republic of China</i>
<i>Securities Law</i>	Refers to	<i>Securities Law of the People's Republic of China</i>
<i>Articles of Association</i>	Refers to	<i>Articles of Association of Gotion High-tech Co., Ltd.</i>
CSRC	Refers to	China Securities Regulatory Commission
Shenzhen Stock Exchange	Refers to	Shenzhen Stock Exchange
SIX	Refers to	SIX Swiss Exchange
GDR	Refers to	Global Depositary Receipts
Reporting Period	Refers to	From January 1, 2023 to June 30, 2023
Gotion Holding	Refers to	Nanjing Gotion Holding Group Co., Ltd. (former name: Zhuhai Gotion Trading Co., Ltd., relocated and renamed as "Nanjing Gotion Holding Group Co., Ltd." on September 29, 2020)
The largest shareholder, Volkswagen China	Refers to	Volkswagen (China) Investment Co., Ltd.
Volkswagen Group	Refers to	Volkswagen Aktiengesellschaft
<i>Shareholders' Agreement</i>	Refers to	<i>Shareholder Agreement concerning Gotion High-tech Co., Ltd. between Volkswagen (China) Investment Co. Ltd, Zhuhai Gotion Trading Co., Ltd., Li Zhen, and Li Chen</i>
Hefei Gotion	Refers to	Hefei Gotion High-Tech Power Energy Co., Ltd.
Feidong Gotion	Refers to	Feidong Gotion New Material Co., Ltd.
Jiangxi Gotion	Refers to	Jiangxi Gotion New Energy Technology Co., Ltd.
Jiangsu Gotion	Refers to	Jiangsu Gotion New Energy Technology Co., Ltd.
Dongyuan Electric Appliance	Refers to	Jiangsu Dongyuan Electric Appliance Group Co., Ltd.
Power battery system	Refers to	Applied to the battery cell, module, battery box of pure electric vehicles, hybrid electric vehicles, etc.
Energy storage battery system	Refers to	Applied to the battery cell, module, battery box of energy storage lithium battery
GWh, MWh	Refers to	a unit of electrical work, and KWh stands for degree, 1GWh=1,000,000KWh, 1MWh=1,000KWh
Ah	Refers to	ampere-hour, representing the capacity of the battery, which is the product of the discharge current (ampere A) and the discharge time (hour (H)).
Yuan, ten thousand, one hundred million	Refers to	RMB, RMB ten thousand, RMB one hundred million



## Section II Company Profile and Key Financial Indicators

### I. Company Profile

Stock Abbreviation	Gotion High-Tech	Stock Code	002074
Stock Exchange	Shenzhen Stock Exchange		
Company Name in Chinese	国轩高科股份有限公司		
Company Abbreviation in Chinese (If any)	国轩高科		
Company Name in Foreign Language (If any)	Gotion High-tech Co., Ltd.		
Abbreviation of the Company in English (if any)	GOTION		
Legal Representative of the Company	Li Zhen		

### II. Contact Person and Contact Information

	Secretary of the Board of Directors	Representative of Securities Affairs
Name	Pan Wang	Xu Guohong
Contact Address	No. 566, Huayuan Avenue, Baohe District, Hefei City, Anhui Province	No. 566, Huayuan Avenue, Baohe District, Hefei City, Anhui Province
Tel.	0551-62100213	0551-62100213
Fax	0551-62100175	0551-62100175
Email	panwang@gotion.com.cn	xuguohong@gotion.com.cn

### III. Other information

#### 1. Contact information

Whether the Company's registered address, office address and postal code, website and e-mail address have changed during the Reporting Period

☐ Applicable ☒ Not applicable

There is no change to the Company's registered address, office address and postal code, website and e-mail address during the Reporting Period. For details, please refer to the 2022 annual report.

#### 2. Information disclosure and storage locations

Whether the information disclosure and storage locations have changed during the Reporting Period

☐ Applicable ☒ Not applicable

There is no change to stock exchange website, media outlets and their websites where the Company discloses the semi-annual report during the Reporting Period. For details, please refer to the 2022 annual report.

### 3. Other relevant information

Whether other relevant information has changed during the Reporting Period

☐ Applicable ☒ Not applicable

### IV. Major accounting data and financial indicators

Whether the Company needs to make the retroactive adjustment or restatement for the accounting data of previous years

☐ Yes ☒ No

	Current Reporting Period	Same period of last year	Increases or decreases in the Reporting Period compared with the same period of last year
Operating income (RMB)	15,238,815,021.58	8,637,866,501.32	76.42%
Net profit attributable to shareholders of the listed company (RMB)	209,075,222.07	64,579,708.49	223.75%
Net profit attributable to shareholders of the Company excluding non-recurring gains and losses (RMB)	35,370,053.23	-173,128,730.22	120.43%
Net cash flow from operating activities (RMB)	164,992,056.21	91,564,660.52	80.19%
Basic earnings per share (RMB/Share)	0.12	0.04	200.00%
Diluted earnings per share (RMB/Share)	0.12	0.04	200.00%
Weighted average return on net assets	0.88%	0.33%	0.55%
	End of the Reporting Period	End of last year	Increases or decreases at the end of the Reporting Period compared with the end of last year
Total assets (RMB)	83,410,003,286.82	72,627,365,266.66	14.85%
Net assets attributable to shareholders of the listed company (RMB)	24,043,471,596.49	23,512,253,186.21	2.26%

### V. Differences in accounting data under domestic and overseas accounting standards

#### 1. Differences in the net profit and net assets disclosed in the financial reports under both the International Accounting Standards and Chinese Accounting Standards

☐ Applicable ☒ Not applicable

During the Reporting Period, there is no difference in net profit and net assets disclosed in the financial reports under the both International Accounting Standards and Chinese Accounting Standards.

## 2. Differences in the net profits and net assets in the financial reports disclosed according to the overseas accounting standards and Chinese Accounting Standards

☐ Applicable ☒ Not applicable

During the Reporting Period, there is no difference in the net profit and net assets disclosed in the financial reports disclosed under both overseas accounting standards and Chinese Accounting Standards.

## VI. Items and amounts of non-recurring gains and losses

☒ Applicable ☐ Not applicable

Monetary Unit: RMB

Item	Amount	Note
Profits or losses from disposal of non-current assets (including the write-off for the accrued impairment of assets)	6,031,053.65	
Government subsidies included in current gains and losses (closely related to normal operational business of the Company, excluding the continuous government subsidies of certain amount or quota complying with national policies)	86,720,367.69	
Profits and losses resulting from the changes in fair value for holding trading financial assets and trading financial liabilities, and investment income from disposal of trading financial assets, trading financial liabilities, and financial assets available for trading, excluding the effective hedging businesses related to the regular business operation of the Company	134,871,138.10	
Other non-operating revenue and expenditure other than those mentioned above	-12,813,177.94	
Other items of profit and loss complying with the definition for non-recurring profit and loss	508,368.15	
Less: affected amount of income tax	38,938,546.60	
Affected amount of minority shareholders' equity (after tax)	2,674,034.21	
Total	173,705,168.84	

Other gains or losses that fit the definition of non-recurring gains or losses:

☐ Applicable ☒ Not applicable

There are no other gains and losses items of the Company that meet the definition of non-recurring gains and loss.

Note for the definition of non-recurring gains and losses set out in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses*, as recurring gains and losses.

☐ Applicable ☒ Not applicable

The Company did not define any non-recurring gains and losses set out in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses* as recurring gains and losses.

## Section III Discussion and Analysis of the Management

### I. Primary business of the Company during the Reporting Period

The Company's main business consists of three segments, namely, power lithium battery system, energy storage battery system and transmission & distribution equipment. During the Reporting Period, the Company's transmission and distribution equipment business continued to transform into the manufacturing of new energy battery accessories. According to the "Industrial Classification and Codes for National Economic Activities" (GB/T 4754-2017) released by the National Bureau of Statistics, the Company is engaged in an industry under the "C38 electrical machinery and equipment manufacturing", a subcategory of "C manufacturing". There are no significant changes to the Company's main businesses during the Reporting Period.

#### (I) Main businesses

##### 1. Power lithium battery system

The Company is one of the earliest enterprises engaged in independent research and development, production and sales of power lithium-ion batteries for new energy vehicles in China, and its main products include lithium iron phosphate materials and cells, ternary materials and cells, power battery packs, and battery management systems. The Company has established long-term strategic cooperative relationships with many new energy vehicle enterprises at home and abroad, and its products are widely used in new energy fields such as pure electric commercial vehicles, passenger vehicles, special-purpose vehicles, and hybrid electric vehicles.

##### 2. Energy storage battery system

The Company possesses a mature technical system in the field of energy storage batteries. Its products are widely used in various applications, including telecommunication base stations, energy storage plants, wind-solar hybrid systems, and mobile power sources. These products mainly consist of three major series: Power Ocean, Power Star, and Power Smart, as well as intelligent mobile energy storage vehicles. The Company strategically focuses on four major energy storage sectors: power generation, grid integration, power supply, and end-users. It comprehensively covers centralized, distributed, and residential energy storage application scenarios, providing customers with efficient, reliable, and customized energy storage power system solutions.

##### 3. Power transmission and distribution equipment

As the traditional business segment of the Company, the transmission and distribution equipment business mainly covers high- and low-voltage switchgear, electrical digital equipment, intelligent equipment for distribution networks, transformer circuit breakers, integrated charging piles, vehicle chargers and energy storage cabinets, etc., which are widely used in the fields of thermal power, hydro-power, nuclear power, wind power, rail transportation, metallurgy, and chemical industry, etc. In recent years, the Company has actively promoted industrial

transformation through technological innovation, and expanded its operation and maintenance services in power transmission and transformation, turnkey construction of EPC projects, etc.

## **(II) Business model**

The Company makes profits mainly by selling power batteries, energy storage batteries, and transmission & distribution equipment. After long-term development, the Company has established an independent and mature system of R&D, procurement, production, and sales.

### **1. Operation model of power lithium battery and energy storage battery business**

In terms of R&D, according to the Company's development strategy, the Company persists in independent R&D and innovation of battery materials and technology, introduces advanced technical talents, cooperates with universities and colleges, and builds a high-standard, highly efficient, and high-quality multi-discipline R&D system with internal and external synergy.

In terms of procurement, the Company establishes a strict supplier selection system, and establishes long-term and stable supply channels and cooperative relationships through joint-venture plants and strategic investments, so as to ensure the technological advancement and reliability of raw materials and manufacturing equipment, as well as cost competitiveness.

In terms of production, the Company arranges reasonably for production planning in accordance with market conditions and order status, and achieves lean production with the help of a production management system and production delivery system according to the needs of different customers, to ensure timely and high-quality delivery.

In terms of sales, the Company establishes long-term strategic cooperative relationships with customers, and delivers products to customers on time according to their purchase contracts and specific order requirements, providing a perfect after-sales service.

### **2. Operation model of transmission and distribution business**

The Company adopts the mode of bidding before purchasing and settling as agreed in the contract for its transmission and distribution business. The marketing management system of Dongyuan Electrical Group, a subsidiary of the issuer, implements the marketing strategy of unified management, unified regulation, rational optimization, and comprehensive use of market resources, and mainly adopts the direct sales mode.

There are no significant changes to the Company's business model during the Reporting Period.

## **(III) Performance Driver Analysis**

### **1. Policy support and guidance**

Energy transition is a trend in the development of both China and the world. Since 2023, many regions worldwide have introduced policies and regulations aimed at promoting the high-quality standardization of the

new energy vehicle and energy storage industries. In the case of China, various government departments such as the National Development and Reform Commission, the National Energy Administration, and the Ministry of Industry and Information Technology have successively released supportive policies to facilitate the high-quality development of the new energy industry. These policies emphasize the need to strengthen technological innovation, reduce costs, ensure supply chain security, enhance internationalization, improve financial and fiscal policies, and vigorously promote industrial upgrading and development. In the first half of 2023, the Chinese government issued a series of policies, such as the "Guiding Opinions on Accelerating the Development of New Energy Storage" and the "14th Five-Year Plan for the Development of New Energy Storage," to guide and support the healthy development of the energy storage battery industry. Furthermore, regions like the European Union and Japan have also introduced various related policies, such as the "Net Zero Industrial Act," the "Critical Raw Materials Act," and the "Economic Security Advancement Act," providing clearer development directions for the new energy industry. With the guidance and impetus of this series of industrial policies, it is driving rapid growth in the lithium battery, energy storage, and power transmission and distribution equipment industries in which the company operates.

## **2. Market demand growth**

In the field of automotive lithium-ion batteries, despite the impact of global economic downturn pressures, the rapid development of the new energy vehicle industry has led to strong growth in demand for automotive lithium-ion batteries in China. According to data from the China Association of Automobile Manufacturers, in the first six months of 2023, China produced and sold approximately 3.788 million and 3.747 million new energy vehicles, respectively, representing year-on-year growth rates of 42.4% and 44.1%. The market share of new energy vehicles in the overall automotive market reached 28.3%. According to data from the China Automotive Power Battery Industry Innovation Alliance, in the first six months of 2023, China's cumulative installation of automotive power batteries reached 152.1 GWh, with a cumulative year-on-year growth rate of 38.1%.

In the field of energy storage, the global energy storage battery market has experienced rapid growth in recent years. In the first half of 2023, driven by the increasing demand for energy storage on the grid side, power generation side, power supply side, and end-user side, the demand for new energy storage solutions saw rapid expansion. This growth was particularly pronounced in major markets such as Europe, North America, and China, resulting in a surge in the shipment volume of energy storage batteries and the industry witnessing significant scale expansion. According to statistics from the ICC, in the first six months of 2023, global energy storage battery production reached 98 GWh, a year-on-year increase of 104%, and shipments reached 102 GWh, a year-on-year increase of 118%. According to data from the China Automotive Power Battery Industry Innovation Alliance, in the first six months of 2023, the cumulative sales of energy storage batteries in China reached 31.5 GWh, with lithium iron phosphate batteries accounting for 31.2 GWh of the total.



According to SNE Research data, during the reporting period, the Company achieved a global installed capacity of 6.5 GWh in automotive power batteries, ranking ninth globally. According to data from the China Automotive Power Battery Industry Innovation Alliance, during the reporting period, the company achieved a domestic installed capacity of 6.05 GWh in automotive power batteries, ranking fifth domestically. Meanwhile, the proportion of the energy storage business continued to expand, with a year-on-year growth of 224.33%.

## **II. Analysis of Core Competitiveness**

### **(I) Leading Technology Research and Development**

With a foundation in technological innovation, the Company has built an energy science system based on materials science and digital science. It has established eight global research and development centers in locations including Shanghai, Hefei (China), Tsukuba (Japan), Singapore, Silicon Valley (USA), and Cleveland (USA). The Company also possesses three major validation platforms and four testing and validation bases. Furthermore, it has established productive collaborations with several renowned universities and institutions, such as Tsinghua University, the University of Science and Technology of China, Stanford University (USA), the University of Tsukuba (Japan), and Nanyang Technological University (Singapore), among others. Regarding battery technology, the Company has achieved significant milestones. It has finalized the design of a 230 Wh/kg lithium iron phosphate battery cell and has successfully achieved mass production and installation in vehicles for a 302 Wh/kg ternary (NMC) battery cell. The system energy density has broken through 200 Wh/kg. Moreover, a 360 Wh/kg ternary semi-solid-state battery has passed rigorous puncture testing, and the system energy density can reach 260 Wh/kg, providing a range of over 1000 km on a single charge.

### **(II) Perfection of Supply Chain System**

To ensure a stable supply of raw materials, achieve cost reductions, and enhance efficiency, while maintaining the Company's cost and technological advantages in the automotive battery industry, the Company has perfected its entire industry chain layout, from mineral resources, materials (cathode materials, anode materials, separators, electrolytes), battery cells, and PACK, to recycling. The Company not only has a comprehensive industry chain layout but has also achieved full self-supply of lithium iron phosphate, a key cathode material for batteries. Currently, it has established five major material bases and fourteen production manufacturing bases in China, Europe, Africa, the Americas, and the Asia-Pacific region. This integrated industrial chain covers everything from research and development to manufacturing, sales, and battery recycling.

### **(III) Acceleration of the Globalization Strategy**

The Company persists in its globalization strategy in multiple dimensions simultaneously, such as market, production capacity, products, technology, capital, and supply chain, building a double engine of domestic and international growth. The Company has global customers. On the basis of cooperation with domestic and foreign

well-known vehicle enterprises and energy storage solution providers, the Company endeavors to expand its global production bases. In addition to the raw material bases in Indonesia, Argentina, the United States, and other regions, it accelerates the construction of a new generation of power battery and energy storage battery production lines in Europe, the United States, Southeast Asia, South America, etc. The Company has formed an international system integrating R&D, production, supply, and marketing.

### **III. Analysis on main businesses**

#### **Overview**

During the Reporting Period, the Company realized operating revenue of RMB 15.239 billion, a year-on-year increase of 76.42%; operating profit of RMB 221 million, a year-on-year growth of 314.97%; total profit of RMB 206 million, a year-on-year increase of 273.26%; and net profit attributable to the owners of the parent company of RMB 209 million, a year-on-year growth of 223.75%. The main operating conditions are as below:

#### **(I) Continuous Improvement of Industrial Chain**

The Company continuously optimizes the construction of its entire industry chain system and accelerates the implementation of resource-side projects. In addition to possessing patented technology covering the entire lifecycle of batteries, the industry chain also vertically integrates resources such as lithium, nickel, and raw materials like lithium carbonate. It encompasses the entire battery production process, including the cathode, anode, and separator, battery manufacturing, Battery Management Systems (BMS), and recycling, effectively ensuring supply chain security, cost control, and the company's competitive cost advantage.

#### **(II) Accelerating the Development of International Business**

During the reporting period, the Company's overseas sales proportion experienced a significant increase. In the first six months of 2023, the sales revenue from overseas operations amounted to 3.062 billion RMB, marking a year-on-year growth of 296.74%. The Company secured contracts for several projects with companies such as GAC Aion and NETA, entered into the supply chain of the Renault-Nissan-Mitsubishi Alliance, and became a designated supplier for Volkswagen in overseas markets. In the future, the Company plans to supply a wide range of vehicle models to the Volkswagen Group. In overseas markets, the Company also formed strategic partnerships with European battery manufacturer InoBat and Japanese company Edison to jointly explore and expand into the European and Japanese markets. Furthermore, the Company is actively promoting the establishment of overseas power battery and supporting industry bases to gain market share in international markets.

#### **(III) Strengthening Battery Technology Innovation**

During the reporting period, the Company focused on the research and development as well as investments in power batteries and energy storage batteries. It added 653 new patented technologies, bringing the total number of authorized patents to 4,672. The Company also led or participated in the development of 66 industry standards.

On May 19th, during the Company's 12th Technology Conference, it unveiled the self-developed L600-Qicheng battery cell and battery pack based on the new LMFP system. The energy density of the individual battery cell reached 240Wh/kg, and the system energy density reached 190Wh/kg. In early 2023, the Company officially obtained recognition from the Volkswagen Group for its battery cell testing laboratory, marking the Company's testing and validation capabilities as being acknowledged by the Volkswagen Group and entering into the global leading technology management system.

#### (IV) Rapid Growth of Energy Storage Business

“Make Energy Storage Business Bigger” is one of the Company's business strategies. Since the start of the energy storage business in 2016, the Company has continued to deepen its strategic cooperation with first-class enterprises such as Huawei, China Tower, State Grid, SUMEC, and Shanghai Electric. In recent years, the Company has accelerated the development of overseas markets, and has established cooperation with ABB, Nextera, Invenergy, Jinko, Borrego, Edison, and other well-known international enterprises. It has vigorously explored domestic and international energy storage markets, providing system solutions for power, household, and commercial energy storage. The energy storage business has realized rapid increase.

Year-on-year changes to the major financial data

Monetary Unit: RMB

	Current Reporting Period	Same period of last year	Year-on-year increase or decrease	Reasons for changes
Operating revenue	15,238,815,021.58	8,637,866,501.32	76.42%	Mainly caused by increase in current sales
Operating cost	12,899,601,817.37	7,391,913,307.02	74.51%	Mainly as a result of the increase in operating revenue in the current period, which led to an increase in the corresponding operating costs
Sales expenses	326,801,740.18	124,426,730.94	162.65%	Mainly as a result of the increase in selling expenses corresponding to the increase in sales scale
Administrative expense	798,207,203.40	573,523,055.47	39.18%	Mainly as a result of the increase in employee salaries and compensation during this period.
Financial expenses	-10,660,699.12	195,876,992.18	-105.44%	Mainly as a result of changes in the exchange rate in the current period
Income tax expenses	-32,253,959.58	-21,543,763.55	49.71%	Mainly as a result of the increase in deferred income tax in the

				current period
R&D investment	1,204,013,772.82	869,370,857.18	38.49%	Mainly caused by increase in investment of product development and technology improvement of the Company in the current period
Net cash flow generated by operating activities	164,992,056.21	91,564,660.52	80.19%	Mainly as a result of the increase in sales and payback in the current period
Net amount of cash flow generated by investment activities	-3,804,536,280.00	-6,288,295,637.29	-39.50%	Mainly caused by the Company's earlier-phase production line construction has entered the middle-to-late stages, resulting in a slowdown in the pace of investment funds utilization.
Net cash flow generated by financing activities	5,747,632,460.20	6,135,636,737.78	-6.32%	
Net increase in cash and cash equivalents	2,370,554,026.35	27,167,536.42	8,625.69%	Mainly as a result of an increase in sales receipts during this period.

Major changes in the profit composition or profit source of the Company during the Reporting Period

☐ Applicable ☒ Not applicable

There are no major changes in the profit composition or profit source of the Company during the Reporting Period.

Operating income structure

Monetary Unit: RMB

	Current Reporting Period		Same period of last year		Year-on-year increase or decrease
	Amount	Proportion in operating revenue	Amount	Proportion in operating revenue	
Total operating incomes	15,238,815,021.58	100%	8,637,866,501.32	100%	76.42%
By Industry					
Power lithium battery	10,478,394,745.58	68.76%	6,608,552,054.40	76.51%	58.56%
Energy storage battery	4,146,764,927.67	27.21%	1,278,550,818.98	14.80%	224.33%
Transmission and distribution products	412,080,479.79	2.70%	323,300,788.20	3.74%	27.46%
Other Businesses	201,574,868.54	1.32%	427,462,839.74	4.95%	-52.84%
By products					
Power lithium battery	10,478,394,745.58	68.76%	6,608,552,054.40	76.51%	58.56%
Energy storage battery	4,146,764,927.67	27.21%	1,278,550,818.98	14.80%	224.33%

Transmission and distribution products	412,080,479.79	2.70%	323,300,788.20	3.74%	27.46%
Other Businesses	201,574,868.54	1.32%	427,462,839.74	4.95%	-52.84%
By regions					
The mainland of China	12,176,608,025.40	79.91%	7,866,028,790.45	91.06%	54.80%
Overseas (including Hong Kong, Macao, and Taiwan)	3,062,206,996.18	20.09%	771,837,710.87	8.94%	296.74%

Industry, product, or region accounting for more than 10% of the Company's operating revenue or profit

☼ Applicable □ Not applicable

Monetary Unit: RMB

	Operating revenue	Operating cost	Gross margin	Increase or decrease of operating income compared with the same period of last year	Increase and decrease of operating cost over the same period of last year	Increase or decrease of gross profit compared with the same period of last year
By Industry						
Power lithium battery	10,478,394,745.58	9,093,236,686.49	13.22%	58.56%	57.24%	5.84%
Energy storage battery	4,146,764,927.67	3,424,180,149.02	17.43%	224.33%	198.37%	70.17%
Transmission and distribution products	412,080,479.79	318,871,764.83	22.62%	27.46%	8.61%	146.13%
Other Businesses	201,574,868.54	63,313,217.03	68.59%	-52.84%	-62.21%	12.81%
By products						
Power lithium battery	10,478,394,745.58	9,093,236,686.49	13.22%	58.56%	57.24%	5.84%
Energy storage battery	4,146,764,927.67	3,424,180,149.02	17.43%	224.33%	198.37%	70.17%
Transmission and distribution products	412,080,479.79	318,871,764.83	22.62%	27.46%	8.61%	146.13%
Other Businesses	201,574,868.54	63,313,217.03	68.59%	-52.84%	-62.21%	12.81%
By regions						
The mainland of China	12,176,608,025.40	10,344,190,079.06	15.05%	54.80%	50.85%	16.93%
Overseas (including Hong Kong, Macao, and Taiwan)	3,062,206,996.18	2,555,411,738.31	16.55%	296.74%	364.74%	-44.56%

When the statistical caliber of the company's main business data is adjusted in the Reporting Period, the company's main business data should be subject to the one after the statistical caliber at the end of the Reporting Period is adjusted in the most recent year

□ Applicable ☼ Not applicable

## IV Analysis on non-main businesses

□ Applicable ☒ Not applicable

## V. Analysis of Assets and Liabilities

### 1. Significant changes in assets composition

Monetary Unit: RMB

	End of the Reporting Period		End of last year		Proportion increase and decrease	Notes on significant changes
	Amount	Proportion in total assets	Amount	Proportion in total assets		
Monetary funds	16,602,719,139.38	19.90%	14,122,371,543.66	19.44%	0.46%	No major changes.
Accounts receivable	12,569,619,758.88	15.07%	8,642,345,823.74	11.90%	3.17%	Mainly caused by increase in current revenue
Inventory	6,520,512,772.19	7.82%	7,584,033,662.25	10.44%	-2.62%	Mainly as a result of the increase in business revenues and the consumption of some treasury shares in the current period
Long-term equity investment	1,563,786,513.19	1.87%	1,085,613,368.72	1.49%	0.38%	Mainly caused by increase in current investment
Fixed assets	16,799,613,136.02	20.14%	11,785,279,959.06	16.23%	3.91%	Mainly as a result of conversion of the equipment and completion of construction of the current period
Construction in progress	12,584,412,072.81	15.09%	11,669,257,989.53	16.07%	-0.98%	No major changes.
Right-of-use assets	60,303,176.59	0.07%	52,798,126.55	0.07%	0.00%	No major changes.
Short-term loan	11,468,690,191.25	13.75%	10,820,704,180.47	14.90%	-1.15%	No major changes.
Contract liabilities	448,579,735.96	0.54%	603,577,134.25	0.83%	-0.29%	No major changes.
Long-term borrowings	15,508,820,033.74	18.59%	10,688,953,878.75	14.72%	3.87%	Mainly caused by increase in the scale of the current long-term borrowings

Lease liabilities	227,640,607.51	0.27%	163,978,672.33	0.23%	0.04%	No major changes.
Other non-current financial assets	1,082,456,284.19	1.30%	1,000,000,000.00	1.38%	-0.08%	No major changes.
Other non-current assets	2,028,263,964.78	2.43%	4,090,808,960.74	5.63%	-3.20%	Mainly as a result of lower prepayments for equipment and construction in the current period

## 2. Status of main overseas assets

☐ Applicable ☒ Not applicable

## 3. Assets and liabilities measured at fair value

☒ Applicable ☐ Not applicable

Monetary Unit: RMB

Item	Beginning Balance	Fair value change gain/loss in current period	Cumulative fair value change recognized in equity	Impairment recognized in the current period	Amount purchased in the current period	Amount sold in the current period	Other changes	Ending balance
Financial Assets								
1. Trading Financial Assets (excluding derivative financial assets)	3,514,006,212.53	50,311,122.26			3,673,270,004.80	3,313,900,000.00	37,111,936.65	3,960,799,276.24
2. Receivables financing	731,403,441.49						69,141,957.20	662,261,484.29
3. Other Debt Investments	4,875,220.00						182,840.00	5,058,060.00
4. Other Equity Instruments	510,468,495.43							510,468,495.43
5. Other Non-Current Financial Assets	1,000,000,000.00	82,456,284.19						1,082,456,284.19

Total Financial Assets	5,760,753,369.45	132,767,406.45			3,673,270,004.80	3,313,900,000.00	31,847,180.55	6,221,043,600.15
Sum of the Above	5,760,753,369.45	132,767,406.45			3,673,270,004.80	3,313,900,000.00	31,847,180.55	6,221,043,600.15
Financial Liabilities	0.00						0.00	0.00

During the reporting period, has there been a significant change in the measurement attributes of the company's major assets

☐ Applicable ☒ Not applicable

#### 4. Restrictions on asset rights as of the end of the Reporting Period

Item	Ending book value (RMB)	Reason for restriction
Monetary funds	2,990,132,600.57	Of which RMB 1.843 billion is a deposit, RMB 1.146 billion is a pledge for financing, and RMB 1 million is a judicial freeze
Fixed assets	2,054,443,662.07	Mortgaged for financing
Intangible assets	605,677,862.62	Mortgaged for financing
Receivables financing	146,855,750.50	Pledged for financing
Financial assets held for trading	569,005,358.35	Pledged for financing
Fixed assets	736,397,904.11	Property for financing
Right-of-use assets	27,130,584.06	Lease assets
Construction in progress	620,062,848.28	Property for financing
Other non-current assets	234,298,152.98	Property for financing
<b>Total</b>	<b>7,984,004,723.54</b>	

## VI. Analysis of investments

### 1. Overview

☒ Applicable ☐ Not applicable

Investment in the Reporting Period (RMB)	Investment over the Corresponding Period of Last Year	Rate of Change
6,149,496,981.18	6,327,022,927.16	-2.81%

### 2. Significant equity investments acquired during the Reporting Period

☐ Applicable ☒ Not applicable

### 3. Major non-equity investments underway during the Reporting Period

☒ Applicable ☐ Not applicable

Monetary Unit: RMB



Project	Investment Mode	The Investment in the Fixed Assets or Not	Involved industry in investment projects	Amount Invested in the Current Reporting Period	Cumulative Actual Investment as of the End of Reporting Period	Sources of funds	Progress of Project	Anticipated Income	Cumulative Income as of The End Of The Reporting Period	Reasons For Unreached Planned Progress And Anticipated Revenue	Disclosing Date (If Any)	Disclosing Index (If Any)
Power battery project with an annual output of 20GWh of Gotion Xinzhan	Self-construction	Yes	New energy industry	684,306,700.00	684,641,700.00	Own and self-raised funds		0.00	0.00	Not applicable	October 27, 2022	
Power battery production base project with an increased annual output of 10GWh (Phase II) by Liuzhou Gotion	Self-construction	Yes	New energy industry	72,520,293.00	139,786,693.00	Own and self-raised funds			0.00	Not applicable	December 27, 2022	
Total	--	--	--	756,826,993.00	824,428,393.00	--	--	0.00	0.00	--	--	--

#### 4. Financial assets investment

##### (1). Securities investment

⊗ Applicable □ Not applicable

Monetary Unit: RMB

Securities variety	Securities code	Securities abbreviation	Initial investment cost	Accounting measurement mode	Beginning book value	Changes in fair value gains and losses in the current period	Cumulative fair value changes in equity	Purchase amount of the Reporting Period	Sales amount of the Reporting Period	Profits and losses during the Reporting Period	Ending book value	Accounting subjects	Sources of funds
Domestic and foreign stocks	301217.SZ	Tongguan Copper Foil	262,880.828.64	Measurement at fair value	269,626.942.62	40,041,450.72	0.00	0.00	0.00	40,041,450.72	309,668,393.34	Financial assets held for trading	Own
Domestic and foreign stocks	688223.SH	Jinko SOLAR	2,500.00	Measurement at fair value	7,325.00	-295.00	0.00	0.00	0.00	-295.00	7,030.00	Financial assets held for trading	Own
Domestic and foreign stocks	000980.SZ	Zotye Automobile	23,561,256.80	Measurement at fair value	22,320,551.16	-9,431,218.80	0.00	0.00	0.00	-9,431,218.80	12,889,332.36	Financial assets held for trading	Own
Domestic and foreign stocks	601127.SH	SERES	204,999.971.52	Measurement at fair value	157,713.521.76	-12,699,113.28	0.00	0.00	0.00	-12,699,113.28	145,014,408.48	Financial assets held for trading	Own
Domestic and foreign stocks	301325.SZ	Manst	30,000,000.00	Measurement at fair value	0.00	14,726,562.50	0.00	30,000,000.00	0.00	14,726,562.50	44,726,562.50	Financial assets held for trading	Own
Total			521,444,556.96	--	449,668,340.54	32,637,386.14	0.00	30,000,000.00	0.00	32,637,386.14	512,305,726.68	--	--

**(2). Derivatives investment**

☐ Applicable ☒ Not applicable

The Company had no derivatives investments during the Reporting Period.

## 5. Utilization of raised funds

⊗ Applicable □ Not applicable

### (1) Overall utilization of raised funds

⊗ Applicable □ Not applicable

Monetary Unit: RMB ten thousand

Fund-raising year	Fund-raising method	Total fund-raising amount	Total amount of proceeds used in the current period	Cumulative amount of proceeds used	Total fund-raising amount with changed purpose during the Reporting Period	Cumulative amount of proceeds whose use is changed	Cumulative proportion of proceeds whose use is changed	Total amount of proceeds unused	Use and destination of proceeds unused	Amount of proceeds unused for more than two years
2021	Privately issued shares	723,085.51	107,003.54	327,276.6	0	532,278.38	73.61%	395,808.91	The Company's unused proceeds were deposited in the special account for proceeds and put into use as planned.	0
Total	--	723,085.51	107,003.54	327,276.6	0	532,278.38	73.61%	395,808.91	--	0
Description of the overall utilization of raised funds										
In 2021, the proceeds directly invested through the non-public offering of shares in this reporting period was RMB 1,070,035,400, and as of June 30, 2023, the Company had used the proceeds of RMB 3,272,766,000 (including the supplementary working capital).										

### (2) Committed project status with raised funds

⊗ Applicable □ Not applicable

Monetary Unit: RMB ten thousand

Committed investment projects and whereabouts	Whether the project has been changed (including partial)	Total fund raising commitment	Total investment after adjustment (1)	Amount Invested in the Current Reporting Period	Cumulative investment as of the end of the period	Investment progress as at the end of the period	Date when the project is ready for its intended use	Realized benefit of the current Reporting Period	Whether the expected benefits are achieved	Whether the project feasibility has changed significantly
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outs of super raise funds	change)				(2)	(3) = (2)/(1)				ntly
Committed investment projects										
Gotion Battery industria lization project with annual output of 16GWh high specific energy power Li-ion battery	Yes	532,464. 78	3,462.56	0	3,462.56				Not applicabl e	No
Gotion Material s project with an annual output of 30,000 tons of high nickel ternary cathode materials	No	100,000	100,000	8,474.97	24,009.2 6	24.01%	Decemb er 1, 2024		Not applicabl e	No
Addition al working capital	No	90,620.7 3	90,620.7 3	0	90,650	100.03%			Not applicabl e	No
Annual output of 20GWh Volkswa gen Standard Battery Project	No		532,278. 38	98,528.5 7	209,154. 78	39.29%	Septemb er 1, 2023		Not applicabl e	No
Subtotal of committ ed investme nt projects	--	723,085. 51	726,361. 67	107,003. 54	327,276. 6	--	--	0	--	--
Investment direction of super-raised funds										
None									Not applicabl e	

Total	--	723,085. 51	726,361. 67	107,003. 54	327,276. 6	--	--	0	--	--
Explain the circumstances and reasons for failing to achieve the planned schedule and projected revenue by the project (including reasons for selecting “Not applicable” for “Whether the expected benefits are achieved”)	Not applicable									
Explain the circumstance where the project feasibility experience significant changes	Not applicable									
Amount, purpose, and use of super raise funds	Not applicable									
Changes	Applicable									
	Occurred in previous years									

in the location of projects invested with super raise funds	The Company changed the equity investment project “Gotion Battery High Specific Energy Power Lithium Battery Industrialization Project with an Annual Output of 16GWh” to “Public Standard Battery Cell Project with an Annual Output of 20GWh”. The implementation subject is changed from the Company’s wholly-owned subsidiary Hefei Gotion Battery Co., Ltd. (hereinafter referred to as “Gotion Battery”) to the wholly-owned subsidiary Hefei Gotion Battery Technology Co., Ltd. (hereinafter referred to as “Gotion Battery Technology”), and the implementation place is changed from Hefei Economic and Technological Development Area to Hefei Xinzhan High-tech Industrial Development Zone.
Adjustment of the implementation mode of projects invested with super raise funds	Not applicable
Prior investment and replacement of projects invested with super raise funds	Not applicable
On the Temporary replenishment of working capital with idle raised funds	Not applicable
Amount of and reasons for the balance of super raise funds during project implementation	Not applicable
Use and destination	The Company’s unused proceeds were deposited in the special account for proceeds and put into use as planned.

on of unused proceeds	
Problems or other circumstances in the use and disclosure of proceeds	None

**(3) Changed project status with raised funds**

☞ Applicable ☐ Not applicable

Monetary Unit: RMB ten thousand

Changed projects	Original commitment projects	Total amount of proceeds to be invested in the changed project (1)	Actual Amount Invested in the Current Reporting Period	Cumulative actual investment as of the end of the period (2)	Investment progress as at the end of the period (3) = (2)/(1)	Date when the project is ready for its intended use	Realized benefit of the current Reporting Period	Whether the expected benefits are achieved	Whether there is any significant change in the feasibility of the changed projects
Annual output of 20GWh Volkswagen Standard Battery Project	Gotion Battery industrialization project with annual output of 16GWh high specific energy power Lithium battery	532,278.38	98,528.57	209,154.78	39.29%	September 1, 2023		Not applicable	No
Total	--	532,278.38	98,528.57	209,154.78	--	--	0	--	--
Explain the reasons for change, decision-making procedures, and disclosure of information (by specific projects)		<p>1. Status of change and causes</p> <p>The Company changed the equity investment project “Gotion Battery High Specific Energy Power Lithium Battery Industrialization Project with an Annual Output of 16GWh” to “Volkswagen Standard Battery Cell Project with an Annual Output of 20GWh”. The implementation subject is changed from the Company's wholly-owned subsidiary Gotion Battery to the wholly-owned subsidiary Gotion Battery Technology, and the implementation place is changed from Hefei Economic and Technological Development Area to Hefei Xinzhan High-tech Industrial Development Zone. After reaching a strategic cooperation agreement, the Company and Volkswagen China have carried out comprehensive cooperation. So far, the Company has received</p>							

	<p>nomination letters for supply of VW Unified Cell, including unified NCM and LFP battery cell, which will be used in VW domestic MEB platform products. In 2021, driven by the rapid growth of new energy vehicles, China's installed capacity of power batteries totaled 154.5GWh, a year-on-year growth of 142.8%, of which lithium iron phosphate batteries accounted for more than 51%. In order to meet the rapidly growing market demand for new energy vehicles, according to the Company's future strategic development planning, and in view of the fact that land to be used in the original equity investment project can no longer meet the needs of project construction, if the Company continues to push forward the implementation of the original plan, it may increase the cost of construction, energy consumption, labor costs, site maintenance, etc., leading to greater difficulty in project implementation. Therefore, the Company changed the use of proceeds. It changed the equity investment project to the "Volkswagen Standard Battery Cell Project with an Annual Output of 20GWh", which would be implemented by the Company's wholly-owned subsidiary Gotion Battery Technology in Hefei New Railway Station High-tech Industrial Development Zone. After the completion of the above changes, the Company will accelerate the investment and construction of the project, improve the efficiency of the use of proceeds, and further expand the market share of the Company's products.</p> <p>2. Decision-making procedures</p> <p>On April 27, 2022, the 16th meeting of the eighth Board of Directors of the Company deliberated and approved the Proposal on Change of the Use of Raised Funds. At the same time, the Board of Supervisors gave an opinion with express consent; the independent directors gave their opinions with express consent; and Haitong Securities Co., Ltd. issued a non-objectionable verification opinion in this regard. On May 23, 2022, the 2021 Annual General Meeting of Shareholders of the Company considered and passed the aforesaid proposal.</p> <p>Apart from the aforesaid changes, as of June 30, 2023, no other changes have occurred in the Company's projects invested with raised funds, and there has been no external transfer or replacement of such projects.</p>
Conditions and reasons for unreached planned progress or anticipated revenue (in terms of specific projects)	Not applicable
Explain the circumstance where the changed project's feasibility experience significant changes	None

## VII. Sale of major assets and equity

### 1. Major assets sales

☐ Applicable ☒ Not applicable

No major assets sales in the Reporting Period of the Company.

### 2. Major equity sales

☐ Applicable ☒ Not applicable

## VIII. Analysis of the major holding companies and joint stock companies

☐ Applicable ☒ Not applicable

There was no important information about the Company's holding and participating companies that should be disclosed during the Reporting Period.



## IX. Description of the structured subject controlled by the Company

☐ Applicable ☒ Not applicable

## X. Risks that the Company may face and countermeasures

### (I) Risk of fluctuations in the macroeconomy and market

In the face of an increasingly complex international environment, the sustained growth of the global macro economy faces great challenges. If global economic growth slows down and market demand declines, the sustained and rapid development of the new energy industry will also be affected. Meanwhile, with increasing geopolitical risks, trade protectionism, and other issues, restrictions on the overseas development of Chinese enterprises will have an adverse impact on the Company's operating performance and financial position.

Coping strategy: The Company works closely around the established annual business plan, enhances scientific and technological innovation, strengthens organizational construction, optimizes operation management, and minimizes the impact of market fluctuations and policy changes; at the same time, it keeps an eye on macroeconomic trends and market dynamics at home and abroad, and takes timely and effective measures to deal with risks, and works with partners to cope with changes and achieve mutual benefit and win-win results.

### (II) Increased Market Competition and Raw Material Supply Risk

Against the backdrop of strong global demand for lithium batteries, domestic and foreign battery companies have continued to release large-scale capacity expansion plans, and some automobile companies are even proposing to build a portion of their own battery capacity. The rapid expansion of production capacity may lead to a structural oversupply of products as well as a significant drop in product prices. New technologies such as sodium-ion batteries, hydrogen fuel cells, and condensed batteries have also brought certain challenges to lithium-ion batteries. In the meantime, some of the upstream raw materials are subject to large price fluctuations due to price changes and market supply and demand conditions, which in turn may lead to supply risks.

Countermeasures: The Company has enhanced the performance of batteries in a market-oriented manner, introduced forward-looking technologies, and created products with good quality and low price, so as to enhance the Company's market competitiveness, maintain its leading position in the increasingly competitive market, and steadily increase its market share. The Company has adopted measures such as self-production, joint ventures, recycling, and signing strategic agreements to safeguard the security and stability of its supply chain. The Company has tracked the market supply, demand, and price changes of important raw materials in a timely manner and carried out hedging business of raw materials as required to lock in the procurement costs.

### (III) Risk of impairment of accounts receivable

With the significant increase in the Company's operating revenue, the balance of its accounts receivable has increased. Although the age of the accounts receivable is mainly within 1 year and the Company's customers are mainly new energy vehicle manufacturers (with strong financial strength and good reputation), and the Company has also formulated a robust accrual policy of provision for credit loss and increased its efforts to collect outstanding debts, the Company's production and operation will be adversely affected if the relevant accounts receivable are not recovered in a timely manner.

Coping strategy: The Company has improved the technology conversion rate, with technological innovation and customer demand going hand in hand, to ensure the reliability and priority of the technology. It focuses its resources on developing strategic customers with timely payment and strong financial strength, in order to optimize the customer structure. It has increased its efforts to call for payment from its original customers, controlled the overall credit scale, and strengthened the assessment of accounts receivable.

## Section IV Corporate Governance

### I. Relevant Situation of the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders Held in the Reporting Period

#### 1. The shareholders' meetings for this Reporting Period

Conference Session	Conference Type	Percentage of Investors Involved	Date of Conference	Date of Disclosure	Meeting Resolution
The First Extraordinary General Meeting of Shareholders in 2023	Extraordinary General Meeting	30.82%	January 18, 2023	January 19, 2023	For more information, please refer to the Announcement of Resolutions Made on the First Interim Shareholders' General Meeting in 2023 in <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> (Announcement No. 2022-006)
Second Interim Shareholders' General Meeting in 2023	Extraordinary General Meeting	30.29%	April 26, 2023	April 27, 2023	For more information, please refer to the Announcement of Resolutions Made on the Second Interim Shareholders' General Meeting in 2023 in <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> (Announcement No. 2022-023)
2022 Annual General Meeting of Shareholders	Annual General Meeting	34.45%	May 25, 2023	May 26, 2023	For more information, please refer to the Announcement on the Resolutions Made on the 2022 Annual General Meeting of Shareholders in <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> (Announcement No. 2023-047)

#### 2. Convening of the interim shareholders' general meetings upon request of the preferred stockholders whose voting rights are restored

☐ Applicable ☒ Not applicable

## II. Changes of Directors, Supervisors and Senior Management of the Company

☞ Applicable ☐ Not applicable

Name	Position Held	Type	Date	Causes
Zhou Yi	Independent Director	Leave upon expiration of the tenure of service	January 18, 2023	Left office in a general election
Qiao Yun	Independent Director	Elected	January 18, 2023	Appointed by a general election
Frank Engel	Director	Resigned	March 30, 2023	Resignation due to personal job adjustment, no longer hold other positions in the Company thereafter
Li Chen	Vice General Manager	Leave upon expiration of the tenure of service	March 30, 2023	Not re-elected due to personal job adjustment, and remain in the Company thereafter
Olaf Korzinovski	Director	Elected	April 26, 2023	By-election employment

## III. Profit Distribution and Capital Reserve Converted to Share Capital in the Reporting Period

☐ Applicable ☞ Not applicable

The Company does not plan to distribute cash dividends, bonus shares, or increase share capital with reserved funds in the six months.

## IV. Implementation of the Company's equity incentive plan, employee stock ownership plan or other employee incentive measures

☞ Applicable ☐ Not applicable

### 1. Equity incentives

#### (1) 2021 Stock Option Incentive Plan ("2021 Incentive Plan")

① On August 26, 2021, the Company held the Thirteenth Meeting of the eighth Board of Directors, at which it considered and passed the "Proposal on 2021 Stock Option Incentive Plan of the Company (Draft) and its Summary", the "Proposal on the Management Measures for the Implementation and Assessment of 2021 Stock Option Incentive Plan of the Company", and the "Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to 2021 Stock Option Incentive Plan", and agreed to grant 29.98 million stock options to 1,087 eligible incentive objects at the exercise price of RMB 39.30 per share. The incentive objects include the Company's directors, executives, and core technical (business) personnel.

② On August 26, 2021, the Company held the Thirteenth Meeting of the eighth Board of Supervisors, at which it considered and passed the "Proposal on 2021 Stock Option Incentive Plan of the Company (Draft) and its Summary", the "Proposal on the Management Measures for the Implementation and Assessment of 2021 Stock

Option Incentive Plan of the Company”, and the “Proposal on Reviewing the List of Incentive Objects under the Company's 2021 Stock Option Incentive Plan”. The Board of Supervisors verified the list of incentive objects for the 2021 Incentive Plan and issued a verification opinion.

③ From September 1, 2021 to September 10, 2021, the Company publicized the names and positions of the incentive objects of the 2021 Incentive Plan within the Company. During the publicity period, the Board of Supervisors of the Company did not receive any objection related to the proposed incentive object of the 2021 Incentive Plan. On September 11, 2021, the Company disclosed the “Information Note and Verification Opinion on the Public Announcement of the List of Incentive Objects under the Company’s 2021 Stock Option Incentive Plan” (Announcement No.: 2021-079).

④ On September 15, 2021, the Company held the Third Extraordinary General Meeting of Shareholders in 2021, at which it considered and passed the “Proposal on 2021 Stock Option Incentive Plan of the Company (Draft) and its Summary”, the “Proposal on the Management Measures for the Implementation and Assessment of 2021 Stock Option Incentive Plan of the Company”, and the “Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to 2021 Stock Option Incentive Plan”. At the same time, the Company conducted a self-inspection on the trading of the Company's shares by insiders and incentive objects in the 6 months before the announcement of the 2021 Incentive Plan, and did not find any cases of insider trading shares using inside information. On September 16, 2021, the Company disclosed the “Self-inspection Report on the Trading of the Company’s Shares by Insiders and Incentive Objects of the 2021 Stock Option Incentive Plan” (Announcement No.: 2021-082).

⑤ On October 28, 2021, the Company held the 14<sup>th</sup> meeting of the eighth Board of Directors and the 14<sup>th</sup> meeting of the eighth Board of Supervisors, at which it reviewed and passed the “Proposal on Matters Related to the Adjustment of the 2021 Stock Option Incentive Plan” and the “Proposal on Granting Stock Options to Incentive Objects”. The number of incentive objects granted under the 2021 Incentive Plan was adjusted from 1,087 to 1,063, and the total number of stock options granted was not adjusted. At the same time, the authorization date for the 2021 Incentive Plan is determined to be October 28, 2021. The Board of Supervisors verified the list of incentive objects for this grant of stock options.

⑥ On November 16, 2021, the Company disclosed the “Announcement on Completion of the Grant Registration of the 2021 Stock Option Incentive Plan” (Announcement No.: 2021- 096). The 2021 Incentive Plan has completed the grant registration procedures in Shenzhen Branch, CSDC. 29.98 million stock options were actually granted to 1,063 incentive objects who met the conditions for the grant.

⑦ On July 7, 2022, the Company held the 18<sup>th</sup> meeting of the eighth Board of Directors and the 19<sup>th</sup> meeting of the eighth Board of Supervisors, at which it reviewed and passed the “Proposal on Adjusting the Exercise Price of 2021 Stock Option Incentive Plan”. The exercise price of 2021 Incentive Plan was adjusted from RMB 39.30/share to RMB 39.20/share.

⑧ The first waiting period for 2021 Incentive Plan has expired on November 14, 2022. As of the end of the reporting period, the 2021 Incentive Plan had not been lifted.

## **(2) 2022 Stock Option Incentive Plan (“2022 Incentive Plan”)**

① On April 27, 2022, the Company held the 16<sup>th</sup> meeting of the eighth Board of Directors of the Company, at which it reviewed and passed the “Proposal on 2022 Stock Option Incentive Plan of the Company (Draft) and its Summary”, the “Proposal on the Management Measures for the Implementation and Assessment of 2022 Stock Option Incentive Plan of the Company”, and the “Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to 2022 Stock Option Incentive Plan.” And 60 million stock options are to be granted to the incentive objects. It is agreed to grant 48 million stock options to the eligible 1,757 first-time incentive objects, accounting for approximately 2.88% of the total share capital of the Company (166,470,783,500 shares) as of the date of the announcement of the draft 2022 Incentive Plan, and 80.00% of the total stock options to be granted under the 2022 Incentive Plan, with an exercise price of RMB 18.77/share. The incentive objects include the Company's directors, executives, and key technical (business) personnel. 12 million stock options were reserved, representing approximately 0.72% of the total share capital of the Company (166,470,783,500 shares) as at the date of announcement of the draft 2022 Incentive Plan and 20.00% of the total stock options to be granted under the 2022 Incentive Plan.

② On April 27, 2022, the Company held the 16<sup>th</sup> Meeting of the eighth Board of Supervisors, at which it reviewed and passed the "Proposal on 2022 Stock Option Incentive Plan of the Company (Draft) and its Summary", the "Proposal on the Management Measures for the Implementation and Assessment of 2022 Stock Option Incentive Plan of the Company", and the "Proposal on Reviewing the List of First-Time Incentive Objects under the Company's 2022 Stock Option Incentive Plan". The Board of Supervisors verified the list of first-time incentive objects for the 2022 Incentive Plan and issued a verification opinion.

③ From April 30, 2022 to May 9, 2022, the Company made public the names and positions of the first-time incentive objects under the 2022 Incentive Plan within the Company. During the publicity period, the Board of Supervisors of the Company did not receive any objection related to the first-time incentive object of the 2022 Incentive Plan. On May 11, 2022, the Company disclosed the “Information Note and Verification Opinion on the Public Announcement of the List of First-time Incentive Objects under the Company's 2022 Stock Option Incentive Plan” (Announcement No.: 2022-047).

④ On May 23, 2022, the Company held the 2021 Annual General Meeting of Shareholders, at which it reviewed and passed the “Proposal on 2022 Stock Option Incentive Plan of the Company (Draft) and its Summary”, the “Proposal on the Management Measures for the Implementation and Assessment of 2022 Stock Option Incentive Plan of the Company”, and the “Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to 2022 Stock Option Incentive Plan”. At the same time, the Company conducted a self-inspection on the trading of the Company's shares by insiders and incentive objects in the six months before the first public disclosure of the draft 2022 Incentive Plan. On May 24, 2022, the Company disclosed

the “Self-inspection Report on the Trading of the Company’s Shares by Insiders and Incentive Objects of the 2022 Stock Option Incentive Plan” (Announcement No.: 2022-050).

⑤ On July 7, 2022, the Company held the 18<sup>th</sup> meeting of the eighth Board of Directors and the 19<sup>th</sup> meeting of the eighth Board of Supervisors, at which it reviewed and passed the “Proposal on Matters Related to the Adjustment of the 2022 Stock Option Incentive Plan” and the “Proposal on First Granting Stock Options to Incentive Objects”. The number of first-time incentive objects under the 2022 Incentive Plan was adjusted from 1,757 to 1,723, the total number of stock options granted for the first time was adjusted from 48 million to 47.75 million, and the total number of stock options reserved for the grant was adjusted from 12 million to 11.9375 million. The total number of grants was adjusted from 60 million to 59.6875 million, and the exercise price of the stock options granted for the first time and reserved for the grant was adjusted from RMB 18.77 per share to RMB 18.67 per share. At the same time, the first authorization date for the 2022 Incentive Plan is determined to be July 8, 2022. The Board of Supervisors verified the list of incentive objects for this grant of stock options.

⑥ On July 22, 2022, the Company disclosed the “Announcement on Completion of the First Grant Registration of the 2022 Stock Option Incentive Plan” (Announcement No.: 2022-067). The 2022 Incentive Plan has completed the first grant registration procedure at the Shenzhen branch, CSDC. 47.75 million stock options were actually granted to 1,723 incentive objects who met the grant conditions at an exercise price of RMB 18.67 per share.

⑦ The first waiting period for the first grant of stock options under the 2022 incentive Scheme has expired on July 19, 2023. As of the end of the reporting period, the 2022 Incentive Plan had not been lifted.

Note: The stock options reserved for the 2022 Incentive Plan have not been granted within 12 months after the approval of the Company’s General Meeting of Shareholders (that is, before May 23, 2023), and some of the reserved options have lapsed.

## 2. Implementation of employee stock ownership plan

☞ Applicable ☐ Not applicable

Status of all active employee stock ownership plan during the Reporting Period

Scope of employees	Number of employees	Number of shareholding (shares)	Status of change	Proportion to the total share capital of a listed company	Sources of funds to implement the plan
Directors (excluding independent directors), supervisors, and executives of the Company, and key backbone employees or employees in key positions who are	284	7,570,800	During the Reporting Period, due to the voluntary resignation of some holders of the Phase II employee stock ownership plan, they have lost their qualification, and a	0.43%	The legal remuneration and self-raised funds of the participants.

identified by the Board of Directors as having made outstanding contributions to the development of the Company.			total of 381,600 shares held by them are recovered.		
Directors (excluding independent directors), supervisors, and executives of the Company, and key backbone employees or employees in key positions who are identified by the Board of Directors as having made outstanding contributions to the development of the Company.	100	3,133,684	During the Reporting Period, due to the adjustment of the holders of the Phase III employee stock ownership plan, the Company re-granted a total of 508,000 shares under the stock ownership plan to eligible employees.	0.18%	The legal remuneration and self-raised funds of the participants.

## Shareholdings of the directors, supervisors and senior executives in employee stock ownership plans during the Reporting Period

Name	Position	Number of shares held at the beginning of the Reporting Period (share)	Number of shares held at the end of the Reporting Period (share)	Proportion to the total share capital of a listed company
Steven Cai	Director	350,472	350,472	0.02%
Zhang Hongli	Director	110,094	110,094	0.01%
Wang Qisui	Vice General Manager	120,047	120,047	0.01%
Wang Qiang	Vice General Manager	150,236	150,236	0.01%
Zhang Wei	Vice General Manager	173,194	173,194	0.01%
Sun Aiming	Vice General Manager	50,000	50,000	0.00%
Yang Dafa	Chairman of the Board of Supervisors	29,014	29,014	0.00%
Wu Yibing	Supervisor	20,000	20,000	0.00%
Li Chen	Vice General Manager (resigned during the Reporting Period)	50,000	50,000	0.00%

## Changes in asset management institutions during the Reporting Period

☐ Applicable ☒ Not applicable

## Changes in equity caused by shares disposed of by holders during the Reporting Period

☐ Applicable ☒ Not applicable

## Exercise of the shareholders' rights during the Reporting Period

During the Reporting Period, the Phase II employee stock ownership plan and the Phase III employee stock ownership plan are involved in 3 General Meetings of Shareholders, at which the voting rights are exercised respectively.

## Statements on other relevant circumstances of the employee stock ownership plan during the Reporting Period

☐ Applicable ☒ Not applicable



Changes in the membership of the employee stock ownership plan Management Committee

☐ Applicable ☒ Not applicable

The financial impact of the employee stock ownership plan on listed companies in the Reporting Period and related accounting treatment

☐ Applicable ☒ Not applicable

Status of the termination of the employee stock ownership plan during the Reporting Period

☐ Applicable ☒ Not applicable

Other notes:

## 1. Second employee stock ownership plan

(1) On November 26, 2021, the Company held the 15<sup>th</sup> meeting of the eighth Board of Directors, deliberating and passing the “Proposal on the Realization of the 2020 Performance Evaluation Indicators of the Phase II employee stock ownership plan”. And the performance evaluation indicators of the second unlocking period of this employee stock ownership plan were not met. The shares of the second unlocking period of this employee stock ownership plan will be unlocked from November 19, 2021, and the number of unlocked shares will be 30% of the total shares under this employee stock ownership plan (3,785,363 shares). The funds from selling the underlying shares of that period shall belong to the Company, and the Company will return the original contribution and 10% of the capital cost to the holder within the limit of the amount of the capital (Announcement No.: 2021-099). As of the end of this Reporting Period, the Company’s shares corresponding to the above second unlocking period (i.e., 3,785,363 shares) have not been sold.

(2) On April 27, 2022 and May 23, 2022, the Company held the 16<sup>th</sup> meeting of the eighth Board of Directors and the 2021 Annual General Meeting of Shareholders respectively, deliberating and passing the “Proposal on Adjusting the Performance Evaluation Content of the Phase II employee stock ownership plan of the Company”. In view of the fact that the performance evaluation indicators of the third unlocking period set in the Phase II employee stock ownership plan of the Company can no longer match the Company's business conditions in the current year, in order to improve the incentive function of the employee stock ownership plan, the Company will change the performance evaluation year and evaluation indicators of the third unlocking period of Phase II employee stock ownership plan from “achieving an operating revenue of no less than RMB 16 billion in 2021” to “achieving an operating revenue of no less than RMB 20 billion in 2022” (Announcement Nos.: 2022-015, 2022-031, 2022-049).

(3) On April 26, 2023, the Company held the second meeting of the ninth Board of Directors, deliberating and passing the “Proposal on the Satisfaction of the Unlocking Conditions for the Third Unlocking Period of the Phase II employee stock ownership plan”, and the unlocking conditions for the third unlocking period have been met. The third unlocking period of the employee stock ownership plan will start on November 19, 2022, and the number of underlying shares that can be unlocked is 3,785,363 shares, 30% of the total shares under the Phase II employee stock ownership plan. The funds from selling the underlying shares corresponding to the period shall be distributed according to the holder's share after deducting the relevant taxes in accordance with the law (Announcement No.: 2023-038). As of the end of this Reporting Period, the Company’s shares corresponding to the above third unlocking period (i.e., 3,785,363 shares) have not been sold.

(4) On May 18, 2023, the Company disclosed the “Suggestive Announcement Regarding the Impending Expiration of the Term of the Phase II employee stock ownership plan” (Announcement No.: 2023-046), the duration of the employee stock ownership plan will expire on November 18, 2023. From the date of announcement

to the expiration of the duration, the Management Committee will, according to the authorization of the holders' meeting, sell the underlying shares at an appropriate time during the duration, and distribute the cash assets from the sale in accordance with the resolution of the Board of Directors.

## **2. Third employee stock ownership plan**

(1) On December 20, 2022, the Company held the 21<sup>st</sup> meeting of the eighth Board of Directors of the Company, considering and passing the "Proposal on the Satisfaction of the Unlocking Conditions for the First Unlocking Period of the Phase III employee stock ownership plan", and the unlocking conditions for the first unlocking period have been met. The unlocking proportion is 40% of the total shares under the employee stock ownership plan (i.e., 1,253,473 shares) (Announcement No.: 2022-139).

(2) On January 19, 2023, the Company disclosed the "Suggestive Announcement Regarding the Impending Expiration of the Lock Period of the First Shares under the Phase III employee stock ownership plan" (Announcement No.: 2023-007), and the first unlocking period of the employee stock ownership plan was unlocked on January 17, 2023. The Management Committee will sell the corresponding underlying shares at its chosen time during the duration, and distribute the cash assets from the sale of the shares held in the employee stock ownership plan according to the shares held by the holders after deducting the relevant taxes in accordance with the law. As of the end of this Reporting Period, the shares of the Company corresponding to the first unlocking period mentioned above (i.e., 1,253,473 shares) have not been sold.

## **3. Other employee incentive measures**

☐ Applicable ☒ Not applicable

## Section V Environmental and Social Responsibilities

### I. Major Environmental Issues

Whether the listed company and its subsidiaries belong to the key pollutant discharging units announced by the environmental protection department

☑ Yes ☐ No

Environmental protection-related policies and industry standards

During the Reporting Period, Gotion High-tech has been protecting the environment and preventing pollution in strict accordance with the requirements of the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, and the *Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution*. The Company discharges waste gas, waste water, and solid waste in accordance with the “Emission standard of pollutants for the battery industry”, the “Discharge standard of water pollutants for the electronic industry”, and the “Emission standard of air pollutants for boiler”.

Gotion High-tech has signed cooperation agreements with professional institutions to provide services regarding environmental protection laws and regulations for the Company, and to regularly identify environmental protection laws and regulations and industry standards. All subsidiaries strictly abide by the provisions of the national laws, regulations, and standards on waste water, waste gas, noise, solid waste, and soil pollution that should be followed by enterprises and implements the environmental protection requirements in the industry standards.

Environmental protection administrative licenses

During the Reporting Period, in accordance with the requirements of relevant national laws and regulations on environmental protection, Gotion High-tech and its subsidiaries completed the procedures of environmental impact assessment for new, reformed, and expanded projects in accordance with the law, obtained government approvals on time, and strictly implemented the “Three Simultaneities” for national environmental protection. The Company strictly followed the requirements in the environmental impact assessment to build pollution prevention and control equipment and facilities for wastewater, waste gas, noise, hazardous waste, etc., carried out regular maintenance and repair to ensure the normal operation of the facilities, strictly controlled the concentration of pollutant emissions, and developed pollutant emission reduction measures while ensuring that the emissions are up to the standards, to contribute to the protection and improvement of the ecological environment.

Industry emission standards and the specific details of pollutant emissions associated with production and operational activities:

Name of the Company	Types of major pollutant	Names of major pollutant	Implementation of	Number of discharge	Distribution of emission	Emission concentration	Pollutant emission standard	Total emissions	Total approved	Excessive emission
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Company or subsidiary	Major and particular pollutants	Major and particular pollutants	Major emission	Number of outlets	Outlet	Concentration/intensity	Standards implemented		Actual emissions	
Yichun Kefeng New Material Co., Ltd.	Air pollutants	Sulfur dioxide	Organized emissions	2	Roasting exhaust outlet; drying exhaust outlet	45.2mg/m <sup>3</sup>	Other emission standard in Table 3 of "Emission standards of pollutants for the inorganic chemical industry" (GB31573-2015): 100mg/m <sup>3</sup>	7.724t/half year	42.74t/a	None
Yichun Kefeng New Material Co., Ltd.	Air pollutants	Nitrogen oxides	Organized emissions	2	Roasting exhaust outlet; drying exhaust outlet	109.5mg/m <sup>3</sup>	All emission standards in Table 3 of "Emission standards of pollutants for the inorganic chemical industry" (GB31573-2015): 200mg/m <sup>3</sup>	15.589t/half year	50.99t/a	None
Yichun Kefeng New Material Co., Ltd.	Water pollutants	COD	Indirect emission	1	Main waste water outlet	13.8mg/L	Indirect emission standard in Table 1 of "Emission standards of	0.387t/half year	1.74t/a	None

							pollutants for the inorganic chemical industry ” (GB31573-2015): 200mg/L			
Yichun Kefeng New Material Co., Ltd.	Water pollutants	Ammonia nitrogen	Indirect emission	1	Main waste water outlet	3.4mg/L	Indirect emission standard in Table 1 of “Emission standards of pollutants for the inorganic chemical industry ” (GB31573-2015): 40mg/L	0.096t/half year	0.26t/a	None
Hefei Gotion High-Tech Power Energy Co., Ltd.	Water pollutants	COD	Indirect emission	1	Main sewage outlet	13.3mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutants for battery industry " (GB 30484-2013): 150 mg/L	0.197t/half year	3.184t/a	None
Hefei Gotion High-Tech Power Energy Co., Ltd.	Water pollutants	Ammonia nitrogen	Indirect emission	1	Main sewage outlet	0.32mg/L	Indirect emission standard in Table 2 of "Emission standard of	0.005t/half year	0.531t/a	None

							pollutants for battery industry" (GB 30484-2013): 30mg/L			
Hefei Gotion High-Tech Power Energy Co., Ltd.	Air pollutants	Non-methane hydrocarbon	Organized emissions	2	Organic exhaust outlet	2.9mg/m <sup>3</sup>	Air pollutant emission limits for new enterprises in Table 5 of "Emission standard of pollutants for battery industry" (GB 30484-2013): 50mg/m <sup>3</sup>	0.09t/half year	13.828t/a	None
Tangshan Gotion Battery Co., Ltd.	Air pollutants	Non-methane hydrocarbon	Organized emissions	3	Organic exhaust outlet	2.0mg/m <sup>3</sup>	Air pollutant emission limits for new enterprises in Table 5 of "Emission Standards for Pollutants in the Battery Industry" (GB30484-2013): 50mg/m <sup>3</sup>	0.5t/half year	11.02t/a	None
Tangshan Gotion Battery Co., Ltd.	Water pollutants	COD	Indirect emission	1	Main sewage outlet	50mg/L	Indirect emission standard in Table 2 of "Emission	0.33t/half year	1.223t/a	None

							standard of pollutants for battery industry " (GB 30484-2013): 150 mg/L			
Tangshan Gotion Battery Co., Ltd.	Water pollutants	Ammonia nitrogen	Indirect emission	1	Main sewage outlet	5.0mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutants for battery industry " (GB 30484-2013): 30mg/L	0.033t/half year	0.1t/a	None
Hefei Gotion Battery Co., Ltd.	Water pollutants	COD	Indirect emission	1	Main sewage outlet	43.0mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutants for battery industry " (GB 30484-2013): 150 mg/L	0.54t/half year	2.843t/a	None
Hefei Gotion Battery Co., Ltd.	Water pollutants	Ammonia nitrogen	Indirect emission	1	Main sewage outlet	10.05mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutants for battery	0.0845t/half year	0.204t/a	None

							industry " (GB 30484- 2013): 30mg/L			
Hefei Gotion Battery Co., Ltd.	Air pollutant s	Non- methane hydrocar bon	Organize d emission s	7	Organic exhaust outlet	9.1mg/m <sup>3</sup>	Air pollutant emission limits for new enterpris es in Table 5 of "Emissio n Standard s for Pollutant s in the Battery Industry " (GB304 84- 2013): 50mg/m <sup>3</sup>	0.642t/h alf year	3.93t/a	None
Hefei Gotion Battery Co., Ltd.	Air pollutant s	Nitrogen oxides	Organize d emission s	1	Gas boiler exhaust outlet	34.3mg/ m <sup>3</sup>	Special emission limits for air pollutant s in Table 3 of “Emissio n standard of air pollutant s for boiler” (GB132 71- 2014): 150mg/ m <sup>3</sup>	1.55t/hal f year	4.08t/a	None
Hefei Gotion Battery Co., Ltd.	Air pollutant s	Sulfur dioxide	Organize d emission s	1	Gas boiler exhaust outlet	2.5mg/m <sup>3</sup>	Special emission limits for air pollutant s in Table 3 of “Emissio n standard	0.10t/hal f year	1.08t/a	None



							of air pollutant s for boiler” (GB132 71- 2014): 50mg/m <sup>3</sup>			
Hefei Gotion Battery Co., Ltd.	Air pollutant s	Particulate matter	Organized emission s	1	Gas boiler exhaust outlet	1.2mg/m <sup>3</sup>	Special emission limits for air pollutant s in Table 3 of “Emission standard of air pollutant s for boiler” (GB132 71- 2014): 20mg/m <sup>3</sup>	0.036t/half year	2.59t/a	None
Nanjing Gotion Battery Co., Ltd.	Water pollutant s	Total nitrogen	Indirect emission	1	Main waste water outlet	17.8mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutant s for battery industry " (GB 30484- 2013): 40mg/L	0.01t/half year	0.259t/a	None
Nanjing Gotion Battery Co., Ltd.	Water pollutant s	Ammonia nitrogen	Indirect emission	1	Main waste water outlet	1.2mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutant s for battery industry " (GB	0.001t/half year	0.194t/a	None

							30484-2013): 30mg/L			
Nanjing Gotion Battery Co., Ltd.	Water pollutants	COD	Indirect emission	1	Main waste water outlet	35.0mg/L	Indirect emission standard in Table 2 of "Emission standard of pollutants for battery industry" (GB 30484-2013): 150 mg/L	0.013t/half year	0.972t/a	None
Nantong Asitong Electrical Apparatus Co., Ltd.	Air pollutants	Particulate matter	Organized emissions	1	Spraying dust outlet	17.0mg/m <sup>3</sup>	Emission concentration of air pollutants from new sources (Other) in Table 2 of "Integrated emission standard of air pollutants" (GB16297-1996): 120mg/m <sup>3</sup>	5.80t/half year	20t/a	None
Nantong Asitong Electrical Apparatus Co., Ltd.	Air pollutants	Non-methane hydrocarbon	Organized emissions	1	Drying and curing exhaust outlet	1.5mg/m <sup>3</sup>	Emission concentration of air pollutants from new sources in Table 2 of "Integrated	0.450t/half year	1.0t/a	None

							emission standard of air pollutants" (GB16297-1996): 120mg/m <sup>3</sup>			
Nantong Asitong Electrical Apparatus Co., Ltd.	Air pollutants	Sulfuric acid mist	Organized emissions	1	Pickling exhaust outlet	0.5mg/m <sup>3</sup>	Emission concentration of air pollutants from new sources (Other) in Table 2 of "Integrated emission standard of air pollutants" (GB16297-1996): 45mg/m <sup>3</sup>	0.450t/half year	2t/a	None

## Pollutant disposal

The Company adheres to the mission of "making green energy serve mankind". Guided by the environmental protection concept of "upholding the realization of green manufacturing and taking the road of sustainable development", it actively establishes a sound environmental management system and improves the implementation of environmental management rules and regulations. The Company has formulated a special management system and emergency response plan for the production process that is prone to environmental pollution, strengthened the supervision of production pollutant emission and monitoring, ensured clean production, and built an environment-friendly and interpersonal harmonious enterprise. The Company has a specially-assigned person responsible for the management and maintenance of its environmental protection facilities, which are designed, constructed, and put into production and use at the same time as the main project.

During the Reporting Period, the Company's pollution prevention and control facilities and systems were operating normally. The industrial wastewater produced is treated and discharged to the standard. The production waste gas is treated by the corresponding waste gas treatment facilities and discharged to the standard. Solid wastes are collected and stored separately according to relevant regulations, among which, household wastes are disposed of by the sanitation department, general industrial solid wastes are disposed of by technically competent recyclers,

and hazardous wastes are disposed of by units qualified for hazardous wastes operation license. The Company prepares a hazardous waste management plan every year and timely files it with the local ecological environment department. The Company has taken measures like sound insulation, noise reduction, sound absorption, and vibration damping for noise equipment to reduce noise emissions, and the noise at the boundary is in line with the relevant emission standards.

#### Emergency plan for sudden environmental incidents

The subsidiaries of the Company commissioned qualified units to prepare contingency plans for environmental emergencies based on the relevant documents such as the *National Environmental Emergency Response Plan*, and in light of the actual situation, filing them with the local environmental protection authorities, and revising them every three years. At the same time, the Company regularly carries out emergency drills for environmental emergencies, improves the ability of emergency management, ensures that emergency incidents are effectively controlled when they occur, and reduces their harm to the environment.

#### Information on investment in environmental governance and protection and payment of environmental protection tax

During the Reporting Period, all subsidiaries of Gotion High-tech invested in environmental protection from wastewater treatment, waste gas treatment, noise treatment, solid waste treatment, and soil pollution treatment in strict accordance with the requirements of national laws and regulations and local environmental protection policies, and paid environmental protection tax on time every quarter.

#### Environmental self-monitoring program

The subsidiaries of the Company organize self-monitoring and information disclosure of pollutants discharged according to the *Measures for the Self-Monitoring and Information Disclosure by the Enterprises subject to Intensive Monitoring and Control of the State (for Trial Implementation)* (HF [2013] No. 81) issued by the Ministry of Environmental Protection and the latest implementation requirements of pollutant discharge permit. They have developed a self-monitoring program, which requires regular annual testing in strict accordance with the requirements thereof and the disclosure of monitoring information.

#### Administrative punishments imposed for environmental problems in the report period

Name of the Company or subsidiary	Cause for the punishment	Description of violation	Result of punishment	Impact on the production and operation of listed companies	Rectifying measures of the Company
None	None	None	None	None	None

#### Other environmental information that should be disclosed

Not applicable

#### Actions taken to reduce carbon discharge and their effect in the report period

☞ Applicable ☐ Not applicable

During the Reporting Period, the Company actively responded to the national “carbon peaking and carbon neutrality goals” and promoted energy conservation and consumption reduction measures. The subsidiaries of

Gotion High-tech initiated a total of 79 energy-saving and carbon reduction projects to reduce greenhouse gas emissions by 29,600 tonnes of carbon dioxide equivalent through measures such as equipment optimization and retrofitting. At the same time, the Company actively increased the proportion of renewable energy use, reducing greenhouse gas emissions of 15,700 tons of carbon dioxide equivalent by using photo-voltaic power.

Other environmental protection related information

The Company is the vice-chair unit of the Anhui Environmental Federation, assisting and cooperating with the government in achieving the environmental goals and tasks of Anhui Province, safeguarding the public and social environmental rights and interests, and promoting the development of environmental protection undertakings and environmental protection industries in Anhui Province.

## II. Social Responsibilities

### (I) Consolidate Poverty Alleviation Achievements and Boost Rural Revitalization

While pursuing high-quality development, the Company never forgets to repay society, and effectively fulfills its corporate social responsibility. During the Reporting Period, the Company focused on various public welfare activities to help and rescue needy and vulnerable groups, making corresponding contributions to consolidating the achievements in poverty alleviation and rural revitalization.

#### 1. Help projects

(1) “Two-Festival” heart-warming activities: in early 2023, the Company continuously and deeply carried out the “Two-Festival” heart-warming activities, A total of RMB 400,000 was given to 200 workers in difficulty as condolence payments, with each worker receiving RMB 2,000.

(2) Help fund: The help fund is a special help system set up by the Company for employees in difficulties. During the Reporting Period, a total of 12 employees have been helped through the help fund, and a total of RMB 223,000 of help funds is used.

(3) Party member donation: In June 2023, an employee of the Company suffered from a disease, and the Party Committee of the Company organized all party members to make love donations, raising more than RMB 90,000.

#### 2. Love donation

On January 11, Gotion Battery Material donated RMB 100,000 to the families of martyrs in Lujiang County.

On January 19, Tongcheng Gotion donated RMB 50,000 to Tongcheng Yiyang Nursing Home and Tongcheng Disabled Persons' Federation.

On May 12, Tongcheng Gotion donated RMB 200,000 to support the development of the cause for the disabled in Tongcheng at the 2023 Tongcheng Working Conference on Persons with Disabilities.

On May 31, the trade union of Jiangxi Gotion went to Yuanmei Primary School, Nanmiao Town, Yuanzhou District, Yichun, carrying out the love activity of collecting bursaries and helping to achieve students' dreams under the theme of “Flowers to the Sun, Children to the Party”, and giving school bags, cakes, and other holiday gifts to the students.

On June 12, Jiangxi Gotion purchased agricultural and sideline products from Yuanmei Village, Nanmiao Town, Yichun, to promote the joint construction of enterprises and villages through consumption and to help rural revitalization.

On June 26, Gotion High-tech carried out the charitable donation activity of “Gotion Helping Students all over Yangtze River and Huai River” in Shanghai Construction Group Hope Primary School in Lujiang County, donating teaching materials worth RMB 150,000, including air conditioners, office tables and chairs, computers, and printers.

## **(II) Follow-up Work Plan of the Year**

### **1. Caring for students**

In order to revitalize rural education and build a beautiful countryside, the Company visited the recipient areas and investigated their practical needs, and planned to carry out a series of charity activities in 2023.

### **2. Community co-construction**

The Company plans to cooperate with the relevant administrative units of Hefei Xinzhan District and Baohe District to carry out the community co-construction.

## Section VI Significant Events

### I. Commitments made by the Company's controlling shareholders, shareholders, related parties, purchasers and purchasing companies and have been fulfilled during the Reporting Period and those that have not been fulfilled by the end of the Reporting Period

☞ Applicable ☐ Not applicable

Commitments	Party making commitments	Commitment Type	Content	Time	Term	Performance
The commitments made in the acquisition report or equity change report	Volkswagen China	Commitment on restricted shares	“Except as required by laws, regulations, normative documents, or regulatory authorities, Volkswagen China will not transfer the Company's shares obtained through this share transfer within 18 months after the completion of this equity change.”	May 28, 2020	From November 30, 2021 to May 29, 2023	Fulfilled
Whether the commitment is fulfilled on time	Yes					
Where the commitment is overdue, the specific reasons for not completing the performance and the following work plan shall be explained in detail	Not applicable					

### II. Non-operational capital occupation over listed companies by controlling shareholders and their related parties

☐ Applicable ☞ Not applicable

During the Reporting Period, there is no non-operational capital occupation over listed companies by controlling shareholders and

their related parties.

### III. Illegal external guarantees

☐ Applicable ☒ Not applicable

In the report period, there is no illegal guarantee provided by the Company.

### IV. Employment or dismissal of accounting firms

Whether the semi-annual financial report is not audited or not

☐ Yes ☒ No

The semi-annual report of the Company is not audited.

### V. Explanations made by the Board of Directors and the Board of Supervisors on the “Non-standard Audit Report” from the accounting firm during the Reporting Period

☐ Applicable ☒ Not applicable

### VI. Statement by the Board of Directors on the “Non-Standard Audit Report” of the Last Year

☐ Applicable ☒ Not applicable

### VII. Matters related to bankruptcy reorganization

☐ Applicable ☒ Not applicable

No such case as bankruptcy and reorganization related event during the Reporting Period.

### VIII. Legal Actions

Major lawsuit and arbitration matters

☐ Applicable ☒ Not applicable

There is no major lawsuit or arbitration during this Reporting Period.

Other legal actions

☒ Applicable ☐ Not applicable

Basic information of litigation (arbitration)	Amount of money involved in the case (RMB '0,000 )	Whether the expected liabilities are formed	Progress of litigation (arbitration)	Result and impact of litigation (arbitration) proceedings	Enforcement of litigation (arbitration) judgments	Date of Disclosure	Disclosure Index
Hefei Gotion High-tech Power Energy Co., Ltd. v. Anhui	2,509.04	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		



Oupeng Power Technology Co., Ltd. Sales Contract Dispute							
Hunan Lithium Star Mining Technology Co., Ltd. v. Yichun Kefeng New Materials Co., Ltd. Equity Transfer Dispute	4,315.86	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		
Hefei Gotion High-tech Power Energy Co., Ltd. v. Weltmeister New Energy Automotive Parts (Wenzhou) Co., Ltd. Sales Contract Dispute	8,371.84	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		
Hefei Gotion High-tech Power Energy Co., Ltd. v. Shandong Yujie Ma New Energy Automobile Manufacturing Co., Ltd. Sales Contract Dispute	1,738.9	No	Bankruptcy pre-reorganization	completion of creditor claims declaration	Undistributed		
Hengtian New Energy Automobile Co., Ltd. v. Tianjin Hengtian New Energy Automobile Research Institute Co., Ltd., Hefei	2,186.33	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		

Gotion High-tech Power Energy Co., Ltd., Beijing Hengtian Xin Neng New Energy Automobile Technology Co., Ltd. Loan Contract Dispute							
In 2022, China Hengtian Group Co., Ltd. v. Tianjin Hengtian New Energy Automobile Research Institute Co., Ltd., Hefei Gotion High-tech Power Energy Co., Ltd., Beijing Hengtian Xin Neng New Energy Automobile Technology Co., Ltd., and 8 other defendants Loan Contract Dispute	4,899	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		
Yichun Jinyuan Investment Co., Ltd. v. Jiangxi Hezong Lithium Industry Technology Co., Ltd. Subrogation Right Dispute	2,805.08	No	Judgment rendered	No Material Effect	It has been ruled that Yichun Kefeng New Materials Co., Ltd. bears joint and several liability.		
Hefei Gotion High-tech Power Energy Co., Ltd. v.	9,982.23	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		

Shanghai Shenlong Bus Co., Ltd. Sales Contract Dispute							
Hefei Gotion High-tech Power Energy Co., Ltd. v. LETIN (Shandong) Supply Chain Management Co., Ltd., LETIN Automotive Group Co., Ltd. Sales Contract Dispute	3,347.36	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		
Hefei Gotion High-tech Power Energy Co., Ltd. v. Henan Yujie Era Automotive Co., Ltd. Sales Contract Dispute	5,958.97	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		
Nantong Gotion New Energy Technology Co., Ltd. v. LETIN (Shandong) Supply Chain Management Co., Ltd., Reading Automotive Group Co., Ltd. Sales Contract Dispute	14,719.17	No	Judgment has not been rendered yet	No Material Effect	Judgment has not been rendered yet		
Other cases that have been concluded and are in the execution phase	51,943.51	No	Execution phase	No Material Effect	In execution		

## IX. Penalties and Rectification

☐ Applicable ☒ Not applicable

## X. Integrity of the Company, Its Controlling Shareholders and Actual Controllers

☐ Applicable ☒ Not applicable

## XI. Significant Related-Party Transactions

### 1. Related transactions relevant to daily operations

☒ Applicable ☐ Not applicable

Related trading parties	Related relationship	Type of related transaction	Contents of related-party transaction	Pricing principle of related-party transactions	Price of related-party transactions	Amount of related-party transactions (RMB '0,000)	Proportion to the amount of similar transactions	Approved trading limit (RMB '0,000)	Whether the approved limit is exceeded	Settlement method of related-party transactions	Available market price of similar transactions	Date of Disclosure	Disclosure Index
Anhui Tongguan Copper Foil Group Co., Ltd.	Companies that have had an association in the past 12 months or the next 12 months	Material procurement	Copper foil	Market price	Market price	10,020.5	14.86%	30,000	No	In currency	10,020.5	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
MCC Ramu New Energy	Mr. Wang Qiang	Material procurement	Ternary precursors	Market price	Market price	8,574.8	71.11%	50,000	No	In currency	8,574.8	April 28, 2023	Announcement on the

y Techn ology Co., Ltd.	Deput y Gener al Mana ger of the Comp any, serves as its direct or												Forec ast of Daily Relate d Party Trans action s in 2023 (Anno unce ment No.: 2023- 032) in www. cninfo .com. cn
Anhui Gotio n Xiang lv Techn ology Co., Ltd.	A comp any contro lled by the De Facto Contr oller	Mater ial procu rement	Batter y box and access ories	Marke t pricin g	Marke t price	11,60 9.29	28.01 %	50,00 0	No	In curren cy	11,60 9.29	April 28, 2023	Anno unce ment on the Forec ast of Daily Relate d Party Trans action s in 2023 (Anno unce ment No.: 2023- 032) in www. cninfo .com. cn
Gotio n Holdi ng Group Co., Ltd. and its subsidi aries	A comp any contro lled by the De Facto Contr oller	Mater ial procu rement	Batter y case, lithiu m carbo nate, therm al pads, and other	Marke t pricin g	Marke t price	1,268. 91	1.00%	10,00 0	No	In curren cy	1,268. 91	April 28, 2023	Anno unce ment on the Forec ast of Daily Relate d Party Trans action

			materials										s in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
Anhui Chiyu New Material Technology Co., Ltd.	Companies controlled by Gotion Holding, one of the controlling shareholders	Material procurement	Battery box and accessories	Market pricing	Market price	6,610.28	14.96%	10,000	No	In currency	6,610.28	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
Hefei Qianrui Technology Co., Ltd.	Companies controlled by Gotion Holding, one of the controlling shareholders	Material procurement	Electrolyte, dimethyl carbonate	Market pricing	Market price	19,570.88	25.01%	60,000	No	In currency	19,570.88	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-032)

													in www. cninfo .com. cn
Hefei Yuan yuan Techn ology Co., Ltd.	Comp anies contro lled by Gotio n Holdi ng, one of the contro lling shareh olders	Mater ial procu rement	Carbo n coated alumi num foil	Marke t pricin g	Marke t price	5,168. 39	21.93 %	45,00 0	No	In curren cy	5,168. 39	April 28, 2023	Anno unce ment on the Forec ast of Daily Relate d Party Trans action s in 2023 (Anno unce ment No.: 2023- 032) in www. cninfo .com. cn
Gotio n Holdi ng Group Co., Ltd. and its subsidi aries	A comp any contro lled by the De Facto Contr oller	Accep ting labor servic e	Prope rty servic e, cantee n cost, etc.	Marke t pricin g	Marke t price	5,979. 08	100.0 0%	30,00 0	No	In curren cy	5,979. 08	April 28, 2023	Anno unce ment on the Forec ast of Daily Relate d Party Trans action s in 2023 (Anno unce ment No.: 2023- 032) in www. cninfo .com. cn
Gotio n Holdi	Gotio n Holdi	Accep ting labor	After- sales servic	Marke t pricin	Marke t price	127.2 9	49.23 %	20,00 0	No	In curren cy	127.2 9	April 28, 2023	Anno unce ment

ing and its subsidiaries	ng is one of the controlling shareholders of the Company	service	fee	g									on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
Tata Auto Comp Gotion Green Energy Application Co., Ltd.	Mr. Li Chen, the former Deputy General Manager of the Company, serves as its director	Sale of goods and materials	Battery cell, BMS, etc.	Market pricing	Market price	16,519.51	2.76%	180,000	No	In currency	16,519.51	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
Volkswagen China and its related companies	Volkswagen China is the largest shareholder of the Company	Sales of goods	Battery cell	Market pricing	Market price	11,170.99	1.97%	50,000	No	In currency	11,170.99	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions



													actions in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
Innovative (Suzhou) New Energy Technology Co., Ltd.	Joint ventures of Volkswagen China	Sales of goods	Modules	Market pricing	Market price	3,103.94	21.65%	35,000	No	In currency	3,103.94	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-032) in www.cninfo.com.cn
Nanjing Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the De Facto Controller	Sales of goods	Battery cell, energy storage, mold	Market pricing	Market price	51,665.63	5.96%	100,000	No	In currency	51,665.63	April 28, 2023	Announcement on the Forecast of Daily Related Party Transactions in 2023 (Announcement No.: 2023-

													032) in www. cninfo .com. cn
Volks wagen China and its relate d comp anies	Volks wagen China is the larges t shareh older of the Comp any	Rende ring of servic e	Devel opme nt consul ting fee and trainin g servic e fee	Marke t pricin g	Marke t price	3,792. 94	43.07 %	30,00 0	No	In curren cy	3,792. 94	April 28, 2023	Anno unce ment on the Forec ast of Daily Relate d Party Trans action s in 2023 (Anno unce ment No.: 2023- 032) in www. cninfo .com. cn
Total				--	--	155,1 82.43	--	700,0 00	--	--	--	--	--
Details of large sales return				None									
Actual fulfillment during the Reporting Period of daily related transactions to be incurred in the current period where the total amount of such transactions is projected by category (if any)				Not applicable									
Reasons for the significant difference between the transaction price and the market reference price (if applicable)				Not applicable									

## 2. Related transactions in acquisition or sale of assets or equities

☐ Applicable ☒ Not applicable

There are no related-party transactions in acquisition or sale of assets or equities in the Reporting Period of the Company.

## 3. Significant related-party transactions arising from joint investments on external parties

☐ Applicable ☒ Not applicable

There are no related-party transactions arising from joint investments on external parties in the Reporting Period of the Company.

**4. Related-party creditor's rights and debts**

☐ Applicable ☒ Not applicable

No such case as related credits and debts during the Reporting Period.

**5. Transactions with related financial companies**

☐ Applicable ☒ Not applicable

There is no deposit, loan, credit or other financial business transaction between the Company and its associated financial companies and affiliates.

**6. Transactions between financial companies controlled by the Company and affiliates**

☐ Applicable ☒ Not applicable

There is no deposit, loan, credit or other financial business transaction between financial companies controlled by the Company and affiliates.

**7. Other significant related-party transactions**

☐ Applicable ☒ Not applicable

There are no other major related transactions during the Reporting Period of the Company.

**XII. Significant Contracts and Performance****1. Matters on trusteeship, contracting, and leasehold****(1) Matters on trusteeship**

☐ Applicable ☒ Not applicable

No such case as custody during the Reporting Period.

**(2) Contracting**

☐ Applicable ☒ Not applicable

No such case as contracting during the Reporting Period.

**(3) Leasing**

☒ Applicable ☐ Not applicable

Explanations on leases

As at the end of the Reporting Period, the Company carried out the financial leasing business of sale-leaseback and direct equipment leasing as follows:

No.	Lessee	Lessor	Financial lease implementation	Lease inception Year	Lease principal (RMB '0,000)	Whether the rent is paid on time	Due or not	Remarks
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1	Hefei Gotion High-Tech Power Energy Co., Ltd.	Everbright Fianancial Leasing Co., Ltd.	Sales and leaseback	2022	20,000.00	Yes	No	
2	Hefei Gotion High-Tech Power Energy Co., Ltd.	Haitong Unitrust International Leasing Co., Ltd.	Sales and leaseback	2022	32,000.00	Yes	No	
3	Gotion New Energy (Lujiang) Co., Ltd.	Everbright Fianancial Leasing Co., Ltd.	Sales and leaseback	2022	20,000.00	Yes	No	
4	Lessee I: Hefei Gotion High-Tech Power Energy Co., Ltd. Lessee II: Nanjing Gotion Battery Co., Ltd.	Everbright Fianancial Leasing Co., Ltd.	Sales and leaseback	2022	20,000.00	Yes	No	Joint tenancy
5	Hefei Gotion Battery Material Co., Ltd.	China Development Bank Leasing Co., Ltd.	Sales and leaseback	2022	37,000.00	Yes	No	
6	Lessee I: Tangshan Gotion Battery Co., Ltd. Lessee II: Hefei Gotion High-Tech Power Energy Co., Ltd.	Bank of Communications Financial Leasing Co.,Ltd.	Sales and leaseback	2022	27,000.00	Yes	No	Joint tenancy
7	Lessee I: Qingdao Gotion Battery Co., Ltd. Lessee II: Hefei Gotion High-Tech Power Energy Co., Ltd.	Bank of Communications Financial Leasing Co.,Ltd.	Sales and leaseback	2022	20,000.00	Yes	No	Joint tenancy
8	Hefei Gotion Cycle Technology Co., Ltd.	Far East International Financial Leasing Co., Ltd.	Direct equipment leasing	2022	3,045.00	Yes	No	
9	Neimenggu Gotion Zero Carbon Technology Co., Ltd.	Huishang Bank Financial Leasing Co., Ltd.	Direct equipment leasing	2022	24,789.18	Yes	No	
10	Yichun Gotion Battery Co., Ltd.	Far East International Financial Leasing Co., Ltd.	Sales and leaseback	2022	4,000.00	Yes	No	
11	Tangshan Gotion Battery Co., Ltd.	Bank of Communications Financial Leasing Co.,Ltd.	Sales and leaseback	2023	30,000.00	Yes	No	

Cases that brought the profit and loss accounted for more than 10% of the Company's total profit during the Reporting Period

☐ Applicable ☒ Not applicable

No such leases that brought the profit and loss accounted for more than 10% of the Company's total profit during the Reporting Period.

## 2. Significant guarantees

☒ Applicable ☐ Not applicable

Monetary Unit: RMB ten thousand

External guarantees from the Company and its subsidiaries (excluding guarantees to the subsidiaries)										
Guaranteed party	Announcement date of disclosure of the guarantee	Guarantee amount	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee situation (if any)	Term of guarantee	Due or not	Guarantee for related parties or not

	e cap									
MCC Ramu New Energy Technology Co., Ltd.	April 28, 2023	30,000	January 31, 2019	4,500	Joint and several liability guarantee	None	Counter-guarantee of the equivalent amount provided by Mr. Li Zhen in respect of this guarantee matter	A term of 6 years	No	Yes
MCC Ramu New Energy Technology Co., Ltd.	April 28, 2023	18,000	January 5, 2022	8,250	Joint and several liability guarantee	None	None	A term of 8.25 years	No	Yes
Shanghai Electric Gotion New Energy Technology Co., Ltd.	April 28, 2023	9,114	November 22, 2018	6,804.09	Joint and several liability guarantee	None	Counter-guarantee of the equivalent amount provided by Mr. Li Zhen in respect of this guarantee matter	A term of 8 years	No	No
Shanghai Electric Gotion New Energy Technology Co., Ltd.	April 28, 2023	29,400	May 9, 2020	29,400	Joint and several liability guarantee	None	Shanghai Electronic Gotion New Energy Technology (Nantong) Co., Ltd. provides a counter-guarantee with the same amount for this guarantee	A term of 10 years	No	No

Hefei Xingyuan New Energy Materials Co., Ltd.	April 28, 2023	4,174	January 14, 2022	2,000	Joint and several liability guarantee	None	Counter-guarantee of the equivalent amount provided by Hefei Senior New Energy Materials Co., Ltd. in respect of this guarantee matter	A term of 6 years	No	No
Hefei Xingyuan New Energy Materials Co., Ltd.	April 28, 2023	15,200	July 5, 2022	10,787.61	Joint and several liability guarantee	Plant and construction in progress	Counter-guarantee of the equivalent amount provided by Hefei Senior New Energy Materials Co., Ltd. in respect of this guarantee matter	A term of 9 years	No	No
Hefei Xingyuan New Energy Materials Co., Ltd.	April 28, 2023	8,000	January 10, 2022	8,000	Joint and several liability guarantee	None	Counter-guarantee of the equivalent amount provided by Hefei Senior New Energy Materials Co., Ltd. in respect of this guarantee matter	A term of 1 year	Yes	No
Hefei Xingyuan New Energy	April 28, 2023	2,200	June 23, 2022	1,800	Joint and several liability guarantee	None	Counter-guarantee of the equivalent	A term of 1 year	Yes	No

Material s Co., Ltd.					e		nt amount provided by Hefei Senior New Energy Material s Co., Ltd. in respect of this guarante e matter			
Total amount of guarantees approved during the Reporting Period (A1)		0		Total amount of guarantees actually occurred during the Reporting Period (A2)		2,575.6				
Total amount of guarantees approved by the end of the Reporting Period (A3)		105,800		Total balance of guarantees at the end of the Reporting Period (A4)		63,055.25				
Company's guarantees to subsidiaries										
Guarant eed party	Announc ement date of disclosur e of the guarante e cap	Guarante e amount	Actual occurren ce date	Actual guarante e amount	Type of guarante e	Collatera l (if any)	Counter- guarante e situation (if any)	Term of guarante e	Due or not	Guarante e for related parties or not
Hefei Gotion High- Tech Power Energy Co., Ltd.	April 28, 2023	180,000	March 23, 2022	10,000	Joint and several liability guarante e	None	None	A term of 5 years	No	No
Hefei Gotion High- Tech Power Energy Co., Ltd.	April 28, 2023	180,000	March 24, 2022	15,000	Joint and several liability guarante e	None	None	A term of 5 years	No	No
Hefei Gotion High- Tech Power Energy Co., Ltd.	April 28, 2023	180,000	June 24, 2022	3,000	Joint and several liability guarante e	None	None	A term of 5 years	No	No
Hefei Gotion High-	April 28, 2023	180,000	August 30, 2022	15,000	Joint and several liability	None	None	A term of 5 years	No	No

Tech Power Energy Co., Ltd.					guarantee					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	October 20, 2022	4,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	January 1, 2023	5,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	January 1, 2023	9,450	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	January 1, 2023	7,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	January 1, 2023	7,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	January 1, 2023	4,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	February 10, 2023	10,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech	April 28, 2023	180,000	March 16, 2023	20,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No



Power Energy Co., Ltd.					e					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	June 20, 2023	9,750	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	August 30, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	February 9, 2021	10,000	Joint and several liability guarantee	None	None	A term of 2 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	March 19, 2021	20,000	Joint and several liability guarantee	None	None	A term of 2 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	June 18, 2021	4,750	Joint and several liability guarantee	None	None	A term of 2 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	180,000	June 29, 2021	5,000	Joint and several liability guarantee	None	None	A term of 2 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	September 29, 2021	6,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power	April 28, 2023	96,000	April 15, 2022	4,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No

Energy Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	June 30, 2022	3,600	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	January 1, 2023	11,400	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	May 16, 2023	19,800	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	May 29, 2023	11,880	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	January 1, 2023	2,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	May 11, 2023	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	June 16, 2023	3,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy	April 28, 2023	96,000	April 28, 2023	8,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No

Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	June 9, 2020	4,500	Joint and several liability guarantee	None	None	A term of 3 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	June 16, 2020	7,500	Joint and several liability guarantee	None	None	A term of 3 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	May 11, 2022	17,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	May 16, 2022	3,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	June 24, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	96,000	October 28, 2022	8,000	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	12,239.1	March 29, 2023	9,066	Joint and several liability guarantee	None	None	A term of 10 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	24,000	February 14, 2023	10,240	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No

Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	24,000	May 25, 2023	9,760	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	24,000	April 27, 2022	10,240	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	24,000	November 3, 2022	9,760	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	June 30, 2020	20,000	Joint and several liability guarantee	None	None	A term of 3 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	July 1, 2021	9,500	Joint and several liability guarantee	None	None	A term of 2 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	February 1, 2022	20,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	April 20, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	June 24, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei	April 28,	184,000	Decemb	3,000	Joint and	None	None	A term	No	No

Gotion High-Tech Power Energy Co., Ltd.	2023		er 14, 2020		several liability guarantee			of 5 years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	June 26, 2023	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	September 23, 2022	10,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	January 1, 2023	10,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	December 12, 2022	10,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	February 14, 2023	20,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	April 1, 2023	10,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	184,000	April 26, 2023	10,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion	April 28, 2023	184,000	June 28, 2023	10,000	Joint and several	None	None	A term of 3	No	No

High-Tech Power Energy Co., Ltd.					liability guarantee			years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	9,000	April 30, 2022	7,200	Joint and several liability guarantee	None	None	A term of 8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	59,000	January 20, 2022	27,600	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	59,000	February 23, 2022	4,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	September 1, 2020	19,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	59,000	February 28, 2023	4,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	59,000	July 5, 2022	10,400	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	59,000	August 5, 2022	13,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-	April 28, 2023	59,000	September 21, 2022	3,500	Joint and several liability	None	None	A term of 4 years	No	No

Tech Power Energy Co., Ltd.					guarantee					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	59,000	January 16, 2023	27,600	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	April 30, 2020	15,000	Joint and several liability guarantee	None	None	A term of 3 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	22,000	March 26, 2021	22,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	November 29, 2021	17,000	Joint and several liability guarantee	None	None	A term of 8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	7,000	May 30, 2022	5,500	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	May 18, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	June 17, 2022	3,600	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech	April 28, 2023	100,000	June 29, 2022	6,000	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No

Power Energy Co., Ltd.					e					
Hefei Gotion High-Tech Power Energy Co., Ltd	April 28, 2023	100,000	July 8, 2022	6,000	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	July 28, 2022	9,000	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	August 3, 2022	9,000	Joint and several liability guarantee	None	None	A term of 0.6 years	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	October 23, 2020	5,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	May 19, 2023	10,000	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	December 15, 2022	5,000	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	January 5, 2023	5,000	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Hefei Gotion High-Tech Power	April 28, 2023	100,000	September 29, 2022	10,800	Joint and several liability guarantee	None	None	A term of 4 years	No	No



Energy Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	May 22, 2023	5,000	Joint and several liability guarantee	None	None	A term of 3.7 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	February 24, 2023	15,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	December 27, 2022	7,800	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	January 13, 2023	12,600	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	March 30, 2023	8,400	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	100,000	April 25, 2023	6,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	June 10, 2022	4,900	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	August 25, 2022	4,900	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No

Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	November 20, 2020	9,500	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	September 23, 2022	7,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	November 28, 2022	3,520	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	March 10, 2023	9,800	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	49,500	April 17, 2023	15,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	200,000	December 30, 2022	13,400	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	200,000	January 21, 2022	9,800	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	200,000	May 25, 2023	50,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No

Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	200,000	June 30, 2023	5,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	200,000	June 30, 2023	20,172.59	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	200,000	June 13, 2023	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	August 31, 2022	5,000	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	December 15, 2022	9,700	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	June 30, 2023	5,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	September 20, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	September 29, 2022	7,600	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei	April 28,	40,000	Septemb	5,000	Joint and	None	None	A term	No	No

Gotion High-Tech Power Energy Co., Ltd.	2023		er 29, 2022		several liability guarantee			of 4 years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	November 23, 2022	9,800	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	December 20, 2022	5,000	Joint and several liability guarantee	None	None	A term of 3.6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	December 30, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	January 16, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 7, 2023	9,999.5	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	December 8, 2022	7,000	Joint and several liability guarantee	None	None	A term of 3.7 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	December 20, 2022	3,000	Joint and several liability guarantee	None	None	A term of 3.6 years	No	No
Hefei Gotion	April 28, 2023	30,000	July 28, 2022	30,000	Joint and several	None	None	A term of 4	No	No

High-Tech Power Energy Co., Ltd.					liability guarantee			years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	36,000	June 29, 2023	36,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	5,000	September 9, 2022	5,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	5,000	September 29, 2022	5,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	5,000	August 31, 2022	4,500	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	5,000	September 21, 2022	4,500	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	5,000	September 28, 2022	4,500	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	5,000	February 28, 2023	4,500	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	March 29, 2023	9,000	Joint and several liability	None	None	A term of 2.8 years	No	No

Tech Power Energy Co., Ltd.					guarantee					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	March 30, 2023	9,000	Joint and several liability guarantee	None	None	A term of 2.9 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	10,000	March 30, 2023	9,000	Joint and several liability guarantee	None	None	A term of 2.8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 30, 2023	18,000	Joint and several liability guarantee	None	None	A term of 2.9 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	50,000	March 23, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	50,000	March 22, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	50,000	July 27, 2022	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	50,000	May 9, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech	April 28, 2023	40,000	February 24, 2022	1,800	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No

Power Energy Co., Ltd.					e					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	June 29, 2022	900	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	July 21, 2022	16,800	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	December 1, 2022	8,400	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	January 29, 2022	4,980	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	February 28, 2023	1,800	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	March 27, 2023	800	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	March 27, 2023	800	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power	April 28, 2023	40,000	June 28, 2023	800	Joint and several liability guarantee	None	None	A term of 4 years	No	No

Energy Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	June 15, 2023	1,600	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	December 1, 2022	3,570	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	February 9, 2023	16,800	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	42,000	November 23, 2022	4,480	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 14, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	September 6, 2022	5,000	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	December 1, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy	April 28, 2023	20,000	March 10, 2023	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No



Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 15, 2023	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	May 6, 2023	5,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	28,000	April 2, 2022	7,000	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	28,000	August 19, 2022	7,000	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	28,000	December 8, 2022	5,950	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	28,000	February 23, 2023	7,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	28,000	December 8, 2022	8,050	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	28,000	January 12, 2023	7,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No

Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 28, 2022	9,800	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 24, 2023	6,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 27, 2023	9,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	June 21, 2023	1,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	February 23, 2022	4,500	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	October 21, 2022	7,700	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	October 14, 2022	7,700	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	May 11, 2023	7,700	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei	April 28,	40,000	Novemb	10,000	Joint and	None	None	A term	No	No

Gotion High-Tech Power Energy Co., Ltd.	2023		er 8, 2022		several liability guarantee			of 4 years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	November 15, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	40,000	March 1, 2023	4,600	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	August 29, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	August 29, 2022	11,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	June 29, 2023	19,999.99	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	June 30, 2023	8,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	June 30, 2023	12,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion	April 28, 2023	80,000	August 31, 2022	8,000	Joint and several	None	None	A term of 4	No	No

High-Tech Power Energy Co., Ltd.					liability guarantee			years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	September 29, 2022	800	Joint and several liability guarantee	None	None	A term of 3.9 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	80,000	September 30, 2022	10,200	Joint and several liability guarantee	None	None	A term of 3.9 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	April 29, 2022	6,000	Joint and several liability guarantee	None	None	A term of 0.9 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	March 29, 2023	6,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	January 19, 2023	10,000	Joint and several liability guarantee	None	None	A term of 3.7 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	March 28, 2023	3,975	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	45,500	January 12, 2023	9,996	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-	April 28, 2023	45,500	May 18, 2023	7,700	Joint and several liability	None	None	A term of 3.5 years	No	No

Tech Power Energy Co., Ltd.					guarantee					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	45,500	June 1, 2023	7,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	45,500	November 11, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	45,500	July 6, 2022	9,975	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	45,500	November 15, 2022	7,700	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	45,500	November 25, 2022	7,000	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	50,000	January 10, 2023	15,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	50,000	January 10, 2023	15,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech	April 28, 2023	50,000	January 10, 2023	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No

Power Energy Co., Ltd.					e					
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	July 28, 2022	15,234.98	Joint and several liability guarantee	Part of the equipment of Hefei Gotion	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	December 29, 2022	16,819.11	Joint and several liability guarantee	Part of the equipment of Nanjing Gotion Battery	None	A term of 5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	December 2, 2022	16,666.67	Joint and several liability guarantee	Part of the equipment of Qingdao Gotion	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	27,000	December 2, 2022	22,500	Joint and several liability guarantee	Part of the equipment of Tangshan Gotion	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	September 26, 2022	15,000	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	April 12, 2023	15,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	32,000	September 22, 2022	24,457.08	Joint and several liability guarantee	Part of the equipment of Hefei Gotion	None	A term of 6 years	No	No
Hefei Gotion High-Tech Power	April 28, 2023	20,000	June 2, 2022	5,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No

Energy Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	November 18, 2022	15,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	December 15, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	December 29, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	February 28, 2023	15,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	20,000	March 16, 2023	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	54,000	May 29, 2023	9,810	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	54,000	June 9, 2023	10,170	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	May 31, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No

Co., Ltd.										
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	June 16, 2023	8,800	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 28, 2023	30,000	June 16, 2023	9,999.5	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion Battery Technology Co., Ltd.	April 28, 2023	320,000	March 17, 2023	49,870.76	Joint and several liability guarantee	None	None	A term of 10 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	January 13, 2022	9,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	January 27, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	January 29, 2022	6,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	March 3, 2022	15,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	September 26, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	January 17, 2023	6,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	53,000	January 17, 2023	9,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao	April 28,	53,000	January	10,000	Joint and	None	None	A term	No	No



Gotion Battery Co., Ltd.	2023		17, 2023		several liability guarantee			of 4 years		
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	April 19, 2022	10,000	Joint and several liability guarantee	None	None	A term of 0.9 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	April 22, 2022	10,000	Joint and several liability guarantee	None	None	A term of 0.9 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	April 26, 2022	10,000	Joint and several liability guarantee	None	None	A term of 0.9 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	March 14, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	March 18, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	March 25, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	67,500	June 27, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	18,000	June 28, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	18,000	July 15, 2022	8,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 28, 2023	5,000	July 29, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Qingdao Gotion Battery	April 28, 2023	5,500	October 28, 2022	5,000	Joint and several liability	None	None	A term of 4 years	No	No

Co., Ltd.					guarante e					
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	4,900	October 20, 2022	4,900	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	March 25, 2022	3,000	Joint and several liability guarante e	None	None	A term of 1 year	Yes	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	Novemb er 10, 2022	7,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	March 10, 2023	8,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	27,000	Novemb er 8, 2022	5,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	27,000	June 5, 2023	5,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	Decemb er 8, 2022	10,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	Septemb er 30, 2022	5,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	9,000	October 31, 2022	9,000	Joint and several liability guarante e	None	None	A term of 5 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	8,000	March 18, 2022	8,000	Joint and several liability guarante e	None	None	A term of 1 year	Yes	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	July 29, 2022	2,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No

Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	April 21, 2023	3,100	Joint and several liability guarantee	None	None	A term of 4.5 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	15,000	April 25, 2023	4,900	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	10,000	April 6, 2022	2,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	10,000	June 1, 2023	2,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 28, 2023	5,000	June 21, 2023	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	50,000	September 2, 2020	12,400	Joint and several liability guarantee	Part of the equipment assets and construction land use rights of Nanjing New Energy	None	A term of 8 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	10,000	December 8, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	7,000	April 29, 2022	7,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	3,000	June 21, 2023	3,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	10,000	April 14, 2023	10,000	Joint and several liability guarantee	None	None	A term of 3.7 years	No	No

Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	5,000	July 29, 2022	5,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	27,000	November 1, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	27,000	June 5, 2023	15,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	10,000	March 10, 2023	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	15,000	June 9, 2023	3,500	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	15,000	June 20, 2023	6,499.5	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	10,000	July 20, 2022	10,000	Joint and several liability guarantee	None	None	A term of 0.7 years	Yes	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	10,000	June 17, 2022	10,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Nanjing Gotion New Energy Co., Ltd.	April 28, 2023	8,000	May 31, 2023	8,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Jiangsu Gotion New Energy Technology Co., Ltd.	April 28, 2023	200,000	September 28, 2022	146,861.29	Joint and several liability guarantee	Construction land use right of Jiangsu Gotion	None	A term of 11 years	No	No
Gotion New Energy (Lujiang) Co.,	April 28, 2023	16,667	May 27, 2022	1,965.6	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No

Ltd.										
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	16,667	October 18, 2022	4,970	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	20,000	August 5, 2022	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	30,000	June 29, 2021	18,333.33	Joint and several liability guarantee	None	None	A term of 7 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	15,000	March 31, 2022	14,600	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	5,500	June 27, 2022	2,500	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	5,500	August 30, 2022	2,450	Joint and several liability guarantee	None	None	A term of 0.5 year	Yes	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	5,500	April 25, 2023	2,450	Joint and several liability guarantee	None	None	A term of 2.5 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	20,000	July 28, 2022	15,234.98	Joint and several liability guarantee	Part equipment of Lujiang Battery	None	A term of 5 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	20,000	November 29, 2022	20,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Gotion New	April 28, 2023	23,000	September 26,	23,000	Joint and several	None	None	A term of 4	No	No

Energy (Lujiang) Co., Ltd.			2022		liability guarantee			years		
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	10,000	September 29, 2022	9,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	5,000	November 23, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	10,000	March 21, 2023	9,999.5	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 28, 2023	10,000	June 21, 2023	10,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 28, 2023	20,250	July 22, 2022	10,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 28, 2023	20,250	July 15, 2022	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 28, 2023	10,000	August 15, 2022	9,900	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 28, 2023	30,000	October 1, 2022	29,500	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 28, 2023	30,000	May 19, 2023	30,000	Joint and several liability guarantee	Part of the equipment of Tangshan Gotion	None	A term of 8 years	No	No
Hefei Gotion Battery	April 28, 2023	49,950	December 19, 2020	27,450	Joint and several liability	None	None	A term of 9 years	No	No

Co., Ltd.					guarantee					
Hefei Gotion Battery Co., Ltd.	April 28, 2023	20,000	August 28, 2020	9,500	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion Battery Co., Ltd.	April 28, 2023	55,000	February 18, 2022	51,471.95	Joint and several liability guarantee	None	None	A term of 8 years	No	No
Shanghai Xuanyi New Energy Development Co., Ltd.	April 28, 2023	138,950	December 31, 2019	78,946.92	Joint and several liability guarantee	Partical land use rights of Shanghai Xuanyi	None	A term of 13 years	No	No
Tongcheng Gotion New Energy Technology Co., Ltd.	April 28, 2023	200,000	March 24, 2022	120,900	Joint and several liability guarantee	None	None	A term of 8.5 years	No	No
Tongcheng Gotion New Energy Technology Co., Ltd.	April 28, 2023	10,000	November 24, 2022	3,000	Joint and several liability guarantee	None	None	A term of 3.7 years	No	No
Tongcheng Gotion New Energy Technology Co., Ltd.	April 28, 2023	200,000	January 17, 2023	19,500	Joint and several liability guarantee	None	None	A term of 8.5 years	No	No
Tongcheng Gotion New Energy Technology Co., Ltd.	April 28, 2023	40,500	June 22, 2023	20,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Tongcheng Gotion New Energy Technol	April 28, 2023	10,000	June 6, 2023	10,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No

ogy Co., Ltd.										
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	5,596	March 30, 2022	5,594.32	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	11,192	May 25, 2022	5,596	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	11,192	March 31, 2023	5,596	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	13,990	November 23, 2022	2,798	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	13,990	June 29, 2022	4,476.8	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	27,980	March 30, 2022	2,798	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	27,980	June 20, 2022	3,917.2	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	73,337	September 14, 2021	72,270.28	Joint and several liability guarantee	Part of the plant and land use right of Liuzhou Gotion	None	A term of 9 years	No	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	39,172	January 1, 2023	29,379	Joint and several liability guarantee	None	None	A term of 10 years	No	No
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	8,394	September 23, 2022	2,798	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Liuzhou Gotion Battery	April 28, 2023	5,596	December 9, 2022	5,593.2	Joint and several liability	None	None	A term of 5 years	No	No



Co., Ltd.					guarante e					
Liuzhou Gotion Battery Co., Ltd.	April 28, 2023	11,192	October 18, 2022	1,091.22	Joint and several liability guarante e	None	None	A term of 6 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	46,800	March 28, 2022	35,000	Joint and several liability guarante e	Partial land use rights of Material Compan y	None	A term of 11 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	26,000	March 28, 2022	22,000	Joint and several liability guarante e	None	None	A term of 6 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	20,000	October 28, 2022	5,600	Joint and several liability guarante e	None	None	A term of 0.5 year	Yes	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	20,000	Decemb er 1, 2022	5,600	Joint and several liability guarante e	None	None	A term of 0.5 year	Yes	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	20,000	Decemb er 29, 2022	8,750	Joint and several liability guarante e	None	None	A term of 0.5 year	Yes	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	5,500	June 20, 2022	5,000	Joint and several liability guarante e	None	None	A term of 1 year	Yes	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	10,000	April 29, 2022	9,600	Joint and several liability guarante e	None	None	A term of 6 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	8,334	June 29, 2022	4,900	Joint and several liability guarante e	None	None	A term of 0.5 year	Yes	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	8,334	February 17, 2023	100	Joint and several liability guarante e	None	None	A term of 3.5 years	No	No
Hefei Gotion Battery Material	April 28, 2023	10,000	Septemb er 26, 2022	4,200	Joint and several liability guarante	None	None	A term of 0.5 year	Yes	No

Co., Ltd.					e					
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	10,000	May 24, 2023	3,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	15,000	October 27, 2022	12,587.42	Joint and several liability guarantee	Part of the equipment of the material company	None	A term of 6 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	22,000	November 17, 2022	18,475.91	Joint and several liability guarantee	Part of the equipment of the material company	None	A term of 6 years	No	No
Hefei Gotion Battery Material Co., Ltd.	April 28, 2023	9,800	March 28, 2023	9,750	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Hefei Gotion Precision Coating Materials Co., Ltd.	April 28, 2023	1,000	September 23, 2022	1,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Hefei Gotion Kehong New Energy Technology Co., Ltd.	April 28, 2023	250,000	April 29, 2022	101,832.99	Joint and several liability guarantee	Land use rights of Gotion Kehong	None	A term of 11 years	No	No
Hefei Gotion Kehong New Energy Technology Co., Ltd.	April 28, 2023	10,000	December 15, 2022	2,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion Kehong New Energy Technology Co., Ltd.	April 28, 2023	10,000	December 15, 2022	3,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Jiangxi Gotion	April 28, 2023	20,000	October 12, 2022	19,600	Joint and several	Partial equity of	None	A term of 6	No	No

New Energy Technology Co., Ltd.					liability guarantee	subsidiary		years		
Jiangxi Gotion New Energy Technology Co., Ltd.	April 28, 2023	10,000	November 30, 2022	3,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Jiangxi Gotion New Energy Technology Co., Ltd.	April 28, 2023	10,000	May 6, 2023	2,000	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	240,000	January 21, 2022	104,061.69	Joint and several liability guarantee	Part of the plant and land use right of Yichun Gotion Battery	None	A term of 10 years	No	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	30,000	June 30, 2022	7,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	30,000	July 29, 2022	10,000	Joint and several liability guarantee	None	None	A term of 0.9 year	Yes	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	30,000	August 30, 2022	10,000	Joint and several liability guarantee	None	None	A term of 0.8 year	Yes	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	30,000	January 17, 2023	3,000	Joint and several liability guarantee	None	None	A term of 0.4 years	Yes	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	30,000	June 20, 2023	30,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	20,000	September 2, 2022	10,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No

Yichun Gotion Battery Co., Ltd.	April 28, 2023	13,000	September 27, 2022	13,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	7,000	January 13, 2023	7,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Yichun Gotion Battery Co., Ltd.	April 28, 2023	4,000	September 26, 2022	675.02	Joint and several liability guarantee	Part of the equipment of Yichun Gotion Battery	None	A term of 4 years	No	No
Jiangxi Weihong Lithium Co., Ltd.	April 28, 2023	5,000	January 30, 2022	5,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangxi Weihong Lithium Co., Ltd.	April 28, 2023	5,000	February 28, 2023	5,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Yichun Gotion Lithium Co., Ltd.	April 28, 2023	2,700	June 13, 2022	1,890	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Yichun Gotion Lithium Co., Ltd.	April 28, 2023	4,500	March 29, 2023	2,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No
Yichun Gotion Lithium Industry Co., Ltd.	April 28, 2023	12,000	June 23, 2022	4,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Yichun Gotion Lithium Industry Co., Ltd.	2 April 28, 2023	12,000	June 23, 2022	8,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Yichun Kefeng New Material Co., Ltd.	April 28, 2023	10,000	August 10, 2022	1,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Yifeng Gotion Lithium Co., Ltd.	April 28, 2023	12,000	July 21, 2022	12,000	Joint and several liability guarantee	None	None	A term of 6 years	No	No

Yifeng Gotion Lithium Co., Ltd.	April 28, 2023	30,000	November 1, 2022	22,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Yifeng Gotion Lithium Co., Ltd.	April 28, 2023	17,000	March 14, 2023	16,997.59	Joint and several liability guarantee	None	None	A term of 2.9 years	No	No
Hefei Gotion Battery New Material Co., Ltd.	April 28, 2023	46,500	June 27, 2022	31,371.45	Joint and several liability guarantee	Land use rights of Gotion Battery New Material	None	A term of 11 years	No	No
Hefei Gotion Battery New Material Co., Ltd.	April 28, 2023	10,000	March 10, 2023	5,000	Joint and several liability guarantee	None	None	A term of 5 years	No	No
Hefei Gotion Cycle Technology Co., Ltd.	April 28, 2023	3,045	September 13, 2022	1,977.86	Joint and several liability guarantee	Part of the equipment of Hefei Gotion Recycling Technology Co., Ltd	None	A term of 5 years	No	No
Hefei Gotion Cycle Technology Co., Ltd.	April 28, 2023	10,000	March 24, 2023	5,000	Joint and several liability guarantee	None	None	A term of 3.8 years	No	No
Neimenggu Gotion Zero Carbon Technology Co., Ltd.	April 28, 2023	6,000	March 31, 2023	6,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Neimenggu Gotion Zero Carbon Technology Co., Ltd.	April 28, 2023	80,000	June 9, 2022	66,286.82	Joint and several liability guarantee	Part of the plant and land use right of Neimenggu Gotion Zero Carbon	None	A term of 8 years	No	No

						Technology Co., Ltd.				
Neimenggu Gotion Zero Carbon Technology Co., Ltd.	April 28, 2023	50,000	April 2, 2022	19,932.04	Joint and several liability guarantee	Part of the equipment of Neimenggu Gotion Zero Carbon Technology Co., Ltd.	None	A term of 7 years	No	No
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	April 28, 2023	7,200	July 22, 2022	1,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	April 28, 2023	7,200	July 22, 2022	1,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	April 28, 2023	7,200	June 28, 2023	1,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	April 28, 2023	7,200	July 27, 2022	3,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	April 28, 2023	4,050	June 1, 2022	3,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangsu Dongyuan	April 28, 2023	4,050	May 30, 2023	2,000	Joint and several	None	None	A term of 4	No	No

an Electric Applian ce Group Co., Ltd.					liability guarante e			years		
Jiangsu Dongyu an Electric Applian ce Group Co., Ltd.	April 28, 2023	5,000	August 15, 2022	1,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Jiangsu Dongyu an Electric Applian ce Group Co., Ltd.	April 28, 2023	5,000	August 18, 2022	2,000	Joint and several liability guarante e	None	None	A term of 1 year	Yes	No
Jiangsu Dongyu an Electric Applian ce Group Co., Ltd.	April 28, 2023	5,000	August 19, 2022	2,000	Joint and several liability guarante e	None	None	A term of 4 years	No	No
Jiangsu Dongyu an Electric Applian ce Group Co., Ltd.	April 28, 2023	5,000	April 14, 2023	2,000	Joint and several liability guarante e	None	None	A term of 3.5 years	No	No
Jiangsu Dongyu an Electric Applian ce Group Co., Ltd.	April 28, 2023	2,000	June 17, 2022	2,000	Joint and several liability guarante e	None	None	A term of 1 year	Yes	No
Jiangsu Dongyu an Electric Applian ce Group Co., Ltd.	April 28, 2023	3,900	June 26, 2023	3,900	Joint and several liability guarante e	None	None	A term of 3.5 years	No	No
Jiangsu Dongyu an	April 28, 2023	6,000	Novemb er 22, 2022	2,000	Joint and several liability	None	None	A term of 4 years	No	No

Electric Appliance Group Co., Ltd.					guarantee					
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	6,000	November 23, 2022	2,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	6,000	June 9, 2023	1,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	4,500	June 12, 2022	1,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	4,500	June 27, 2022	3,500	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	5,000	January 17, 2022	5,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	5,000	March 29, 2023	2,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Jiangsu Dongyu an Electric	April 28, 2023	5,000	April 6, 2023	3,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No



Appliance Group Co., Ltd.					e					
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	5,000	January 28, 2022	5,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Jiangsu Dongyu an Electric Appliance Group Co., Ltd.	April 28, 2023	5,000	January 10, 2023	5,000	Joint and several liability guarantee	None	None	A term of 3 years	No	No
Nantong Gotion New Energy Technology Co., Ltd	April 28, 2023	10,000	June 29, 2022	6,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Nantong Gotion New Energy Technology Co., Ltd	April 28, 2023	10,000	June 29, 2022	4,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nantong Gotion New Energy Technology Co., Ltd.	April 28, 2023	6,000	July 22, 2022	6,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nantong Gotion New Energy Technology Co., Ltd.	April 28, 2023	1,000	March 30, 2023	1,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nantong Gotion New Energy Technology Co., Ltd.	April 28, 2023	5,000	February 27, 2023	2,000	Joint and several liability guarantee	None	None	A term of 4 years	No	No
Nantong Gotion	April 28, 2023	5,000	March 28, 2023	3,000	Joint and several	None	None	A term of 4	No	No

New Energy Technology Co., Ltd.					liability guarantee			years		
Nantong Asitong Electrical Apparatus Co., Ltd.	April 28, 2023	2,900	June 17, 2022	2,900	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Nantong Asitong Electrical Apparatus Co., Ltd.	April 28, 2023	1,000	June 27, 2023	1,000	Joint and several liability guarantee	None	None	A term of 3.5 years	No	No
Total amount of guarantees to subsidiaries approved during the Reporting Period (B1)		1,810,539.1		Total amount of guarantees to subsidiaries actually occurred during the Reporting Period (B2)		1,370,310.93				
Total amount of guarantees to subsidiaries approved by the end of the Reporting Period (B3)		5,264,067.1		Total balance of guarantees actually paid to subsidiaries at the end of the Reporting Period (B4)		3,334,956.28				
Subsidiaries' guarantees to subsidiaries										
Guaranteed party	Announcement date of disclosure of the guarantee cap	Guarantee amount	Actual occurrence date	Actual guarantee amount	Type of guarantee	Collateral (if any)	Counter-guarantee situation (if any)	Term of guarantee	Due or not	Guarantee for related parties or not
Nanjing Gotion Battery Co., Ltd.	April 30, 2019	10,000	June 23, 2022	5,000	Joint and several liability guarantee	None	None	A term of 1 year	Yes	No
Total amount of guarantees to subsidiaries approved during the Reporting Period (C1)		0		Total amount of guarantees to subsidiaries actually occurred during the Reporting Period (C2)		0				
Total amount of guarantees to subsidiaries approved by the end of the Reporting		0		Total balance of guarantees actually paid to subsidiaries at the end of the Reporting Period		0				

Period (C3)		(C4)	
Total amount of company guarantees (namely sum of the previous three major items)			
Total amount of guarantees approved during the Reporting Period (A1+B1+C1)	1,810,539.1	Total amount of guarantees actually occurred during the Reporting Period (A2+B2+C2)	1,372,886.53
Total amount of guarantees approved by the end of the Reporting Period (A3+B3+C3)	5,369,867.1	Total balance of guarantees actually paid at the end of the Reporting Period (A4+B4+C4)	3,398,011.53
Total amount of actual guarantees (A4+B4+C4) as a percentage of the Company's net assets		141.33%	
Of which:			
Notes on unexpired guarantees contracts with guarantee responsibilities occurred or there is evidence indicating the possible joint liabilities within the Reporting Period (if any)		None	
Notes on providing external guarantees in violation of specified procedures (if any)		None	

Specific description for the adoption of compound guarantee

### 3. Entrusted Financing

☞ Applicable ☐ Not applicable

Monetary Unit: RMB ten thousand

Specific type	Funding source	Entrusted amount	Unexpired balance	Overdue outstanding amount	Impairment amount accrued for overdue financial management
Other category	Equity Fund	116,739.08	116,739.08	0	0
Total		116,739.08	116,739.08	0	0

Specific matters on high-risk entrusted capital management with a large amount for a single item, or with low security and poor liquidity

☐ Applicable ☞ Not applicable

Cases of entrusted financing expected to be unable to recover the principal or cases that may result in impairment

☐ Applicable ☞ Not applicable

### 4. Other Significant Contracts

☐ Applicable ☞ Not applicable

No such case as other significant contract during the Reporting Period.

### XIII. Explanations on Other Significant Matters

☞ Applicable ☐ Not applicable

1. The Company completed the payment and delisting of the first tranche of 2018 Green Bonds of Gotion High-tech Co., Ltd. on April 13, 2023, with a total of 5 million bonds, which in aggregate required to be distributed with RMB 522.5 million (including tax) of principal and interest. For details, please refer to the ‘*Announcement on the Payment of Principal and Interest and Delisting of “18 Gotion Green Bond 01”*’ (Announcement No.: 2023-019) disclosed by the Company on April 11, 2023 on the designated information disclosure media.

2. The Company held the second meeting of the ninth Board of Directors and the 2022 Annual General Meeting of Shareholders on April 26, 2023 and May 25, 2023 respectively, considering and passing the “Proposal on Changing Part of the Business Scope of the Company and Amending Relevant Provisions of the Articles of Incorporation”, which was based on the needs of the Company’s business development and strategic planning. The Company proposed to add the business of “engaging in investment activities with own funds” based on the needs of the Company’s business development and strategic planning, and amended the corresponding articles of the *Articles of Association*. For details, please refer to the ‘‘Announcement on Changing Part of the Business Scope of the Company and Amending Relevant Provisions of the Articles of Association’’ (Announcement No.: 2023-037) disclosed by the Company in the designated information disclosure media on April 28, 2023.

3. The Company held the second meeting of the ninth Board of Directors and the second meeting of the ninth Board of Supervisors on April 26, 2023, at which the “Proposal on the Change of Accounting Policies” were considered and passed. For details, please refer to the “Announcement on Change in Accounting Policies” (Announcement No.: 2023-033) disclosed by the Company on April 28, 2023 on the designated information disclosure media.

4. The Company held the second meeting of the ninth Board of Directors and the second meeting of the ninth Board of Supervisors, and the 2022 Annual General Meeting of Shareholders on April 26, 2023 and May 25, 2023 respectively, considering and passing the “Proposal on the Renewal of the Appointment of Accounting Firm for 2023”, in which the Company renewed the appointment of Nanjing Suyu Jincheng Accountant Firm Co., Ltd. For details, please refer to the “Announcement on the Renewal of the Appointment of the Accounting Firm for 2023” (Announcement No.: 2023-034) disclosed by the Company on April 28, 2023 on the designated information disclosure media.

5. Gotion Holding, one of the controlling shareholders of the Company, carried out over-the-counter derivatives transactions with Galaxy Derivatives Capital Management Co., Ltd. Galaxy Derivatives increased its holdings of the Company’s shares by a total of 10,457,828 shares from the secondary market through the securities trading system of Shenzhen Stock Exchange from March 13 to April 21, 2023, which accounted for 0.59% of the Company’s total capital, and the cumulative amount of increase in the holdings amounted to RMB 299,568,000 (excluding handling fees), and Gotion Holding has completed the implementation of this share increase. Gotion Holding also plans to further increase its shareholding within six months from April 25, 2023, and the amount of

increase will be no less than RMB 300 million and no more than RMB 1 billion, details of which are set out in the “Announcement on the Completion of the Implementation of Controlling Shareholders’ Shareholding Increase Plan and the Additional Shareholding Increase Plan” disclosed by the Company in the designated information disclosure media on April 25, 2023 (Announcement No.: 2023-022).

#### **XIV. Significant Events of the Company’s Subsidiaries**

☒ Applicable ☐ Not applicable

1. Hefei Gotion, a wholly-owned subsidiary of the Company, has received a procurement designation letter from Volkswagen, and the Company will become a designated supplier for supplying power lithium battery using lithium iron phosphate “Unified Cells” to Volkswagen’s overseas market. For details, please refer to the “Announcement on Wholly-owned Subsidiary Receiving Purchasing Designation Letter from Volkswagen Group” (Announcement No. 2023-042) disclosed by the Company on May 11, 2023 on the designated information disclosure media.

## Section VII Changes in Shares and Information about Shareholders

### I. Changes in Shares

#### 1. Changes in shares

Unit: Share

	Prior to the change		Increase or decrease in the change (+, -)					After the change	
	Quantity	Proportion	Shares newly issued	Shares granted	Shares converted from capital reserves	Other	Subtotal	Quantity	Proportion
I. Shares with limited sales condition	540,343,210	30.38%	0	0	0	-49,896,729	-49,896,729	490,446,481	27.57%
1. Shares held by the state	0	0.00%	0	0	0	0	0	0	0.00%
2. Shares held by state legal persons	0	0.00%	0	0	0	0	0	0	0.00%
3. Shares held by other domestic subjects	540,343,210	30.38%	0	0	0	-49,896,729	-49,896,729	490,446,481	27.57%
Of which: shares held by domestic legal persons	440,630,983	24.77%	0	0	0	-56,467,637	-56,467,637	384,163,346	21.60%
Shares held by domestic natural persons	99,712,227	5.61%	0	0	0	6,570,908	6,570,908	106,283,135	5.97%
4. Shares held by foreign subjects	0	0.00%	0	0	0	0	0	0	0.00%

Of which: shares held by foreign legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by foreign natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares not subject to sales restriction	1,238,531,625	69.62%	0	0	0	49,896,729	49,896,729	1,288,428,354	72.43%
1. RMB ordinary shares	1,238,531,625	69.62%	0	0	0	49,896,729	49,896,729	1,288,428,354	72.43%
2. Shares listed at home and held by foreign subjects	0	0.00%	0	0	0	0	0	0	0.00%
3. Shares listed overseas and held by foreign subjects	0	0.00%	0	0	0	0	0	0	0.00%
4. Other	0	0.00%	0	0	0	0	0	0	0.00%
III. Total number of shares	1,778,874,835	100.00%	0	0	0	0	0	1,778,874,835	100.00%

Reasons for shares change

☐ Applicable ☒ Not applicable

Approval of shares change

☐ Applicable ☒ Not applicable

Ownership transfer with respect to the shares change

☐ Applicable ☒ Not applicable

The progress on share repurchases

☐ Applicable ☒ Not applicable

Implementation progress of reducing the repurchased shares by way of centralized price bidding

☐ Applicable ☒ Not applicable

Impact of the shares changes on the financial indicators, including the basic earnings per share, diluted earnings per share and the net assets per share attributed to the shareholders of the Company's ordinary shares in the recent year and period.

☐ Applicable ☒ Not applicable

Other contents deemed necessary by the Company or required to be disclosed by the security regulatory institution

☐ Applicable ☒ Not applicable

## 2. Changes in shares subject to sales restriction

☒ Applicable ☐ Not applicable

Unit: Share

Name of shareholder	Number of shares restricted for sale at the beginning of the period	Number of shares with sales restriction released in this period	Number of shares with sales restriction newly imposed in this period	Number of shares with limited sales condition at the end of the period	Reasons for limited sales	Date of unlocking
Li Zhen	77,457,112	0	0	77,457,112	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Li Chen	21,354,298	0	7,118,100	28,472,398	Wholly locked-up shares of resigned senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Wang Qiang	219,675	0	0	219,675	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Zhang Hongli	105,450	0	0	105,450	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Wu Yibing	19,500	0	0	19,500	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Wang Qisui	9,000	0	0	9,000	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Volkswagen (China) Investment Co., Ltd.	440,630,983	56,467,637	0	384,163,346	The Company made a private placement of 384,163,346 shares to strategic investors, Volkswagen	The lock-up for IPO-restricted stocks will be lifted on December 14, 2024. The lock-up for the committed



					China; the shares subscribed by Volkswagen China shall not be transferred within 36 months from the date of listing. Volkswagen China acquired a total of 56,467,637 unrestricted outstanding shares from Mr. Li Zhen and Gotion Holding. Volkswagen China undertook that it would not transfer the shares obtained through the share transfer within 18 months from the completion of the transaction.	restricted stocks will be lifted on May 29, 2023.
Hou Fei	217,500	217,500	0	0	Locked-up shares of resigned senior officers	June 19, 2023
Ma Guifu	174,330	174,330	0	0	Locked-up shares of resigned senior officers	June 19, 2023
An Dongliang	155,362	155,362	0	0	Locked-up shares of resigned senior officers	June 19, 2023
Total	540,343,210	57,014,829	7,118,100	490,446,481	--	--

## II. Securities issuance and listing

☐ Applicable ☒ Not applicable

## III. Number of shareholders and shareholding status

Unit: Share

Total number of	147,205	Total Number of Preferred Shareholders	0
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shareholders holding ordinary shares at the end of the Reporting Period				(If Any) (Refer to Note 8) Whose Voting Rights have been Recovered at the End of the Reporting Period				
Shareholding status of shareholders holding above 5% shares or top 10 shareholders								
Name of shareholder	Shareholder nature	Shareholding proportion	Number of shares held at the end of Reporting Period	Increase and decrease during the Reporting Period	Number of shares subject to sales restriction	Number of shares not subject to sales restriction	Pledge, mark or freezing	
							State Of Shares	Quantity
Volkswagen (China) Investment Co., Ltd.	Domestic non-state-owned legal person	24.77%	440,630,983	0	384,163,346	56,467,637		
Nanjing Gotion Holding Group Co., Ltd.	Domestic non-state-owned legal person	9.60%	170,751,887	0	0	170,751,887	Pledge	79,410,000
Li Zhen	Domestic natural person	5.81%	103,276,150	0	77,457,112	25,819,038	Freeze	286,147
Hong Kong Securities Clearing Co., Ltd.	Overseas legal person	3.21%	57,129,750	-11,753,455	0	57,129,750		
Li Chen	Domestic natural person	1.60%	28,472,398	0	28,472,398	0		
Citibank, National Association	Overseas legal person	1.48%	26,283,800	-16,936,900	0	26,283,800		
Industrial and Commercial Bank of China Limited – Qianhai Kaiyuan New Economy Flexible Allocation Hybrid Securities Investment Fund	Other	1.38%	24,576,569	-3,399,633	0	24,576,569		
Galaxy Derivatives Capital Management Co., Ltd.	Domestic non-state-owned legal person	1.20%	21,279,618	21,279,618	0	21,279,618		
China Construction Bank	Other	1.02%	18,056,616	2,804,496	0	18,056,616		

Corporation – Qianhai Kaiyuan Public Utility Industry Equity Securities Investment Fund								
Foshan Electric Lighting Co., Ltd.	Domestic non-state-owned legal person	0.96%	17,133,791	0	0	17,133,791		
Circumstances where strategic investors or general legal persons become the top 10 shareholders holding ordinary shares due to the placement of new shares (if any) (refer to Note III)		Not applicable						
Description of the association relationship or concerted action of above-mentioned shareholders		1. Shareholders Li Zhen, Li Chen and Gotion Holding are persons acting in concert (Li Zhen is the Controlling Shareholder, legal representative, and executive director of Gotion Holding; and Li Chen is the son of Li Zhen); 2. During the Reporting Period, Gotion Holding implemented the plan of increasing its shareholding and carried out over-the-counter derivatives transactions with Galaxy Derivatives Capital Management Co., Ltd. (hereinafter referred to as “Galaxy Derivatives”), and Galaxy Derivatives increased its holding of the Company’s shares in the secondary market through the securities trading system of the Shenzhen Stock Exchange by an aggregate amount of 21,239,518 shares, but Gotion Holding has no association with Galaxy Derivatives; 3 Except for the aforesaid related relationship, it is unknown whether there is any other related relationship among the top 10 shareholders, or whether there are any persons acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies.						
Description of the shareholders entrusting/being entrusted with/waiving voting right		According to the provisions of the Shareholders’ Agreement, Volkswagen China undertakes that, within 36 months after the transferred shares are registered in the name of Volkswagen China or a longer period determined by Volkswagen China in its sole discretion, Volkswagen China shall irrevocably waive the voting rights with respect to part of shares held by it in the Company so that the voting percentage of Volkswagen China shall be at least 5% lower than the voting percentage of the Founder Shareholders (Nanjing Gotion Holding Group Co., Ltd., Li Zhen and Li Chen collectively referred to as the Founder Shareholders).						
Special note on the existence of repurchase special accounts among the top 10 shareholders (if any) (see Note IX)		Not applicable						
Shareholding status of top 10 shareholders holding ordinary shares not subject to sales restriction								
Name of shareholder	Number of ordinary shares not subject to sales restriction held at the end of the Reporting Period	Type of shares						
		Type of shares	Quantity					
Nanjing Gotion Holding Group Co., Ltd.	170,751,887	RMB common stock	170,751,887					
Hong Kong Securities Clearing Co., Ltd.	57,129,750	RMB common	57,129,750					

		stock	
Volkswagen (China) Investment Co., Ltd.	56,467,637	RMB common stock	56,467,637
Citibank, National Association	26,283,800	RMB common stock	26,283,800
Li Zhen	25,819,038	RMB common stock	25,819,038
Industrial and Commercial Bank of China Limited – Qianhai Kaiyuan New Economy Flexible Allocation Hybrid Securities Investment Fund	24,576,569	RMB common stock	24,576,569
Galaxy Derivatives Capital Management Co., Ltd.	21,279,618	RMB common stock	21,279,618
China Construction Bank Corporation – Qianhai Kaiyuan Public Utility Industry Equity Securities Investment Fund	18,056,616	RMB common stock	18,056,616
Foshan Electric Lighting Co., Ltd.	17,133,791	RMB common stock	17,133,791
CITIC Securities Co., Ltd.	12,480,990	RMB common stock	12,480,990
Explanations on the related relationship or concerted actions among the top 10 shareholders holding ordinary shares not subject to sales restriction, and that between the top 10 shareholders holding ordinary shares not subject to sales restriction and the top 10 shareholders holding ordinary shares	<p>1. Shareholders Li Zhen, Li Chen and Gotion Holding are persons acting in concert (Li Zhen is the Controlling Shareholder, legal representative, and executive director of Gotion Holding; and Li Chen is the son of Li Zhen).</p> <p>2. During the Reporting Period, Gotion Holding implemented the plan of increasing its shareholding and carried out over-the-counter derivatives transactions with Galaxy Derivatives, and Galaxy Derivatives increased its holding of the Company's shares in the secondary market through the securities trading system of the Shenzhen Stock Exchange by an aggregate amount of 21,279,618 shares, but Gotion Holding has no association with Galaxy Derivatives;</p> <p>3. Except for the aforesaid related relationship, it is unknown whether there is any other related relationship among the top 10 shareholders holding outstanding shares not subject to sales restriction, or between the top 10 shareholders holding outstanding shares not subject to sales restriction and the top 10 shareholders, or whether there are any persons acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies.</p>		
Explanation of the top 10 shareholders holding ordinary shares who participate in securities margin trading (if any) (refer to Note IV)	The shareholder Gotion Holding holds 10,750,000 shares of the Company through the credit securities account. Galaxy Derivatives Capital Management Co., Ltd. holds 40,000 shares of the Company through the credit securities account.		

Whether the top 10 shareholders holding ordinary shares and the top 10 shareholders holding ordinary shares not subject to sales restriction of the Company conduct the agreed repurchase transaction during the Reporting Period

☐ Yes ☒ No

None of the top 10 shareholders holding ordinary shares or the top 10 shareholders holding ordinary shares not subject to sales restriction of the Company conducts any agreed repurchase transaction during the Reporting Period.

#### IV. Changes in shareholding of the directors, supervisors and senior officers

☞ Applicable ☐ Not applicable

Name	Position	Status	Number of shares held at the beginning of the period	Number of shares increased in the period (share)	Number of shares decreased in the period (share)	Number of shares held at the end of the period	Number of restricted shares granted at the beginning of the period	Number of restricted shares granted in the current period	Number of restricted shares granted at the end of the period
Li Zhen	Chairman & General Manager	Incumbent	103,276,150	0	0	103,276,150	0	0	0
Steven Cai	Director & Deputy General Manager	Incumbent	0	0	0	0	0	0	0
Andrea Nahmer	Director	Incumbent	0	0	0	0	0	0	0
Olaf Korzinovski	Director	Incumbent	0	0	0	0	0	0	0
Zhang Hongli	Director	Incumbent	140,600	0	0	140,600	0	0	0
Sun Zhe	Independent director	Incumbent	0	0	0	0	0	0	0
Qiao Yun	Independent Director	Incumbent	0	0	0	0	0	0	0
Qiu Xinping	Independent Director	Incumbent	0	0	0	0	0	0	0
Wang Feng	Independent Director	Incumbent	0	0	0	0	0	0	0
Yang Dafa	Chairman of the Board of Supervisors	Incumbent	0		0	0	0	0	0
Li Yan	Supervisor	Incumbent	0	0	0	0	0	0	0
Wu Yibing	Employee representative supervisor	Incumbent	26,000	0	0	26,000	0	0	0
Qisui Wang	Vice General	Incumbent	12,000	0	0	12,000	0	0	0

	Manager								
Sun Aiming	Vice General Manager	Incumbent	0	0	0	0	0	0	0
Wang Qiang	Vice General Manager	Incumbent	292,900	0	0	292,900	0	0	0
Zhang Wei	Vice General Manager	Incumbent	0	0	0	0	0	0	0
Pan Wang	Deputy General Manager & Secretary of the Board of Directors	Incumbent	0	0	0	0	0	0	0
Zhang Yifei	Financial Director	Incumbent	0	0	0	0	0	0	0
Zhou Yi	Independent Director	Resigned	0	0	0	0	0	0	0
Frank Engel	Director	Resigned	0	0	0	0	0	0	0
Li Chen	Vice General Manager	Resigned	28,472,398	0	0	28,472,398	0	0	0
Total	--	--	132,220,048	0	0	132,220,048	0	0	0

## V. Change of the Controlling Shareholder or De Facto Controller during the Reporting Period

Change of the Controlling Shareholder during the Reporting Period:

☐ Applicable ☒ Not applicable

The Controlling Shareholder of the Company did not change during the Reporting Period.

Change of the De Facto Controller during the Reporting Period.

☐ Applicable ☒ Not applicable

The De Facto Controller of the Company did not change during the Reporting Period.

## Section VIII Information of Preferred Shares

☐ Applicable ☒ Not applicable

There are no preferred shares in the Reporting Period.

## Section IX Situation on Corporate Bonds

☼ Applicable □ Not applicable

### I. Corporate bond

☼ Applicable □ Not applicable

#### 1. Basic information of corporate bond

Monetary Unit: RMB ten thousand

Bond name	Bond abbreviation	Bond code	Issue date	Interest commencement date	Maturity date	Bond balance	Interest rate	Principal and interest repayment method	Trading venue
Phase I green bond issued by Gotion High-tech Co., Ltd. in 2018	18 Gotion Green Bond 01	1880001	April 12, 2018	April 13, 2018	April 13, 2023	0	6.5%	The interest shall be paid annually and the principal and the interest shall be paid in a lump sum when due (the current bond has been paid at maturity)	Inter-bank bond market
Investor suitability arrangement (if any)			Domestic qualified institutional investors with accounts at China Central Depository & Clearing Co., Ltd.						
Applicable trading mechanism			Inter-bank bond market: bonds are traded by way of request-for-quote (RFQ) trading, which includes three trading steps: self-quotation, formatted RFQ, and confirmation of a transaction.						
Risk of termination of listing (if any) and countermeasures			No						

Overdue bonds

□ Applicable ☼ Not applicable

#### 2. Triggering and implementation of issuer or investor option clauses and investor protection clauses

□ Applicable ☼ Not applicable



**3. Adjustment of credit rating results during the Reporting Period**

☐ Applicable ☒ Not applicable

**4. Implementation and changes of guarantees, debt repayment plans, and other debt repayment protections during the Reporting Period and their impact on the rights and interests of bond investors**

☒ Applicable ☐ Not applicable

The Company completed the payment and delisting of “18 Gotion Green Bond 01” on April 13, 2023, with a total of 5 million bonds, which in aggregate required to be distributed with RMB 522.5 million (including tax) of principal and interest. For details, please refer to the *Announcement on the Payment of Principal and Interest and Delisting of “18 Gotion Green Bond 01”* (Announcement No.: 2023-019) disclosed by the Company on April 11, 2023 on the designated information disclosure media.

**II. Corporate bonds**

☐ Applicable ☒ Not applicable

There was no corporate bond during the Reporting Period.

**III. Debt financing instruments of non-financial enterprises**

☒ Applicable ☐ Not applicable

**1. Basic information on non-financial corporate debt financing instruments**

Monetary Unit: RMB ten thousand

Bond name	Bond abbreviation	Bond code	Issue date	Interest commencement date	Maturity date	Bond balance	Interest rate	Principal and interest repayment method	Trading venue
The first green (Science and Technology Innovation Board) debt financing plan in 2022 of Gotion High-tech Co., Ltd.	22 Anhui Gotion High-tech ZRGN001 (KZ)	22CFGN0838	November 25, 2022	November 25, 2022	November 24, 2025	45,000	4.0%	Quarterly interest payments, partial repayment of principal on a semi-annual basis, one-time return of remaining principal, and settlement of interest upon	Beijing Financial Assets Co., Ltd.

								maturity	
Investor suitability arrangement (if any)	Qualified investors of Beijing Financial Assets Exchange (except for investors prohibited by national laws and regulations)								
Applicable trading mechanism	Not applicable								
Risk of termination of listing (if any) and countermeasures	No								

Overdue bonds

☐ Applicable ☒ Not applicable

## 2. Triggering and implementation of issuer or investor option clauses and investor protection clauses

☐ Applicable ☒ Not applicable

## 3. Adjustment of credit rating results during the Reporting Period

☐ Applicable ☒ Not applicable

## 4. Implementation and changes of guarantees, debt repayment plans, and other debt repayment protections during the Reporting Period and their impact on the rights and interests of bond investors

☐ Applicable ☒ Not applicable

## IV. Convertible corporate bonds

☐ Applicable ☒ Not applicable

There are no convertible corporate bonds in the Reporting Period.

## V. Losses in the Consolidated Statements for the Reporting Period Exceeding 10% of Net Assets at the End of the Previous Year

☐ Applicable ☒ Not applicable

## VI. The Company's major accounting data and financial indicators for the last two years at the end of the Reporting Period

Monetary Unit: RMB ten thousand

Item	End of the Reporting Period	End of last year	Increases or decreases in the Reporting Period compared with the end of last year
Current ratio	111.48	109.07	2.21%
Asset-liability proportion	69.90%	66.27%	3.63%
Quick ratio	89.03	87.01	2.32%
	Current Reporting Period	Same period of last year	Increases or decreases in the Reporting Period compared with the same period of previous year
Net profit after deducting non-recurring profits and	3,537.01	-17,312.87	120.43%

losses			
EBITDA all debt proportion	4.05%	2.65%	1.40%
Interest coverage ratio	1.32	1.24	6.45%
Cash interest coverage ratio	0.34	0.90	-62.22%
EBITDA interest coverage ratio	2.46	3.81	-35.43%
Loan repayment rate	100.00%	100.00%	0.00%
Interest coverage	100.00%	100.00%	0.00%

## Section X Financial Report

### I. Audit Reports

Is the semi-annual report of the Company audited?

☐ Yes ☒ No

The semi-annual financial report of the Company is not audited.

### II. Financial statements

The currency of the statements in the financial notes is: RMB

#### 1. Consolidated Balance Sheet

Prepared by: Gotion High-tech Co., Ltd. June 30, 2023

Monetary Unit: RMB

Item	June 30, 2023	January 1, 2023
Current assets:		
Monetary funds	16,602,719,139.38	14,122,371,543.66
Deposit reservation for balance		
Lending to banks and other financial institutions		
Financial assets held for trading	3,960,799,276.24	3,514,006,212.53
Derivative financial assets		
Notes receivable	33,096,000.00	94,321,000.00
Accounts receivable	12,569,619,758.88	8,642,345,823.74
Receivables financing	662,261,484.29	731,403,441.49
Pre-payments	451,293,976.93	517,497,410.29
Premium receivable		
Re-insurance accounts receivable		
Reserves for re-insurance contract receivable		
Other Receivables	296,394,371.57	285,857,879.41
Of which: interest receivable		
Dividends receivable		
Financial assets purchased under resale agreement		
Inventory	6,520,512,772.19	7,584,033,662.25
Contract assets		
Assets held for sale		
Non-current assets that mature within one year	83,289,328.16	103,648,896.04

Other current assets	2,112,763,759.23	1,891,378,028.14
Total current assets	43,292,749,866.87	37,486,863,897.55
Non-current assets:		
Granting of loans and advances		
Debt investments		
Other debt investments	5,058,060.00	4,875,220.00
Long-term receivables	9,110,443.63	9,110,443.63
Long-term equity investment	1,563,786,513.19	1,085,613,368.72
Other equity instrument investment	510,468,495.43	510,468,495.43
Other non-current financial assets	1,082,456,284.19	1,000,000,000.00
Investment properties		
Fixed assets	16,799,613,136.02	11,785,279,959.06
Construction in progress	12,584,412,072.81	11,669,257,989.53
Productive biological assets		
Oil and gas assets		
Right-of-use assets	60,303,176.59	52,798,126.55
Intangible assets	3,099,640,774.32	2,902,902,087.53
Development expenditure	858,400,867.45	620,378,001.34
Goodwill	515,165,814.39	512,038,244.65
Long-term deferred expenses	97,802,129.39	101,405,214.69
Deferred income tax assets	902,771,687.76	795,565,257.24
Other non-current assets	2,028,263,964.78	4,090,808,960.74
Total non-current assets	40,117,253,419.95	35,140,501,369.11
Total assets	83,410,003,286.82	72,627,365,266.66
Current liabilities:		
Short-term loan	11,468,690,191.25	10,820,704,180.47
Borrowings from the central bank		
Borrowing from banks and financial institutions		
Financial liabilities held for trading		
Derivative Financial Liabilities		
Notes payable	9,304,436,453.92	5,515,753,934.77
Accounts payable	13,795,965,261.98	11,814,791,449.62
Advance receipts		
Contract liabilities	448,579,735.96	603,577,134.25
Financial assets sold for repurchase		
Deposits and interbank deposits received		
Amount received from agency trading of securities		
Amount received from agency underwriting of securities		
Payroll payable	217,298,962.80	326,141,584.15

Taxes payable	210,180,384.81	356,949,077.68
Other payables	926,241,845.33	930,833,382.04
Of which: interests payable		
Dividends payable	2,033,891.80	2,033,891.80
Handling charges and commissions payable		
Reinsurance Accounts Payable		
Liabilities held for sale		
Non-current liabilities due within one year	2,409,440,712.09	3,633,466,234.89
Other current liabilities	54,808,057.04	366,860,818.60
Total current liabilities	38,835,641,605.18	34,369,077,796.47
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	15,508,820,033.74	10,688,953,878.75
Bonds payable	345,704,375.45	394,159,870.29
Of which: preferred shares		
Perpetual capital securities		
Lease liabilities	227,640,607.51	163,978,672.33
Long-term payables	2,611,501,194.10	1,822,657,855.39
Long-term payroll payable		
Estimated liabilities	424,780,601.05	385,641,072.27
Deferred income	182,131,091.36	186,513,101.09
Deferred income tax liabilities	164,196,222.48	118,608,811.42
Other non-current liabilities		
Total non-current liabilities	19,464,774,125.69	13,760,513,261.54
Total liabilities	58,300,415,730.87	48,129,591,058.01
Shareholder's equity		
Capital stock	1,778,874,835.00	1,778,874,835.00
Other equity instruments		
Of which: preferred shares		
Perpetual capital securities		
Capital reserve	18,461,839,893.71	18,191,023,725.17
Less: treasury stock	364,618,290.83	404,574,459.45
Other comprehensive income	223,881,621.64	209,751,958.34
Special reserves	50,316.99	2,809,129.24
Surplus reserves	188,051,476.38	188,051,476.38
General risk reserves		
Undistributed profits	3,755,391,743.60	3,546,316,521.53
Total owners' equity attributed to parent company	24,043,471,596.49	23,512,253,186.21
Minority equity	1,066,115,959.46	985,521,022.44
Total owners' equity	25,109,587,555.95	24,497,774,208.65
Total liabilities and owners' equity	83,410,003,286.82	72,627,365,266.66

Legal Representative: Li Zhen

Accounting Principal: Zhang Yifei

Head of the Accounting Dept.: Zhao Hua

## 2. Balance Sheet of the Parent Company

Monetary Unit: RMB

Item	June 30, 2023	January 1, 2023
Current Assets:		
Monetary funds	2,401,419,851.11	2,281,527,315.85
Financial assets held for trading	189,740,970.98	157,713,521.76
Derivative financial assets		
Notes receivable		
Accounts receivable	126,221,510.15	12,760,231.61
Receivables financing		
Pre-payments		
Other receivables	4,116,642,555.46	4,432,206,570.74
Of which: interest receivable		
Dividends receivable	110,000,000.00	110,000,000.00
Inventory		
Contract assets		
Assets held for sale		
Non-current assets that mature within one year		
Other current assets	5,691,118.92	656,362.84
Total current assets	6,839,716,006.62	6,884,864,002.80
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	16,346,388,186.06	16,357,532,579.84
Other equity instrument investment		
Other non-current financial assets		
Investment properties		
Fixed assets		
Construction in progress		
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets		
Development expenditure		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	12,722,382.71	37,964,314.35
Other non-current assets		
Total non-current assets	16,359,110,568.77	16,395,496,894.19
Total assets	23,198,826,575.39	23,280,360,896.99

Current liabilities:		
Short-term loan		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes Payable		
Accounts payable	92,779,529.72	
Advance receipts		
Contract liabilities		
Payroll payable	5,337,215.83	13,623,729.10
Taxes payable	15,810,233.29	1,187,630.41
Other payables	860,351,584.02	607,372,651.88
Of which: interests payable		
Dividends payable	2,033,891.80	2,033,891.80
Liabilities held for sale		
Non-current liabilities due within one year	101,533,333.33	621,918,862.53
Other current liabilities		
Total current liabilities	1,075,811,896.19	1,244,102,873.92
Non-current liabilities:		
Long-term borrowings		
Bonds payable	345,704,375.45	394,159,870.29
Of which: preferred shares		
Perpetual capital securities		
Lease liabilities		
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred Income		
Deferred income tax liabilities	506,862.31	
Other non-current liabilities		
Total non-current liabilities	346,211,237.76	394,159,870.29
Total liabilities	1,422,023,133.95	1,638,262,744.21
Shareholder's equity		
Capital stock	1,778,874,835.00	1,778,874,835.00
Other equity instruments		
Of which: preferred shares		
Perpetual capital securities		
Capital reserve	20,048,857,420.42	20,018,624,007.18
Less: treasury stock	305,618,290.83	345,574,459.45
Other comprehensive income		
Special reserves		
Surplus reserves	94,938,299.66	94,938,299.66
Undistributed profits	159,751,177.19	95,235,470.39
Total owners' equity	21,776,803,441.44	21,642,098,152.78
Total liabilities and owners' equity	23,198,826,575.39	23,280,360,896.99



### 3. Consolidated Income Statement

Monetary Unit: RMB

Item	Half year of 2023	Half year of 2022
I. Gross operating income	15,238,815,021.58	8,637,866,501.32
Of which: operating income	15,238,815,021.58	8,637,866,501.32
Interest income		
Earned Premiums		
Handling charges and commissions income		
II. Total Operating Cost	15,004,001,034.29	8,853,432,866.48
Of which: operating cost	12,899,601,817.37	7,391,913,307.02
Interest expenses		
Handling charge and commission expenses		
Surrender value		
Net payments for insurance claims		
Net withdrawal of insurance liability reserve		
Expenditures of policy dividend		
Reinsurance expense		
Taxes and surcharges	85,607,180.10	57,060,143.54
Sales expenses	326,801,740.18	124,426,730.94
Administrative expense	798,207,203.40	573,523,055.47
R&D expenditures	904,443,792.36	510,632,637.33
Financial expenses	-10,660,699.12	195,876,992.18
Of which: interest expenses	497,235,691.83	224,771,205.04
Interest income	139,543,763.18	72,013,419.75
Add: other incomes	87,495,235.84	308,706,230.28
Investment income ("-" for loss)	78,014,647.83	29,588,497.67
Of which: income from investment in associates and joint ventures	54,439,537.74	29,585,718.23
Income recognized at the termination of financial assets measured at amortized cost		
Foreign exchange gains ("-" for losses)		
Income from net exposure hedging ("-" for losses)		
Gains from the changes in fair value ("-" for losses)	132,767,406.45	-10,159,418.65
Credit impairment losses ("-" for loss)	-231,689,204.09	-28,994,706.83

Asset impairment losses ("-" for loss)	-85,959,501.25	-39,671,354.52
Gains from asset disposal ("-" for loss)	6,031,053.65	9,491,424.53
III. Operating profit ("-" for loss)	221,473,625.72	53,394,307.32
Add: non-operating income	8,132,344.55	8,138,037.66
Less: non-operating expenses	20,912,022.49	5,621,194.32
IV. Total profit ("-" for total loss)	208,693,947.78	55,911,150.66
Less: income tax expense	-32,253,959.58	-21,543,763.55
V. Net profit ("-" for net loss)	240,947,907.36	77,454,914.21
(I) Classification by business continuity:		
1. Net profit from going concern ("-" for net loss)	240,947,907.36	77,454,914.21
2. Net profit from discontinued operations ("-" for net loss)		
(II) Classification by ownership		
1. Net profits attributable to shareholders of the parent company ("-" for net loss)	209,075,222.07	64,579,708.49
2. Minority gain and loss ("-" for net loss)	31,872,685.29	12,875,205.72
VI. Net Amount after Tax of Other Comprehensive Income	16,201,017.70	-28,724,161.86
Net amount of other comprehensive income after tax attributed to the owners of parent company	14,129,663.30	-28,724,161.86
(I) Other comprehensive incomes that cannot be reclassified into profit and loss	1,904,529.18	-23,721,661.35
1. Changes in re-measurement of the defined benefit plan	1,904,529.18	
2. Other comprehensive income that cannot be transferred to profits or losses under the equity method		
3. Changes in fair value of other equity instruments investment		-23,721,661.35
4. Changes in the fair value of the company's own credit risk		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss	12,225,134.12	-5,002,500.51
1. Other comprehensive income of convertible profit or loss under equity method	87,310.55	
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of investment in other creditor's rights		
5. Cash flow hedging reserves		
6. Translation differences of financial statements denominated in	12,137,823.57	-5,002,500.51

foreign currency		
7. Other		
Net amount of other comprehensive income after tax attributed to minority shareholders	2,071,354.40	
VII. Total comprehensive income	257,148,925.06	48,730,752.35
Total comprehensive income attributed to parent company owners	223,204,885.37	35,855,546.63
Total comprehensive income attributable to minority shareholders	33,944,039.69	12,875,205.72
VIII. Earnings per share:		
(I) Basic earnings per share	0.12	0.04
(II) Diluted earnings per share	0.12	0.04

For business combination under the same control in the current period, the net profit of the merged party before the business combination is RMB 0.00, and the net profit of the merged party in the previous period is RMB 0.00

Legal Representative: Li Zhen      Accounting Principal: Zhang Yifei      Head of the Accounting Dept.: Zhao Hua

#### 4. Income Statement of the Parent Company

Monetary Unit: RMB

Item	Half year of 2023	Half year of 2022
I. Operating revenue	4,820,753.49	0.00
Less: Operating costs	4,402.80	0.00
Taxes and surcharges	3,261,089.92	146,163.22
Sales expenses		
Administrative expense	97,131,416.06	55,226,697.04
R&D expenditures		
Financial expenses	-210,329,180.25	-9,445,501.47
Of which: interest expenses	10,813,687.54	
Interest income	40,585,051.90	9,631,875.35
Add: Other incomes	103,081.34	200,000.00
Investment income ("-" for loss)	-11,144,393.78	-20,958,282.62
Of which: income from investment in associates and joint ventures	-11,144,393.78	-20,958,282.62
Termination recognition of financial assets at amortized cost (loss is indicated with "-")		
Income from net exposure hedging ("-" for losses)		
Gains from the changes in fair value ("-" for losses)	2,027,449.22	
Credit impairment losses ("-" for loss)	40,907.61	-344,249.48
Asset impairment losses ("-" for loss)		
Gains from asset disposal ("-" for loss)		
II. Operating Profit (Mark "-" for Loss)	105,780,069.35	-67,029,890.89

Add: non-operating income		12,175.48
Less: non-operating expenses		134.96
III. Total Profit (Mark "-" for Total Loss)	105,780,069.35	-67,017,850.37
Less: income tax expense	41,264,362.55	-9,405,274.56
IV. Net Profit (Mark "-" for Net Loss)	64,515,706.80	-57,612,575.81
(I) Net Profit as a Going Concern (Mark "-" for Net Loss)	64,515,706.80	-57,612,575.81
(II) Net Profit of Discontinued Operation (Mark "-" for Net Loss)		
V. Net Amount of Other Comprehensive Incomes After Tax		
(I) Other comprehensive incomes that cannot be reclassified into profit and loss		
1. Changes in re-measurement of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to profits or losses under the equity method		
3. Changes in fair value of other equity instruments investment		
4. Changes in the fair value of the company's own credit risk		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss		
1. Other comprehensive income of convertible profit or loss under equity method		
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of investment in other creditor's rights		
5. Cash flow hedging reserves		
6. Translation differences of financial statements denominated in foreign currency		
7. Other		
VI. Total Comprehensive Income	64,515,706.80	-57,612,575.81
VII. Earnings Per Share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

## 5. Consolidated Cash Flow Statement

Monetary Unit: RMB

Item	Half year of 2023	Half year of 2022
I. Cash flows generated from operating activities:		
Cash receipts from the sale of goods and rendering of services	10,116,884,729.29	5,038,585,029.23
Net increase in deposit from customers		

and interbank		
Net increase in borrowing from central bank		
Net increase in borrowings from other financial institutions		
Cash receipts from premiums under direct insurance contracts		
Net Amount Arising from Reinsurance Business		
Net Increase in Deposits and Investments from Policyholders		
Cash Arising from Interests, Service Charges and Commissions		
Net Increase in Borrowings from Banks and Other Financial Institutions		
Net Increase in Repurchase Business Funds		
Net cash receipts from vicariously traded securities		
Cash receipts from tax refunds	472,951,707.07	399,107,656.53
Cash received relating to other operating activities	309,819,724.14	580,226,356.51
Subtotal of cash inflow in business activities	10,899,656,160.50	6,017,919,042.27
Cash payments for goods acquired and services received	7,845,612,703.01	3,888,060,029.01
Net increase in customer loans and advances		
Net increase of deposits in central bank and other financial institutions		
Cash payments for original insurance contract claims		
Net increase in lending funds from banks and other financial institutions		
Cash payments for interest, fee, and commission		
Cash payment for policyholder dividend		
Cash paid to and on behalf of employees	1,579,060,072.65	981,865,390.22
Cash payments for taxes	419,150,669.53	333,938,737.14
Other cash payments relating to operating activities	890,840,659.10	722,490,225.38
Subtotal of cash outflow in business activities	10,734,664,104.29	5,926,354,381.75
Net cash flow generated by operating activities	164,992,056.21	91,564,660.52
II. Cash flows generated from investing activities:		
Cash receipts from investment withdrawal	2,300,295,238.39	
Cash receipts from return on investments	18,423,292.79	16,706,163.34

Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	26,242,170.00	20,221,126.53
Net cash receipts from disposal of a subsidiary or any other business unit		1,800,000.00
Other cash receipts relating to investing activities		
Subtotal of cash inflows generated from investing activities	2,344,960,701.18	38,727,289.87
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	3,104,881,058.36	5,592,091,142.95
Cash payments for investment	3,036,996,869.62	201,071,934.12
Net increase in pledge loans		
Net cash payments for acquisition of subsidiaries and other business units		488,059,905.50
Other cash payments relating to investment activities	7,619,053.20	45,799,944.59
Subtotal of cash outflows generated from investment activities	6,149,496,981.18	6,327,022,927.16
Net amount of cash flow generated by investment activities	-3,804,536,280.00	-6,288,295,637.29
III. Cash flows generated from financing activities:		
Cash receipts from investments by Other		229,200,000.00
Of which: Cash received from investment of minority shareholder from subsidiary		
Cash receipts from borrowings	11,428,883,525.41	9,273,441,697.11
Other cash receipts relating to financing activities	822,257,326.84	238,338,173.12
Total cash inflows from financing activities	12,251,140,852.25	9,740,979,870.23
Cash repayments of amounts borrowed	4,843,238,246.22	2,769,639,930.67
Cash payments for distribution of dividends or profits or settlement of interest expenses	637,224,575.58	486,097,091.48
Of which: Dividends and profits paid to minority shareholders by subsidiaries		
Other cash payments relating to financing activities	1,023,045,570.25	349,606,110.30
Total cash outflows from financing activities	6,503,508,392.05	3,605,343,132.45
Net cash flow generated by financing activities	5,747,632,460.20	6,135,636,737.78
IV. Effect of foreign exchange rate changes on cash and cash equivalents	262,465,789.94	88,261,775.41
V. Net increase in cash and cash equivalents	2,370,554,026.35	27,167,536.42
Add: Opening balance of cash and cash equivalents	11,242,032,512.47	9,439,103,239.24
VI. Closing Balance of Cash and Cash Equivalents	13,612,586,538.82	9,466,270,775.66

## 6. Cash Flow Statement of the Parent Company

Monetary Unit: RMB

Item	Half year of 2023	Half year of 2022
I. Cash flows generated from operating activities:		
Cash receipts from the sale of goods and rendering of services	100,286,522.88	6,315,285.39
Cash receipts from tax refunds		9,644,845.42
Cash received relating to other operating activities	41,628,526.12	11,800,474.09
Subtotal of cash inflow in business activities	141,915,049.00	27,760,604.90
Cash payments for goods acquired and services received	100,000,000.00	
Cash paid to and on behalf of employees	40,882,049.00	2,121,968.27
Cash payments for taxes	13,428,311.79	40,512.67
Other cash payments relating to operating activities	22,916,925.84	11,880,411.40
Subtotal of cash outflow in business activities	177,227,286.63	14,042,892.34
Net cash flow generated by operating activities	-35,312,237.63	13,717,712.56
II. Cash flows generated from investing activities:		
Cash receipts from investment withdrawal		
Cash receipts from return on investments		
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		
Net cash receipts from disposal of a subsidiary or any other business unit		
Other cash receipts relating to investing activities		
Subtotal of cash inflows generated from investing activities		
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		
Cash payments for investment	30,000,000.00	796,677,146.23
Net cash payments for acquisition of subsidiaries and other business units		
Other cash payments relating to investment activities		
Subtotal of cash outflows generated from investment activities	30,000,000.00	796,677,146.23
Net amount of cash flow generated by investment activities	-30,000,000.00	-796,677,146.23
III. Cash flows generated from financing activities:		
Cash receipts from investments by Other		
Cash receipts from borrowings		
Other cash receipts relating to	707,095,555.55	1,170,765,587.26

financing activities		
Total cash inflows from financing activities	707,095,555.55	1,170,765,587.26
Cash repayments of amounts borrowed	550,000,000.00	
Cash payments for distribution of dividends or profits or settlement of interest expenses	42,555,555.55	198,970,676.17
Other cash payments relating to financing activities	15,433,029.33	7,477,340,309.32
Total cash outflows from financing activities	607,988,584.88	7,676,310,985.49
Net cash flow generated by financing activities	99,106,970.67	-6,505,545,398.23
IV. Effect of foreign exchange rate changes on cash and cash equivalents	86,101,493.84	
V. Net increase in cash and cash equivalents	119,896,226.88	-7,288,504,831.90
Add: Opening balance of cash and cash equivalents	2,281,523,624.23	7,301,833,532.46
VI. Closing Balance of Cash and Cash Equivalents	2,401,419,851.11	13,328,700.56

## 7. Consolidated statement of changes in owners' equity

Current amount

Monetary Unit: RMB

Item	Half year of 2023														
	Owners' equity attributable to parent company													Minority equity	Total owners' equity
	Capital stock	Other equity instruments			Capital reserve	Less : treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Other	Subtotal		
		Preferred shares	Perpetual capital securities	Other											
I. Balance at the end of the period of the previous year:	1,778,874,835.00				18,191,023,725.17	404,574,459.45	209,751,958.34	2,809,129.24	188,051,476.38		3,546,316,521.53		23,512,253,186.21	985,521,022.44	24,497,774,208.65
Add: Changes to accounting policies															
Correction of errors from previous periods															



Bu siness combination under common control															
Ot her															
II. Opening balance of the current year	1,77 8,87 4,83 5.00				18,1 91,0 23,7 25.1 7	404, 574, 459. 45	209, 751, 958. 34	2,80 9,12 9.24	188, 051, 476. 38		3,54 6,31 6,52 1.53		23,5 12,2 53,1 86.2 1	985, 521, 022. 44	24,4 97,7 74,2 08.6 5
III. Changes for the Current Year (decrease is indicated with “-”)					270, 816, 168. 54	- 39,9 56,1 68.6 2	14,1 29,6 63.3 0	- 2,75 8,81 2.25			209, 075, 222. 07		531, 218, 410. 28	80,5 94,9 37.0 2	611, 813, 347. 30
(I) Total comprehensi ve income							14,1 29,6 63.3 0				209, 075, 222. 07		223, 204, 885. 37	33,9 44,0 39.6 9	257, 148, 925. 06
(II) Capital injection and reduction by owners					270, 816, 168. 54	- 39,9 56,1 68.6 2							310, 772, 337. 16	46,6 50,8 97.3 3	357, 423, 234. 49
1. Common stock invested by the owner															
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payments recorded into the owners' equity					270, 250, 923. 22	- 39,9 56,1 68.6 2							310, 207, 091. 84	3,59 4,23 4.63	313, 801, 326. 47
4. Other					565, 245. 33								565, 245. 33	43,0 56,6 62.7 0	43,6 21,9 08.0 3
(III) Profit distribution															
1. Appropriatio n of surplus reserve															
2. Appropriatio															

n of general risk reserve															
3. Distribution to owners (or shareholders)															
4. Other															
(IV) Internal carryover of owners' equity															
1. Conversion of capital reserves to increased capital (or capital stock)															
2. Conversion of surplus reserves to increased capital (or capital stock)															
3. Recovery of losses by surplus reserves															
4. Amount of changes in the defined benefit plan carried over to the retained earnings															
5. Retained income transferred from other comprehensive income															
6. Other															
(V) Special reserve							1,46 0,04 8.57					1,46 0,04 8.57		1,46 0,04 8.57	
1. Withdrawal in the current period							389, 656. 38					389, 656. 38		389, 656. 38	
2. Utilization in the current period							- 1,07 0,39					- 1,07 0,39		- 1,07 0,39	

								2.18					2.19		2.18
(VI) Other								- 4,21 8,86 0.82					- 4,21 8,86 0.82		- 4,21 8,86 0.82
IV. Balance at the end of the current period	1,77 8,87 4,83 5.00				18,4 61,8 39,8 93.7 1	364, 618, 290. 83	223, 881, 621. 64	50,3 16.9 9	188, 051, 476. 38		3,75 5,39 1,74 3.60		24,0 43,4 71,5 96.4 9	1,06 6,11 5,95 9.46	25,1 09,5 87,5 55.9 5

Amount of previous year

Monetary Unit: RMB

Item	Half year of 2022														
	Owners' equity attributable to parent company													Minority equity	Total owners' equity
	Capital stock	Other equity instruments			Capital reserve	Less : treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Other	Subtotal		
		Preferred shares	Perpetual capital securities	Other											
I. Balance at the end of the period of the previous year:	1,664,707,835.00				13,194,367,010.80	139,123,513.00	495,912,480.89		178,338,303.05		3,383,520,937.01		18,777,723,053.75	596,677,727.66	19,374,400,781.41
Add: Changes to accounting policies															
Correction of errors from previous periods															
Business combination under common control															
Other															
II. Opening balance of the current year	1,664,707,835.00				13,194,367,010.80	139,123,513.00	495,912,480.89		178,338,303.05		3,383,520,937.01		18,777,723,053.75	596,677,727.66	19,374,400,781.41
III. Changes for the					189,460,	84,740,4	-28,7	3,172,27			-101,		-22,7	322,264,	299,541,

Current Year (decrease is indicated with “-”)					129. 63	40.8 0	24,1 61.8 6	9.38			890, 967. 68		23,1 61.3 3	363. 41	202. 08
(I) Total comprehensive income							- 28,7 24,1 61.8 6				64,5 79,7 08.4 9		35,8 55,5 46.6 3	322, 264, 363. 41	358, 119, 910. 04
(II) Capital injection and reduction by owners					189, 460, 129. 63	84,7 40,4 40.8 0		3,17 2,27 9.38					107, 891, 968. 21		107, 891, 968. 21
1. Common stock invested by the owner					19,8 98,8 93.0 0								19,8 98,8 93.0 0		19,8 98,8 93.0 0
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payments recorded into the owners' equity					143, 108, 792. 94								143, 108, 792. 94		143, 108, 792. 94
4. Other					26,4 52,4 43.6 9	84,7 40,4 40.8 0		3,17 2,27 9.38					- 55,1 15,7 17.7 3		- 55,1 15,7 17.7 3
(III) Profit distribution											- 166, 470, 676. 17		- 166, 470, 676. 17		- 166, 470, 676. 17
1. Appropriation of surplus reserve															
2. Appropriation of general risk reserve															
3. Distribution to owners (or shareholders)											- 166, 470, 676. 17		- 166, 470, 676. 17		- 166, 470, 676. 17
4. Other															
(IV) Internal carryover of owners'															

equity															
1. Conversion of capital reserves to increased capital (or capital stock)															
2. Conversion of surplus reserves to increased capital (or capital stock)															
3. Recovery of losses by surplus reserves															
4. Amount of changes in the defined benefit plan carried over to the retained earnings															
5. Retained income transferred from other comprehensive income															
6. Other															
(V) Special reserve															
1. Withdrawal in the current period															
2. Utilization in the current period															
(VI) Other															
IV. Balance at the end of the current period	1,66 4,70 7,83 5.00				13,3 83,8 27,1 40.4 3	223, 863, 953. 80	467, 188, 319. 03	3,17 2,27 9.38	178, 338, 303. 05		3,28 1,62 9,96 9.33		18,7 54,9 99,8 92.4 2	918, 942, 091. 07	19,6 73,9 41,9 83.4 9

## 8. Statement of Changes in Owners' Equity of the Parent Company

Current amount

Monetary Unit: RMB

Item	Half year of 2023											
	Capital stock	Other Equity Instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Other	Total owners' equity
		Preferred shares	Perpetual capital securities	Other								
I. Balance at the end of the period of the previous year:	1,778,874,835.00				20,018,624,007.18	345,574,459.45			94,938,299.66	95,235,470.39		21,642,098,152.78
Add: Changes to accounting policies												
Correction of errors from previous periods												
Other												
II. Opening balance of the current year	1,778,874,835.00				20,018,624,007.18	345,574,459.45			94,938,299.66	95,235,470.39		21,642,098,152.78
III. Changes for the Current Year (decrease is indicated with "-")					30,233,413.24	-39,956,168.62				64,515,706.80		134,705,288.66
(I) Total comprehensive income										64,515,706.80		64,515,706.80
(II) Capital injection and reduction by owners					30,233,413.24	-39,956,168.62						70,189,581.86
1. Common stock invested by the owner												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based					29,095,828.54	-39,956,168.62						69,051,997.16

payments recorded into the owners' equity						62						
4. Other					1,137,584.70							1,137,584.70
(III) Profit distribution												
1. Appropriation of surplus reserve												
2. Distribution to owners (or shareholders)												
3. Other												
(IV) Internal carryover of owners' equity												
1. Conversion of capital reserves to increased capital (or capital stock)												
2. Conversion of surplus reserves to increased capital (or capital stock)												
3. Recovery of losses by surplus reserves												
4. Amount of changes in the defined benefit plan carried over to the retained earnings												
5. Retained income transferred from other comprehensive income												

6. Other												
(V) Special reserve												
1. Withdrawal in the current period												
2. Utilization in the current period												
(VI) Other												
IV. Balance at the end of the current period	1,778,874,835.00				20,048,857,420.42	305,618,290.83			94,938,299.66	159,751,177.19		21,776,803,441.44

Amount of previous year

Monetary Unit: RMB

Item	Half year of 2022											
	Capital stock	Other Equity Instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Other	Total owner's equity
		Preferred shares	Perpetual capital securities	Other								
I. Balance at the end of the period of the previous year:	1,664,707,835.00				15,530,081,961.02	80,123,513.00			85,225,126.33	174,287,586.60		17,374,178,995.95
Add: Changes to accounting policies												
Correction of errors from previous periods												
Other												
II. Opening balance of the current year	1,664,707,835.00				15,530,081,961.02	80,123,513.00			85,225,126.33	174,287,586.60		17,374,178,995.95
III. Changes for the Current Year (decrease is indicated with "-")					47,171,702.24	84,740,440.80				-224,083,251.98		-261,651,990.54
(I) Total										-		-



comprehensive income										224,083,251.98		224,083,251.98
(II) Capital injection and reduction by owners					47,171,702.24	84,740,440.80						-37,568,738.56
1. Common stock invested by the owner					47,171,702.24	84,740,440.80						-37,568,738.56
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payments recorded into the owners' equity												
4. Other												
(iii) Profit distribution												
1. Appropriation of surplus reserve												
2. Distribution to owners (or shareholders)												
3. Other												
(IV) Internal carryover of owners' equity												
1. Conversion of capital reserves to increased capital (or capital stock)												
2. Conversion of surplus reserves to increased capital (or capital stock)												
3. Recovery												

of losses by surplus reserves												
4. Amount of changes in the defined benefit plan carried over to the retained earnings												
5. Retained income transferred from other comprehensive income												
6. Other												
(V) Special reserve												
1. Withdrawal in the current period												
2. Utilization in the current period												
(VI) Other												
IV. Balance at the end of the current period	1,664,707,835.00				15,577,253,663.26	164,863,953.80			85,225,126.33	-49,795,665.38		17,112,527,005.41

### III. Company profile

Gotion High-tech Co., Ltd. (formerly known as Jiangsu Dongyuan Electric Appliance Group Co., Ltd., hereinafter referred to as “the Company”) is a joint stock limited company transformed from Jiangsu Dongyuan Group Co., Ltd. under the Approval of Jiangsu Provincial People’s Government on the Overall Change for the Establishment of Jiangsu Dongyuan Electric Appliance Group Co., Ltd. (Su Zheng Fu [1998] No. 30). After several change, the registered capital and share capital of the Company as of December 31, 2018 was RMB 1,136,650,819.

In accordance with the Proposal on the Company’s “Restricted Stock Incentive Plan (Draft)” and its Summary deliberated and approved at the 5th extraordinary shareholders’ meeting of the Company in 2015, the resolutions of the 22nd and the 23rd meetings of the 7th Board of Directors and the amended Articles of Association of the Company, the Company repurchased and cancelled the 234,000 restricted shares that have been granted to Shen Qiangsheng, Hang Jun and Zhang Min but not yet unlocked. At the same time, due to the failure to meet the performance assessment requirements at the company level in 2018, it was agreed to repurchase and cancel 7,064,086 restricted shares that have been granted but not yet unlocked by all restricted stock incentive recipients.

Meanwhile, the Company reduced the registered capital by RMB 7,298,086.00 (and reduced the capital reserve by RMB 96,709,413.14), and completed the procedures for SAMR registration of change on April 10, 2020. After the change, the registered capital and share capital of the Company was RMB 1,129,352,733.

According to relevant laws and regulations, as well as the provisions of the Prospectus for Public Issuance of Convertible Corporate Bonds of Gotion High-Tech Co., Ltd., among the 1,8500,000 convertible corporate bonds (each with a face value of RMB 100 with the bond code “128086”, “Gotion Convertible Bonds”) issued by the Company on December 17, 2019, from June 23, 2020 to August 28, 2020, the total number of convertible corporate bonds that have been converted into shares is 18,430,632 and the total number of convertible corporate bonds that have not been converted into shares is 69,368. According to the 6th meeting of the 8th Board of Directors and the amended Articles of Association of the Company, the “Gotion Convertible Bonds” issued by the Company has triggered the conditional redemption clause agreed, so the Company exercised the right to conditionally redeem all the “Gotion Convertible Bonds” that has not been converted into shares as registered in the Shenzhen Branch of the China Securities Depository and Clearing Co., Ltd. after the closing of the market on the redemption registration date, at the price of the face value. After the redemption, the registered capital and share capital of the Company increased by RMB 151,191,756 (from RMB 1,129,352,733 to RMB 1,280,544,489) (capital reserve increased by RMB 1,359,844,824.85), and the procedures for industrial and commercial registration of change were completed on March 11, 2021. The registered capital and share capital after the change were RMB 1,280,544,489.

According to the resolution of the 4th meeting of the 8th Board of Directors of the Company held on May 28, 2020, the resolution of the first extraordinary general meeting of 2020 held on June 16, 2020, and the approval of the Reply of the China Securities Regulatory Commission regarding the Approval of the Private Placement of Stocks by Gotion High-tech Co., Ltd. (Zheng Jian Xu Ke [2021] No. 1421), the Company issued 384.163346 million ordinary shares to Volkswagen (China) Investment Co., Ltd., a specific investor, at a par value of RMB 1 per share, at an issuance price of RMB 19.01 per share. The net value of capital raised in this round of financing, after deduction of the issuance expenses relating thereto, totals RMB 7,230,855,085.62, of which RMB 384,163,346 is included in the share capital and RMB 6,846,691,739.62 is included in the capital reserve (capital premium). After the change, the Company's shares were changed to 1,664,707,835 shares, and the registered capital was changed to 1,664,707,835.

According to the resolutions made by the 17th meeting of the eighth Board of Directors held on May 6, 2022, the resolution of 2021 Annual General Meeting of Shareholders held on May 24, 2022, and the Reply of China Securities Regulatory Commission on the Approval of Gotion High-tech Co., Ltd. for the Initial Public Issuance of GDRs and Listing on the Swiss Exchange (ZJXK [2022] No. 1610), the Company is approved to issue a certain number of Global Depositary Receipts (hereinafter referred to as “GDR”) to overseas investors. On July 28, 2022 (Zurich time), the Company successfully issued 22,833,400 GDRs (with an issue price of USD 30.00/GDR, each GDR representing 5 A-shares of the Company, corresponding to 114,167,000 A-share underlying stocks) and listed them on the SIX Swiss Exchange. A total of USD 685,002,000 (equivalent to RMB 4,619,447,987.4) was raised through this GDR issue, of which RMB 114,167,000 was credited to share capital and the remaining portion, net of

issuance fee, was credited to capital surplus (capital premium). After the change, the Company's shares were changed to 1,778,874,835 shares, and the registered capital was changed to 1,778,874,835.

Registered address of the Company: No. 566, Huayuan Avenue, Baohe District, Hefei City, Anhui Province.  
Legal representative: Li Zhen.

The Company's scope of business includes: construction engineering (excluding nuclear power plant construction and civil airport construction); construction engineering design (specific projects require approval from relevant authorities before operation; the specific business activities are subject to approval documents or permits issued by the relevant departments); General projects: Battery manufacturing, battery sales, battery component sales, battery component production, electronic special materials manufacturing, electronic special materials research and development, electronic special materials sales, electronic components and electromechanical component equipment manufacturing, power electronic component manufacturing, power electronic component sales, energy storage technology services, contract energy management, energy management services, recycling and subsequent use of waste power batteries from new energy vehicles (excluding hazardous waste management), resource recycling technology research and development, sales of recycled resources, recycling of recycled resources (excluding production waste metal), charging pile sales, operation of electric vehicle charging infrastructure, centralized fast charging stations, mobile vehicle charging sales, sales of new energy vehicle battery swapping facilities, sales of accessories for new energy vehicles, sales of smart power distribution and control equipment, manufacturing of automobile parts and components, manufacturing of power distribution and control equipment, manufacturing of distribution switch control equipment, research and development of distribution switch control equipment, manufacturing of mechanical and electrical equipment, sales of mechanical and electrical equipment, research and development of efficient energy-saving technology in the power industry, sales of water transport equipment components, manufacturing of water transport equipment components, manufacturing of power facility equipment, manufacturing of transformers, rectifiers, and inductors, electrical equipment repair, manufacturing of photovoltaic equipment and components, sales of photovoltaic equipment and components, sales of wind power generator units and components, sales of wind farm-related equipment, research and development of new materials technology, technology import and export, technology services, technology development, technology consulting, technology exchange, technology transfer, technology promotion, engineering and technical research, development and testing, standardization services, import and export agency, goods import and export, general goods warehousing services (excluding projects requiring permits and approvals such as hazardous chemicals), investment activities using self-owned funds, education consulting services (excluding education and training activities requiring permits, and other lawful activities not prohibited or restricted by laws and regulations). The consolidation scope of the Company's consolidated financial statements is determined on the basis of control, and all controlled subsidiaries are included in the consolidation scope of the consolidated financial statements.

Please refer to "Section X Note IX. 1. Equity in Subsidiaries" for details of subsidiaries included in the consolidated financial statements, and refer to "Section X Note VIII. Changes in Consolidation Scope" for details of the change in the consolidation scope.

## **IV. Basis for preparing the financial statements**

### **1. Basis for the preparation**

The Company prepares its financial statements on a going concern basis, and recognizes and measures its accounting items in accordance with the Accounting Standards for Business Enterprises – Basic Standards, other specific accounting standards and relevant regulations on the basis of actual transactions and events.

### **2. Going concern**

Management of the Company believes that the Company has the ability of operation as a going concern for at least 12 months as of the end of the Reporting Period.

## **V. Major accounting policies and accounting estimates**

Notes to specific accounting policies and accounting estimates:

The following major accounting policies and accounting estimates of the Company are made in accordance with the Accounting Standards for Business Enterprises. Accounting business not mentioned shall be subject to relevant accounting policies in the Accounting Standards for Business Enterprises.

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

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

### **2. Accounting period**

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

### **3. Operating cycle**

The operating cycle of the Company is 12 months.

### **4. Functional currency**

The functional currency of the Company is RMB.

### **5. Methods for accounting treatment of business combinations under common control and those not under common control**

(I) Method for accounting treatment of business combinations under common control

For the business combination under common control, the Company shall adopt the pooling of interest method for accounting treatment.

The Company shall measure the assets and liabilities acquired from the business combination under common control at the book value of the assets and liabilities of the combinee in the financial statements of the ultimate controller on the combination date. For long-term equity investments in an individual financial statement, the investment initial cost thereof shall be recognized at the share of book value of the owner's equity of the combinee in the consolidated financial statements of the ultimate controller after the combination. The difference between the initial investment cost of the long-term equity investment and the consideration paid for the combination (including cash paid, non-cash assets transferred, book value of debts incurred, or assumed or total face value of shares issued) shall be used to adjust the capital reserve (stock premium or capital premium). If there is no sufficient balance of capital reserve (stock premium or capital premium) for write-off, the surplus reserve and undistributed profit shall be written off in turn.

## (II) Method for accounting treatment of business combinations not under common control

For the business combination not under common control, the Company shall adopt the purchase method for accounting treatment.

1. The Company shall measure its various identifiable assets, liabilities and contingent liabilities obtained from the business combination not under common control at their fair values. The measurement shall be made based on the fair value of the assets transferred, liabilities incurred or assumed, and equity securities issued by the Company on the combination date as the consideration for the combination, and the difference between their fair value and book value shall be included in the current profit and loss.

2. The combined cost shall be determined in the following ways:

(1) For a business combination achieved by a single transaction, the combined cost shall be the sum of the fair value of the assets transferred, the liabilities incurred or assumed and the equity securities issued by the Company in order to obtain control over the acquiree on the combination date, and the contingent consideration meeting the conditions for recognition. For long-term equity investment, the combined cost shall be its initial investment cost.

(2) For a business combination achieved step by step through multiple transactions, the combined cost shall be the sum of the amount of the equity investment re-measured at fair value on the combination date, and the total investment costs of new investments on the combination date. The long-term equity investment in individual financial statements is the sum of the book value of the equity investment held before the purchase date and the new investment cost on the purchase date, except for the package deal.

3. The Company shall allocate the combined cost between the acquired identifiable assets and liabilities on the combination date.

(1) For other assets (not limited to the assets originally recognized by the acquiree) other than intangible assets acquired by the Company from the acquiree in a business combination, if their future economic benefits possibly flow into the Company and their fair value can be reliably measured, such assets shall be separately recognized and measured at fair value.

(2) For intangible assets acquired by the Company from the acquiree in a business combination, if their fair value can be reliably measured, such assets shall be separately measured at fair value.

(3) For all liabilities other than contingent liabilities acquired by the Company from the acquiree in a business combination, if fulfilling the relevant obligations is expected to lead to the outflow of economic benefits from the Company and their fair value can be reliably measured, such liabilities shall be separately recognized and measured at fair value.

(4) For contingent liabilities acquired by the Company from the acquiree in a business combination, if their fair value can be reliably measured, such liabilities shall be separately recognized and measured at fair value.

(5) When the Company allocates the combined cost and recognizes the identifiable assets and liabilities acquired in the combination, the goodwill and deferred income tax items recognized by the acquiree before the business combination shall not be considered.

4. Treatment of the difference between the combined cost and the share of the fair value of the identifiable net assets acquired from the acquiree in the business combination

(1) The Company shall recognize the difference of the combined cost in excess of the fair value of the net identifiable assets acquired from the acquiree as goodwill.

(2) The Company shall treat the difference of the combined cost less than the fair value of the net identifiable assets acquired from the acquiree in the following ways:

① First, the measurement of the fair value of the identifiable assets, liabilities and contingent liabilities acquired and the combined cost shall be re-examined;

② After re-examination, if the combined cost is still less than the share of fair value of the identifiable net assets obtained in the combination from the acquiree, the difference shall be included in the current profits and losses.

(III) Treatment of relevant expenses incurred by the Company for business combination

1. The directly related expenses (including intermediary service charges such as audit fee, legal service fee, appraisal and consultancy fee paid for business combination, and other relevant general and administrative expenses) incurred by the Company for business combination shall be included in the current profits and losses when they occur.

2. The commission, handling charge and other transaction expenses paid by the Company for issuing debt securities for the business combination shall be included in the initial measurement amount of the debt securities.

(1) If the securities are issued at a discount or face value, the amount of discount shall be added to the expenses;

(2) If the securities are issued at a premium, the amount of the premium shall be reduced from the expenses.

3. The commission, handling charges and other transaction expenses paid by the Company for equity securities issued as the consideration for the business combination shall be included in the initial measurement amount of the equity securities.

(1) If the equity securities are issued at a premium, the amount of the premium shall be deducted from the capital reserve (stock premium);

(2) If the equity securities are issued at face value or discount, the amount of the discount shall be used to offset the retained earnings.

## **6. Methods for preparing the consolidated financial statements**

### **(I) Unified accounting policies and accounting period**

The accounting policies and accounting period adopted by subsidiaries included in the consolidation scope of the consolidated financial statements shall be the same as those of the Company; otherwise, necessary adjustments shall be made according to the Company's accounting policies and accounting period in the preparation of the consolidated financial statements.

### **(II) Methods for preparing the consolidated financial statements**

Based on the financial statements of the Company and its subsidiaries and according to other relevant information, the consolidated financial statements shall be prepared by the parent company after adjusting the long-term equity investments in the subsidiaries according to the equity method and offsetting the impact of internal transactions between the Company and its subsidiaries and between the subsidiaries on the consolidated financial statements.

### **(III) Reflection of excess loss of subsidiary in the consolidated financial statements**

In the consolidated financial statements, if the current loss shared by the parent company exceeds its share in the owner's equity of the subsidiary at the beginning of the period, the balance shall be used to offset the owner's equity (undistributed profit) attributable to the parent company. If the current loss shared by the minority shareholders of a subsidiary exceeds their share in the owners' equity of the subsidiary at the beginning of the period, the balance shall be used to offset the minority equity.

### **(IV) Accounting treatment in case of acquisition or disposal of subsidiaries during the Reporting Period**

#### **1. Accounting treatment in case of acquisition of subsidiaries during the Reporting Period**

##### **(1) Acquisition of subsidiaries due to business combination under common control**

During the Reporting Period, if the Company acquired a subsidiary due to the business combination under common control, the beginning balance in the consolidated balance sheet shall be adjusted. The incomes, expenses and profits of the newly acquired subsidiary from the beginning to the end of the Reporting Period shall be included in the consolidated income statement. The cash flows of the newly acquired subsidiary from the beginning to the end of the Reporting Period shall be included in the consolidated statement of cash flows.



**(2) Acquisition of subsidiaries due to business combination not under common control**

During the Reporting Period, if the Company acquired a subsidiary due to the business combination not under common control, the beginning balance in the consolidated balance sheet shall not be adjusted. The incomes, expenses and profits of the newly acquired subsidiary from the combination date to the end of the Reporting Period shall be included in the consolidated income statement. The cash flows of the newly acquired subsidiary from the combination date to the end of the Reporting Period shall be included in the consolidated statement of cash flows.

**2. Disposal of subsidiaries during the Reporting Period**

During the Reporting Period, if the Company disposes of a subsidiary, beginning balances in the consolidated balance sheet shall not be adjusted, and the incomes, expenses and profits of the subsidiary from the beginning of the period to the disposal date shall be included in the consolidated income statement; the subsidiary's cash flows from the beginning of the period to the disposal date shall be included in the consolidated statement of cash flows.

**7. Classification of joint venture arrangements and methods for the accounting treatment of joint operation****(I) Classification of joint venture arrangements**

Joint venture arrangements are classified into joint operation and joint venture. Joint operation refers to those joint venture arrangements under which the parties thereto are entitled to relevant assets and be responsible for relevant liabilities. Joint venture refers to those joint venture arrangements under which the parties thereto are only entitled to the net assets.

Joint venture arrangements that are not reached through independent entities shall be classified as a joint operation. The said “independent entities” refer to the entities with independent and identifiable financial structure, including the independent legal entities and the entities without legal entity qualification but recognized by law.

Joint venture arrangements that are reached through independent entities are generally classified as joint venture. However, if there is conclusive evidence that a joint venture arrangement meets any of the following conditions and complies with relevant laws and regulations, such joint venture arrangement shall be classified as joint operation:

1. the legal form of the joint venture arrangement indicate that the parties thereto are entitled to relevant assets and be responsible for relevant liabilities under the arrangement.
2. the contract terms of the joint venture arrangement indicate that the parties thereto are entitled to relevant assets and be responsible for relevant liabilities under the arrangement.
3. there are other relevant facts and circumstances indicating that the parties thereto are entitled to relevant assets and be responsible for relevant liabilities under the arrangement, and the parties thereto enjoy almost all the outputs related to the arrangement, the settlement of the liabilities under the arrangement continues to depend on the support from the parties thereto.

**(II) Accounting treatment of joint operation**

Each party to the joint operation shall recognize the following items related to its interest share in the joint operation, and conduct accounting treatment according to relevant Accounting Standards for Business Enterprises:

1. to recognize assets solely held by it, and recognize the assets jointly held based on its share;
2. to recognize the liabilities solely assumed by it, and recognize the liabilities jointly assumed based on its share;
3. to recognize the incomes from the sale of the part of output enjoyed by it from the joint operation;
4. to recognize the incomes of the joint operation from sale of output based on its share;
5. to recognize the costs solely incurred by it, and recognize the costs of the joint operation based on its share.

## **8. Criteria for recognizing cash and cash equivalents**

Cash includes the Company's cash on hand, unrestricted bank deposits and other monetary funds.

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

## **9. Foreign currency transactions and translation of foreign currency statements**

### **(I) Method for accounting foreign currency transactions**

#### **1. Initial recognition of foreign currency transactions**

For foreign currency transactions, the Company shall translate the foreign currency amount into the amount in the functional currency according to the spot exchange rate (middle price) published by the People's Bank of China on the transaction date. Among them, for foreign currency exchange or transactions involving foreign currency exchange, the Company shall translate them according to the exchange rate actually adopted on the transaction date.

#### **2. Adjustment or settlement on balance sheet date or settlement date**

On the balance sheet date or settlement date, the Company shall treat foreign currency monetary items and foreign currency non-monetary items in the following ways:

##### **(1) Principles for the accounting treatment of foreign currency monetary items**

For foreign currency monetary items, on the balance sheet date or the settlement date, the Company shall translate them based on the spot exchange rate (middle price) on the balance sheet date or the settlement date. The difference caused by exchange rate fluctuation shall be used to adjust the amount of the foreign currency monetary items in functional currency and treated as the exchange difference. Among them, the exchange differences arising from foreign currency loans related to the acquisition, construction or production of assets eligible for capitalization

shall be included in the cost of assets eligible for capitalization. Other exchange differences shall be included in the current financial expenses.

(2) Principles for the accounting treatment of foreign currency non-monetary items

① For foreign currency non-monetary items measured at historical cost, the Company shall still translate them according to the spot exchange rate (middle price) on the date of transaction, without changing their amounts in functional currency and generating exchange differences.

② For an inventory measured at cost or net realizable value (whichever is lower), if its net realizable value is determined in foreign currency, the Company shall first translate the net realizable value into the amount in the functional currency according to the ending exchange rate, and then compares it with the inventory cost reflected in functional currency when determining the ending value of the inventory.

③ For a non-monetary item measured at fair value, if its fair value at the end of the period is reflected in foreign currency, the Company shall translate the foreign currency amount into the amount in the functional currency at the spot exchange rates on the day when the fair value is determined, and then compare foreign currency amount with the amount in functional currency, and include the difference in the "current profit and loss" as profit or loss from change in fair value (including change in exchange rate).

(II) Method for accounting treatment of foreign currency statement translation

1. The Company shall translate the financial statements of overseas businesses according to the following methods:

(1) Assets and liabilities items in the balance sheet shall be translated at the spot exchange rate on the balance sheet date; owner's equity items other than "undistributed profit" shall be translated at the spot exchange rate when they occur.

(2) The income and expenses in the income statement shall be translated at the spot exchange rate (or other similar exchange rates similar to the spot exchange rate on the transaction date determined in accordance with the systematic and reasonable method) on the dates when the transactions occur.

Foreign currency translation differences arising from translations conducted in compliance with the aforesaid principles shall be presented in "other comprehensive income" under the "owners' equity" in the balance sheet.

2. The Company shall translate the financial statements of overseas businesses in the hyperinflation economy according to the following methods:

(1) The Company shall restate the items in the balance sheet by using the general price index, restate the items in the income statement by using the general price index changes, and then translate them according to the spot exchange rate on the balance sheet date.

(2) When an overseas business is no longer in the hyperinflation economy, the Company shall cease the re-statement, and translate the financial statements restated at the price on the cessation date.

3. Where the Company disposes of an overseas business, it shall transfer the exchange difference related to the business disposed of, which is presented under the items of the "other comprehensive income" in the consolidated balance sheet, to current profit and loss. If the overseas business is partly disposed of, the exchange difference shall be calculated in proportion to the percentage of disposal and transferred to the current profit and loss.

## 10. Financial instruments

A financial instrument refers to a contract from which financial assets of a party and the financial liabilities or equity instruments of other parties arise.

### (I) Classification of financial instruments

#### 1. Classification of financial assets

The Company shall classify financial assets into the following three categories based on the business model of managing financial assets and the contractual cash flow characteristics of financial assets: (1) financial assets measured at amortized cost; (2) financial assets measured at fair value through other comprehensive income (including financial assets designated to be measured at fair value through other comprehensive income); (3) financial assets measured at fair value through current profit or loss.

#### 2. Classification of financial liabilities

The Company shall classify financial liabilities into the following two categories: (1) financial liabilities measured at fair value through current profits and losses (including financial liabilities held for trading and financial liabilities designated as measured at fair value through current profits and losses); (2) financial liabilities measured at amortized cost.

### (II) Basis for recognizing and method for measuring financial instruments

#### 1. Basis for recognizing financial instruments

When the Company becomes a party to a financial instrument, it shall recognize a financial asset or financial liability.

#### 2. Method for measuring financial instruments

##### (1) Financial assets

Financial assets shall be measured at fair value when initial recognition is made. For the financial assets measured at fair value through profit and loss, the related transaction costs shall be included directly into the current profits and losses. For the financial assets or financial liabilities of other categories, the related transaction costs shall be included in the initially recognized amount. If the accounts receivable and notes receivable arising from the sale of products or the rendering of services do not contain major financing elements or the financing elements in the contracts of no more than one year are not considered, the amount of consideration that is expected to be entitled to be collected shall be taken as the initial recognition amount.

## ① Financial assets measured at amortized cost

After initial recognition, such financial assets shall be subsequently measured at amortized cost by using the effective interest method. Gains or losses arising from the financial assets that are measured at amortized cost and that are not part of any hedging relationship shall be recorded into the current period profit and loss when such financial assets are derecognized, reclassified, amortized with the effective interest method or impaired.

## ② Financial assets measured at fair value through other comprehensive income

After initial recognition, such financial assets will be subsequently measured at fair value. Except that impairment losses or gains, exchange losses or gains, and interest calculated by effective interest method shall be included in current profits and losses, other gains or losses shall be included in other comprehensive income. When de-recognized, the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income and included in the current profit or loss.

If the Company designates part of the non-tradable equity instrument investments as financial assets measured at fair value through other comprehensive income, the relevant dividend income of such financial assets shall be included in the current profits and losses, and the changes in fair value shall be included in other comprehensive income. When the financial asset is de-recognized, the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income to retained earnings and not included in current profits and losses.

## ③ Financial assets measured at fair value through profit or loss

Except for the financial assets measured at amortized cost and the financial assets measured at fair value through other comprehensive income mentioned above, the Company shall classify all the rest financial assets as financial assets measured at fair value through current profit or loss. In addition, in the initial recognition, in order to eliminate or significantly reduce the accounting mismatch, the Company shall designate some financial assets as financial assets measured at fair value through current profit or loss. For such financial assets, the Company adopts fair value for subsequent measurement, with changes in fair value included in the current profit or loss.

## (2) Financial liabilities

Financial liabilities shall be classified into financial liabilities measured at fair value through the current profit or loss and the other financial liabilities at initial recognition. For the financial liabilities measured at fair value through profit and loss, the related transaction costs shall be included directly into the current profits and losses. For other financial liabilities, the related transaction costs shall be included in the initially recognized amount.

## ① Financial liabilities measured at fair value with changes included in current profits and losses

Financial liabilities held for trading (including derivative instruments that are financial liabilities) shall be subsequently measured at fair value. Except for hedge accounting, all changes in fair value shall be included in the current profit or loss. For the financial liabilities designated to be measured at fair value through current profit or loss, the changes in fair value caused by the Company's own credit risk changes shall be included in other comprehensive income, and when the liabilities are de-recognized, the accumulated changes in fair value caused by

the Company's own credit risk changes which are included in other comprehensive income shall be transferred into retained earnings. Other changes in fair value shall be included in the current profit or loss. If the handling of the impact of changes in the credit risk of such financial liabilities in the said way will cause or expand the accounting mismatch in the profit and loss, the Company shall include all the profit or loss of the financial liabilities (including the impact amount caused by changes in the credit risk of the Company) into the current profit or loss.

## ② Financial liabilities measured at amortized cost

Other financial liabilities, except for the financial liabilities and financial guarantee contracts formed by the transfer of financial assets that do not meet the conditions for de-recognition or continued involvement in the transferred financial assets, shall be classified as financial liabilities measured at the amortized cost, and subsequently measured at the amortized cost, with the profit or loss arising from the de-recognition or amortization included in the current profit or loss.

## (III) Basis for recognizing and method for measuring the financial assets transferred

Where the Company has transferred nearly all the risks and rewards associated with the ownership of financial assets, the financial assets shall be de-recognized; where the Company retains nearly all the risks and rewards associated with the ownership of financial assets, the financial assets transferred shall be continuously recognized. If the Company does not transfer or retain substantially all of the risks and rewards related to the ownership of a financial asset, it shall be treated according to the following circumstances, respectively: (1) if the company does not retain control over the financial asset, the recognition of the financial asset shall be terminated, and the rights and obligations arising or retained during the transfer shall be separately recognized as assets or liabilities; (2) if the Company does not retain control over the financial asset, it shall, according to the extent of its continuous involvement in the transferred financial asset, recognize the relevant financial asset and recognize the relevant liability accordingly.

If the transfer of a financial asset meets the condition for derecognition, the difference between (1) the carrying amount of transferred financial asset; and (2) the sum of the consideration received from transfer and the amount corresponding to the derecognized part in the accumulative amount of change in the fair value originally included directly in other comprehensive income (the financial asset involved in the transfer is an investment in debt instrument measured at fair value through other comprehensive income), shall be included in the current profits and losses. Where a financial asset is partially transferred and the transferred part meets the de-recognition conditions, the entire book value of the financial asset before the transfer shall be allocated between the derecognized part and the continuously recognized part based on the relative fair value on the transfer date.

## (IV) De-recognition of financial liabilities

When the current obligation of a financial liability (or part thereof) has been relieved, the Company shall de-recognize the financial liability (or part thereof), and the difference between its book value and the consideration paid (including the non-cash assets transferred out or the liabilities assumed) shall be included in the current profit or loss.

## (V) Offset of financial assets and financial liabilities

Financial assets and financial liabilities shall be separately presented in the balance sheet without mutual offset. However, the net amount after mutual offset shall be presented in the balance sheet if all of the following conditions are satisfied:

1. The Company has legal rights to offset the recognized amounts, and such legal right is currently enforceable;
2. The Company plans to make settlement with net amounts, or to cash the financial assets and settle the financial liability simultaneously.

For a financial asset transferred that does not meet the conditions for de-recognition, the transferor shall not offset the financial asset transferred with relevant liabilities.

#### (VI) Equity instruments

Equity instruments refer to contracts that can prove the ownership of the remaining equity of the Company's assets after the deduction of all liabilities. The Company issues (refinance), repurchases, sells, or cancels equity instruments as a handling of changes in equity. The Company shall not recognize the changes in the fair value of equity instruments. Expenses related to equity transactions shall be deducted from the value of equity. The Company shall treat the distribution to holders of equity instruments as profit distribution, and the stock dividends issued shall not affect the total shareholders' equity.

The special financial instruments issued by an entity controlled by the Company, which meet the definition of financial liabilities, and meet the conditions specified in the standards for being classified as equity instruments, shall be classified as financial liabilities in the corresponding part of minority equity in the consolidated financial statements of the Company.

#### (VII) Method for determining fair values of financial instruments

The fair value of a financial instrument, for which there is an active market, shall be determined on the basis of quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. At the time of valuation, the Company shall adopt the techniques that are applicable in the current situation and supported by enough available data and other information, select the input values that are consistent with the features of assets or liabilities as considered by market participants in relevant asset or liability transactions, and give priority to use relevant observable inputs as soon as possible. Unobservable inputs shall be used only under the circumstance when it is impossible or unobservable inputs to obtain relevant observable inputs.

At the time of initial recognition, if the fair value of a financial asset or financial liability is determined by the quoted price of the same asset or liability in the active market or by any other method other than the valuation technique that only uses observable market data, the Company shall defer the difference between the fair value and the transaction price. After initial recognition, the Company shall recognize the deferred difference as the gain or loss in the corresponding accounting period according to the change degree of a certain factor in the corresponding accounting period.

#### (VIII) Impairment of financial assets

For financial assets measured at amortized cost, debt investments measured at fair value through other comprehensive income, etc., the Company shall recognize the loss provisions based on the expected credit loss.

### 1. Method for determining the provision for impairment

On the basis of reasonable and reliable information such as past events, current situation and forecast of future economic situation, the Company shall, with the risk of default as the weight, calculate the probability weighted amount of the present value of the difference between the cash flow receivable in the contracts and the cash flow expected to be received, and recognize the expected credit loss.

#### (1) General treatment method

On each balance sheet date, the Company shall measure the expected credit losses of financial instruments at different stages separately. If the credit risk of a financial instrument does not increase significantly after initial recognition, it is in the first stage, and the Company shall measure the loss provisions according to the expected credit loss in the next 12 months. If the credit risk of a financial instrument has increased significantly but no credit impairment has occurred since the initial recognition, it is in the second stage and the Company shall measure the loss provisions according to the expected credit loss of the instrument in the whole duration. If the credit impairment of the financial instrument has occurred since the initial recognition, it is in the third stage, and the Company shall measure the loss provisions according to the expected credit loss of the instrument in the whole duration. For a financial instrument with lower credit risk on the balance sheet date (such as fixed deposits in commercial banks with high credit rating and financial instruments with an external credit rating above "investment grade"), the Company shall assume that its credit risk has not increased significantly since the initial recognition, and measure the provision for loss according to the expected credit losses in the next 12 months.

#### (2) Simplified treatment method

For accounts receivable, contract assets and notes receivable related to income, if they do not contain major financing elements or the financing elements in the contracts of no more than one year are not considered, the Company shall measure the loss provision according to the expected credit loss of the whole duration.

### 2. Criteria for judging whether credit risk has increased significantly since initial recognition

If the default probability of a financial asset in the expected duration determined on the balance sheet date is significantly higher than that in the expected duration determined on the initial recognition, it indicates that the credit risk of the financial asset increases significantly.

No matter how the Company evaluates whether the credit risk of a financial asset increases significantly, if the contract payment is overdue for more than 30 days (inclusive), it can be presumed that the credit risk of the financial asset increases significantly, unless the Company can obtain reasonable and based information at a reasonable cost to prove that the credit risk does not increase significantly even if it is overdue for more than 30 days.

Except for special circumstances, the Company shall use the change of default risk in the next 12 months as a reasonable estimate of the change of default risk in the whole duration to determine whether the credit risk has increased significantly since the initial recognition.



### 3. Method and basis for determining portfolios for evaluating credit risk

The Company shall evaluate the credit risk of notes receivable, accounts receivable, contract assets and other receivables with the following characteristics separately, such as those in dispute over the opposite party or are involved in relevant litigation or arbitration, those where there is obvious indication showing that the debtor probably cannot fulfil the repayment obligation.

When it is impossible to evaluate the expected credit loss of a single financial asset at a reasonable cost, the Company shall classify the account receivable into several portfolios according to the characteristics of credit risk, and calculates the expected credit loss on the basis of the portfolios. The basis for determining the portfolios is as follows:

Name of portfolio	Provision method
Portfolio of bank acceptance bill Portfolio of commercial acceptance bill	For bills receivable, bank acceptance bills and commercial acceptance bills classified into a portfolio, the Company shall calculate expected credit losses by the exposure at default and the expected credit loss rate for the entire duration by reference to the historical credit loss experience and in combination with the current situation and the forecast of future economic conditions.
Account receivables portfolio 1 (Credit risk portfolio such as accounts receivable) Account receivables portfolio 2 (Receivables from related parties within the consolidation scope)	For the accounts receivable classified into portfolio 1 and portfolio 2, the Company shall calculate expected credit losses by preparing a comparison table of the aging of accounts receivable and the expected credit loss rate for the entire duration by reference to the historical credit loss experience and in combination with the current situation and the forecast of future economic conditions.
Other receivables portfolio 1 (Portfolios of credit risks such as deposit receivable, margin, advances, receivables and payables, etc.) Other receivables portfolio 2 (Receivables from related parties within the consolidation scope and receivables and payables with government departments due to export tax rebate, sales, etc.)	For the other receivables classified into portfolio 1 and portfolio 2, the Company calculates expected credit losses by the exposure at default and the expected credit loss rate within the next 12 months or for the entire duration by reference to the historical credit loss experience and in combination with the current situation and the forecast of future economic conditions.

The Company shall include the loss provision withdrawn or reversed into the current profit or loss. For the debt instruments that are measured at fair value through other comprehensive income, the Company shall adjust other comprehensive income while recording the impairment loss or gain into the current profit or loss.

### 11. Notes receivable

See “10. Financial instruments” for details.

### 12. Accounts receivables

See “10. Financial instruments” for details.

**13. Financing funds receivables**

See “10. Financial instruments” for details.

**14. Other receivables**

Determination method and accounting treatment for the expected credit loss of other receivables

See “10. Financial instruments” for details.

**15. Inventories****(I) Classification of inventories**

Inventories of the Company are classified into raw materials, revolving materials (including packaging materials and low-value consumables), products in process, goods in stock (finished products), goods dispatched, etc.

**(II) Method for measuring inventories dispatched**

Inventories dispatched shall be accounted for by the method of weighted average.

**(III) Basis for determining the net realizable value of inventories and method for making provision for inventory depreciation.**

**1. Basis for determining net realizable values of inventories**

(1) For any inventory directly used for sale, such as goods in stock (finished goods) and materials for sale, its net realizable value shall be determined by the amount of the estimated selling price of the inventory minus the estimated sales expenses and relevant taxes and fees during the normal production and operation process.

(2) For material inventories required to be processed, their net realizable values are recognized at the estimated selling prices of finished goods minus estimated costs until completion, estimated selling expenses and relevant taxes and surcharges in the normal production and operation process.

(3) For inventories held to execute sales contract or service contract, their net realizable values are calculated on the basis of contract price. If the quantities of inventories specified in sales contracts are less than the quantities held by the Company, the net realizable value of the excess portion of inventories shall be based on general selling prices.

(4) For materials held for the purpose of production, where the net realizable value of finished goods made of these materials is greater than the cost thereof, these materials shall be still measured at the cost; where the net realizable value of finished goods is less than the cost thereof which is indicated by the decrease of material price, these materials shall be measured at the net realizable value.

**2. Method for making provision for inventory depreciation**

(1) The Company shall make provision for inventory depreciation according to the cost of a single inventory or its net realizable value, whichever is lower.

(2) For inventories with large quantities and low unit prices, the Company shall make provision for inventory depreciation according to inventory categories.

(3) For the inventories related to the series of products manufactured and sold in the same area, and of which the final use or purpose is identical or similar thereto, and if it is difficult to measure them by separating them from other items, the provision for inventory depreciation shall be made on a combination basis.

#### (IV) Inventory system

The Company shall adopt a perpetual inventory system, and conduct a regular physical inventory.

#### (V) Method for amortizing revolving materials

##### 1. Methods for amortizing low-value consumables

The Company shall amortize the low-value consumables at the writing-off method.

##### 2. Method for amortizing packaging materials

The Company shall amortize the packing materials at the writing-off method.

## 16. Contract assets

Contract assets refer to the right of the Company to receive consideration for the goods it has transferred to its customers, and such right depends on factors other than the passage of time. The contract assets of the Company mainly include completed and unsettled assets and a quality assurance fund. The contract assets and liabilities under the same contract shall be presented in net amount, and the contract assets and liabilities under different contracts shall not be used to mutually offset.

For the method for determination and accounting treatment of expected credit loss of contract assets, please refer to Note X (VIII) "Impairment of financial assets".

## 17. Contract costs

Contract cost is classified into contract performance cost and contract acquisition cost.

If the cost incurred by the Company in performing the contract meet the following conditions, the contract performance cost shall be recognized as an asset:

1. The cost is directly related to a current or expected contract.
2. The cost increases the resources that the Company will use to fulfill its performance obligations in the future.
3. The cost is expected to be recovered.

If the Company expects to recover the incremental costs incurred to obtain the contract, the contract acquisition cost shall be recognized as an asset.

Assets related to contract cost shall be amortized on the same basis as the income from goods or services related to the assets. However, if the amortization period of contract acquisition cost is less than one year, the Company shall include it in the current profit or loss when it occurs.

If the book value of assets related to contract cost is higher than both of the following two differences, the Company shall make provision for impairment for the exceeding part and recognize it as losses from asset impairment:

1. the remaining consideration that the Company is expected to obtain by transferring the goods related to the asset;
2. estimated costs to be incurred for the transfer of the relevant goods.

If the above provision for impairment of an asset is subsequently reversed, the book value of the asset after reversal shall not exceed the book value of the asset on the reversal date without provision for impairment.

## **18. Assets held for sale**

### **(I) Assets held for sale**

#### **1. Scope of non-current assets or disposal groups held for sale**

When the Company recovers its book value mainly through selling (including non-monetary asset exchange with commercial substance) but not continuously using a non-current asset or disposal group, such non-current asset or disposal group shall be classified into the category of assets held for sale.

A disposal group refers to a group of assets that are disposed of as a whole through sale or other means in a transaction, and liabilities that are transferred and directly related to those assets in the transaction.

#### **2. Conditions for determining non-current assets or disposal groups held for sale**

The Company shall classify the non-current assets or disposal groups meeting all the following conditions into the held-for-sale category:

(1) According to the general practice for selling such kind of asset or disposed asset portfolio in a similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance;

(2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and had acquired a decided purchase commitment, and it is estimated that the sale will be completed within one year. Where the sale can be done only upon the approval of relevant authorities or regulatory authorities of the Company as required by relevant provisions, the approval has been obtained.

#### **3. Accounting treatment and presentation of non-current assets and disposal groups held for sale**

Before the Company initially classifies the non-current assets or disposal groups into the category of assets held for sale, the book value of various assets and liabilities in non-current assets or disposal groups shall be measured in accordance with the relevant accounting standards.

When a non-current asset or disposal group held for sale is re-measured at the initial measurement or balance sheet date, if the book value thereof is higher than the net amount of the fair value less the sale cost, the book value shall be written down to the net amount of the fair value less the sale cost, and the write-down amount shall be recognized as the loss from asset impairment and included in the current profit or loss; meanwhile, the provision for impairment of assets held for sale shall be made. For the amount of losses from asset impairment recognized by the disposal groups held for sale, the book value of goodwill in disposal groups shall be firstly offset, and then according to the proportion of various non-current assets in disposal groups, the book value thereof shall be offset pro rata. Non-current assets held for sale shall not be subject to depreciation or amortization.

The non-current assets held for sale or the assets in the disposal group held for sale and the liabilities in the disposal group held for sale shall not offset each other, and shall be presented as current assets and current liabilities respectively.

Where the Company loses control over a subsidiary due to the sale of its investment in the subsidiary or other reasons, whether the Company retains part of equity investments after the sale, when the investment in the subsidiary to be sold satisfies the conditions for classifying as the assets held for sale, the investment in the subsidiary will be wholly divided into the category of the assets held for sale in individual financial statements of the parent company, and all assets and liabilities of the subsidiary will be classified into the category of assets and liabilities held for sale in the consolidated financial statements.

## (II) Discontinued operation

Discontinued operations refer to the component meeting any of the following conditions that can be separately distinguished and that has been disposed of or classified as held for sale by the Company:

1. the component represents a separate major line of business or geographical area of operations;
2. This constituent part is part of an associated plan to dispose of for an independent primary business or a separate principal operating area;
3. the component is a subsidiary acquired only for re-sale.

## 19. Long-term equity investments

### (I) Determination of initial costs of long-term equity investments

1. For the long-term equity investments formed by business combination, their initial investment costs shall be determined following the accounting treatment method of business combination under common control and that not under common control under Note III(V)

2. For long-term equity investments acquired through methods other than business combination, their investment costs shall be determined in accordance with the following ways:

(1) For long-term equity investments acquired from payment in cash, their initial investment cost shall be the actually paid purchase cost. Initial investment cost shall include expenses, taxes and other necessary expenses that are directly related to the acquisition of long-term equity investments.

(2) For long-term equity investments acquired from the issuance of equity securities (equity instruments), their initial investment cost shall be the fair value of the issued equity securities (equity instruments). If there is conclusive evidence that the fair value of a long-term equity investment obtained is more reliable than that of the equity security (equity instrument) issued, the initial investment cost shall be determined based on the fair value of the long-term equity investment invested by the investor. The expenses directly related to the issuance of equity securities (equity instruments), including handling charges and commissions, shall be offset by the issuance premium. If the premium is insufficient to offset, the surplus reserve and undistributed profit shall be offset in turn. The long-term equity investments obtained through the issuance of debt securities (debt instruments) shall be treated as if through the issuance of equity securities (equity instruments).

(3) For any long-term equity investment acquired by way of debt restructuring, the Company may take the fair value of the debt it waived and taxes and other costs directly attributable to such assets as the initial investment costs.

(4) For a long-term equity investment obtained through exchange of non-monetary assets, if the exchange of non-monetary assets has commercial substance, and the fair values of assets traded out and traded in can be measured reliably, the Company shall determine the initial investment cost of the long-term equity investment based on the fair values of the assets traded out, unless there is any conclusive evidence that the fair values of the assets traded in are more reliable. If the exchange of non-monetary assets does not meet the above criteria, the Company shall recognize the book value of the assets traded out and relevant taxes and surcharges payable as the initial investment cost of the long-term equity investment traded in.

The expenses, taxes and other necessary expenses directly related to the acquisition of a long-term equity investment incurred by the Company shall be included in the initial investment cost of the long-term equity investment.

No matter how the Company obtains a long-term equity investment, the cash dividends or profits declared but not distributed included in the actual payment or consideration shall be accounted separately as dividends receivable and shall not constitute the cost of the long-term equity investment.

## (II) Method for subsequent measurement, and recognition of profit or loss, of long-term equity investments

### 1. Long-term equity investment accounted for under the cost method

(1) The Company shall measure long-term equity investments that can exercise control over the investee, that is, the investments in the subsidiaries, with the cost method.

(2) For a long-term equity investment calculated under the cost method, except for the cash dividends or profits declared but not yet paid included in the price or consideration actually paid at the time of acquisition of the investment, the Company shall recognize investment income according to the dividends or profits declared by the investee regardless of whether it is the net profit realized by the investee before and after the investment.

## 2. Long-term equity investments calculated under the equity method

(1) Equity method shall be adopted for the accounting of the joint ventures and associates that the Company has joint control over or significant influence on the investees.

(2) For a long-term equity investment measured under the equity method, if its initial investment cost is higher than the Company's attributable share of the fair value of the investee's identifiable net assets, no adjustment shall be made to the initial costs of the long-term equity investment; if the initial investment cost is lower than the Company's attributable share of the fair value of the investee's identifiable net assets, the difference shall be recognized in current profit and loss and at the same time the adjustment will be made to the initial investment cost of the long-term equity investment.

(3) After a long-equity investment is acquired, the Company shall, according to the shares of net profit and loss and other comprehensive income realized by the investee which the Company shall enjoy or bear, recognize the profit and loss on the investment and other comprehensive income and adjust the book value of the long-term equity investment. When recognizing the share of net profit or loss of the investee that the Company shall enjoy, based on the fair value of identifiable net assets of the investee while acquiring the investment, the Company should confirm such share after adjusting the investee's net book profit. However, if the Company is unable to reasonably determine the fair value of the investee's identifiable assets at the time of obtaining the investment, or the difference between the fair value of the investee's identifiable assets at the time of investment and its book value is small, or the relevant information of the investee cannot be obtained due to other reasons, the Company shall directly calculate and recognize the investment profit and loss on the basis of the net book profit and loss of the investee. The Company shall, in the light of the cash dividends or profits that the investee declares to distribute, calculate the part it should share and reduce the book value of the long-term equity investment correspondingly. For other changes in owner's equity of the investee excluding net losses or profits, other comprehensive income, or profit distribution, the Company shall adjust the book value of the long-term equity investment and include it in owner's equity.

When the Company recognizes the investment income generated from the investment in joint ventures and associates, the gain and loss of internal transactions that are not realized arising among the Company, the associates, and joint ventures shall be offset at the part attributable to the Company and the investment income shall be recognized on that basis. Where the losses from internal transactions between the Company and the investee fall into the scope of assets impairment loss, the full amount of such losses shall be recognized. The Company shall also offset the unrealized internal transaction profits and losses between the subsidiaries included in the consolidation scope and their associates and joint ventures according to the above principles, and recognize the investment profits and losses on this basis.

When the Company recognizes the losses of the investee that it should share, treatment shall be done in the following sequence: firstly, the book value of the long-term equity investment shall be reduced; secondly, where the book value is insufficient to cover the losses, the investment losses shall be recognized to the extent of book value of other long-term equity which forms net investment in the investee in substance and the book value of long term receivables shall be reduced; finally, after all the above treatments, if the Company is still responsible for any additional liabilities in accordance with the provisions stipulated in the investment contracts or agreements, estimated liabilities shall be recognized and included into the current investment loss according to the obligations estimated to undertake. If the investee achieves profit in subsequent periods, the Company shall, after deducting any unrecognized investment losses, reduce book value of estimated liabilities recognized, restore book values of

other long-term equity which forms net investment in the investee in substance, and of long-term equity investment according to the reversed sequence described above, and recognize investment income at the same time.

(III) Basis for determining there is a common control or significant influence over the investee

1. Basis for determining whether there is a common control over the investee

Joint control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control agrees to the same. The related activities of an arrangement usually include the sale and purchase of goods or services, the management of financial assets, the purchase and disposal of assets, research and development activities and financing activities. Joint venture refers to those joint venture arrangements under which the Company is just entitled to the net assets. Those joint venture arrangements under which the parties thereto are entitled to relevant assets and be responsible for relevant liabilities are joint operations rather than joint ventures.

2. Basis for determining the significant influence over the investee

Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control, or jointly control, the formulation of such policies with other parties. Where the Company can exercise significant influence over the investee, the investee is an associate of the Company.

## 20. Investment properties

Measurement model of investment properties

Not applicable

## 21. Fixed assets

### (1) Recognition criteria

(I) Fixed assets mean the tangible assets held for the production of goods, provision of labor services, leasing or management, and with a service life exceeding one fiscal year. Fixed assets are recognized when they simultaneously meet the following conditions:

1. it is probable that the economic benefits associated with the fixed asset will flow to the Company; and
2. the cost of the fixed asset can be measured reliably.

### (II) Depreciation of fixed assets

1. The Company shall record depreciation of all fixed assets, except those fixed assets and land which have been fully depreciated but are still in use.
2. The Company shall record depreciation for fixed assets by using a straight-line method from the month following the month in which such fixed assets attain their expected conditions suitable for use, and compute and determine the depreciation rate and value



according to the type of fixed assets, estimated useful life and estimated net residual value proportion, and include the depreciation in the costs of the relevant assets or the current profits and losses based upon the purposes of such assets.

## (2) Depreciation method

Category	Depreciation method	Useful lives of depreciation (years)	Residual rate (%)	Annual depreciation rate (%)
Houses and buildings	Straight-line method	10—35	5	2.71 -9.50
Machinery and equipment	Straight-line method	8—15	5	6.33 -11.88
Transportation equipment	Straight-line method	5—8	5	11.88 -19.00
Electronic equipment and Other	Straight-line method	3—8	5	11.88 -31.67

1. When computing depreciation for fixed assets for which depreciation provision has been accrued, the Company shall re-compute and determine the depreciation rate and value based on the book value, estimated net residual value and the remaining useful life of the fixed assets.

2. As of the balance sheet date, the Company shall review the estimated useful life, estimated net residual value rate and depreciation method of fixed assets. In the event of any change, the change shall be dealt with as a change of accounting estimates.

## (3) Recognition basis, valuation and depreciation method of fixed assets leased by financing

### 22. Construction in Progress

#### (I) Classification of construction in progress

Construction in progress is measured on an individual basis.

#### (II) Criteria and timing for conversion of construction in progress into fixed assets

The total expenditures incurred before construction in progress reaching the working condition for their intended use shall be taken as the entry value of the fixed assets. Self-operated projects are measured in accordance with costs of direct materials, direct labor and direct mechanical construction, etc.; the contracted projects are measured in accordance with the project price payable, etc. The borrowing costs that meet the capitalization conditions incurred before the project funded by borrowed money reaches the working conditions for its intended use shall be capitalized and included in the cost of construction in progress.

The fixed assets built by the Company, which have reached the working conditions for its intended use but for which the final accounts of the completed project have not been made, shall be transferred to fixed assets according to the estimated value of the project budget, construction costs or actual costs from the date when the fixed assets reach the working conditions for its intended use; and the provision of depreciation for such fixed assets shall be made according to the Company's depreciation policies for fixed assets. Adjustment shall be made to the original temporary estimated value according to the actual cost after the final accounts of completed project have been made, but the original depreciation amount will not be adjusted.

## 23. Borrowing costs

### (I) Scope of borrowing costs

The Company's borrowing costs include the interest on borrowings, amortization of discounts or premiums on borrowings, ancillary expenses, and exchange balance on foreign currency borrowings.

### (II) Principle for recognizing borrowing costs

The borrowing costs incurred to the Company and directly attributable to the acquisition and construction or production of assets eligible for capitalization shall be capitalized and included in relevant asset costs; other borrowing costs shall be recognized as costs according to the amount incurred and be included in the current profit and loss.

Assets eligible for capitalization include the fixed assets, investment property, inventories and other assets which may reach their intended use or sale status only after long-time acquisition and construction or production activities.

### (III) Determination of the period of capitalization of borrowing costs

#### 1. Determination of the time when borrowing costs begin to be capitalized

The borrowing costs shall begin to be capitalized when the asset expenditures have occurred, borrowing costs have incurred, and the acquisition, construction or production activities necessary for the assets to reach the expected usable or saleable state have begun. The asset expenditures include those incurred by cash payment, the transfer of non-cash assets, or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization.

#### 2. Determination of the time when borrowing costs suspended to be capitalized

If the acquisition, construction, or production of an asset eligible for capitalization is abnormally interrupted and the interruption exceeds 3 consecutive months, the capitalization of borrowing costs shall be suspended. The Company shall recognize the borrowing costs incurred during the interruption period as current profit and loss, and the borrowing costs resume to be capitalized until the acquisition, construction or production activities of the asset restart. If the interruption is the necessary procedure for the acquired, constructed, or produced assets eligible for capitalization to reach the intended usable or saleable state, the capitalization of borrowing costs shall be resumed.

#### 3. Determination of the time when borrowing costs cease to be capitalized

Capitalization of borrowing costs should be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended usable or saleable state. The borrowing costs incurred after the assets eligible for capitalization reached the intended usable or saleable state, when incurred, shall be recognized as current profit and loss based on the amount incurred.

If each part of the acquired, constructed, or produced asset eligible for capitalization is completed separately, each completed part may be used or sold externally during the continued construction of other parts, and the

acquisition and construction or production activities which are necessary for such part to reach intended usable or saleable state have been substantially completed, the capitalization of the borrowing costs related to such part of the asset shall be ceased; if each part of the acquired, constructed, or produced asset is completed separately, but each completed part may be used or sold externally only after the entire construction is completed, the capitalization of the borrowing costs shall be ceased after the entire asset is completed.

#### (IV) Determination of the capitalized amount of borrowing costs

##### 1. Determination of the capitalized amount of interest on borrowings

Within the capitalization period, the capitalized amount of interest (including the amortization of discounts or premiums) in each accounting period shall be determined in accordance with the following provisions:

(1) As for special borrowings for the acquisition and construction or production of assets eligible for capitalization, the capitalized amount of interests shall be determined in light of the actual cost incurred of the specially borrowed loan at the present period minus the income of interests earned on the unused borrowing loans as a deposit in the bank or as a temporary investment.

(2) 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 capitalized amount of interests on the general borrowing by multiplying the weighted average asset expenditure of the part of the accumulative asset expenditures minus the general borrowing by the capitalization rate of the general borrowing used. The capitalization rate shall be calculated and determined in light of the weighted average interest rate of the general borrowing.

(3) As for borrowings with a discount or premium, the to-be-amortized discount or premium in each accounting period shall be recognized by the effective interest rate method, and the interest for each period shall be adjusted.

(4) During the period of capitalization, the capitalized amount in each accounting period shall not exceed the amount of interest actually incurred on the relevant borrowings in the current period.

##### 2. Determination of the capitalized amount of auxiliary borrowing costs

(1) For the ancillary borrowing costs incurred to a special borrowing, those incurred before an asset eligible for capitalization under acquisition reaches to the intended usable or saleable state shall be capitalized at the incurred amount when they are incurred, and shall be included in the costs of the asset eligible for capitalization; those incurred after an asset eligible for capitalization under acquisition reaches to the intended usable or saleable state, it shall be included in the current profit and loss.

(2) Auxiliary costs incurred during general borrowings shall be recognized as expenses based on the amount incurred when they are incurred, and shall be included in the current profit and loss.

##### 3. Determination of the capitalized amount of exchange differences

During the capitalization, the difference between the principal and interest of special borrowings in foreign currency shall be capitalized and included in the cost of assets qualified for capitalization.

## 24. Use right assets

### (I) Conditions for recognition of use right assets

The use right assets refers to the right of the Company as the lessee to use the leased assets during the lease term.

On the lease commencement date, the use right assets are initially measured at cost. Such cost includes: the initial measurement amount of lease liabilities; in case of lease incentive in the lease payment paid on or before the lease commencement date, the relevant amount of the lease incentive that has been enjoyed shall be deducted; the initial direct expenses incurred by the Company as the lessee; the costs that the Company, as the lessee, expects to incur for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the assets to the state agreed in the lease terms. The Company recognizes and measures the costs of demolition and restoration as the lessee in accordance with the Accounting Standards for Business Enterprises No. 13 - Contingencies. Subsequent adjustments will be made upon any remeasurement of lease liabilities.

### (II) Method of depreciation of use right assets

The Company adopts the straight-line method for the depreciation of right-use assets. Where it can be reasonably certain that the Company, as the lessee, will obtain ownership of the leased asset at the expiry of the lease term, the leased assets are depreciated over the useful life; where it cannot be reasonably certain that the Company can obtain ownership of the leased asset at the end of the lease term, the leased assets are depreciated at the shorter of the lease term and the use life of the leased assets.

(III) For impairment test and provision methods on right-use assets, please refer to Section X, Note V. 27.

## 25. Intangible assets

### (1) Valuation method, useful life and impairment test

#### (I) Initial measurement of intangible assets

##### 1. Initial measurement of purchased intangible assets

The costs of an externally purchased intangible asset include the purchase price, relevant taxes and expenses paid, and other expenditures directly attributable to putting the asset into condition for its intended use. If the purchase price of an intangible asset is delayed beyond the normal credit conditions and it is of the financing nature, the cost of the intangible asset shall be determined on the basis of the present value of the purchase price. The difference between the actual price and the present value of the purchase price shall be included in the current profit and loss within the credit period, except for those that should be capitalized.

##### 2. Initial measurement of the self-developed intangible assets

The cost of self-developed intangible assets shall be determined according to the total expenditure incurred from the time the capitalization conditions are met to before the intended use is reached, and the expenditures that have been expensed in the previous period shall not be adjusted.

For intangible assets developed by the Company, the expenditures in the research phase shall be included in the current profit and loss when incurred; the expenditures in the development phase that do not meet the capitalization conditions shall be included in the current profit and loss when incurred and those that meet the capitalization conditions shall be recognized as an intangible asset. Where there is no way to distinguish the research expenditures from the development expenses, the research and development expenses incurred shall all be included in the current profit and loss.

## (II) Subsequent measurement of intangible assets

When the Company acquires an intangible asset, it shall analyze and judge its useful life. The Company divides the acquired intangible assets into intangible assets with finite useful lives and intangible assets with infinite useful lives.

### 1. Subsequent measurement of intangible assets with finite useful lives

The Company adopts the straight-line method to amortize the intangible asset with finite useful life within its useful life from the time it reaches its intended use, and no residual value will be reserved. The amortization amount of intangible assets is usually included in the current profit and loss; if the economic benefits contained in an intangible asset are realized through the products or other assets produced, the amortization amount shall be included in the cost of the related assets.

The categories, estimated useful lives, estimated net residual value rate and annual amortization rate of intangible assets are listed as follows:

Categories	Estimated useful life (years)	Estimated net residual value ratio (%)	Annual amortization rate (%)
Land use rights	50		2.00
Non-patented technology	10		10.00
Computer software	2—10		10.00 -50.00
Right of mining	Estimated mining life		

On the balance sheet date, the useful life and amortization method of intangible assets with finite useful lives shall be reviewed.

### 2. Subsequent measurement of intangible assets with infinite useful lives

The Company does not amortize the intangible assets with infinite useful lives during the holding period.

## (III) Estimation of the useful lives of intangible assets

1. For an intangible asset derived from contractual rights or other statutory rights, its useful life shall not exceed the period of the contractual rights or other statutory rights; if the contractual rights or other statutory rights are extended due to contract renewal when they expire and there is evidence to show that the Company does not need to pay a large amount of cost to renew the contract, the renewal period shall be included in the useful life.

2. If the contract or law does not stipulate the useful life, the Company shall consider all aspects of the Company's situation and determine the period during which the intangible asset can bring economic benefits to the Company through methods such as hiring relevant experts for demonstration or comparison with the situation in the same industry and referring to the Company's historical experience.

3. If it is still unable to reasonably determine the period during which the intangible asset can bring economic benefits to the Company through the above method, the intangible asset shall be regarded as an intangible asset with an indefinite useful life.

## **(2) Accounting policy for internal research and development expenditure**

(I) Specific standards for dividing the research phase and development phase of the Company's internal R&D projects

According to the actual situation of research and development, the Company divides R&D projects into the research phase and development phase.

### **1. Research phase**

The research phase refers to the phase of original planned investigations and research activities in order to acquire and understand new scientific or technical knowledge.

### **2. Development phase**

The development phase refers to the phase in which research results or other knowledge are applied to a certain plan or design to produce new or substantially improved materials, devices, products and other activities before commercial production or use.

Expenditures in the research phase of internal R&D projects shall be included in the current profit and loss when they occur.

(II) Expenditure in the development phase meets the specific criteria for capitalization

Expenditures in the development stage of internal research and development projects are recognized as intangible assets when the following conditions are met simultaneously:

1. It is feasible technically to finish intangible assets for use or sale;

2. It is intended to finish and use or sell the intangible asset;

3. The usefulness of methods for the intangible asset to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible asset or there is a potential market for the intangible assets themselves or the intangible assets will be used internally;

4. It is able to finish the development of the intangible assets and able to use or sell the intangible asset, with the support of sufficient technologies, financial resources and other resources; and

5. The expenditure attributable to the development phase of the intangible asset can be reliably measured.

### (III) Treatment of land use rights

1. The land use rights obtained by the Company are usually recognized as intangible assets, but if the purpose of the land use rights is changed for earning rent or capital appreciation, they shall be converted into investment properties.

2. If the Company develops and constructs factories and other buildings on its own, and the related land use rights shall be treated separately from the buildings.

3. The price paid for the purchased land and buildings shall be allocated between the buildings and the land use rights; if it is difficult to allocate them reasonably, all of which shall be regarded as fixed assets.

## 26. Long-term asset impairment

Long-term assets, such as long-term equity investment, investment properties, fixed assets, construction in progress and right-of-use assets that measured at cost, and intangible assets with limited service life, are tested for impairment if there is any indication that an asset may be impaired on the balance sheet date. If the result of the impairment test indicates that the recoverable amount of the asset is less than its book value, a provision for impairment and an impairment loss are recognized for the amount by which the asset's book value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognized on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs to is determined. A group of assets is the smallest group of assets that is able to generate cash inflows independently.

The Company shall conduct an impairment test at least at the end of each year for goodwill and intangible assets with infinite useful lives, regardless of whether there are signs of impairment.

When the Company conducts an asset impairment test, the book value of goodwill arising from the business combinations shall be amortized to relevant asset groups with a reasonable method since the date of acquisition; or amortized to the relevant combination of asset groups if it is difficult to be amortized to relevant asset groups. The book value of goodwill shall be amortized to relevant asset groups or combinations of asset groups according to the proportion of the fair value of such asset groups or combinations of asset groups in the total fair value of relevant asset groups or combinations of asset groups. Where the fair value is difficult to be reliably measured, it shall be amortized according to proportion of the book value of each asset group or combination of asset group in the total book value of relevant asset groups or combinations of asset groups. When making an impairment test on the relevant asset groups or combination of asset groups containing goodwill, if any indication shows that the asset groups or combinations of asset groups related to the goodwill may be impaired, the Company shall first conduct an impairment test on the asset groups or combinations of asset groups not containing goodwill, calculate the recoverable amount and compare it with the relevant book value to recognize the corresponding impairment loss.

Then, the Company shall conduct an impairment test on the asset groups or combinations of asset groups containing goodwill, and compare the book value of these asset groups or combinations of asset groups (including the book value of the goodwill apportioned thereto) with the recoverable amount. Where the recoverable amount of the relevant asset groups or combinations of asset groups is lower than the book value thereof, the Company shall recognize the impairment loss of the goodwill.

The impairment loss of goodwill shall be included in the current profit and loss when incurred and will not be reversed in the subsequent accounting periods.

## **27. Long-term Deferred Expenses**

### **1. Scope of long-term deferred expenses**

Long-term deferred expenses are various expenses already incurred, which shall be amortized over current and subsequent accounting periods with the amortization period of more than one year (exclusive), including the expenditures caused by the improvement of fixed assets acquired under finance lease, etc.

### **2. Initial measurement of long-term deferred expenses**

Long-term deferred expenses are initially measured in accordance with the actual expenditures incurred.

### **3. Amortization of long-term deferred expenses**

Long-term deferred expenses are amortized by stages based on the benefit period by using the straight-line method.

## **28. Contractual liabilities**

Contract liabilities refer to the Company's obligations to transfer goods to customers for the consideration received or receivable from customers. If, before the Company transfers the goods to the customer, the customer has already paid the contract consideration or the Company has obtained the unconditional right of collecting the purchase price, the Company shall record the received or receivable amount as the contract liabilities at the time when the customer makes the payment actually or when the payment is due, which is earlier. The contract assets and liabilities under the same contract shall be presented in net amount, and the contract assets and liabilities under different contracts shall not be used to mutually offset.

## **29. Employee compensation**

### **(1) Accounting treatment of short-term compensation**

The term "short-term compensation" refers to employee compensation that is required to be fully paid within 12 months upon the expiry of the annual reporting period, during which the services are provided by the employee, excluding the compensation for termination of labor relations with employees.



Short-term compensation specifically includes employee wages, bonuses, allowances and subsidies, cost of employee benefits, cost of social insurance such as medical insurance, work-related injury insurance and maternity insurance, housing fund payments, labor union operating costs and employee education costs, short-term compensated absences, short-term profit-sharing plans, non-monetary benefits and other short-term compensation.

During the accounting period of an employee's providing services, the Company shall recognize the actual short-term compensation as liabilities and shall include it in the current gains and losses or relevant asset costs.

## **(2) Accounting treatment of post-employment benefits**

The defined contribution plan that the Company participates in is the basic old-age insurance premiums, unemployment insurance premiums, and corporate annuity premiums paid for employees in accordance with relevant regulations. The amount that shall be deposited by the Company on the balance sheet date in exchange for the service provided by the employees during the accounting period shall be recognized as employee compensation liabilities and shall be included in the current profit and loss or the cost of related assets.

## **(3) Accounting treatment of dismissal welfare**

The term "dismissal welfare" refers to indemnity provided by enterprises for employees for the purpose of terminating labor relation with the employees before the expiry of the labor contract or encouraging employees to accept downsizing voluntarily. The Company shall recognize the employee compensation liability incurred from dismissal welfare at the earlier of the following dates and include such liability in current profit and loss:

1. The date when the enterprises are unable to unilaterally revoke the dismissal welfare provided for the termination of labor relation or the proposal for layoffs, and
2. The date when enterprises determine the cost or expense related to the restructuring involving payment of dismissal welfare.

## **(4) Accounting treatment of other long-term employee benefits**

Other long-term employee benefits refer to all employee benefits other than short-term compensation, post-departure benefit and dismissal benefit. During the reporting period, the Company shall recognize the cost of employee compensation arising from other long-term employee benefits as the following components:

1. Service costs;
2. Net interests arising from net liabilities or net assets of other long-term employee benefits

3. Changes arising from re-measuring the net liabilities or net assets of other long-term employee benefits.

In order to simplify the relevant accounting treatment, the total net amount of the above items is included in the current profit and loss or the cost of related assets.

### 30. Leasing liabilities

#### (I) Initial measurement

The Company initially measures the lease liability at the present value of lease payments that are unpaid at the lease commencement date.

##### 1. Lease payment

The lease payments mean the amounts paid by the Company to the lessor in connection with the right to use the underlying asset during the lease term, including ① fixed payments and in-substance fixed payments, net of amounts related to lease incentives if there are lease incentives; ② variable lease payments that depend on an index or rate and are determined at the time of initial measurement based on the index or rate at the commencement date of the lease term; ③ exercise price of call option when the call option will be exercised as reasonably determined by the Company; ④ the amount payable to exercise the option to terminate the lease when the lease term reflects that the Company will exercise the option to terminate the lease; and ⑤ the amount expected to be paid based on the residual value of the guarantee provided by the Company.

##### 2. Discount rate

When measuring the present value of the lease payments, the Company uses the interest rate implicit in the lease as the discount rate. The Company adopts the incremental borrowing rate as the discount rate if the interest rate implicit in the lease is not determinable. This incremental borrowing rate is the interest rate that the Company would have to follow if it borrows funds on similar collateral conditions for a similar period of time in order to obtain an asset with a value close to that of the right-of-use asset in a similar economic environment. The Company uses bank lending rates as the basis for calculating this incremental borrowing rate, which is also adjusted on the basis of the relevant factors.

#### (II) Subsequent measurement

After the commencement date of the lease term, the Company subsequently measures the lease liability in accordance with the following principles: ① the carrying amount of lease liability shall be increased when interest on lease liability is recognized; ② the carrying amount of the lease liability shall be decreased when lease payments are made; ③ the carrying amount of the lease liability shall be remeasured when there is a change in the lease payments due to revaluation or lease modification, etc.

After the commencement date of the lease term, the Company remeasures the book value of the lease liability at the present value of the changed lease payments and adjusts the carrying amount of the right-of-use asset accordingly if any of the following occurs. If the carrying amount of the right-of-use asset has already been reduced

to zero but the lease liability is subject to further reduction, the Company recognizes the remaining amount in current profit or loss.

1. Changes in substantive fixed payments;
2. Changes in the amount expected to be payable for the residual value of the security;
3. Changes in the indexes or ratios used to determine the lease payments;
4. Changes in the appraisal results or actual exercise of the call options, renewal options, or termination options;

The interest expense for each period of the lease term should be included in profit or loss of the current period, except those that should be capitalized.

### **31. Estimated liabilities**

#### **(I) Principle for recognizing estimated liabilities**

When the obligations related to contingent events such as external guarantees, pending litigation or arbitration, product quality assurance, loss-making contracts, restructuring, etc., meet the following three conditions simultaneously, they shall be recognized as estimated liabilities:

1. The said obligation is a present obligation of the Company;
2. The fulfillment of said obligation is likely to cause economic benefits to flow out of the Company; and
3. The amount of the obligation can be measured reliably.

#### **(II) Method for measuring estimated liabilities**

The amount of estimated liabilities is measured in accordance with the best estimate of the expenditure required for the contingent event.

1. Where there is a continuous range of required expenditures and the probability of occurrence of various results in this range is the same, the best estimate shall be determined according to the median value in this range.

2. Under other circumstances, the best estimate shall be dealt with in the following cases:

(1) If a contingent event involves a single item, it shall be determined according to the amount that is most likely incurred.

(2) If a contingent event involves multiple items, it shall be determined according to the various possible results and related probabilities.

## 32. Share-based payment

Share-based payment may be divided into equity-settled share-based payment and cash-settled share-based payment.

### (I) Accounting treatment on the grant date

Except for the share-based payment for which the rights may be immediately exercised, the Company will not perform any accounting treatment on the grant date, regardless of whether the equity-settled share-based payment or the cash-settled share-based payment.

### (II) Accounting treatment on each balance sheet date during the waiting period

On each balance sheet date during the waiting period, the Company will include the services obtained from employees or other parties in the costs and expenses, and recognize owner's equity or liabilities at the same time.

For share-based payments with market conditions, as long as the employee meets all other non-market conditions, the services that have been obtained shall be recognized. If the performance conditions are non-market conditions, and after the waiting period is determined, if the follow-up information indicates that it is necessary to adjust the estimate of the information about the exercisable right, the previous estimate shall be revised.

For equity-settled share-based payment involving employees, it shall be included in costs and capital reserves (other capital reserves) according to the fair value of the equity instruments on the grant date, and the subsequent changes in fair value will not be recognized; for cash-settled share-based payment involving employees, it shall be re-measured according to the fair value of the equity instruments on each balance sheet date to determine the costs and expenses and employee compensation payable.

On each balance sheet date during the waiting period, the Company will make the best estimate based on the latest subsequent information such as the number of employees who may exercise their rights, and revise the number of equity instruments that are expected to be exercisable.

Based on the fair value of the above equity instruments and the number of equity instruments that are expected to be exercisable, calculate the cumulative amount of costs and expenses that should be recognized as of the current period, and subtract the cumulative amount that has been recognized in the previous period, the remaining amount shall be taken as the amount of costs and expenses that should be recognized in the current period.

### (III) Accounting treatment after the exercisable date

1. For equity-settled share-based payments, no adjustments will be made to the recognized costs and expenses and the total owners' equity after the exercisable date. The Company will recognize the share capital and share capital premium based on the exercise on the exercise day, and carry forward at the same time the capital reserve (other capital reserve) recognized during the waiting period.

2. For cash-settled share-based payments, the Company will no longer recognize the costs and expenses after the exercisable date, and the changes in the fair value of liabilities (employee compensation payable) will be included in the current profit and loss (profit and loss from changes in fair value).

## (IV) Accounting treatment of share repurchase for employee option incentives

Where the Company rewards its employees in the form of share repurchase, when repurchasing shares, the Company will treat the total expenditure of share repurchase as treasury shares and will perform at the same time the registration formalities for future reference. On each balance sheet date during the waiting period, the employee services obtained will be included in the cost and expenses based on the fair value of the equity instrument on the grant date, and the capital reserve (other capital reserve) will be increased simultaneously. When receiving the corresponding price of the shares purchased by an employee by exercising his right, the Company will write off the cost of the inventory shares delivered to the employee and the accumulated amount of the capital reserve (other capital reserve) during the waiting period, and will at the same time increase the capital reserve (share premium) by the difference thereof.

**33. Income**

Accounting policies used in recognizing and measuring income

## (I) Principles for recognizing and methods for measuring income

## 1. Recognition of income

The Company shall recognize the income after the Company fulfilled its performance obligations in the contract, that is, when the customer obtains control over the relevant products. On the starting date of the contract, the Company will evaluate the contract, identify each individual performance obligation contained in the contract, and determine whether each individual performance obligation is performed within a certain period of time or at a certain point of time, and then recognize income separately after performed each individual performance obligation.

## 2. Measurement of income

If the contract contains two or more performance obligations, the Company will allocate the transaction price to each individual performance obligation in accordance with the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation on the commencement date of the contract, and will measure the income in accordance with the transaction price allocated to each individual performance obligation. When determining the transaction price, the Company will consider the factors including the impact of variable consideration, significant financing components in the contract, non-cash consideration, and consideration payable to customers, and will assume that the goods will be transferred to the customer in accordance with the existing contract, and the contract will not be cancelled, renewed or changed.

## (II) Specific policies on the recognition of income

## 1. Sales of goods

A. Domestic sales: Since the control over the sales of goods will be transferred to the customer when the Company sends out the goods to the customer for acceptance, the sales income shall be recognized after the goods are sent out by the Company and accepted by the customer.

B. Overseas sales: The Company shall recognize the sales income after the goods have been sent out, the export declaration procedures have been completed and the customs declaration documents have been obtained.

## 2. Technical services

After completing the corresponding service in accordance with the terms of the technical service contract, and it has been confirmed by the customer, the Company will recognize the income after receiving the price or obtaining the evidence for the collection of the price.

Differences in accounting policies for recognition of income caused by the adoption of different business models for similar businesses

## 34. Government subsidies

### (I) Types of government subsidies

Government subsidies refer to monetary or non-monetary assets received by the Company from the government free of charge, including government subsidies related to assets and government subsidies related to income.

The government subsidies related to assets refer to the government subsidies obtained by the Company to acquire and construct the long-term assets or form the same by other means,

The government subsidies related to income refer to the government subsidies other than those related to assets.

### (II) Principles and timing for recognizing government subsidies

Principles for recognizing government subsidies:

1. The Company can meet the conditions attached to the government subsidies;
2. The Company can receive government subsidies.

Government subsidies can be recognized only when the above conditions are satisfied simultaneously.

### (III) Measurement of government subsidies

(1) If the government subsidies are monetary assets, the Company shall measure the same according to the amount received or receivable.

(2) If the government subsidies are non-monetary assets, the Company shall measure the same at fair value or, if the fair value cannot be obtained reliably, at the nominal amount (the nominal amount is RMB 1).

### (IV) Accounting treatment of government subsidies

1. The government subsidies related to assets may be used to write down the book value of related assets or recognized as deferred income when they are obtained. Those recognized as deferred income shall be amortized by a reasonable and systematic method within the useful life of the relevant asset.

2. The government subsidies related to income shall be handled accordingly as follows:

(1) Those to be used as compensation for the expenses or losses of the Company in subsequent periods shall be recognized as deferred income at the time of acquisition and shall be included in the profit and loss be used to offset related costs during the period during which the related costs or losses are recognized.

(2) Those to be used as compensation for relevant expenses or losses that the Company has already incurred shall be included directly in the current profit and loss or be used to offset the related costs at the time of acquisition.

3. For government subsidies containing those related to asset and those related to income, if they can be distinguished, they are accounted for in different parts; if they are difficult to be distinguished, they shall be classified as government subsidies related to income as a whole.

4. The government subsidies related to the Company's daily operations shall be included in other income or be used to offset the related costs in accordance with the nature of the economic business. The government subsidies irrelevant to the daily activities of the enterprise shall be included in the non-operating income and expenditure. If the finance department directly allocates interest subsidies to the Company, the Company will use the corresponding interest subsidies to offset the relevant borrowing costs.

5. Where the recognized government subsidies need to be returned, they shall be handled as follows:

(1) For those used to offset the book value of the relevant asset at the time of initial recognition, the book value of the asset shall be adjusted.

(2) For those involving relevant deferred income, the book amount of the relevant deferred income shall be offset, and the excess shall be included in the current profit and loss.

(3) In other circumstances, it shall be directly included in the current profit and loss.

### **35. Deferred income tax assets/deferred income tax liabilities**

The Company uses the balance sheet liability method to calculate income tax.

#### **(I) Recognition of deferred income tax assets or deferred income tax liabilities**

1. The Company shall determine the tax base of assets and liabilities when acquiring them. On the balance sheet date, the Company shall analyze and compare the book value of assets and liabilities and their tax base. If there is a temporary difference between the book value of assets and liabilities and their tax base, when the relevant temporary difference occurs in the current period and the conditions for recognition are satisfied, the Company shall recognize deferred income tax liabilities or deferred income tax assets for the taxable temporary differences or deductible temporary differences respectively.

## 2. Recognition basis for deferred income tax assets

(1) Deferred income tax assets shall be recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. When determining the taxable income that is likely to be obtained in the future period, it includes the taxable income realized by normal production and business activities in the future period, and the taxable income increased due to the reversal of the taxable temporary difference during the reversal of the deductible temporary difference.

(2) For deductible losses and tax credits that can be reversed in the future period, deferred tax assets shall be recognized by the Company to the extent that it is probable that taxable profit will be available in the future to offset the deductible losses and tax credits.

(3) On the balance sheet date, the Company shall review the book value of the deferred income tax assets. If it is probable that sufficient taxable income cannot be obtained in the future to offset the benefits of deferred income tax assets, the book value of the deferred income tax assets shall be written down; when sufficient taxable income is likely to be obtained, the amount that has been written down shall be reversed.

## 3. Basis for recognizing deferred income tax liabilities

The Company shall recognize the taxable temporary difference that is due but not paid of the current period and the previous periods as deferred income tax liabilities, but it does not include the temporary differences formed by the goodwill, non-business merger transactions that neither affects accounting profits nor taxable income.

### (II) Measurement of deferred income tax assets or deferred income tax liabilities

1. On the balance sheet date, for deferred income tax assets and deferred income tax liabilities, the Company shall, in accordance with the tax law, measure them at the applicable tax rate during the period when the assets are expected to be recovered or the liabilities are expected to be paid off.

2. When the applicable tax rate changes, the Company shall re-measure the recognized deferred income tax assets and deferred income tax liabilities, and include their impact in the income tax expense for the current period of the tax rate change, except for the deferred income tax assets and deferred income tax liabilities arising from transactions or events directly recognized in the owner's equity.

3. When measuring the deferred income tax assets and deferred income tax liabilities, the Company will adopt the tax rate and tax base consistent with the expected method of recovering assets or paying off liabilities.

4. The Company will not discount the deferred income tax assets and deferred income tax liabilities.

## 36. Lease

### (1) Accounting treatment method of operating lease

The assets held by the Company for operating leases are included in the relevant items on the balance sheet based on the nature of such assets. The Company shall capitalize and include the initial direct expenses relating to



the operating leases to the cost of the leased assets, and include the same in the current income statement according to the same recognition criteria used for rental income during the lease term. The Company shall recognize the lease income from the operating leases as rental income by using the straight-line basis during each period of the lease term. Among the assets for operating leases, the fixed assets shall be depreciated by the Company based on the depreciation policy for similar assets, while other leased assets shall be amortized by a systematic and reasonable method. Variable lease payment, relating to the operating leases and not included in lease income, acquired by the Company shall be included in the current income statement when actually incurred.

In the event of any change in the operating leases, the Company shall treat such change as a new lease from the effective date of such change, and items received in advance or receivables relating to the lease before such change shall be deemed as receipts relating to the new lease.

## **(2) Accounting treatment of finance lease**

On the lease effective date, the Company shall recognize the financial lease accounts receivable on the basis of the net investment in the lease (The sum of the unguaranteed residual value and the present value of the lease receipts not yet received on the lease commencement date, discounted at the interest rate implicit in the lease), and terminate the recognition of the financial leased assets. The Company shall calculate and recognize interest income in accordance with a fixed periodical interest rate during each period of the lease term. Variable lease payment acquired by the Company which is not included in net investment in the lease shall be recorded into current profit and loss when actually incurred if it is associated with the future performance or use of assets.

In the event of changes in financing lease that satisfy the following conditions, the Company shall treat such change as a separate lease: ① The change results in the expansion of the lease scope through the increase of the right to use one or more leased assets; ② The increased consideration is equivalent to the price corresponding to the expanded part of the lease as adjusted according to the relevant provisions.

## **37. Other significant accounting policies and accounting estimates**

### **(I) Repurchase of shares**

If, in accordance with legal procedures, the Company obtains approval to reduce the capital by acquiring the Company's shares, then it shall reduce its share capital according to the total face value of the cancelled shares, adjust the owner's equity according to the difference between the price paid for the repurchase of the shares (including transaction cost) and the face value of the shares, and use the amount exceeding the total face value to offset the capital reserve (share premium), surplus reserve and undistributed profit in turn; if it is less than the total face value, the difference thereof shall be used to increase the capital reserve (share premium)

The shares repurchased by the Company shall be managed as treasury shares before they are cancelled or transferred, and all the expenses of the repurchased shares shall be transferred to the cost of treasury shares.

When the treasury shares are transferred, the portion of the transfer income that is higher than the cost of the treasury shares will be used to increase the capital reserve (share premium); the portion below the cost of the treasury shares will be used to offset the capital reserve (share premium), surplus reserve and undistributed profit in turn.

## (II) Restricted shares

In the equity incentive plan, the Company grants restricted shares to the motivated objects and the motivated objects will first subscribe to the shares. If the unlocking conditions specified in the equity incentive plan are not met subsequently, the Company will repurchase the shares at the previously agreed price. If the capital increase procedures such as registration for the restricted shares issued to employees have been completed in accordance with the relevant regulations, then, on the grant date, the Company shall recognize the share capital and capital reserve (share premium) based on the subscription money paid by the employees; and recognize the treasury shares and other payables regarding the repurchase obligations.

## 38. 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) Adjustments to related items of financial statements at the beginning of the current year upon initial implementation of the new accounting standards since 2023

☒ Applicable ☐ Not applicable

Adjustment explanation

## VI. Taxable Items

### 1. Main tax categories and rates

Tax categories	Taxation basis	Tax rate
VAT	Amount of input tax deductible from output tax	13%, 6%
City maintenance and construction tax	Amount subject to turnover tax	7%, 5%
Corporate income tax	Amount of taxable income	15%, 25% or appropriate national or regional tax rate
Educational surcharges	Amount subject to turnover tax	3%
Local education surcharges	Amount subject to turnover tax	2%
Property taxes	Residual value of the property or rental income	1.2%、12%

Information about taxpayers applying different enterprise income tax rates:

Name of taxpayer	Rate of income tax
Gotion High-tech Co., Ltd.	25%
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	15%

Suzhou Dongyuan Tianli Electric Appliance Co., Ltd.	25%
Nantong Asitong Electrical Apparatus Co., Ltd.	25%
Nantong Gotion New Energy Technology Co., Ltd.	15%
Hefei Gotion High-Tech Power Energy Co., Ltd.	15%
Nanjing Gotion Battery Co., Ltd.	15%
Nanjing Gotion New Energy Co., Ltd.	15%
Anhui Gotion New Energy Automobile Technology Co., Ltd.	25%
Shanghai Xuanyi New Energy Development Co., Ltd.	15%
Hefei Gotion Battery Material Co., Ltd.	15%
Gotion New Energy (Lujiang) Co., Ltd.	25%
Hefei Gotion Kehong New Energy Technology Co., Ltd.	25%
Hefei Gotion Precision Coating Material Co., Ltd.	25%
Hefei Jiachi Technology Co., Ltd.	25%
Shanghai Gotion New Energy Co., Ltd.	25%
Shanghai Gotion New Energy (Hefei) Energy Storage Technology Co., Ltd.	25%
Qingdao Gotion Battery Co., Ltd.	15%
Tangshan Gotion Battery Co., Ltd.	15%
Hefei Gotion Battery Co., Ltd.	15%
Liuzhou Gotion Battery Co., Ltd.	15%
Tongcheng Gotion New Energy Co., Ltd.	25%
Jiangsu Gotion New Energy Technology Co., Ltd.	25%
Feidong Gotion New Material Co., Ltd.	25%
Hefei Gotion Cycle Technology Co., Ltd.	25%
Hefei Gotion New Material Technology Co., Ltd.	25%
Neimenggu Gotion Zero Carbon Technology Co., Ltd.	25%
Beijing Xuanyi New Energy Co., Ltd.	25%
Hefei Gotion Battery Technology Co., Ltd.	25%
Hefei Gotion Battery Technology Co., Ltd.	25%
Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd.	25%
Tianjin Gotion New Energy Technology Co., Ltd.	25%
Hefei Xuanyi Investment Management Co., Ltd.	25%
Jinzhai Gotion New Energy Co., Ltd.	25%
Nanjing Gotion Battery Research Institute Co., Ltd.	Not started business yet
Chuzhou Gotion New Energy Power Co., Ltd.	Not started business yet
Hefei Zhengyi Testing Technology Co., Ltd.	Not started business yet
Shanghai Xuanmei Yuankong New Energy Co., Ltd.	Not started business yet
Jiangxi Gotion New Energy Technology Co., Ltd.	25%
Yichun Gotion Battery Co., Ltd.	25%
Yichun Gotion Lithium Co., Ltd.	25%
Fengxin Gotion Lithium Co., Ltd.	25%
Yifeng Gotion Lithium Co., Ltd.	25%
Jiangxi Weihong Lithium Co., Ltd.	25%
Yichun Kefeng New Material Co., Ltd.	25%
Jiangxi Hzone Lithium Industry Technology Co., Ltd.	25%
Jiangxi Lixing Technology Collaborative Innovation Co., Ltd.	25%
Yichun Gotion Mining Co., Ltd.	25%
Yifeng County Hua Lithium Mining Development Co., Ltd.	25%
Gotion (Yichun) New Material Co., Ltd.	25%
Yichun Guangxuan New Energy Automobile Transport Co., Ltd.	25%
Jiangxi Huayou Mining Co., Ltd.	25%
Hefei Gotion Runhui New Energy Technology Co., Ltd.	Not started business yet
Hefei Gotion Yuneng New Energy Technology Co., Ltd.	Not started business yet
Tangshan Xuanteng International Trading Co., Ltd.	Not started business yet
Tongcheng Gotion Battery Technology Co., Ltd.	Not started business yet

GOTION, INC.	Subject to local laws
Gotion Japan Co., Ltd.	Subject to local laws
GOTION SINGAPORE PTE. LTD.	Subject to local laws
Indonesia Gotion New Materials Co., Ltd.	Subject to local laws
Indonesia Gotion Green Energy Application Co., Ltd.	Subject to local laws
Guoxuan High-tech (HK) Limited	Subject to local laws
Gotion Germany Battery GmbH	Subject to local laws
German Gotion Battery Co., Ltd.	Subject to local laws
Gotion SG Materials Holding PTE. LTD.	Subject to local laws
PT Gotion Indonesia Trading	Subject to local laws

## 2. Tax preference

(1) On October 12, 2022, Jiangsu Dongyuan Electric Appliance Group Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202232000699, valid for three years. Since January 1, 2022, Jiangsu Dongyuan Electric Appliance Group Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(2) On November 3, 2021, Nantong Gotion New Energy Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202132002831, valid for three years. Since January 1, 2021, Nantong Gotion New Energy Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(3) On October 30, 2020, Hefei Gotion High-Tech Power Energy Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202034002742, valid for three years. Since January 1, 2020, Hefei Gotion High-Tech Power Energy Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(4) On December 12, 2022, Nanjing Gotion Battery Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202232009581, valid for three years. Since January 1, 2022, Nanjing Gotion Battery Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate

of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(5) On November 30, 2021, Nanjing Gotion New Energy Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202132010140, valid for three years. Since January 1, 2021, Nanjing Gotion New Energy Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(6) On October 30, 2020, Hefei Gotion Battery Material Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202034003724, valid for three years. Since January 1, 2020, Hefei Gotion Battery Material Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(7) On December 1, 2020, Qingdao Gotion Battery Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202037101533, valid for three years. Since January 1, 2020, Qingdao Gotion Battery Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(8) On November 22, 2022, Tangshan Gotion Battery Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202213003074, valid for three years. Since January 1, 2022, Tangshan Gotion Battery Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(9) On August 17, 2020, Hefei Gotion Battery Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202034000742, valid for three years. Since January 1, 2020, Hefei Gotion Battery Co., Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(10) On November 18, 2021, Shanghai Xuanyi New Energy Development Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a Certificate of High-tech Enterprise numbered GR202131003425, valid for three years. Since January 1, 2021, Shanghai Xuanyi New Energy Development Co.,

Ltd. has been enjoying relevant national tax preference as a high-tech enterprise and paying the enterprise income tax at a preferential rate of 15% for three consecutive years in accordance with the Enterprise Income Tax Law of the People's Republic of China.

(11) Liuzhou Gotion Battery Co., Ltd., one of its subsidiaries, can enjoy the preferential enterprise income tax policies as it is a market player in the sectors encouraged by Guangxi Zhuang Autonomous Region (“Manufacture of finished automobiles, manufacture of special purpose vehicles (not including ordinary trailers, dump trucks, tank trucks, vans and stake trucks), manufacture of key automotive parts and accessories”) in accordance with the Announcement on Extending the Deadline of the Preferential Enterprise Income Tax Policies for Companies Supporting Western Development issued by Ministry of Finance, State Taxation Administration, National Development and Reform Commission (No. 23 Announcement of Ministry of Finance in 2020). Specifically, it shall pay enterprise income tax at the rate of 15% from 2021 to 2030.

### 3. Other

## VII. Notes to the Items in the Consolidated Financial Statements

### 1. Monetary capital

Monetary Unit: RMB

Item	Closing balance	Opening balance
Cash in hand	9,606.58	312,411.62
Bank deposits	14,755,232,243.64	12,188,582,519.17
Other monetary capital	1,847,477,289.16	1,933,476,612.87
Total	16,602,719,139.38	14,122,371,543.66
Of which: total amount of overseas deposits	2,820,704,182.57	3,052,143,782.07
The total funds restricted by mortgage, pledge or freeze are as follows:	2,990,132,600.57	2,880,339,031.19

Other notes

In the period, of RMB 14,755,232,243.64 bank deposit, RMB 1,145,945,474.58 is restricted as it is subject to loan pledge or bank's acceptance bill, and RMB 1,016,012.39 is subject to judicial freezing. Among RMB 1,847,477,289.16 of other cash and cash equivalents, RMB 1,653,310,440.20 is security deposit for issuance of bank acceptance bill, RMB 31,176,312.49 is security deposit for factoring business, RMB 10,886,272.02 is security deposit for letter of guarantee, RMB 147,798,088.89 is security deposit for letter of credit. Besides that, no monetary fund at the end of the period is restricted by mortgage, pledge or freezing or has similar potential recovery risks.

### 2. Financial assets held for trading

Monetary Unit: RMB

Item	Closing balance	Opening balance
Financial assets measured at fair value with changes included in current profit and loss	3,960,799,276.24	3,514,006,212.53
Of which:		
Structural deposits	1,921,036,129.58	1,929,757,162.62
Short and medium-term wealth management products	1,167,390,827.25	1,021,288,121.44
Equity investment in listed companies	512,305,726.68	449,668,340.54
Equity of unlisted enterprises	311,504,696.76	64,730,691.96
Trust products - claims	48,561,895.97	48,561,895.97
Of which:		
Total	3,960,799,276.24	3,514,006,212.53

Other notes

### 3. Notes receivable

#### (1) Notes receivable listed by classification

Monetary Unit: RMB

Item	Closing balance	Opening balance
Commercial acceptance bill	33,096,000.00	94,321,000.00
Total	33,096,000.00	94,321,000.00

Monetary Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Proportion of accrual		Amount	Proportion	Amount	Proportion of accrual	
Of which:										
Notes receivable with provision for bad debt reserves by portfolio	48,000,000.00	100.00%	14,904,000.00	31.05%	33,096,000.00	117,712,000.00	100.00%	23,391,000.00	19.87%	94,321,000.00
Of which:										
Portfolio of commercial acceptance bill	48,000,000.00	100.00%	14,904,000.00	31.05%	33,096,000.00	117,712,000.00	100.00%	23,391,000.00	19.87%	94,321,000.00
Total	48,000,000.00	100.00%	14,904,000.00	31.05%	33,096,000.00	117,712,000.00	100.00%	23,391,000.00	19.87%	94,321,000.00

Provision for bad debts by portfolio:

Monetary Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Proportion of accrual
Portfolio of commercial acceptance bill	48,000,000.00	14,904,000.00	31.05%
Total	48,000,000.00	14,904,000.00	

Basis for determining the portfolio:

In case the provision for bad debt is made with respect to notes receivable according to the general model of expected credit loss, please disclose the relevant information of bad debt provision in line with the disclosure method of other receivables:

☐ Applicable ☒ Not applicable

## (2) Provision, recovery or return of bad debt reserve in current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Withdrawal or write-back	Write off	Other	
Provision for bad debt of notes receivable	23,391,000.00		8,487,000.00			14,904,000.00
Total	23,391,000.00		8,487,000.00			14,904,000.00

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

☐ Applicable ☒ Not applicable

## 4. Accounts receivable

### (1) Accounts receivable disclosed by classification

Monetary Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Proportion of accrual		Amount	Proportion	Amount	Proportion of accrual	
Accounts receivable with provision for bad debt made on an individual basis	568,338,137.91	3.95%	458,412,529.04	80.66%	109,925,608.87	495,175,497.84	4.85%	400,045,877.06	80.79%	95,129,620.78



Of which:										
Accounts receivable with provision for bad debts reserve based on portfolio	13,819,213,672.73	96.05%	1,359,519,522.72	9.84%	12,459,694,150.01	9,721,556,554.13	95.15%	1,174,340,351.17	12.08%	8,547,216,202.96
Of which:										
Portfolio 1	13,819,213,672.73	96.05%	1,359,519,522.72	9.84%	12,459,694,150.01	9,721,556,554.13	95.15%	1,174,340,351.17	12.08%	8,547,216,202.96
Total	14,387,551,810.64	100.00%	1,817,932,051.76	12.64%	12,569,619,758.88	10,216,732,051.97	100.00%	1,574,386,228.23	15.41%	8,642,345,823.74

Provision for bad debt made on an individual basis:

Monetary Unit: RMB

Name	Closing balance			
	Book balance	Bad-debt provision	Proportion of accrual	Reason for accrual
Customer No. 1	171,592,593.00	120,114,815.10	70.00%	Expected to be partially irrecoverable
Customer No. 2	94,471,070.10	94,471,070.10	100.00%	Expected to be irrecoverable
Customer No. 3	61,063,450.52	61,063,450.52	100.00%	Expected to be irrecoverable
Customer No. 4	56,017,737.12	28,008,868.56	50.00%	Expected to be partially irrecoverable
Customer No. 5	34,618,053.72	34,618,053.72	100.00%	Expected to be irrecoverable
Customer No. 6	31,874,992.66	31,874,992.66	100.00%	Expected to be irrecoverable
Customer No. 7	23,732,766.34	16,612,936.44	70.00%	Expected to be partially irrecoverable
Customer No. 8	22,844,266.80	15,990,986.76	70.00%	Expected to be partially irrecoverable
Customer No. 9	17,280,097.20	8,640,048.60	50.00%	Expected to be partially irrecoverable
Customer No. 10	13,078,525.49	6,539,262.74	50.00%	Expected to be partially irrecoverable
Other	41,764,584.96	40,478,043.84	97.00%	Expected to be partially irrecoverable
Total	568,338,137.91	458,412,529.04		

Provision for bad debts by portfolio:

Monetary Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Proportion of accrual
Portfolio 1	13,819,213,672.73	1,359,519,522.72	9.84%

Total	13,819,213,672.73	1,359,519,522.72	
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Basis for determining the portfolio:

In case the provision for bad debt is made with respect to accounts receivable according to the general model of expected credit loss, please disclose the relevant information of bad debt provision in line with the disclosure method of other receivables:

☐ Applicable ☒ Not applicable

Disclosure by aging

Monetary Unit: RMB

Aging	Closing balance
Within 1 year (including 1 year)	11,787,503,600.21
1 to 2 years	1,146,461,563.75
2-3 years	596,001,235.81
Over 3 years	857,585,410.87
3 to 4 years	137,370,541.81
4 to 5 years	237,640,101.87
Over 5 years	482,574,767.19
Total	14,387,551,810.64

## (2) Provision, recovery or return of bad debt reserve in current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Withdrawal or write-back	Write off	Other	
Bad debts of accounts receivable provision	1,574,386,228.23	244,964,502.34		1,322,500.00	96,178.81	1,817,932,051.76
Total	1,574,386,228.23	244,964,502.34		1,322,500.00	96,178.81	1,817,932,051.76

## (3) Accounts receivable actually written off in the current period

Monetary Unit: RMB

Item	Written off amount
Accounts receivable written off	1,322,500.00

## (4) Top 5 accounts receivable in terms of the ending balance grouped by debtors

Monetary Unit: RMB

Entity Name	Ending balance of accounts receivable	Proportion of total balance of accounts receivable at the end of the period	Ending balance of bad debt provision
Customer No. 1	755,958,865.99	5.25%	38,045,904.57
Customer No. 2	738,565,598.82	5.13%	37,670,298.48

Customer No. 3	579,488,217.97	4.03%	28,974,410.90
Customer No. 4	571,004,642.10	3.97%	32,421,765.45
Customer No. 5	491,322,263.92	3.41%	24,566,113.20
Total	3,136,339,588.80	21.79%	

## 5. Financing funds receivables

Monetary Unit: RMB

Item	Closing balance	Opening balance
Bank acceptance bills	662,261,484.29	731,403,441.49
Total	662,261,484.29	731,403,441.49

Increase/decrease of accounts receivable financing and changes in fair value in the current period

☐ Applicable ☒ Not applicable

In case provision for impairment is made with respect to accounts receivable financing according to the general model of the expected credit loss, please disclose the relevant information of provision for impairment in line with the disclosure method of other receivables:

☐ Applicable ☒ Not applicable

Other notes:

(2) Notes receivable endorsed or discounted by the Group at the end of the period and not yet due on the balance sheet date

Item	Recognized amount terminated at the end of the period (RMB)	The confirmed amount unrecognized at the end of the period (RMB)
Bank acceptance bills	7,063,068,359.37	

(3) Notes receivable pledged at the end of the period

Item	Amount pledged at the end of the period (RMB)
Bank acceptance bills	146,855,750.50

## 6. Advance payments

### (1) Presentation of advance payments by age of account

Monetary Unit: RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	444,255,214.46	98.44%	508,753,614.68	98.31%
1 to 2 years	4,499,272.52	1.00%	5,177,536.17	1.00%
2-3 years	1,561,990.17	0.35%	2,585,245.66	0.50%
Over 3 years	977,499.78	0.22%	981,013.78	0.19%
Total	451,293,976.93		517,497,410.29	

Remarks on reasons for failure in timely settling the advance payment with the aging over 1 year and major amount:

**(2) Top 5 advance payments in terms of ending balance grouped by advance recipients**

Entity Name	Closing balance (RMB)	Proportion of total ending balance of prepayment (%)
First	200,000,000.00	44.32
Second	37,268,806.69	8.26
Third	19,874,435.94	4.40
Fourth	14,234,441.28	3.15
Fifth	12,012,752.65	2.66
Total	283,390,436.56	62.79

Other notes:

None.

**7. Other receivables**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Other receivables	296,394,371.57	285,857,879.41
Total	296,394,371.57	285,857,879.41

**(1) Other receivables****1) Classification of other receivables according to the nature of payment**

Monetary Unit: RMB

Nature of funds	Closing book balance	Opening book balance
Security and deposit	62,402,877.82	41,027,571.82
Reserve fund and borrowing	8,301,428.96	14,761,513.63
Proceeds from disposal of long-term assets	136,867,401.40	155,104,637.00
Other outstanding receivables	176,302,782.91	167,454,752.52
Less: provision for bad debt	-87,480,119.52	-92,490,595.56
Total	296,394,371.57	285,857,879.41

**2) Provision for bad debts**

Monetary Unit: RMB

Bad-debt provision	First stage	Second stage	Third stage	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as of January 1, 2023	34,588,837.96		57,901,757.60	92,490,595.56
Balance as of January 1, 2023 in the current period				
Amount written back	4,788,298.25			4,788,298.25

in the current period				
Other changes	222,177.79			222,177.79
Balance as of June 30, 2023	29,578,361.92		57,901,757.60	87,480,119.52

Changes in book balance with major amount changes in provision for loss in the current period

☐ Applicable ☒ Not applicable

Disclosure by aging

Monetary Unit: RMB

Aging	Closing balance
Within 1 year (including 1 year)	167,524,768.27
1 to 2 years	102,343,462.99
2-3 years	49,330,465.79
Over 3 years	64,675,794.04
3 to 4 years	54,928,532.07
4 to 5 years	5,267,047.52
Over 5 years	4,480,214.45
Total	383,874,491.09

### 3) Provision for bad debt made, recovered or reserved in the current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Withdrawal or write-back	Write off	Other	
Other receivables	92,490,595.56		4,788,298.25		222,177.79	87,480,119.52
Provision for bad debts						
Total	92,490,595.56		4,788,298.25		222,177.79	87,480,119.52

### 4) Top 5 other receivables in terms of ending balance grouped by debtors

Monetary Unit: RMB

Entity Name	Nature of funds	Closing balance	Aging	Proportion in the total ending balance of other receivables	Ending balance of bad debt provision
First	Funds from disposal of assets	51,880,000.00	1-2 years	13.51%	5,188,000.00
Second	Asset purchase funds	43,361,320.40	3-4 years	11.30%	21,680,660.20
Third	Proceeds from disposal of long-term assets	39,426,081.00	1-2 years	10.27%	3,942,608.10
Fourth	Other outstanding	38,871,900.69	2-3 years	10.13%	27,210,330.48

	receivables				
Fifth	Margin	19,200,000.00	Within 1 year	5.00%	960,000.00
Total		192,739,302.09		50.21%	58,981,598.78

## 8. Inventories

Whether the Company needs to comply with disclosure requirements of real estate industry  
No

### (1) Classification of inventories

Monetary Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value
Raw materials	1,912,161,927.43	15,374,172.50	1,896,787,754.93	2,624,716,145.00	25,071,495.84	2,599,644,649.16
Goods in process	985,104,871.23	8,150,852.32	976,954,018.91	831,113,012.16	10,611,641.75	820,501,370.41
Inventory commodities	2,732,943,129.26	60,123,179.82	2,672,819,949.44	2,827,323,894.39	73,941,255.01	2,753,382,639.38
Turnover materials	57,573,641.73		57,573,641.73	1,634,349.78		1,634,349.78
Goods dispatched	1,046,823,396.04	130,445,988.86	916,377,407.18	1,681,022,017.53	272,151,364.01	1,408,870,653.52
Total	6,734,606,965.69	214,094,193.50	6,520,512,772.19	7,965,809,418.86	381,775,756.61	7,584,033,662.25

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

Monetary Unit: RMB

Item	Opening balance	Increase in the current period		Decreased amount in the current period		Closing balance
		Accrual	Other	Reversed or charged-off	Other	
Raw materials	25,071,495.84			9,697,323.34		15,374,172.50
Goods in process	10,611,641.75			2,460,789.43		8,150,852.32
Inventory commodities	73,941,255.01	7,658,065.86		21,476,141.05		60,123,179.82
Goods dispatched	272,151,364.01	78,301,435.39		220,006,810.54		130,445,988.86
Total	381,775,756.61	85,959,501.25		253,641,064.36		214,094,193.50

**9. Non-current assets maturing within one year**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Long-term receivables maturing within one year	83,289,328.16	103,648,896.04
Total	83,289,328.16	103,648,896.04

Major creditor's rights investment/other creditor's rights investment

Monetary Unit: RMB

Creditor's rights item	Closing balance				Opening balance			
	Book value	Nominal interest rate	Effective interest rate	Maturity date	Book value	Nominal interest rate	Effective interest rate	Maturity date

Other notes:

**10. Other current assets**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Deductible input tax	2,052,226,417.49	1,869,087,947.23
Prepaid taxes	45,779,127.01	21,355,923.01
Deferred expenses	14,758,214.73	934,157.90
Total	2,112,763,759.23	1,891,378,028.14

Other notes:

**11. Other creditor's rights investment**

Monetary Unit: RMB

Item	Opening balance	Accrued interest	Changes in fair value in the current period	Closing balance	Cost	Accumulated changes in fair value	Accumulated provision for loss recognized in other comprehensive income	Remarks
GRU ENERGY Convertible bonds	4,875,220.00			5,058,060.00	4,567,430.00			
Total	4,875,220.00			5,058,060.00	4,567,430.00			

Changes in book balance with major amount changes in provision for loss in the current period

☐ Applicable ☒ Not applicable

Other notes: none

## 12. Long-term receivables

### (1) Details of long-term receivables

Monetary Unit: RMB

Item	Closing balance			Opening balance			Range of discount rate
	Book balance	Bad-debt provision	Book value	Book balance	Bad-debt provision	Book value	
Sales of goods by installment collection	9,589,940.66	479,497.03	9,110,443.63	9,589,940.66	479,497.03	9,110,443.63	
Total	9,589,940.66	479,497.03	9,110,443.63	9,589,940.66	479,497.03	9,110,443.63	

Impairment of provision for bad debt

Monetary Unit: RMB

Bad-debt provision	First stage	Second stage	Third stage	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as at January 1, 2023	479,497.03			479,497.03
Balance as at January 1, 2023 in the current period				
Balance as at June 30, 2023	479,497.03			479,497.03

Changes in book balance with major amount changes in provision for loss in the current period

☐ Applicable
 ☒ Not applicable

## 13. Long-term equity investments

Monetary Unit: RMB

Investee	Opening balance (book value)	Increase/decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
		Additional investment	Investment decrease	Recognized investment gain and loss under equity method	Other comprehensive income adjustments	Other changes in equity	Declared payment of cash dividends or profits	Provision for impairment reserve	Other		
I. Joint Ventures											
V_G HIGH-TECH Energy Solutions Co.,	40,427,490.79	344,668,276.40								385,095,767.19	



Ltd.											
Subtotal	40,427,490.79	344,668,276.40								385,095,767.19	
II. Affiliated enterprises											
Hefei Xingyu an New Energy Materials Co., Ltd.	183,121,570.70			5,797,685.57						188,919,256.27	
MCC Ramu New Energy Technology Co., Ltd.	340,662,107.13			29,369,865.77	87,310.55					370,119,283.45	
Beijing Full-Service Oil & Gas Technology Co., Ltd.											34,217,439.93
Thailand New Gotion Co., Ltd.		61,478,019.78		-6,070.47						61,471,949.31	
Jiangxi Yunwei New Material Co., Ltd.	129,438,218.38			30,258,836.11						159,697,054.49	
Huabei Aluminum New Material Technology Co., Ltd.	116,880,872.63			8,293.79						116,889,166.42	
Litong Energy	1,833,369.57			112,015.04						1,945,384.61	

Techno logy Co., Ltd.											
Beijing Gotion Fuweisi Light Storage and Chargin g Techno logy Co., Ltd.										9,228,535.85	
Shangh ai Wuyan g Ship Techno logy Co., Ltd.										1,926,553.35	
Tonglin g Anxuan da New Energy Techno logy Co., Ltd.	16,182,989.24	17,500,000.00		43,305.71						33,726,294.95	
Shangh ai Electro nic Gotion New Energy Techno logy Co., Ltd.	185,350,210.81			- 10,433,322.52						174,916,888.29	
Anhui Anwa New Energy Techno logy Co., Ltd	64,738,972.87			- 711,071.26						64,027,901.61	

Tata AutoComp Gotion Green Energy Application Co., Ltd.	6,977,566.60									6,977,566.60	
Subtotal	1,045,185,877.93	78,978,019.78		54,439,537.74	87,310.55					1,178,690,746.00	45,372,529.13
Total	1,085,613,368.72	423,646,296.18		54,439,537.74	87,310.55					1,563,786,513.19	45,372,529.13

Other notes

**14. Other equity instrument investments**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Equity investment in unlisted enterprises	510,468,495.43	510,468,495.43
Total	510,468,495.43	510,468,495.43

**15. Other non-current financial assets**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Equity investment in unlisted enterprises	1,082,456,284.19	1,000,000,000.00
Total	1,082,456,284.19	1,000,000,000.00

Other notes:

**16. Fixed assets**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	16,772,455,885.85	11,761,398,349.72
Liquidation of fixed assets	27,157,250.17	23,881,609.34
Total	16,799,613,136.02	11,785,279,959.06

**(1) Details of fixed assets**

Monetary Unit: RMB

Item	Houses and buildings	Machinery and equipment	Transportation equipment	Electronic equipment and Other	Total
I. Original book value:					

1. Opening balance	6,246,590,779.30	8,222,917,976.02	138,511,458.66	624,045,091.31	15,232,065,305.29
2. Amount increased in the current period	314,452,808.93	5,433,800,096.42	7,897,680.09	87,981,276.69	5,844,131,862.13
(1) Purchase	132,614,633.82	255,283,243.31	7,759,192.38	65,032,164.55	460,689,234.06
(2) Transfer from construction in progress	177,783,691.29	5,177,283,790.58	99,115.04	22,883,107.66	5,378,049,704.57
(3) Increase in business mergers					
(4) Translation of statements in foreign currency	4,054,483.82	1,233,062.53	39,372.67	66,004.48	5,392,923.50
3. Decrease in the current period	20,893,535.36	45,703,891.51	1,031,254.23	24,823,947.37	92,452,628.47
(1) Disposal or scrapping	20,893,535.36	45,703,891.51	1,031,254.23	24,823,947.37	92,452,628.47
4. Ending balance	6,540,150,052.87	13,611,014,180.93	145,377,884.52	687,202,420.63	20,983,744,538.95
II. Accumulated depreciation					
1. Opening balance	599,702,136.82	2,482,432,460.77	60,599,485.82	313,474,372.16	3,456,208,455.57
2. Amount increased in the current period	161,414,278.34	565,597,475.49	10,069,048.69	53,633,235.42	790,714,037.94
(1) Provision	161,214,674.64	565,053,848.81	9,969,922.72	53,514,000.03	789,752,446.20
(2) Increase in business mergers					
(3) Translation of statements in foreign currency	199,603.70	543,626.68	99,125.97	119,235.39	961,591.74
3. Decrease in the current period	3,370,211.41	35,563,264.69	696,154.83	10,462,709.48	50,092,340.41
(1) Disposal or scrapping	3,370,211.41	35,563,264.69	696,154.83	10,462,709.48	50,092,340.41
(2) Decrease from business merger					
4. Ending balance	757,746,203.75	3,012,466,671.57	69,972,379.68	356,644,898.10	4,196,830,153.10
III. Impairment Provision					
1. Opening balance			14,458,500.00		14,458,500.00

2. Amount increased in the current period					
(1) Provision					
(2) Increase in business mergers					
3. Decrease in the current period					
(1) Disposal or scrapping					
(2) Decrease from business merger					
4. Ending balance			14,458,500.00		14,458,500.00
IV. Book value					
1. Book value at the end of the period	5,782,403,849.12	10,598,547,509.36	60,947,004.84	330,557,522.53	16,772,455,885.85
2. Book value at the beginning of period	5,646,888,642.48	5,740,485,515.25	63,453,472.84	310,570,719.15	11,761,398,349.72

## (2) Conditions of the fixed assets for which Certificate of Real Estate is not obtained

Monetary Unit: RMB

Item	Book value	Reasons for the failure to obtain title certificate
Tangshan Gotion Phase I and Phase II factory building	232,381,404.60	In progress
Hefei Gotion direct-subordinate 3rd plant factory building	129,541,246.94	In progress
Plant Phase II in Economic Development Zone	291,828,937.36	In progress
Nanjing Gotion Phase II factory building	125,602,656.43	In progress
Nanjing New Energy factory building	360,778,763.98	In progress
Jiangsu New Energy Plant	539,664,123.76	In progress
The plants of Hefei New Materials	109,104,942.00	In progress
Lujiang New Energy Plant Phase II	376,587,260.98	In progress
The plants of Lujiang Kehong	162,040,402.23	In progress
Yichun Gotion Battery Plant No. 1	100,085,318.10	In progress
Jiangxi Weihong Lithium Plant	28,095,326.01	In progress
Tianjin Hengtian Phase I factory building	156,504,846.84	In progress
Liuzhou Gotion Phase I factory building	508,988,252.97	In progress
Indonesia New Materials Office Building	43,735,652.09	In progress
Total	3,164,939,134.29	

Other notes

## (3) Liquidation of fixed assets

Monetary Unit: RMB

Item	Closing balance	Opening balance
Liquidation of fixed assets	27,157,250.17	23,881,609.34
Total	27,157,250.17	23,881,609.34

Other notes:

## 17. Construction in Progress

Monetary Unit: RMB

Item	Closing balance	Opening balance
Construction in progress	12,584,412,072.81	11,669,257,989.53
Total	12,584,412,072.81	11,669,257,989.53

### (1) Details of construction in progress

Monetary Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Depreciation reserves	Book value
Hefei direct-subordinate 1st plant New projects	141,760,906.25		141,760,906.25	109,061,568.47		109,061,568.47
Lithium iron trial line	71,086,725.63		71,086,725.63			
Gotion Material annual production of 30,000 tons of high-nickel ternary cathode material project	591,784,769.79		591,784,769.79	436,011,699.53		436,011,699.53
Nanjing New Energy	22,123,893.81		22,123,893.81	22,123,893.81		22,123,893.81
Shanghai R&D Center	1,264,240,275.53		1,264,240,275.53	1,041,379,813.67		1,041,379,813.67
The Tangshan Gotion New Factory Construction Project	58,219,640.79		58,219,640.79	45,790,102.49		45,790,102.49
New plant in Economic Development Zone Company Factory building	1,204,940,046.67		1,204,940,046.67	1,184,643,956.02		1,184,643,956.02
Liuzhou Phase I construction project	840,545,130.20		840,545,130.20	696,087,022.78		696,087,022.78
Power battery project with an annual output of 20GWH--	614,595,250.24		614,595,250.24	1,719,030,395.06		1,719,030,395.06

Tongcheng						
Lujiang project of high-end cathode materials with annual output of 200,000 tons	1,030,511,767.76		1,030,511,767.76	531,454,056.87		531,454,056.87
The Smart Manufacturing Base and Supporting Project	2,003,626,822.41		2,003,626,822.41	2,451,807,532.56		2,451,807,532.56
The Lithium Battery Cathode Material Project	906,142,450.59		906,142,450.59	798,866,435.13		798,866,435.13
The Annual Production of 20GWh Volkswagen Unified Battery Cell Project	2,019,261,002.26		2,019,261,002.26	222,334,521.73		222,334,521.73
The Annual Production of 20GWh Power Battery Project-Xinzhan	604,437,334.49		604,437,334.49	324,006.22		324,006.22
The Construction of a 15GWh Lithium Battery and PACK Production Base	394,647,971.75		394,647,971.75	2,030,306,490.09		2,030,306,490.09
The Phase I Lithium Carbonate and Ore Selection Plant in Yifeng	518,618,955.65		518,618,955.65	23,421,055.31		23,421,055.31
The Annual 7.5 Million Ton Lithium Ore Product Transfer Construction Project	47,246,030.79		47,246,030.79	43,025,872.34		43,025,872.34
The Yichun Kefeng 20,000 Tons Lithium Carbonate Project	9,753,683.37		9,753,683.37	90,627,172.00		90,627,172.00
Other Miscellaneous Projects	240,869,414.83		240,869,414.83	222,962,395.45		222,962,395.45
Total	12,584,412,072.81		12,584,412,072.81	11,669,257,989.53		11,669,257,989.53

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

Monetary Unit: RMB

Project	Budget	Opening balance	Increase in the current period	Amount transferred to fixed assets in current period	Other decreased amount in the current period	Closing balance	Proportion of accumulated engineering investment in budget	Project progress	Accumulated amount of interest capitalization	Of which: Amount of interest capitalization in the current period	Interest capitalization rate in the current period	Sources of funds
New project of Hefei direct-subordinate 1st plant		109,061,568.47	50,475,541.95	17,776,204.17		141,760,906.25						Other
Lithium iron trial line			71,086,725.63			71,086,725.63						Other
The Gotion Materials Annual Production of 30,000 Tons of High-Nickel Ternary Cathode Material Project		436,011,699.53	155,773,070.26			591,784,769.79			14,522,805.57	4,981,638.89	3.20%	Fundraising through stock issuance
Nanjing New Energy		22,123,893.81				22,123,893.81			54,186,168.99			Other
Shanghai R&D Center		1,041,379,813.67	222,860,461.86			1,264,240,275.53			50,925,006.09	16,091,758.24	7.22%	Other
Tangshan Gotion New Factory Building Project		45,790,102.49	26,358,610.91	13,929,072.61		58,219,640.79						Other
New plant in Economic and Technol		1,184,643,956.02	87,744,439.66	67,448,349.01		1,204,940,046.67			64,382,996.54	3,148,255.58	3.59%	Other



ogy Develop ment Area												
Liuzhou Project Phase I		696,08 7,022. 78	144,71 0,319. 82	252,21 2.40		840,54 5,130. 20			68,699 ,067.2 6	15,771 ,193.3 6	10.90 %	Other
The Annual Producti on of 20GWh Power Battery Project- Tongche ng		1,719, 030,39 5.06	184,64 9,365. 49	1,289, 084,51 0.31		614,59 5,250. 24			44,917 ,953.6 5	4,069, 274.06	2.20%	Other
The Lujiang Annual Producti on of 200,000 Tons of High- End Cathode Material Project		531,45 4,056. 87	939,94 0,296. 38	440,88 2,585. 49		1,030, 511,76 7.76			31,802 ,910.8 7	18,444 ,763.7 8	1.96%	Other
The Smart Manufa cturing Base and Supporti ng Project		2,451, 807,53 2.56	1,217, 735,24 8.47	1,665, 915,95 8.62		2,003, 626,82 2.41			74,354 ,169.4 8	58,457 ,807.1 8	4.80%	Other
The Lithium Battery Anode Material Project		798,86 6,435. 13	108,64 1,133. 76	1,365, 118.30		906,14 2,450. 59			9,976, 319.56	9,976, 319.56	9.18%	Other
The Annual Producti on of 20GWh VW Unified Cell Project		222,33 4,521. 73	1,796, 926,48 0.53			2,019, 261,00 2.26						Fundra ising throug h stock issuan ce
The Annual Producti		324,00 6.22	604,11 3,328. 27			604,43 7,334. 49			6,418, 911.78	6,418, 911.78	1.06%	Other

on of 20GWh Power Battery Project- Xinzhan												
The Constru ction of a 15GWh Lithium Battery and PACK Producti on Base		2,030, 306,49 0.09	78,680 ,881.9 4	1,714, 339,40 0.28		394,64 7,971. 75			38,588 ,995.8 0	7,289, 440.30	9.26%	Other
The Yifeng Lithium Carbona te Phase I and Ore Selectio n Plant Phase I		23,421 ,055.3 1	495,35 2,059. 63	154,15 9.29		518,61 8,955. 65			9,285, 454.81	7,667, 220.49	1.55%	Other
The Annual 7.5 Million Ton Lithium Ore Product Transfer Constru ction Project		43,025 ,872.3 4	4,220, 158.45			47,246 ,030.7 9					0.00%	Other
The Yichun Kefeng 20,000 Tons Lithium Carbona te Project		90,627 ,172.0 0	54,295 ,255.6 9	135,16 8,744. 32		9,753, 683.37					0.00%	Other
Other Miscella neous Projects		222,96 2,395. 45	49,640 ,409.1 5	31,733 ,389.7 7		240,86 9,414. 83			35,908 ,332.9 9		0.00%	Other
Total		11,669 ,257,9 89.53	6,293, 203,78 7.85	5,378, 049,70 4.57		12,584 ,412,0 72.81			502,69 2,984. 92	152,31 6,583. 22	2.42%	

**(3) Engineering materials**

Monetary Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Depreciation reserves	Book value
Project goods and material						

Other notes:

**18. Right-of-use assets**

Monetary Unit: RMB

Item	Building and construction	Machinery and equipment	Total
I. Original book value			
1. Opening balance	31,317,002.67	28,567,840.53	59,884,843.20
2. Amount increased in the current period	10,702,972.94		10,702,972.94
(1) New lease	10,702,972.94		10,702,972.94
(2) Increase in business mergers			
3. Decrease in the current period	1,734,290.97		1,734,290.97
(1) Disposal or scrapping			
(2) Decrease from business merger			
(3) Foreign currency financial statement conversion	1,734,290.97		1,734,290.97
4. Ending balance	40,285,684.64	28,567,840.53	68,853,525.17
II. Accumulated depreciation			
1. Opening balance	6,655,539.68	431,176.97	7,086,716.65
2. Amount increased in the current period	1,319,906.27	143,725.66	1,463,631.93
(1) Provision	1,319,906.27	143,725.66	1,463,631.93
(2) Increase in business mergers			
3. Decrease in the current period			
(1) Disposal			
4. Ending balance	7,975,445.95	574,902.63	8,550,348.58
III. Impairment Provision			
1. Opening balance			
2. Amount increased in the current period			
(1) Provision			
3. Decrease in the current period			

(1) Disposal			
4. Ending balance			
IV. Book Value			
1. Book value at the end of the period	32,310,238.69	27,992,937.90	60,303,176.59
2. Book value at the beginning of period	24,661,462.99	28,136,663.56	52,798,126.55

Other notes:

## 19. Intangible assets

### (1) Status of intangible assets

Monetary Unit: RMB

Item	Land use rights	Patent right	Non-patented technology	Right of mining	Software and Other	Total
I. Original book value						
1. Opening balance	2,033,494,312.78		1,056,952,510.76	42,157,840.05	83,865,372.57	3,216,470,036.16
2. Amount increased in the current period	<u>103,289,672.71</u>		<u>61,690,013.05</u>	<u>108,071,684.80</u>	<u>5,047,148.30</u>	<u>278,098,518.86</u>
(1) Purchase	98,470,249.50		25,358.70	54,171,424.80	4,815,468.83	157,482,501.83
(2) Internal R&D			61,547,114.35			61,547,114.35
(3) Increase in business mergers				53,900,260.00		53,900,260.00
(4) Translation of statements in foreign currency	4,819,423.21		117,540.00		231,679.47	5,168,642.68
3. Decrease in the current period					1,008,392.56	1,008,392.56
(1) Disposal					1,008,392.56	1,008,392.56
4. Ending balance	2,136,783,985.49		1,118,642,523.81	150,229,524.85	87,904,128.31	3,493,560,162.46
II. Accumulated amortization						
1. Opening balance	127,445,225.38		154,366,335.88	1,798,201.71	29,958,185.66	313,567,948.63
2. Amount	19,028,554.13		54,892,269.37	1,100,295.28	5,951,335.68	80,972,454.46

increased in the current period						
(1) Provision	19,028,554.13		54,868,761.37	1,100,295.28	5,836,098.57	80,833,709.35
(2) Increase in business mergers						
(3) Translation of statements in foreign currency			23,508.00		115,237.11	138,745.11
3. Decrease in the current period	157,433.65				463,581.30	621,014.95
(1) Disposal	157,433.65				463,581.30	621,014.95
(2) Decrease from business merger						
(3) Translation of statements in foreign currency						
4. Ending balance	146,316,345.86		209,258,605.25	2,898,496.99	35,445,940.04	393,919,388.14
III. Impairment Provision						
1. Opening balance						
2. Amount increased in the current period						
(1) Provision						
3. Decrease in the current period						
(1) Disposal						
4. Ending balance						
IV. Book Value						
1. Book value at the end of the period	1,990,467,639.63		909,383,918.56	147,331,027.86	52,458,188.27	3,099,640,774.32
2. Book value at the beginning of period	1,906,049,087.40		902,586,174.88	40,359,638.34	53,907,186.91	2,902,902,087.53

The proportion of the intangible assets generated via internal R&D of the Company in the intangible assets balance at the end of the

current period

**20. R&D expenses**

Monetary Unit: RMB

Item	Opening balance	Increase in the current period			Decreased amount in the current period			Closing balance
		Internal R&D expenses	Other		Recognized as the intangible assets	Transfer to current profit and loss		
230ah cell development project	66,549,632.32	17,636,189.08						84,185,821.40
150ah cell development project	89,287,887.96	5,247,537.05						94,535,425.01
124ah cell development project	98,661,204.75	1,416,427.23						100,077,631.98
LiFePO4 material development project	77,460,243.82	11,892,076.47						89,352,320.29
MAXUS EV31-63AH Project	34,741,394.86	17,323,649.24						52,065,044.10
Geely New Vision EX3-LFP Project	15,053,088.10	25,325,524.91						40,378,613.01
Chang'an 158 Project	43,929,143.82	15,858,371.61						59,787,515.43
E34 project	19,298,018.50	7,340,979.22						26,638,997.72
Battery Pack Project	26,461,535.29	4,893,986.15						31,355,521.44
Analysis of defective rate of 67Ah and 52Ah power LFP cell in manufacturing process and key technology research for A-grade product rate improvement	39,814,387.44				39,814,387.44			
Key	21,732,726.				21,732,726.			

technology research of Li-ion battery aluminum sheet sealing to eliminate liquid leakage at the sealing	91				91			
Summary of other projects	87,388,737.57	1,097,079,031.86				904,443,792.36		280,023,977.07
Total	620,378,001.34	1,204,013,772.82			61,547,114.35	904,443,792.36		858,400,867.45

Other notes

## 21. Goodwill

### (1) Original book value of goodwill

Monetary Unit: RMB

Name of investee or matters forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Formed by business combination		Disposal		
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	80,427,604.58					80,427,604.58
Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd.	67,496,148.69					67,496,148.69
Yifeng County Hua Lithium Mining Development Co., Ltd.	684,568.29					684,568.29
Jiangxi Weihong Lithium Co., Ltd.	809,254.33					809,254.33
Yichun Kefeng New Material Co., Ltd.	396,368,743.11					396,368,743.11
Jiangxi Huayou Mining Co., Ltd.		3,127,569.74				3,127,569.74
Total	545,786,319.00	3,127,569.74				548,913,888.74

**(2) Impairment provision for goodwill**

Monetary Unit: RMB

Name of investee or matters forming goodwill	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Accrual	Other	Disposal	Other	
Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd.	33,748,074.35					33,748,074.35
Total	33,748,074.35					33,748,074.35

Information about the asset group or combination of asset groups of goodwill

According to the relevant provisions of Accounting Standards for Enterprises No.8 - Asset Impairment, the asset group or combination of asset groups related to the goodwill impairment test shall be the asset group or combination of asset groups that can benefit from the synergies of business merger. Of which:

The goodwill of Jiangsu Dongyuan Electric Appliance Group Co., Ltd. was initially formed in September 2015 when the Company counter purchased Jiangsu Dongyuan Electric Appliance Group Co., Ltd. As market players in an explicit business system, Jiangsu Dongyuan Electric Appliance Group Co., Ltd. and its subsidiaries are relatively independent in production and business operation. Meanwhile, their primary businesses are all directly connected to the market and are priced by the market, which complies with the important conditions for asset groups. Therefore, the Company finally determined to confirm Jiangsu Dongyuan Electric Appliance Group Co., Ltd. and its subsidiaries as a combination of asset groups and to carry out a goodwill impairment test based on this.

The goodwill of Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd. was initially formed in May 2021 when the Company increased invested by transferring accounts receivable. As a market player in an explicit business system, Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd. is relatively independent in production and business operation. Meanwhile, its primary businesses are all directly connected to the market and are priced by the market, which complies with the important conditions for asset groups. Therefore, the Company finally determined to confirm Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd. as a combination of asset groups and to carry out a goodwill impairment test based on this.

The goodwill of Yifeng County Hua Lithium Mining Development Co., Ltd. was initially formed in April 2022 when the Company purchased the equity of Yifeng County Hua Lithium Mining Development Co., Ltd. As a market player in an explicit business system, Yifeng County Hua Lithium Mining Development Co., Ltd. is relatively independent in production and business operation. Meanwhile, its primary businesses are all directly connected to the market and are priced by the market, which complies with the important conditions for asset groups. Therefore, the Company finally determined to confirm Yifeng County Hua Lithium Mining Development Co., Ltd. as a combination of asset groups and to carry out a goodwill impairment test based on this.



The goodwill of Jiangxi Weihong Lithium Co., Ltd. was initially formed in January 2022 when the Company purchased the equity of Jiangxi Weihong Lithium Co., Ltd. As a market player in an explicit business system, Jiangxi Weihong Lithium Co., Ltd. is relatively independent in production and business operation. Meanwhile, its primary businesses are all directly connected to the market and are priced by the market, which complies with the important conditions for asset groups. Therefore, the Company finally determined to confirm Jiangxi Weihong Lithium Co., Ltd. as a combination of asset groups and to carry out a goodwill impairment test based on this.

The goodwill of Yichun Kefeng New Material Co., Ltd. was initially formed in January 2022 when the Company purchased the equity of Yichun Kefeng New Material Co., Ltd. As a market player in an explicit business system, Yichun Kefeng New Material Co., Ltd. is relatively independent in production and business operation. Meanwhile, its primary businesses are all directly connected to the market and are priced by the market, which complies with the important conditions for asset groups. Therefore, the Company finally determined to confirm Yichun Kefeng New Material Co., Ltd. as a combination of asset groups and to carry out a goodwill impairment test based on this.

The goodwill of Jiangxi Huayou Mining Co., Ltd. was initially formed in April 2023 when the Company increased capital to acquire the equity of Jiangxi Huayou Mining Co., Ltd. As a market player in an explicit business system, Jiangxi Huayou Mining Co., Ltd. is relatively independent in production and business operation. Meanwhile, its primary businesses are all directly connected to the market and are priced by the market, which complies with the important conditions for asset groups. Therefore, the Company finally determined to confirm Jiangxi Huayou Mining Co., Ltd. as a combination of asset groups and to carry out a goodwill impairment test based on this.

Explain the goodwill impairment test process, key parameters (such as the forecast period growth rate, stable period growth rate, profit rate, discount rate, forecast period, etc. when the present value of the future cash flow is expected) and the recognition method of goodwill impairment loss

The Company has conducted an impairment test for the goodwill arising from the aforesaid acquisition of enterprises not under the same control. In the measurement, the asset group should be identified first, and then the corresponding method should be selected to measure the recoverable amount of the asset group that does not contain goodwill. After that, the recoverable amount of the asset group should be compared with the carrying value of the asset group, to determine whether the asset group is impaired. Then, an impairment test should be performed for the asset group that contains goodwill by comparing the recoverable amount of the asset group with the carrying value of the asset group, including the goodwill apportioned to the asset group, in order to determine whether the goodwill is impaired.

In the early stage, the Company has made an impairment provision of RMB 33,748,074.35 for the goodwill corresponding to the asset group of Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd. After the test, goodwill arising from the above matters was not impaired during the current period.

Impact of goodwill impairment test

Other notes

**22. Long-term Deferred Expenses**

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Amortized amount in the current period	Other decreased amount	Closing balance
Overhaul and renovation expenses for houses and buildings	78,225,869.68	4,501,214.05	10,118,126.99		72,608,956.74
Landscape project	6,042,647.45	497,509.71	773,032.36		5,767,124.80
Equipment retrofit	17,136,697.56	6,571,308.93	4,281,958.64		19,426,047.85
Total	101,405,214.69	11,570,032.69	15,173,117.99		97,802,129.39

Other notes

**23. Deferred income tax assets / deferred income tax liabilities****(1) Deferred income tax assets before offset**

Monetary Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Unrealized profits of internal transactions	20,264,252.33	3,044,166.68	110,691,121.38	16,628,406.41
Deductible loss	1,894,480,428.46	351,998,663.02	1,488,517,855.65	269,080,326.06
Bad-debt provision	1,856,376,204.35	303,517,509.41	1,728,028,906.65	264,438,581.96
Provision for depreciation of inventory	194,395,568.77	29,715,860.29	363,799,226.59	55,611,385.90
Estimated liabilities	424,780,601.05	63,717,090.16	385,641,072.27	57,846,160.84
Deferred income	176,456,907.40	30,087,657.50	180,202,583.83	30,726,332.58
Stock option	579,663,606.70	97,541,474.22	343,361,956.00	57,778,392.49
Right-of-use assets	41,666.07	6,249.91	29,613.65	4,442.05
Loss on changes in fair value of financial assets held for trading	61,587,837.99	12,379,155.44	85,581,789.56	17,565,913.41
Difference between revenues recognized according to tax law and based on accounting items and other	37,116,762.52	10,763,861.13	89,106,067.43	25,885,315.54
Total	5,245,163,835.64	902,771,687.76	4,774,960,193.01	795,565,257.24

**(2) Deferred income tax liabilities before offset**

Monetary Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary	Deferred income tax	Taxable temporary	Deferred income tax

	difference	liabilities	difference	liabilities
Asset valuation appreciation arising from the business combination not under common control	172,845,502.44	43,211,375.61	154,137,991.33	35,000,602.55
Installment collection differences	10,662,934.24	1,599,440.13	15,374,896.56	2,306,234.48
Depreciation differences of fixed assets	237,296,964.75	51,257,886.10	272,811,038.60	55,377,742.11
Changes in fair value of financial assets held for trading	283,683,928.86	42,755,334.26	3,143,835.62	785,958.90
Investment income from the conversion of long-term equity investments measured by equity method to trading financial assets	142,103,199.17	21,315,479.88	142,103,199.17	21,315,479.88
Difference between revenues recognized according to tax law and based on accounting items and other	13,988,643.10	4,056,706.50	25,485,290.00	3,822,793.50
Total	860,581,172.56	164,196,222.48	613,056,251.28	118,608,811.42

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

Monetary Unit: RMB

Item	Offset amount of deferred income tax assets and liabilities at the end of the period	Ending balance of deferred income tax assets or liabilities after offset	Amount of deferred income tax assets and liabilities mutually-offset beginning of the period	Open amount of deferred income tax assets or liabilities after offsetting
Deferred income tax assets		902,771,687.76		795,565,257.24
Deferred income tax liabilities		164,196,222.48		118,608,811.42

### (4) Details of unrecognized deferred income tax assets

Monetary Unit: RMB

Item	Closing balance	Opening balance
Deductible loss	642,181,232.00	555,011,882.64
Provision for bad debts of accounts receivable	98,073,600.18	80,247,671.61
Provision for depreciation of inventory	19,698,624.73	17,976,530.02
Provision for impairment of long-term equity investment	45,372,529.00	45,372,529.13
Provision for impairment of fixed assets	14,458,500.00	14,458,500.00
Deferred income	5,674,183.96	1,125,546.91

Stock option	80,042,118.99	41,912,619.00
Loss on changes in fair value of financial assets held for trading	67,533,239.94	67,533,239.94
Bad-debt provision written off	119,498,355.69	119,498,355.69
Total	1,092,532,384.49	943,136,874.94

**(5) The deductible loss of unrecognized deferred income tax assets will expire in the following years**

Monetary Unit: RMB

Year	Closing balance	Opening balance	Remarks
2023		10,907,161.73	
2024	23,221,412.73	23,221,412.73	
2025	74,525,116.27	74,525,116.27	
2026	148,879,433.39	148,879,433.39	
2027	146,059,222.49	146,059,222.49	
2028	249,496,047.12		
Total	642,181,232.00	403,592,346.61	

Other notes

**24. Other non-current assets**

Monetary Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Depreciation reserves	Book value
Advance payment for engineering and equipment	1,116,144,286.19		1,116,144,286.19	3,108,594,906.43		3,108,594,906.43
Expenditure on exploration rights	626,751,280.84		626,751,280.84	615,144,093.65		615,144,093.65
Advance payment for equity investment	171,403,736.09		171,403,736.09	254,760,300.00		254,760,300.00
Advance payment for land and houses	80,345,001.00		80,345,001.00	78,690,000.00		78,690,000.00
Net assets of benefit program	26,774,340.92		26,774,340.92	26,774,340.92		26,774,340.92
The unsecured arising from the financial leasing of self-owned products	6,845,319.74		6,845,319.74	6,845,319.74		6,845,319.74
Total	2,028,263,964.78		2,028,263,964.78	4,090,808,960.74		4,090,808,960.74

Other notes:

**25. Short-term borrowings****(1) Classification of short-term borrowings**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Pledge loans	914,000,000.00	732,000,000.00
Mortgaged borrowing	120,277,266.03	208,520,577.49
Guaranteed borrowing	10,322,771,827.78	9,830,139,960.01
Credit loans	50,000,000.00	
Add: interest outstanding on short-term borrowings	38,641,097.44	35,936,142.97
Factoring borrowings	23,000,000.00	14,107,500.00
Total	11,468,690,191.25	10,820,704,180.47

Remarks on the classification of short-term borrowings:

There is no overdue short-term loan in the current period.

**26. Notes payable**

Monetary Unit: RMB

Type	Closing balance	Opening balance
Commercial acceptance bills	1,659,637,370.99	805,290,037.66
Bank acceptance bills	7,644,799,082.93	4,710,463,897.11
Total	9,304,436,453.92	5,515,753,934.77

The total amount of notes payable that become due but unpaid yet at the end of the current period is RMB 0.00.

**27. Accounts payable****(1) Presentation of accounts payable**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Payable for goods	8,287,823,676.71	7,280,704,913.78
Payable for construction and equipment	5,508,141,585.27	4,534,086,535.84
Total	13,795,965,261.98	11,814,791,449.62

**28. Contractual liabilities**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Advance payment for goods	448,579,735.96	603,577,134.25
Total	448,579,735.96	603,577,134.25

## 29. Employee compensation payable

### (1) Presentation of salaries payable to employees

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Short-term employee compensation	323,957,648.53	1,297,968,711.21	1,407,277,294.29	214,649,065.45
II. Post-employment benefits - defined contribution plan	2,183,935.62	100,112,794.25	99,696,832.52	2,599,897.35
III. Dismissal Benefit		185,852.11	135,852.11	50,000.00
Total	326,141,584.15	1,398,267,357.57	1,507,109,978.92	217,298,962.80

### (2) Details of short-term employee compensation

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Salary, bonus, allowance and subsidy	312,170,409.32	1,133,873,140.00	1,241,904,930.42	204,138,618.90
2. Employee welfare fee		81,391,387.82	81,391,387.82	
3. Social insurance premiums	1,228,060.69	46,167,332.07	46,178,028.77	1,217,363.99
Incl.: Medical insurance premium	531,520.08	40,808,680.33	40,791,699.52	548,500.89
Industrial injury insurance premium	637,655.63	3,582,242.31	3,635,956.61	583,941.33
Maternity insurance premium	58,884.98	1,776,409.43	1,750,372.64	84,921.77
4. Housing provident funds	1,752,158.90	31,590,830.89	32,203,667.49	1,139,322.30
5. Trade union funds and employee education funds	1,164,721.93	4,946,020.43	5,599,279.79	511,462.57
6. Other	7,642,297.69			7,642,297.69
Total	323,957,648.53	1,297,968,711.21	1,407,277,294.29	214,649,065.45

### (3) Details of defined contribution plans

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic endowment insurance	1,991,575.05	97,121,968.39	96,699,474.05	2,414,069.39
2. Unemployment	192,360.57	2,990,825.86	2,997,358.47	185,827.96

insurance				
Total	2,183,935.62	100,112,794.25	99,696,832.52	2,599,897.35

Other notes

**30. Taxes payable**

Monetary Unit: RMB

Item	Closing balance	Opening balance
VAT	105,702,019.53	221,094,203.97
Corporate income tax	65,376,889.93	77,375,277.48
Personal income tax	2,833,294.61	2,445,412.69
City maintenance and construction tax	370,952.75	1,473,947.95
Educational surcharge and local education surcharge	335,120.96	1,917,406.30
Property taxes	22,589,540.23	17,940,415.20
Urban land use tax	7,504,136.32	9,798,318.39
Other	5,468,430.48	24,904,095.70
Total	210,180,384.81	356,949,077.68

Other notes

**31. Other payables**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Dividends payable	2,033,891.80	2,033,891.80
Other payables	924,207,953.53	928,799,490.24
Total	926,241,845.33	930,833,382.04

**(1) Dividends payable**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Cash dividends	2,033,891.80	2,033,891.80
Total	2,033,891.80	2,033,891.80

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

**(2) Other payables****1) Presentation of other payables by nature of the payment**

Monetary Unit: RMB

Item	Closing balance	Opening balance
Repurchase obligation and outstanding payment of employee stock ownership plan	48,557,369.91	89,804,639.14
Unpaid expenses	237,999,839.25	154,364,887.26
Receivables and payables	128,175,869.30	54,516,939.60

Amount of repurchase of minority shares of the company	52,899,636.24	87,753,271.53
Margin	10,509,040.37	91,020,836.17
Borrowings from non-financial institutions	440,549,778.94	421,490,309.22
Other	5,516,419.52	29,848,607.32
Total	924,207,953.53	928,799,490.24

### 32. Non-current liabilities due within one year

Monetary Unit: RMB

Item	Closing balance	Opening balance
Long-term borrowings maturing within one year	1,889,948,361.26	2,305,807,077.23
Bonds payable due within one year	101,533,333.33	
Long-term payables maturing within one year	395,356,418.08	1,304,345,851.59
Long-term borrowing interests maturing within one year	22,602,599.42	23,313,306.07
Total	2,409,440,712.09	3,633,466,234.89

Other notes:

### 33. Other current liabilities

Monetary Unit: RMB

Item	Closing balance	Opening balance
Unrealized profits of internal sales corresponding to the inventory committed to repurchase	4,464,531.65	4,464,531.65
Output tax to be carried forward	48,139,950.86	55,456,084.62
Payment obligation of unconfirmed mercantile papers		296,785,088.27
Other	2,203,574.53	10,155,114.06
Total	54,808,057.04	366,860,818.60

### 34. Long-term borrowings

#### (1) Classification of long-term borrowings

Monetary Unit: RMB

Item	Closing balance	Opening balance
Pledge loans	214,900,000.00	222,950,000.00
Mortgaged borrowing	4,801,006,918.54	4,203,976,277.43
Guaranteed borrowing	12,304,731,476.46	8,488,786,213.00
Factoring borrowings	78,130,000.00	78,130,000.00
Interests not due on long-term borrowings		918,465.55
Of which: Long-term borrowings due within one year	-1,889,948,361.26	-2,305,807,077.23



Total	15,508,820,033.74	10,688,953,878.75
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Remarks on the classification of long-term borrowings:

Other remarks (including remarks on the interest rate range):

### 35. Bonds payable

#### (1) Bonds payable

Monetary Unit: RMB

Item	Closing balance	Opening balance
Green (Science and Technology Innovation Board) Bond 1 in 2022	345,704,375.45	394,159,870.29
Total	345,704,375.45	394,159,870.29

#### (2) Increase/decrease of bonds payable: (excluding preferred shares, perpetual bonds, and other financial instruments classified as financial liabilities)

Monetary Unit: RMB

Bond name	Book value	Issuing date	Bond period	Issued amount	Opening balance	Amount issued in the current period	Provision on interest at face value	Premium or discount amortization	Repayment in current period	Interest paid in the current period	Non-current liabilities reclassified into those due within one year	Closing balance
18 Gotion Green Bond 01	500,000,000.00	April 12, 2018	5 years	500,000,000.00			12,087,500.00	549,193.03	500,000,000.00	32,500,000.00		
Green (Science and Technology Innovation Board) Bond 1 in 2022	500,000,000.00	November 25, 2022	3 years	500,000,000.00	394,159,870.29		9,533,333.32	1,544,505.16	50,000,000.00	10,055,555.55	101,533,333.33	345,704,375.45
Total				1,000,000,000.00	394,159,870.29		21,620,833.32	2,093,698.19	550,000,000.00	42,555,555.55	101,533,333.33	345,704,375.45

### 36. Leasing liabilities

Monetary Unit: RMB

Item	Closing balance	Opening balance
Lease liabilities – lease payment amount	241,453,536.28	186,631,641.50
Of which: Lease liabilities – unrecognized financing expenses	-13,812,928.77	-22,652,969.17
Total	227,640,607.51	163,978,672.33

Other notes:

### 37. Long-term payables

Monetary Unit: RMB

Item	Closing balance	Opening balance
Long-term payables	2,591,576,029.63	1,802,705,480.32
Special accounts payable	19,925,164.47	19,952,375.07
Total	2,611,501,194.10	1,822,657,855.39

#### (1) Long-term payables presented by nature of funds

Monetary Unit: RMB

Item	Closing balance	Opening balance
Payable for assets purchase	2,500,588,975.11	1,712,312,012.53
Payable for equity repurchase	486,343,472.60	695,882,303.01
Less: long-term payables maturing within one year	-395,356,418.08	-605,488,835.22
Total	2,591,576,029.63	1,802,705,480.32

Other notes:

#### (2) Special payables

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Cause of formation
Reserves for the work-related injury or separation compensations for employees (of overseas companies)	19,952,375.07	0.00	27,210.60	19,925,164.47	
Total	19,952,375.07	0.00	27,210.60	19,925,164.47	

Other notes:

### 38. Estimated liabilities

Monetary Unit: RMB

Item	Closing balance	Opening balance	Cause of formation
Product quality assurance	424,780,601.05	385,641,072.27	Estimated quality assurance expense

Total	424,780,601.05	385,641,072.27	
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Other remarks (including remarks on major assumptions and estimations with respect to the major estimated liabilities):

### 39. Deferred income

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Cause of formation
Government subsidies	186,513,101.09	11,572,300.00	15,954,309.73	182,131,091.36	Asset-related
Total	186,513,101.09	11,572,300.00	15,954,309.73	182,131,091.36	

Items involving government subsidies:

Monetary Unit: RMB

Liabilities item	Opening balance	Amount of new subsidies in the current period	Amount included in non-operating revenue of the current period	Amount included in other income in current period	Amount of cost offset in current period	Other changes	Closing balance	Related to assets / income
Xinzhan Economic & Trade Bureau 2016 subsidy for strengthening core competitiveness of manufacturing industry	39,850,840.55			4,970,085.46			34,880,755.09	Asset-related
Technical Transformation Project of Major New Energy Equipment in Jiangsu	20,000,000.00			666,666.68			19,333,333.32	Asset-related
The Project of Industrialization Construction of High-rate Lithium Iron Phosphate Anode Materials	15,569,785.00			841,610.00			14,728,175.00	Asset-related

Hefei Economic & Information Commission 2016 subsidy for national intelligent standardization application projects	15,411,344.20			1,926,417.98			13,484,926.22	Asset-related
2017 Anhui provincial "Three Priorities and One Innovation" construction funds subsidy for the project with an annual output of 600 million	9,863,720.00			1,232,965.00			8,630,755.00	Asset-related
Administrative Committee subsidy for fixed asset investment	9,049,333.33			259,789.44			8,789,543.89	Asset-related
Administrative Committee support subsidy for fixed assets	8,000,000.00			600,000.00			7,400,000.00	Asset-related
Support subsidy for fixed assets	6,583,333.33			500,000.00			6,083,333.33	Asset-related
Rebate for infrastructure support	5,070,055.56			87,666.66			4,982,388.90	Asset-related
2021 Guangxi Industrial Enterprise "Replacing Workers with Machines" Project	4,774,774.77			272,727.30			4,502,047.47	Asset-related

Supporting fund for Development Base of New Functional Material Industry Cluster in 2021	4,710,000.00			235,500.00			4,474,500.00	Asset-related
Project of Technological Innovation of New Energy Vehicle and Intelligent Connected Vehicle Industry organized by Anhui Provincial Development and Reform Commission in 2021	4,700,000.00						4,700,000.00	Asset-related
Special funds for intelligent switchgear	4,474,620.38			389,666.64			4,084,953.74	Asset-related
Subsidy for fixed assets investment	4,114,001.38			486,554.00			3,627,447.38	Asset-related
2021 "Three Priorities and One Innovation" construction for supporting new projects	4,109,000.00			293,500.02			3,815,499.98	Asset-related
Summary of other deferred income projects	30,232,292.59	11,572,300.00		3,014,660.55		176,500.00	38,613,432.04	Asset-related
Total	186,513,101.09	11,572,300.00		15,777,809.73		176,500.00	182,131,091.36	

Other notes:

**40. Share capital**

Monetary Unit: RMB

	Opening balance	Increase or decrease (+, -)					Closing balance
		Shares newly issued	Shares granted	Shares converted from capital reserves	Other	Subtotal	
Total number of shares	1,778,874,835.00						1,778,874,835.00

Other notes:

**41. Capital reserves**

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Capital premium (share capital premium)	17,527,543,022.16	565,245.33		17,528,108,267.49
Other capital reserve	663,480,703.01	270,250,923.21		933,731,626.22
Total	18,191,023,725.17	270,816,168.54		18,461,839,893.71

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

**42. Treasury shares**

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Formation of repurchased shares	257,702,092.65			257,702,092.65
Restricted shares incentive plans	87,872,366.80		39,956,168.62	47,916,198.18
Equity of the parent company held by subsidiaries	59,000,000.00			59,000,000.00
Total	404,574,459.45		39,956,168.62	364,618,290.83

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

**43. Other comprehensive income**

Monetary Unit: RMB

Item	Opening balance	Amount incurred in the current period						Closing balance
		Amount incurred before income tax in the current period	Less: Included in other comprehensive income for the	Less: Included in other comprehensive income for the	Less: income tax expense	Attributable to parent company after tax	Attributed to minority shareholders after tax	

			previous period and transferred in profit or loss for the current period	previous period and transferred in retained earnings for the current period				
I. Other comprehensive incomes that cannot be reclassified into profit and loss	194,297,503.21	1,904,529.18				1,904,529.18		196,202,032.39
Of which: amount of changes in the defined benefit plan due to re-measurement	31,125,340.56	1,904,529.18				1,904,529.18		33,029,869.74
Changes in the fair value of other equity instruments	163,172,162.65							163,172,162.65
II. Other comprehensive income that will be reclassified to profit and loss	15,454,455.13	14,296,488.52				12,225,134.12	2,071,354.40	27,679,589.25
Of which: other comprehensive income that can be converted into gains and losses under the equity method	-622,177.60	87,310.55				87,310.55		-534,867.05
Difference from translation of financial statements	16,076,632.73	14,209,177.97				12,137,823.57	2,071,354.40	28,214,456.30

in foreign currency								
Total other comprehensive incomes	209,751,958.34	16,201,017.70	0.00	0.00	0.00	14,129,663.30	2,071,354.40	223,881,621.64

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

#### 44. Special reserves

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Safety production fee	2,809,129.24	389,656.38	3,148,468.63	50,316.99
Total	2,809,129.24	389,656.38	3,148,468.63	50,316.99

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

#### 45. Surplus reserves

Monetary Unit: RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserves	188,051,476.38			188,051,476.38
Total	188,051,476.38			188,051,476.38

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

#### 46. Undistributed profits

Monetary Unit: RMB

Item	Current period	Prior period
Undistributed profit at the end of last period before adjustment	3,546,316,521.53	3,383,404,674.54
Undistributed profit at the beginning of the period after adjustment	3,546,316,521.53	3,383,404,674.54
Add: net profit attributable to the owner of the parent company in the current period	209,075,222.07	311,576,431.81
Less: Appropriation of statutory surplus reserve		9,713,173.33
Dividends payable on common stock		166,470,676.17
Add: proceeds from disposal of other equity instrument investments		27,519,264.68
Undistributed profit at the end of the period	3,755,391,743.60	3,546,316,521.53

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



- 1) The undistributed profit affected by the retroactive adjustment in accordance with *Accounting Standards for Business Enterprises* and its related new regulations at the beginning of the period is RMB 0.00.
- 2). The undistributed profit affected by the change of accounting policy at the beginning of the period is RMB 0.00.
- 3). The undistributed profit affected by the correction of major accounting errors at the beginning of the period is RMB 0.00.
- 4). The undistributed profit affected by the change of combination scope caused by the common control at the beginning of the period is RMB 0.00.
- 5). The undistributed profit affected by other adjustments at the beginning of the period is RMB 0.00.

#### 47. Operating income and operating cost

Monetary Unit: RMB

Item	Amount incurred in the current period		Amount incurred in the last period	
	Income	Cost	Income	Cost
Main business	15,037,240,153.04	12,836,288,600.34	8,210,403,661.58	7,224,351,635.55
Other businesses	201,574,868.54	63,313,217.03	427,462,839.74	167,561,671.47
Total	15,238,815,021.58	12,899,601,817.37	8,637,866,501.32	7,391,913,307.02

#### 48. Taxes and surcharges

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
City maintenance and construction tax	2,706,852.82	6,234,265.99
Educational surcharges	2,342,571.98	4,326,494.78
Property taxes	29,344,481.63	19,051,026.82
Land use tax	17,621,830.38	10,508,878.21
Stamp duties	18,743,084.94	6,829,447.11
Other	14,848,358.35	10,110,030.63
Total	85,607,180.10	57,060,143.54

Other notes:

#### 49. Selling expenses

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Quality warranty and after-sales service expenses	215,192,433.11	54,317,911.92
Employee compensation	70,408,479.48	38,718,022.24
Water and electricity and office expenses	5,648,087.49	4,804,750.10
Depreciation and amortization	12,375,679.93	10,606,346.34
Travel expenses	6,726,569.24	7,732,075.43
Business hospitality and promotion expenses	7,762,169.95	1,505,958.94
Other	8,688,320.98	6,741,665.97
Total	326,801,740.18	124,426,730.94

Other notes:

**50. General and administrative expenses**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Employee compensation	348,696,754.70	250,653,687.39
Water and electricity and office expenses	75,958,006.07	47,428,817.56
Depreciation and amortization	93,275,471.60	79,964,701.89
Sporadic projects and housing renovation	5,933,584.03	3,100,106.27
Intermediary service fee	30,906,627.11	15,566,125.32
Business hospitality and promotion expenses	23,467,170.92	12,544,471.96
Travel expenses	12,852,543.69	3,391,871.44
Stock option expenses	178,374,425.90	143,108,792.94
Other	28,742,619.38	17,764,480.70
<b>Total</b>	<b>798,207,203.40</b>	<b>573,523,055.47</b>

Other notes

**51. R&D expenses**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Employee compensation	361,885,138.40	217,331,674.22
R&D materials expenses	245,867,294.50	164,078,877.32
Water and electricity and office expenses	50,521,744.19	51,716,453.54
Depreciation and amortization	91,482,703.44	50,441,900.74
Cooperative development and patent expenses	20,144,040.63	14,074,958.53
Test fee	12,069,214.35	3,824,729.89
Travel expenses	16,810,778.77	6,371,387.53
Option	95,470,732.00	
Other	10,192,146.08	2,792,655.56
<b>Total</b>	<b>904,443,792.36</b>	<b>510,632,637.33</b>

Other notes

**52. Financial expenses**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Interest expenses	497,235,691.83	224,771,205.04
Less: interest income	139,543,763.18	72,013,419.75
Net interest income and expenses	357,691,928.65	152,757,785.29
Exchange losses	-22,468,440.10	
Less: Foreign exchange gain	373,084,270.44	18,568,844.55
Net exchange losses	-395,552,710.54	-18,568,844.55
Bank charges	27,200,082.77	61,688,051.44
<b>Total</b>	<b>-10,660,699.12</b>	<b>195,876,992.18</b>

Other notes

**53. Other incomes**

Monetary Unit: RMB

Sources generating other incomes	Amount incurred in the current period	Amount incurred in the last period
Government subsidies directly received	71,717,426.11	293,599,318.43
Amortization of deferred income	15,777,809.73	15,106,911.85
Total	87,495,235.84	308,706,230.28

**54. Investment income**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Long-term equity investment income accounted by equity method	54,439,537.74	29,585,718.23
Investment income obtained during the holding of assets held for trading	21,398,944.29	2,779.44
Other investment income	2,176,165.80	
Total	78,014,647.83	29,588,497.67

Other notes

**55. Gains from changes in fair value**

Monetary Unit: RMB

Sources for gains from change in fair value	Amount incurred in the current period	Amount incurred in the last period
Financial assets held for trading	132,767,406.45	-10,159,418.65
Total	132,767,406.45	-10,159,418.65

Other notes:

**56. Credit impairment loss**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Loss on bad debt of other receivables	4,788,298.25	-19,341,226.45
Loss on bad debts of accounts receivable	-244,964,502.34	-22,766,496.51
Loss on bad debt of notes receivable	8,487,000.00	13,113,016.13
Total	-231,689,204.09	-28,994,706.83

Other notes

**57. Asset impairment loss**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
II. Loss on depreciation of inventory and impairment of contract performance cost	-85,959,501.25	-39,671,354.52
Total	-85,959,501.25	-39,671,354.52

Other notes:

**58. Gains from disposal of assets**

Monetary Unit: RMB

Sources of gains from disposal of assets	Amount incurred in the current period	Amount incurred in the last period
Profit or loss from disposal of fixed assets, construction in progress, productive biological assets and intangible assets not classified as held for sale:	6,031,053.65	9,491,424.53
Of which: Gain or loss from disposal of fixed assets	6,031,053.65	9,491,424.53

**59. Non-operating income**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period	Amount included in current non-recurring gains and losses
Government subsidies	33,500.00		33,500.00
Income from fines and confiscation	4,926,826.76	4,291,198.02	4,926,826.76
Other	3,172,017.79	3,783,653.80	3,172,017.79
Gains from disposal of non-current assets		63,185.84	
Total	8,132,344.55	8,138,037.66	8,132,344.55

Government subsidies included in the current profit and loss:

Monetary Unit: RMB

Subsidy	Granting entity	Reason for granting	Nature and type	The subsidy affects the profit and loss of the current year or not	Special-purpose subsidy or not	Amount incurred in the current period	Amount incurred in the previous period	Related to assets / income

Other notes:

**60. Non-operating expenses**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period	Amount included in current non-recurring gains and losses
External donations	570,000.00	3,162,729.80	570,000.00
Loss from disposal of non-current assets	322,021.18	158,873.37	322,021.18
Of which: Loss from disposal of fixed assets	322,021.18	158,873.37	322,021.18
Other	20,020,001.31	2,299,591.15	20,020,001.31
Total	20,912,022.49	5,621,194.32	20,912,022.49

Other notes:

**61. Income tax expense****(1) Income tax expense statement**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Current income tax expense	37,575,832.94	21,185,436.02
Deferred income tax expense	-69,829,792.52	-42,729,199.57
Total	-32,253,959.58	-21,543,763.55

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

Monetary Unit: RMB

Item	Amount incurred in the current period
Total profit	208,693,947.78
Income tax expense calculated according to statutory/applicable tax rate	52,173,486.95
Influence of different tax rates applied to subsidiaries	8,045,612.01
Influence of non-deductible costs, expenses and losses	41,948,859.66
Influence of deductible temporary differences or deductible losses of unrecognized deferred income tax assets in this period	33,091,105.36
The impact number of research and development expenses plus and deduction	-167,513,023.57
Income tax expenses	-32,253,959.58

Other notes

**62. Other comprehensive income**

See Note 44 for details

**63. Cash flow statement items****(1) Cash receipts relating to other operating activities**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Government subsidies	83,323,226.11	293,599,318.43
Security and deposit	129,864,237.06	223,136,803.22
Receivables and payables and Other	96,632,260.97	63,490,234.86
Total	309,819,724.14	580,226,356.51

Remarks on other cash received from operating activities

**(2) Other cash paid for operating activities:**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
R&D expenditures	67,591,429.93	75,838,896.10

Water and electricity and office expenses	386,765,434.32	330,399,103.98
Quality warranty and after-sales service expenses	27,526,416.06	3,208,278.10
Logistics transportation charge	69,611,318.27	44,147,881.26
Travel expenses	25,606,781.89	23,739,188.20
Business hospitality and promotion expenses	29,550,564.56	13,885,560.03
Security and deposit	94,579,280.00	98,974,467.95
Intermediary service fee	35,021,617.33	19,767,450.94
Sporadic projects and housing renovation	4,660,839.48	3,744,749.36
Other	82,567,485.21	74,754,578.74
Receivables and payables	65,777,655.36	28,126,283.27
Bidding cost	1,581,836.69	5,903,787.45
<b>Total</b>	<b>890,840,659.10</b>	<b>722,490,225.38</b>

Remarks on other cash paid for operating activities:

### (3) Other cash paid for investment activities

Monetary Unit: RMBItem	Amount incurred in the current period	Amount incurred in the last period
Other	7,619,053.20	45,799,944.59
<b>Total</b>	<b>7,619,053.20</b>	<b>45,799,944.59</b>

### (4) Other cash received from financing activities

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Borrowings from non-financial institutions	412,082,877.77	223,876,854.14
ESOP payments	300,000,000.00	
Financing lease payment	110,174,449.07	
Notes and guarantee deposit	822,257,326.84	238,338,173.12
<b>Total</b>	<b>412,082,877.77</b>	<b>223,876,854.14</b>

Remarks on other cash received from financing activities:

### (5) Other cash paid for financing activities

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Financing lease payment	367,004,915.60	64,191,149.42
Repurchase of equity	101,000,000.00	65,000,000.00
Receivables and payables	216,740,037.28	215,759,848.37
Notes and guarantee deposit	223,000,000.00	
Repayment to non-financial institutions	74,200,000.00	4,655,112.51

Expenses of private placement	41,100,617.37	
Total	1,023,045,570.25	349,606,110.30

Remarks on other cash paid for financing activities:

#### 64. Supplementary information to Statement of Cash Flows

##### (1) Supplementary Information for Cash Flow Statement

Monetary Unit: RMB

Supplementary information	Current amount	Amount of previous period
1. Net profit adjusted to cash flows from operating activities:		
Net profit	240,947,907.36	77,454,914.21
Add: provision for impairment of assets	317,648,705.34	68,666,061.35
Depreciation of fixed assets, depletion of oil and gas assets and depreciation of productive biological assets	789,752,446.20	546,564,798.71
Depreciation of use right assets	1,463,631.93	
Amortization of intangible assets	80,833,709.35	54,049,774.86
Amortization of long-term unamortized expenses	15,173,117.99	7,973,585.36
Losses on disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-6,031,053.65	-9,491,424.53
Loss on scrapping of fixed assets ("-" for gains)		
Losses on changes in fair value ("-" for gains)	-132,767,406.45	-10,159,418.65
Financial expenses ("-" for gains)	101,682,981.29	224,771,205.04
Investment loss ("-" for gains)	-78,014,647.83	-29,588,497.67
Decrease in deferred income tax assets ("- " for increase)	-107,206,430.52	-80,219,247.98
Increase in deferred income tax liabilities ("-" for decrease)	45,587,411.06	6,931,086.44
Decrease in inventory ("- " for increase)	1,231,202,453.16	-1,978,223,155.11
Decrease in operational receivables ("- " for increase)	-5,891,604,555.51	-836,602,280.33
Increase in operational payables ("- " for increase)	3,556,323,786.49	2,049,437,258.82
Other		
Net cash flow generated by operating activities	164,992,056.21	91,564,660.52
2. Significant investing and financing activities that do not involve in cash receipts and payments:		

Conversion of debt into capital		
Convertible corporate bonds due within one year		
Fixed assets under finance lease		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	13,612,586,538.82	9,466,270,775.66
Less: beginning balance of cash	11,242,032,512.47	9,439,103,239.24
Add: closing balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	2,370,554,026.35	27,167,536.42

## (2) Composition of cash and cash equivalents

Monetary Unit: RMB

Item	Closing balance	Opening balance
I. Cash	13,612,586,538.82	11,242,032,512.47
Of which: cash on hand	9,606.58	312,411.62
Bank deposits that can be used for payment at any time	13,608,270,756.67	11,239,589,270.13
Other monetary funds that can be used for payment at any time	4,306,175.56	2,130,830.72
III. Ending balance of cash and cash equivalents	13,612,586,538.82	11,242,032,512.47

Other notes:

## 65. Assets with the ownership or use right restricted

Monetary Unit: RMB

Item	Ending book value	Reason for restriction
Monetary funds	2,990,132,600.57	Of which RMB 1,843,171,113.60 is a deposit, RMB 1,145,945,474.58 is a pledge for financing, and RMB 1,016,012.39 is a judicial freeze.
Fixed assets	2,054,443,662.07	Mortgaged for financing
Intangible assets	605,677,862.62	Mortgaged for financing
Receivables financing	146,855,750.50	Pledged for financing
Financial assets held for trading	569,005,358.35	Pledged for financing
Fixed assets	736,397,904.11	Property for financing
Right-of-use assets	27,130,584.06	Lease assets
Construction in progress	620,062,848.28	Property for financing
Other non-current assets	234,298,152.98	Property for financing
Total	7,984,004,723.54	

Other notes:



## 66. Monetary items in foreign currency

### (1) Foreign currency monetary items

Monetary Unit: RMB

Item	Ending balance in foreign currency	Converted exchange rate	Converted RMB balance at the end of period
Monetary funds			
Of which: USD	1,011,952,592.87	7.2258	7,312,167,045.56
EUR	16,780,537.89	7.8771	132,181,975.01
HKD			
JPY	1,168,902,752.57	0.0501	58,555,014.49
Singapore dollar	2,477,883.89	5.3442	13,242,307.08
Indonesian Rupiah	102,696,014,816.39	0.0005	48,575,215.01
Accounts receivable			
Of which: USD	225,791,741.39	7.2258	1,631,525,964.94
EUR	3,046,071.81	7.8771	23,994,212.25
HKD			
JPY	125,693.20	0.0501	6,296.48
Indonesian Rupiah	6,919,513,712.24	0.0005	3,272,929.99
Long-term borrowings			
Of which: USD			
EUR			
HKD			
Other receivables			
Of which: USD	374,397.24	7.2258	2,705,319.58
EUR	698,992.01	7.8771	5,506,029.96
Indonesian Rupiah	12,854,894,297.97	0.0005	6,080,365.00
Accounts payable			
Of which: USD	207,487.09	7.2258	1,499,260.21
JPY	22,980,736.00	0.0501	1,151,196.99
EUR	327,429.90	7.8771	2,579,198.07
Indonesian Rupiah	1,279,951,175.97	0.0005	605,416.91
Other payables			
Of which: USD	272,888.64	7.2258	1,971,838.73
JPY	56,672,768.00	0.0501	2,838,965.64
EUR	0.00	7.8771	0.00
Singapore dollar	1,058.09	5.3442	5,654.64
Indonesian Rupiah	91,574,796,728.92	0.0005	43,314,878.85

Other notes:

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

☐ Applicable ☒ Not applicable

## 67. Government subsidies

### (1) Basic information of government subsidies

Monetary Unit: RMB

Type	Amount	Reported items	Amount included in current profits and losses
Yichun 2022 Science and Technology Policy Subsidy	1,000,000.00	Other income	1,000,000.00
Supporting fund for development base of Lujiang County New Functional Material Industry Cluster in 2022	1,490,000.00	Other income	1,490,000.00
Enterprise development funds of Lujiang High-tech Industrial Development Zone	10,000,000.00	Other income	10,000,000.00
Provincial funds for collaborative research projects of industrial chain science and technology innovation consortium	5,000,000.00	Other income	5,000,000.00
Special funds for major scientific and technological research and development of Jiangxi Province (the third batch of science and technology programs)	1,000,000.00	Other income	1,000,000.00
National Incentives and Subsidies for Professional, Refined, Characteristic, and Novelized "Little Giant" Enterprises	1,000,000.00	Other income	1,000,000.00
Enterprise Development Fund of Yichun Economic and Technological Development Zone	15,951,900.00	Other income	15,951,900.00
Enterprise development fund of Tongcheng Economic and Technological Development Zone	4,500,168.00	Other income	4,500,168.00
Foreign trade promotion policy funds in 2022 by Hefei, Anhui	1,494,366.00	Other income	1,494,366.00
Enterprise development fund of Jiangxi Yifeng Industrial Park	19,774,000.00	Other income	19,774,000.00
Summary of other government subsidy projects	10,540,492.11	Other income/non-operating income	10,540,492.11
Deferred incomes transferred in the current period	15,777,809.73	Other income	15,777,809.73
Government subsidies returned in the current period		—	
Total	87,528,735.84		87,528,735.84

**(2) Return of government subsidies**

□ Applicable ☉ Not applicable

Other notes:

**VIII. Changes in Consolidation Scope****1. Business combination not under common control****(1) Business combination not under common control incurred in the current period**

Monetary Unit: RMB

Acquiree	Date of equity acquisition	Cost of equity acquisition	Proportion of equity acquisition	Method of equity acquisition	Acquisition date	Basis for determining the acquisition date	Income of the acquiree from the acquisition date to period-end	Net profit of the acquiree from the acquisition date to period-end
Jiangxi Huayou Mining Co., Ltd.	April 1, 2023	81,761,400.00	65.00%	Acquisition	April 1, 2023	Change of control	0.00	-577,439.91

Other notes:

None

**(2) Combined costs and goodwill**

Monetary Unit: RMB

Combined cost	Jiangxi Huayou Mining Co., Ltd.
--Cash	45,822,300.00
--Fair value of non-cash assets	
--Fair value of debt issued or assumed	
--Fair value of equity securities issued	
--Fair value of contingent consideration	
--Fair value of equity interests held prior to the acquisition date on the acquisition date	
--Other	35,939,100.00
Total combined costs	81,761,400.00
Less: Share of fair value of identifiable net assets acquired	78,633,830.26
Goodwill/combined cost less than share of fair value of identifiable net assets acquired	3,127,569.74

Method for determining the fair value of the combined cost, or contingent consideration and their change:

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

Other notes:

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

Monetary Unit: RMB

	Jiangxi Huayou Mining Co., Ltd.	
	Fair value on acquisition date	Book value on acquisition date
Assets:		
Monetary funds	46,252,552.72	46,252,552.72
Accounts receivable		
Inventory		
Fixed assets		
Intangible assets	53,900,260.00	
Other receivables	35,939,100.00	35,939,100.00
Other non-current assets	160,000.00	160,000.00
Long-term deferred expenses		711,519.00
Liabilities:		
Borrowings		
Accounts payable		
Deferred income tax liabilities		
Payroll payable	32,904.00	32,904.00
Other payables	1,946,700.00	1,946,700.00
Deferred income tax liabilities	13,297,185.25	
Net assets	120,975,123.47	81,083,567.72
Less: Minority equity	0.00	0.00
Net assets acquired	120,975,123.47	81,083,567.72

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

Contingent liability of the acquiree undertaken in a business combination:

Other notes:

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

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

☐ Yes ☒ No

**2. Disposal of the subsidiaries**

Whether there is a loss of control upon a single disposal of investment in subsidiaries

☐ Yes ☒ No

Whether there is any step-by-step disposal of investment in subsidiaries through multiple transactions and loss of control

☐ Yes ☒ No

**3. Change in consolidation scope for other reasons**

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

Company name	Incorporation date	Registered capital	Note
--------------	--------------------	--------------------	------

		(RMB ten thousand yuan)	
Yichun Guangxuan New Energy Automobile Transport Co., Ltd.	3/16/2023	1,000.00	51% equity is held by Yichun Gotion Lithium Co., Ltd.
Jinzhai Gotion New Energy Co., Ltd.	3/16/2023	10,000.00	100% equity is held by Hefei Gotion High-Tech Power Energy Co., Ltd.
Chuzhou Gotion New Energy Power Co., Ltd.	4/4/2023	10,000.00	100% equity is held by Hefei Gotion High-Tech Power Energy Co., Ltd.
Hefei Zhengyi Testing Technology Co., Ltd.	4/23/2023	100.00	100% equity is held by Hefei Gotion High-Tech Power Energy Co., Ltd.
Gotion SG Materials Holding PTE. LTD.	4/3/2023	SGD 1,000.00	100% equity is held by Indonesia Gotion New Materials Co., Ltd.
PT Gotion Indonesia Trading	2/21/2023	IDR 10,000,000,000.00	98.00% equity is held by Indonesia Gotion New Materials Co., Ltd.
Shanghai Xuanmei Yuankong New Energy Co., Ltd.	6/28/2023	60,000.00	100% equity is held by Hefei Gotion High-Tech Power Energy Co., Ltd.

## IX. Interests in other entities

### 1. Interests in subsidiaries

#### (1) Composition of enterprise group

Name of subsidiary	Principal place of business	Registration place	Business nature	Shareholding proportion		Acquisition method
				Direct	Indirect	
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	Nantong, Jiangsu	Nantong, Jiangsu	Industrial production	99.82%	0.18%	Direct investment
Suzhou Dongyuan Tianli Electric Appliance Co., Ltd.	Suzhou, Jiangsu	Suzhou, Jiangsu	Industrial production		100.00%	Direct investment
Nantong Asitong Electrical Apparatus Co., Ltd.	Nantong, Jiangsu	Nantong, Jiangsu	Industrial production		100.00%	Direct investment
Nantong Gotion New Energy Technology Co., Ltd.	Nantong, Jiangsu	Nantong, Jiangsu	Industrial production		100.00%	Direct investment

Hefei Gotion High-Tech Power Energy Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production	100.00%		Counter purchase
Nanjing Gotion Battery Co., Ltd.	Nanjing, Jiangsu	Nanjing, Jiangsu	Industrial production		100.00%	Counter purchase
Nanjing Gotion New Energy Co., Ltd.	Nanjing, Jiangsu	Nanjing, Jiangsu	Industrial production		100.00%	Direct investment
Anhui Gotion New Energy Automobile Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Counter purchase
Shanghai Xuanyi New Energy Development Co., Ltd.	Shanghai	Shanghai	R&D		100.00%	Counter purchase
Hefei Gotion Battery Material Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		95.23%	Counter purchase
Gotion New Energy (Lujiang) Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Direct investment
Hefei Gotion Kehong New Energy Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		90.00%	Direct investment
Hefei Gotion Precision Coating Material Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Direct investment
Hefei Jiachi Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		90.00%	Direct investment
Shanghai Gotion New Energy Co., Ltd.	Shanghai	Shanghai	R&D		100.00%	Direct investment
Shanghai Gotion New Energy (Hefei) Energy Storage Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Direct investment
Qingdao Gotion Battery Co., Ltd.	Qingdao, Shandong	Qingdao, Shandong	Industrial production		100.00%	Direct investment
Tangshan Gotion Battery Co., Ltd.	Tangshan, Hebei	Tangshan, Hebei	Industrial production		100.00%	Direct investment

Hefei Gotion Battery Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Direct investment
Liuzhou Gotion Battery Co., Ltd.	Liuzhou, Guangxi	Liuzhou, Guangxi	Industrial production		55.96%	Direct investment
Tongcheng Gotion New Energy Co., Ltd.	Anqing, Anhui	Anqing, Anhui	Industrial production		100.00%	Direct investment
Jiangsu Gotion New Energy Technology Co., Ltd.	Nanjing, Jiangsu	Nanjing, Jiangsu	Industrial production	100.00%		Direct investment
Feidong Gotion New Material Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production	100.00%		Direct investment
Hefei Gotion Cycle Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Service		100.00%	Direct investment
Hefei Gotion New Material Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	R&D		100.00%	Direct investment
Neimenggu Gotion Zero Carbon Technology Co., Ltd.	Wuhai, Inner Mongolia	Wuhai, Inner Mongolia	Industrial production		100.00%	Direct investment
Beijing Xuanyi New Energy Co., Ltd.	Fengtai, Beijing	Fengtai, Beijing	R&D		100.00%	Direct investment
Hefei Gotion Battery Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Direct investment
Hefei Gotion Battery Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		100.00%	Direct investment
Tianjin Hengtian New Energy Vehicle Research Institute Co., Ltd.	Binhai, Tianjin	Binhai, Tianjin	Industrial production		63.50%	Business combination not under common control
Tianjin Gotion New Energy Technology Co., Ltd.	Binhai, Tianjin	Binhai, Tianjin	Industrial production		100.00%	Direct investment
Hefei Xuanyi Private Equity Management Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Investment management		100.00%	Direct investment
Nanjing Gotion Battery	Nanjing, Jiangsu	Nanjing, Jiangsu	R&D		100.00%	Direct investment

Research Institute Co., Ltd.						
Jiangxi Gotion New Energy Technology Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production	100.00%		Direct investment
Yichun Gotion Battery Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production		100.00%	Direct investment
Yichun Gotion Lithium Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining		48.89%	Direct investment
Fengxin Gotion Lithium Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining		48.89%	Direct investment
Yifeng Gotion Lithium Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining		48.89%	Direct investment
Jiangxi Weihong Lithium Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral processing		42.31%	Business combination not under common control
Yichun Kefeng New Material Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral processing		78.67%	Business combination not under common control
Jiangxi Hzone Lithium Industry Technology Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral processing		48.21%	Business combination not under common control
Jiangxi Lixing Technology Collaborative Innovation Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production		47.25%	Business combination not under common control
Yichun Gotion Mining Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining		51.00%	Direct investment
Yifeng County Hua Lithium Mining Development Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining		26.01%	Business combination not under common control
Gotion (Yichun) New Material Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production		100.00%	Direct investment
Hefei Gotion Runhui New Energy Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Industrial production		90.00%	Direct investment
Hefei Gotion	Hefei, Anhui	Hefei, Anhui	Industrial		90.00%	Direct



Yuneng New Energy Technology Co., Ltd.			production			investment
Tangshan Xuanteng International Trading Co., Ltd.	Tangshan, Hebei	Tangshan, Hebei	Wholesale		100.00%	Direct investment
Tongcheng Gotion Battery Technology Co., Ltd.	Anqing, Anhui	Anqing, Anhui	Industrial production		100.00%	Direct investment
GOTION, INC.	USA	California, USA	R&D		100.00%	Counter purchase
Gotion Japan Co., Ltd.	Japan	Ibaraki, Japan	R&D		100.00%	Direct investment
GOTION SINGAPORE PTE. LTD.	Singapore	Singapore	R&D		100.00%	Direct investment
Indonesia Gotion New Materials Co., Ltd.	Indonesia	Indonesia	Mineral mining		55.00%	Direct investment
Indonesia Gotion Green Energy Application Co., Ltd.	Indonesia	Indonesia	Production		99.99%	Direct investment
Guoxuan High-tech (HK) Limited	Hong Kong	Hong Kong	R&D	100.00%		Direct investment
Gotion Germany Battery GmbH	Germany	Germany	Production		100.00%	Direct investment
German Gotion Battery Co., Ltd.	Germany	Germany	Production		100.00%	Business combination not under common control
Yichun Guangxuan New Energy Automobile Transport Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Logistics transportation		24.93%	Direct investment
Jiangxi Huayou Mining Co., Ltd.	Fengxin, Jiangxi	Fengxin, Jiangxi	Mineral mining		31.78%	Business combination not under common control
Jinzhai Gotion New Energy Co., Ltd.	Lu'an, Anhui	Lu'an, Anhui	Industrial production		100.00%	Direct investment
Chuzhou Gotion New Energy Power	Chuzhou, Anhui	Chuzhou, Anhui	Industrial production		100.00%	Direct investment

Co., Ltd.						
Hefei Zhengyi Testing Technology Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Maintenance		100.00%	Direct investment
Gotion SG Materials Holding PTE. LTD.	Singapore	Singapore	Investment management		55.00%	Direct investment
PT Gotion Indonesia Trading	Indonesia	Indonesia	Trade		53.90%	Direct investment
Shanghai Xuanmei Yuankong New Energy Co., Ltd.	Shanghai	Shanghai	Service		100.00%	Direct investment

Explanation of the shareholding proportion in subsidiaries different from the voting proportion;

Not applicable

Basis for holding half or less voting rights but still controlling the investee, and holding more than half voting rights but not controlling the investee:

Not applicable

Basis for controlling the important structured entities included in the combination scope:

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

Other notes:

## (2) Major non-wholly owned subsidiaries

Monetary Unit: RMB

Name of subsidiary	Shareholding proportion of minority shareholders	Gain or loss attributable to minority shareholders in the current period	Dividends declared and distributed to minority shareholders in the current period	Balance of minority interest at the end of the period
Liuzhou Gotion Battery Co., Ltd.	44.04%	9,092,866.22		455,992,304.71
Hefei Gotion Battery Material Co., Ltd.	4.77%	-1,598,890.15		114,689,079.48
Yichun Gotion Mining Co., Ltd.	49.00%	4,221,622.50		183,380,175.65

Explanation of the shareholding proportion of minority shareholder in subsidiaries different from the voting proportion:

None

Other notes:

None

## (3) Main financial information of major non-wholly-owned subsidiaries

Monetary Unit: RMB

Name of subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Liuzhou Gotion Battery Co., Ltd.	4,493,644,867.46	2,420,870,908.60	6,914,515,776.06	3,915,623,662.55	1,963,557,770.45	5,879,181,433.00	3,698,012,471.91	2,139,497,823.66	5,837,510,295.57	3,463,700,704.11	1,371,337,535.33	4,835,038,239.44
Hefei Gotion Battery Material Co., Ltd.	10,509,809,917.42	1,404,891,118.99	11,914,701,036.41	7,992,554,081.73	1,519,778,301.87	9,512,332,383.60	8,905,436,955.40	1,284,781,165.99	10,190,218,121.39	6,436,604,041.86	1,323,721,925.90	7,760,325,967.76
Yichun Gotion Mining Co., Ltd.	177,639,922.29	769,809,336.70	947,449,258.99	466,293,026.46	9,859,051.38	476,152,077.84	233,072,081.39	687,291,935.75	920,364,017.14	588,532,950.36	9,823,413.73	598,356,364.09

Monetary Unit: RMB

Name of subsidiary	Amount incurred in the current period				Amount incurred in the last period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows generated from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows generated from operating activities
Liuzhou Gotion Battery Co., Ltd.	2,682,069,596.04	20,645,428.84	19,890,562.85	930,319,334.30	837,307,871.23	-1,991,417.65	-1,991,417.65	-158,146,219.45
Hefei Gotion Battery Material Co., Ltd.	2,847,072,391.96	-33,491,624.47	-33,491,624.47	-1,753,066,511.47	1,767,817,006.66	-81,417,288.54	-81,417,288.54	-983,380,136.24
Yichun Gotion Mining Co., Ltd.	62,556,642.42	19,305,310.25	19,305,310.25	-30,817,812.91				

Other notes:

None

## 2. Rights and interests in joint venture arrangements and affiliated enterprises

### (1) Important joint ventures and affiliated enterprises

Name of joint venture or associate	Principal place of business	Registration place	Business nature	Shareholding proportion		Accounting treatment method for investment in joint ventures or associates
				Direct	Indirect	
Hefei Xingyuan New Energy Materials Co., Ltd.	Lujiang, Anhui	Lujiang, Anhui	Industrial production		27.69%	Equity method
MCC Ramu New Energy Technology Co., Ltd.	Tangshan, Hebei	Tangshan, Hebei	Industrial production		30.00%	Equity method
Beijing Full-Service Oil & Gas Technology Co., Ltd.	Beijing	Beijing	Industrial production		40.00%	Equity method
Jiangxi Yunwei New Material Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production		22.00%	Equity method
Huabei Aluminum New Material Technology Co., Ltd.	Baoding, Hebei	Baoding, Hebei	Industrial production		10.00%	Equity method
Litong Energy Technology Co., Ltd.	Taiwan	Taiwan	Industrial production		20.00%	Equity method
Shanghai Wuyang Ship Technology Co., Ltd.	Shanghai	Shanghai	Industrial production		17.24%	Equity method
Shanghai Electric Gotion New Energy Technology Co., Ltd.	Shanghai	Shanghai	Industrial production	45.40%		Equity method
Anhui Anwa New Energy Technology Co., Ltd.	Wuhu, Anhui	Wuhu, Anhui	Industrial production	6.70%		Equity method
Beijing Gotion Weisi Light Storage and Charging Technology	Beijing	Beijing	Industrial production		25.00%	Equity method

Co., Ltd.						
V-G HIGH-TECH Energy Solutions Co., Ltd. [Note 1]	Ha Tinh, Vietnam	Ha Tinh, Vietnam	Industrial production		51.00%	Equity method
Tata AutoComp Gotion Green Energy Application Co., Ltd.	Pune, India	Pune, India	Industrial production		40.00%	Equity method
Thailand New Gotion Co., Ltd.	Bangkok, Thailand	Bangkok, Thailand	Industrial production		49.00%	Equity method
Tongling Anxuanda New Energy Technology Co., Ltd.	Tongling, Anhui	Tongling, Anhui	Industrial production		35.00%	Equity method

Remarks on the circumstance where shareholding proportion in joint ventures or associates are different from the voting right proportion:

[Note 1] The establishment of the company is jointly financed by GOTION, INC., a subsidiary, and VE Energy Solutions Co., Ltd. in September 2022, and GOTION, INC. contributed to 51% of the registered capital of the company. According to the company's articles of association, the company has established a management committee which represents the supreme decision-making body. Each matter submitted to the management committee shall be valid only if it is approved by voting at a formal meeting of the management committee, provided that the capital contribution represented by the management committee's members who voted in favor of the proposed matter shall not be less than 65% of the capital contributions of the company authorized to attend the management committee's meeting. GOTION, INC. is unable to control the production and operation of the company, so it applies an equity method for accounting.

Basis for determining the voting rights below 20% but with significant influence, or the voting rights over 20% (inclusive) without significant influence:

## X. Risks relating to financial instruments

The Company's risks associated with financial instruments arise from the various types of financial assets and financial liabilities recognized in the Company's operations, including credit risk, liquidity risk and market risk.

The management objectives and policies for the various types of risks associated with financial instruments are under the responsibility of the Company's management. The management is responsible for day-to-day risk management through functional departments. The Company's internal audit department monitors the implementation of the Company's policies and procedures for risk management on a daily basis and reports relevant findings to the Company's Audit Committee in a timely manner.

The overall risk management objective of the Company is to establish risk management policies that minimize the risks associated with various types of financial instruments, without unduly affecting the Company's competitiveness and resilience.

### 1. Credit risk

Credit risk is the risk that one party to a financial instrument fails to meet its obligations, resulting in financial loss to the other party. The Company's credit risk mainly arises from notes receivable, accounts receivable, other receivables, long-term receivables, etc. The credit risk of these financial assets arises from the default of counterparties, and the maximum exposure amounts to the book value of these instruments.

The Company's cash and cash equivalents are mainly deposited in commercial banks and other financial institutions, which the Company believes have high credit standing and asset positions and thus are subject to low credit risk.

For notes receivable, accounts receivable, other receivables and long-term receivables, the Company sets up relevant policies to control credit risk exposures. The Company evaluates customers' credit qualifications and sets credit periods accordingly based on the customers' financial status, the possibility of obtaining security from third parties, credit history and other factors, such as current market conditions. The Company regularly monitors the credit history of the customers and will apply written payment reminders, reducing the credit period or canceling the credit period to customers with poor credit history in order to ensure that the Company's overall credit risk is under control.

### 2. Liquidity risk

Liquidity risk refers to the risk of shortage of funds when an enterprise performs its obligations to settle in the form of delivery of cash or other financial assets. The Company is responsible for the overall cash management of its subsidiaries within the Company, including short-term investment of cash surpluses and fund raising to meet projected cash needs. It is the Company's policy to regularly monitor short-term and long-term liquidity requirements and compliance with borrowing agreements to ensure to maintain adequate cash reserves and marketable securities readily available for liquidation.

### 3. Market risk

#### (1) Foreign exchange risk

Foreign exchange risk is the risk arising from fluctuations in exchange rates. The Company's exchange rate risk mainly arises from the foreign currency assets and liabilities held by the Company and its subsidiaries that are not denominated in the local currency of account. The Company's export business is mainly settled in U.S. dollars, so fluctuations in the RMB exchange rate will have certain impact on the Company's operating results. The Company reduces foreign exchange risk by such ways as stepping up efforts to collect foreign exchange receivables and speed up foreign exchange settlement, and strengthening analysis of exchange rate fluctuations; at the same time, the Company is exposed to exchange rate risk related to borrowings denominated in U.S. Dollars. Except for the Company's subsidiaries established overseas that are settled in U.S. dollars, Japanese yen or Singapore dollars, the Company's other major operations are settled in RMB.

## (2) Interest rate risk

The Company's interest rate risk arises mainly from long-term interest-bearing debt such as long-term bank borrowings and bonds payable. Financial liabilities with floating interest rates expose the Company to cash flow interest rate risk, while financial liabilities with fixed interest rates expose the Company to fair value interest rate risk. The Company determines the relative proportion of fixed-rate and floating-rate contracts based on the prevailing market conditions.

The Company's finance department continuously monitors the level of interest rates in the Group. An increase in interest rates could increase the cost of new interest-bearing debt and interest expense on the Company's outstanding interest-bearing debt at floating rates and have a material adverse impact on the Company's financial results, and the management will make timely adjustments based on the latest market conditions.

**XI. Disclosure of fair value****1. Ending fair value of the assets and liabilities measured at fair value**

Monetary Unit: RMB

Item	Ending fair value			
	The first level of fair value measurement	The second level of fair value measurement	The third level of fair value measurement	Total
I. Continuous fair value measurement	--	--	--	--
(I) Financial assets held for trading	512,305,726.68		3,448,493,549.56	3,960,799,276.24
1. Financial assets measured at fair value with its changes included in current profits and losses	512,305,726.68		3,088,426,956.83	3,463,351,010.74
(1) Debt instrument investment			1,167,390,827.25	1,167,390,827.25
(2) Equity instrument investment	512,305,726.68			512,305,726.68
(3) Structured deposits			1,921,036,129.58	1,921,036,129.58
2. Financial assets that are designated to be measured at fair value through profit or loss in this period			360,066,592.73	360,066,592.73
(1) Debt instrument investment			48,561,895.97	48,561,895.97
(2) Equity instrument investment			311,504,696.76	311,504,696.76
(II) Other debt investments			5,058,060.00	5,058,060.00
(III) Other equity instrument investments			510,468,495.43	510,468,495.43
(IV) Other non-current			1,082,456,284.19	1,082,456,284.19

financial assets				
(V) Receivables Financing	662,261,484.29			662,261,484.29
II. Non-continuous fair value measurement	--	--	--	--

## 2. Basis for determining the market price for the items subject to the first level of continuous and non-continuous fair value measurement

Item	Fair value	Active market quotation			
		Main market (most favorable market)	Transaction price	Historical trading volume	Data source
Continuous fair value measurement					
Financial assets held for trading:					
Zotye Automobile Co.,Ltd.	12,889,332.36	Domestic A-share market			Juchao Information Website
Anhui Tongguan Copper Foil Group Co., Ltd.	309,668,393.34	Domestic A-share market			Juchao Information Website
Jinko SOLAR Co., Ltd.	7,030.00	Domestic A-share market			Juchao Information Website
Seres Group Co., Ltd.	145,014,408.48	Domestic A-share market			Juchao Information Website
Shenzhen Manst Technology Co., Ltd.	44,726,562.50	Domestic A-share market			Juchao Information Website
Total amount of assets measured at fair value on a continuous basis	512,305,726.68				

## 3. Qualitative and quantitative information on the valuation techniques and important parameters used in continuous and non-continuous third-level fair value measurement items

Structured deposits predict future cash flows with an expected rate of return, and the non-observable estimated value is the expected rate of return. Other debt investments, other equity instrument investments, and financing of accounts receivable shall be determined according to best estimates.

## XII. Related parties and related transactions

### 1. Information about the parent company of the Company

Parent company name	Registration place	Business nature	Registered capital	Percentage of the Company's equities held by the parent company	Proportion of voting right of the parent company in the Company
Nanjing Gotion Holding Group	Nanjing, Jiangsu	Commercial wholesale, retail	RMB 19.3 million	9.60%	9.60%



Co., Ltd.					
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Information of the parent company of the Company

Li Zhen and Li Chen, the person acting in concert, directly hold 103,276,150 shares and 28,472,398 shares of the Company respectively, and control 170,751,887 shares of the Company through Nanjing Gotion Holding Group Co., Ltd. Li Zhen and the persons acting in concert hold 302,500,435 shares of the Company, accounting for 17.01% of the total shares of the Company. Therefore, Li Zhen is the De Facto Controller of the Company.

The ultimate controller of the Company is Li Zhen.

Other notes:

Volkswagen (China) Investment Co., Ltd. directly holds 440,630,983 shares of Gotion High-tech, accounting for 24.77% of the total shares of Gotion High-tech. According to the Shareholders Agreement between Volkswagen China and Zhuhai Gotion Trading Co., Ltd., Li Zhen, Li Chen with regard to Gotion High-tech Co., Ltd. dated May 28, 2020, Volkswagen China undertakes that for a period of 36 months or such longer period as Volkswagen China may determine at its sole discretion from the date of registration of the relevant shares of the Company in connection with the non-public offering and share transfer under the name of Volkswagen China, it will irrevocably waive the voting rights of some of its shares in the Company so that the voting rights of Volkswagen China are at least 5% lower than the voting rights of the Founding Shareholders (Gotion Holding, Li Zhen and Li Chen together being the Founding Shareholders). That is, Volkswagen (China) Investment Co., Ltd. holds 12.00% or less of the voting rights of Gotion High-tech.

## 2. Information on subsidiaries of the Company

Please refer to Note IX. 1 for the details of the subsidiaries of the Company.

## 3. Information on joint ventures and associated enterprises of the Company

Please refer to Note IX. 3 for the details of major joint ventures and associates of the Company.

Information about other joint ventures or associated enterprises that have related transactions with the Company in the current period, or have balance resulting from related transactions with the Company in the previous period is as follows:

Name of joint ventures or associates	Relationship with the Company
Litong Energy Technology Co., Ltd.	The Company holds its 20.00% equity
Anhui Tongguan Copper Foil Group Co., Ltd.	Companies that have had an association in the past 12 months or the next 12 months
Anhui Yijianeng Digital Technology Co., Ltd.	Companies that have had an association in the past 12 months or the next 12 months
Beijing Full-Service Oil & Gas Technology Co., Ltd.	The Company holds its 40.00% equity
Beijing Gotion Weisi Light Storage and Charging Technology Co., Ltd.	The Company holds its 25.00% equity
Hefei Xingyuan New Energy Materials Co., Ltd.	The Company holds its 27.69% equity
Huabei Aluminum New Material Technology Co., Ltd.	The Company holds its 10.00% equity
Jiangxi Yunwei New Material Co., Ltd.	The Company holds its 22.00% equity
Shanghai Electric Gotion New Energy Technology Co., Ltd.	The Company holds its 45.40% equity
Shanghai Wuyang Ship Technology Co., Ltd.	The Company holds its 17.24% equity

MCC Ramu New Energy Technology Co., Ltd.	The Company holds its 30.00% equity
Tata AutoComp Gotion Green Energy Application Co., Ltd.	The Company holds a 40.00% equity stake in it

Other notes

#### 4. Other related parties

Name of other related parties	Relationship between other related parties and the Company
Nascent Investment.LLC	A company controlled by Li Chen, the son of the De Facto Controller
Volkswagen AG	The controlling shareholder of Volkswagen (China) Investment Co., Ltd.
Volkswagen (China) Investment Co., Ltd.	The largest shareholder of the Company
Volkswagen Automatic Transmission (Tianjin) Co., Ltd.	VCIC holds a 60.00% equity stake in it
Volkswagen FAW Platform Company, Ltd.	VCIC holds a 60.00% equity stake in it
Volkswagen (Anhui) Automotive Company Limited	VCIC holds a 60.00% equity stake in it
Innovative (Suzhou) New Energy Technology Co., Ltd.	An associate of Volkswagen (China) Investment Co., Ltd.
Gotion Holding Group Co., Ltd.	A company controlled by the De Facto Controller
Anhui Gotion Xianglv Technology Co., Ltd.	A company controlled by the De Facto Controller
Anhui Gotion New Energy Investment Co., Ltd.	A company controlled by the De Facto Controller
Anhui Jincheng Energy Storage Technology Co., Ltd.	A company controlled by the De Facto Controller
Anhui Minsheng Property Management Co., Ltd.	A company controlled by the De Facto Controller
Anhui Tangchi Film and Television Cultural Industry Co., Ltd.	A company controlled by the De Facto Controller
Hefei Dongyu Business Management Co., Ltd.	A company controlled by the De Facto Controller
Hefei Gotion Hotel Operation Management Co., Ltd.	A company controlled by the De Facto Controller
Hefei Tiansheng Lithium Technology Co., Ltd.	A company controlled by the De Facto Controller
Shanghai Gotion Digital Energy Technology Co., Ltd.	A company controlled by the De Facto Controller
Shanghai Dajiang Network Technology Co., Ltd.	A company controlled by the De Facto Controller
Hefei Yuanyuan Technology Co., Ltd.	A company controlled by the Nanjing Gotion Holding Group Co., Ltd.
Anhui Gotion Feidong New Energy Technology Co., Ltd.	A company controlled by the Nanjing Gotion Holding Group Co., Ltd.
Anhui Chiyu New Material Technology Co., Ltd.	A company controlled by the Nanjing Gotion Holding Group Co., Ltd.
Hefei Qianrui Technology Co., Ltd.	A company controlled by the Nanjing Gotion Holding Group Co., Ltd.
Shanghai Electronic Gotion New Energy Technology (Nantong) Co., Ltd.	A subsidiary of Shanghai Electronic Gotion (an associate company)
Shanghai Electronic Gotion New Energy Technology (Suzhou) Co., Ltd.	A subsidiary of Shanghai Electronic Gotion (an associate company)
Hefei Tongguan Electronic Copper Foil Co., Ltd.	A wholly-owned subsidiary of Anhui Tongguan Copper Foil Group Co., Ltd.
Anhui Xindadao Transport Technology Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Hebei Xinxuan Transport Technology Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Huangshan DaDao New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Jingde County DaDao New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Lixin County Electric Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Linli Xindadao Public Transport Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Taihe Dadao New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.

Tunchang Xinhai New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Wenchang Dadao New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Wucheng Dadao New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Yingshang Dadao New Energy Bus Co., Ltd.	A company controlled by Nanjing Gotion Holding Group Co., Ltd.
Guizhou Hengxuan New Energy Materials Co., Ltd.	A company significantly influenced by Gotion Holding Group Co., Ltd.

Other notes

## 5. Related-party transactions

### (1) Related transactions involving commodity purchase, and rendering and acceptance of services

Statement of purchasing goods/accepting labor services

Monetary Unit: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Transaction limit approved	Exceed the trading limit or not	Amount incurred in the last period
Hefei Xingyuan New Energy Materials Co., Ltd.	Ceramic separator	133,268,642.84		No	78,680,279.05
Anhui Gotion Xianglv Technology Co., Ltd.	Battery box and accessories	116,092,913.82	500,000,000.00	No	63,880,248.10
Hefei Qianrui Technology Co., Ltd.	Battery electrolyte	195,708,832.33	600,000,000.00	No	167,532,971.80
Huabei Aluminum New Material Technology Co., Ltd.	Aluminum foil	25,344,231.49		No	40,963,954.95
MCC Ramu New Energy Technology Co., Ltd.	Ternary precursors	85,748,048.73	500,000,000.00	No	154,850,437.13
Anhui Tongguan Copper Foil Group Co., Ltd.	Copper foil	100,204,969.39	300,000,000.00	No	137,854,266.77
Shanghai Electronic Gotion New Energy Technology (Nantong) Co., Ltd.	Plug-in frame, graphite, and battery pack	355,067,285.94		No	60,378,889.37
Anhui Tangchi Film and Television Cultural Industry Co., Ltd.	Conference expenses	72,051.70	300,000,000.00	No	98,808.00
Anhui Minsheng	Property fees	30,361,608.10	300,000,000.00	No	2,943,549.32

Property Management Co., Ltd.					
Hefei Dongyu Business Management Co., Ltd.	Cafeteria expenses, conference reception	12,038,447.76	300,000,000.00	No	9,732,537.33
Hebei Xinxuan Transportation Co., Ltd.	Accepting labor service	1,247,603.40	200,000,000.00	No	24,733.64
Jiangxi Yunwei New Material Co., Ltd.	Process fees of electric carbon, lithium hydroxide and electric carbon	51,256,686.80		No	10,303,662.50
Anhui Chiyu New Material Technology Co., Ltd.	Battery box and its accessories	66,102,780.24	100,000,000.00	No	
Anhui Jincheng Energy Storage Technology Co., Ltd.	Battery box and other accessories	11,767,584.58	100,000,000.00	No	
Hefei Tiansheng Lithium Technology Co., Ltd.	Process fees of lithium carbonate and electric carbon	18,240,180.79	400,000,000.00	No	
Linlixin Dadao Public Transportation Co., Ltd.	After-sales service fee	13,226.55	200,000,000.00	No	
Yingshang Dadao New Energy Bus Co., Ltd.	After-sales service fee	12,090.27	200,000,000.00	No	
Hefei Yuanyuan Technology Co., Ltd.	Carbon coated aluminum foil	51,683,916.64	450,000,000.00	No	
Anhui Yijianeng Digital Technology Co., Ltd.	Energy storage	111,946,897.86		No	
Shanghai Electronic Gotion New Energy Technology (Suzhou) Co., Ltd.	Modules	1,648,481.42		No	
Guizhou Hengxuan New Energy Materials Co., Ltd.	Ferric phosphate	135,628,007.95		No	

Sales of merchandise and provision of services

Monetary Unit: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Amount incurred in the last period
Shanghai Electronic Gotion New Energy Technology (Suzhou) Co., Ltd.	Battery cell and carbon coated aluminum foil	114,130,664.75	38,105,286.67

Shanghai Electronic Gotion New Energy Technology (Nantong) Co., Ltd.	Charges for battery cells and processing	80,074,271.41	4,048,192.00
Innovative (Suzhou) New Energy Technology Co., Ltd.	Modules	31,039,358.89	48,510,042.65
Shanghai Gotion Digital Energy Technology Co., Ltd.	Battery cell, energy storage, mold	516,656,331.70	4,078.00
Shanghai Wuyang Ship Technology Co., Ltd.	Energy storage		1,101,026.55
Tata AutoComp Gotion Green Energy Application Co., Ltd.	Battery cells, BMS, and other materials	165,195,055.70	
Volkswagen AG	Battery cell and development consulting fee	108,327,184.66	
Volkswagen (Anhui) Parts Co., Ltd.	Battery cell	19,731,967.40	
Volkswagen Automatic Transmission (Tianjin) Co., Ltd.	Battery cell and training service	21,580,076.81	
Anhui Yijianeng Digital Technology Co., Ltd.	DC charging cable for intelligent mobile energy storage charging pile	117,484.21	
Hefei Xingyuan New Energy Materials Co., Ltd.	Service fee	409,395.30	
Jiangxi Yunwei New Material Co., Ltd.	Service fee	305,409.94	
MCC Ramu New Energy Technology Co., Ltd.	Service fee	754,716.98	
Shanghai Electric Gotion New Energy Technology Co., Ltd.	Battery pack	63,885,329.16	

Explanation of related party transactions in purchasing and selling goods, providing and receiving labor services

## (2) Related-party leasing

The Company acts as the lessor: none

The Company acts as the lessee:

Monetary Unit: RMB

Name of lessor	Types of leased assets	Rental expense on short-term leases and leases of low-value assets with simplified treatment (if applicable)		Variable lease payments not included in the measurement of the lease liability (if applicable)		Rental paid		Interest expense on lease liabilities assumed		Increase in use right assets	
		Amount incurred in the current period	Amount incurred in the last period	Amount incurred in the current period	Amount incurred in the last period	Amount incurred in the current period	Amount incurred in the last period	Amount incurred in the current period	Amount incurred in the last period	Amount incurred in the current period	Amount incurred in the last period
Nascent Investm	Real estate					299,220.71	258,000.00				

ent. LLC [Note]											
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Explanation of related lease

After the implementation of the new leasing standard in the current period, the amount was included in general and administrative expenses (depreciation of use right assets) and finance expenses (interest expense), respectively, in accordance with the relevant regulations.

### (3) Related-party guarantee

The Company acts as the warrantee

Monetary Unit: RMB

Guaranteed party	Guarantee amount	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been performed fully
MCC Ramu New Energy Technology Co., Ltd.	30,000.00	January 31, 2019	January 10, 2025	No
MCC Ramu New Energy Technology Co., Ltd.	8,250.00	January 5, 2022	April 4, 2030	No

Where the Company is the guaranteed party:

Monetary Unit: RMB

Guarantor	Guarantee amount	Starting date of guarantee	Maturity date of guarantee	Whether the guarantee has been performed fully
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Remarks on related-party guarantee

## 6. Receivables and payables of related parties

### (1) Accounts receivable

Monetary Unit: RMB

Project	Related parties	Closing balance		Opening balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Accounts receivable	Shanghai Electronic Gotion New Energy Technology (Suzhou) Co., Ltd.	123,488,876.42	6,174,443.83	48,303,783.16	2,415,189.16
Accounts receivable	Xinji Branch of Hebei Xinxuan Transportation Co., Ltd.	1,200,000.00	360,000.00	1,200,000.00	360,000.00
Accounts receivable	Huangshan Dadao New Energy Bus Co., Ltd.	6,280,000.00	2,024,000.00	6,280,000.00	2,024,000.00
Accounts receivable	Jingde Dadao New Energy Bus Co.,	1,582,500.00	666,000.00	1,582,500.00	551,250.00

	Ltd.				
Accounts receivable	Lixin Electric Bus Co., Ltd.	12,600,000.00	3,780,000.00	12,600,000.00	1,980,000.00
Accounts receivable	Linlixin Dadao Public Transportation Co., Ltd.	1,200,000.00	360,000.00	1,200,000.00	360,000.00
Accounts receivable	Shanghai Electric Gotion New Energy Technology Co., Ltd.	239,316,268.42	17,875,384.88	207,473,279.99	15,047,458.52
Accounts receivable	Taihe Dadao New Energy Bus Co., Ltd.	294,504.42	294,504.42	300,000.00	300,000.00
Accounts receivable	Tunchang Xinhai New Energy Bus Co., Ltd.	140,122.00	112,097.60	140,122.00	112,097.60
Accounts receivable	Wenchang Dadao New Energy Bus Co., Ltd.	49,980.00	14,994.00	49,980.00	14,994.00
Accounts receivable	Wucheng Dadao New Energy Bus Co., Ltd.	600,000.00	180,000.00	600,000.00	180,000.00
Accounts receivable	Yingshang Dadao New Energy Bus Co., Ltd.	1,420,000.00	426,000.00	1,420,000.00	426,000.00
Accounts receivable	Volkswagen Automatic Transmission (Tianjin) Co., Ltd.	39,571,315.38	1,978,565.77	31,785,953.93	1,589,297.70
Accounts receivable	Innovative (Suzhou) New Energy Technology Co., Ltd.			13,710,070.14	685,503.51
Accounts receivable	Shanghai Wuyang Ship Technology Co., Ltd.	2,352,152.00	456,813.60	2,352,152.00	173,007.20
Accounts receivable	Anhui Yijianeng Digital Technology Co., Ltd.	153,481,200.00	15,348,120.00	153,386,000.00	15,326,800.00
Accounts receivable	Anhui Jincheng Energy Storage Technology Co., Ltd.			3,680,000.00	184,000.00
Accounts receivable	Shanghai Gotion Digital Energy Technology Co., Ltd.	471,512,215.60	23,575,610.78	5,777,145.49	288,857.27
Accounts receivable	Volkswagen AG	77,533,602.45	4,126,323.22		
Accounts receivable	Volkswagen (Anhui) Parts Co., Ltd.	22,297,123.16	1,114,856.16		
Pre-payments	Anhui Gotion			2,238,784.28	

	Xianglv Technology Co., Ltd.				
Pre-payments	Huabei Aluminum New Material Technology Co., Ltd.			135,893.59	
Other receivables	Beijing Full-Service Oil & Gas Technology Co., Ltd.	4,447,880.00	4,447,880.00	4,447,880.00	4,447,880.00
Other receivables	Shanghai Electric Gotion New Energy Technology Co., Ltd.	72,520.00	21,756.00	72,520.00	21,756.00
Other receivables	Volkswagen AG			9,835,164.69	491,758.23
Other receivables	Volkswagen Automatic Transmission (Tianjin) Co., Ltd.			700,000.00	35,000.00
Total	/	1,159,440,259.85	83,337,350.26	509,271,229.27	47,014,849.19

**(2) Payable items**

Monetary Unit: RMB

Project	Related parties	Closing book balance	Opening book balance
Accounts payable	Anhui Minsheng Property Management Co., Ltd.	970,066.68	772,035.00
Accounts payable	Anhui Tongguan Copper Foil Group Co., Ltd.	92,434,003.82	77,191,189.35
Accounts payable	Beijing Full-Service Oil & Gas Technology Co., Ltd.	23,332.00	23,332.00
Accounts payable	Hefei Xingyuan New Energy Materials Co., Ltd.	265,391,964.50	134,155,180.33
Accounts payable	Shanghai Dajiang Network Technology Co., Ltd.	808,000.00	808,000.00
Accounts payable	Huabei Aluminum New Material Technology Co., Ltd.	10,997,983.68	3,198,017.36
Accounts payable	MCC Ramu New Energy Technology Co., Ltd.	40,385,887.21	30,540,060.31
Accounts payable	Shanghai Electronic Gotion New Energy Technology (Nantong) Co., Ltd.	162,586,469.04	127,169,892.13
Accounts payable	Anhui Chiyu New Material Technology Co., Ltd.	59,576,617.54	24,711,851.33
Accounts payable	Hefei Qianrui Technology Co., Ltd.	123,560,152.66	173,624,891.63
Accounts payable	Hefei Tiansheng Lithium Technology Co., Ltd.	24,011,717.25	25,154,316.68
Accounts payable	Jiangxi Yunwei New Material Co., Ltd.	2,361,954.20	6,783,788.71
Accounts payable	Anhui Gotion Xianglv Technology Co., Ltd.	77,448,394.18	
Accounts payable	Anhui Jincheng Energy	7,742,385.30	



	Storage Technology Co., Ltd.		
Accounts payable	Guizhou Hengxuan New Energy Materials Co., Ltd.	123,948,586.50	
Accounts payable	Hefei Yuanyuan Technology Co., Ltd.	43,662,649.01	
Contract liabilities	Beijing Gotion Fuweisi Light Storage and Charging Technology Co., Ltd.	480,979.11	543,506.39
Contract liabilities	Litong Energy Technology Co., Ltd.	2,914,108.58	2,344,559.16
Contract liabilities	Innovative (Suzhou) New Energy Technology Co., Ltd.	3,808,515.83	
Other payables	Anhui Gotion New Energy Investment Co., Ltd.	859,026.00	859,026.00
Other payables	Anhui Minsheng Property Management Co., Ltd.	6,716,238.73	3,671,304.73
Other payables	Hefei Dongyu Business Management Co., Ltd.	2,563,724.62	3,537,796.00
Other payables	Anhui Gotion Feidong New Energy Technology Co., Ltd.	1,856,858.24	1,856,858.24
Other payables	Nanjing Gotion Holding Group Co., Ltd.	2,800,000.00	1,800,000.00
Other payables	Jiangxi Yunwei New Material Co., Ltd.	1,946,700.00	
Total		1,059,856,314.68	618,745,605.35

### XIII Share-based payment

#### 1. Overall situation of share-based payment

⊗ Applicable □ Not applicable

Monetary Unit: RMB

Total amount of each equity instrument granted by the Company in the current period	0.00
Total amount of equity instruments exercised by the company in the current period	0.00
Total amount of equity instruments of the Company which are invalid in the current period	222,873,125.00
Range of exercise price and contractual remaining period of outstanding stock options at the end of the period	RMB 39.2 for 4-15 months; RMB 18.67 for 1-25 months
Range of exercise price and contractual remaining period of other equity instruments unissued at the end of the period	None

Other notes

1. According to the Proposal on the Company's 2021 Stock Option Incentive Plan (Draft) and its Abstract discussed and adopted at the third Extraordinary General Meeting of Shareholders in 2021 and the Resolution of the 14th Meeting of the 8th Board of Directors of the company, 1,063 participants, including Wang Qiang, Hou Fei, and Meng Lingkui, were granted 29,980,000 stock options in total with the determined date of grant being October 28, 2021. The source of shares is RMB Common Shares A issued by the company to the participants, and the stock

option is granted at the price of RMB 39.30 per share. To the extent that and if stock options are exercisable, when the conditions for exercise set forth in the plan are met, after one year of the date of the initial grant in relation to the stock options covered by the plan, the stock options will be released in batches at the rate of 40%:30%:30% per year for the exercise period to any participant who meets the conditions for exercise.

2. According to the Proposal on the Company's 2022 Stock Option Incentive Plan (Draft) and its Abstract discussed and adopted at the General Meeting of Shareholders in 2021 and the Resolution of the 18th Meeting of the 8th Board of Directors of the company, 1,723 participants, including Steven Cai, Zhang Hongli, and Sun Aiming, were granted 47,750,000 stock options in total with the determined date of grant being July 8, 2022. The source of shares is RMB Common Shares A issued by the company to the participants, and the stock option is granted at the price of RMB 18.77 per share. To the extent that and if stock options are exercisable, when the conditions for exercise set forth in the plan are met, after one year of the date of the initial grant in relation to the stock options covered by the plan, the stock options will be released in batches at the rate of 40%:30%:30% per year for the exercise period to any participant who meets the conditions for exercise. For 2022-2024 accounting years, annual assessments of the company's performance indicators are carried out under the incentive plan. Achieving the performance assessment goal is one of the conditions for participants to exercise their stock options in the year; and based on the company's operating revenue in 2021, the operating revenue's growth rate shall not be less than 100%, 200%, and 300%.

3. According to the Proposal on the Company's Third Employee Stock Ownership Plan (Draft) and its Abstract discussed and adopted at the third Extraordinary General Meeting of Shareholders in 2021, the Resolution of the 14th Meeting of the 8th Board of Directors of the company, and the Employee Stock Ownership Plan under which 110 participants, including Steven Cai, Zhang Hongli, and Wang Qiang, will be granted up to 3,133,684 shares, the Employee Stock Ownership Plan intends to raise up to RMB 39,797,800, and the source of shares is Common Shares A of Gotion High-tech repurchased by the company. The price at which the Employee Stock Ownership Plan purchases the company's repurchased shares is RMB 12.70 per share, namely the average repurchase price of the company's shares. The duration of the Employee Stock Ownership Plan is 48 months, and the lock-up period of the acquired underlying shares is 12 months. Both commenced on the date when the company announced that the last underlying shares were transferred to the name of the Employee Stock Ownership Plan (the 3,133,684 repurchased shares in the "repurchase-specialized securities account of Gotion High-tech Co., Ltd." opened by the company were transferred to the special account of the "Third Employee Stock Ownership Plan of Gotion High-tech Co., Ltd." in the form of non-transaction transfer on January 18, 2022) after the Employee Stock Ownership Plan Draft was discussed and adopted by the general meeting of the company. When the lock-up period expires, the rights and interests covered by the Employee Stock Ownership Plan will be released to the holders in three batches at the rate of 40%:30%:30% per year according to the company performance goal and their individual performance

assessment results in the previous year. To achieve the company-level performance assessment goal, based on the operating revenue in 2020, the operating revenue's growth rate shall not be less than 30%, 50%, and 70% for years 2021, 2022 and 2023.

4. On November 15, 2019, the company completed the registration of the non-transaction transfer contemplated under the Second Employee Stock Ownership Plan. In the transaction, 12,617,876 shares were repurchased, representing RMB 80,123,513 subscription amount. The price at which employees purchased the repurchased shares is 50% of the repurchasing shareholder's price, so that portion of the Employee Stock Ownership Plan corresponds to RMB 160,247,026 treasury stock. According to relevant provisions of the Second Employee Stock Ownership Plan of the company, after 12 months, 24 months and 36 months of the date when the company announced that the last underlying shares were transferred to the name of the Employee Stock Ownership Plan after the Employee Stock Ownership Plan Draft was discussed and adopted by the company's general meeting of shareholders, the rights and interests in the holders' underlying shares will be released and distributed to the holders in three phases according to the results of the 2019-2021 annual performance assessment. The company-level performance assessment goals are as follows: for the first release period, the company realizes operating revenue of not less than RMB 10 billion in 2019; for the second release period, the company realizes operating revenue of not less than RMB 13 billion in 2020; and for the third release period, the company realizes operating revenue of not less than RMB 16 billion in 2021. On April 27, 2022 and May 23, 2022, the company held the 16th meeting of the 8th Board of Directors and the 2021 Annual General Meeting of Shareholders respectively, discussing and adopting the Proposal on Adjusting the Performance Assessment under the Company's Second Employee Stock Ownership Plan, under which the company adjusted the performance assessment year and assessment goal for the third release period under the Second Employee Stock Ownership Plan (hereinafter referred to as the "Employee Stock Ownership Plan") from "the company's realized operating revenue of not less than RMB 16 billion in 2021" to "the company's realized operating revenue of not less than RMB 20 billion in 2022".

## 2. Equity-settled share-based payment

☞ Applicable ☐ Not applicable

Monetary Unit: RMB

Method of determining the fair value of equity instruments at the grant date	Black-Scholes model
Basis for determining the number of exercisable equity instruments	Number of expected effective exercisable rights eligible at the balance sheet date
Reasons for significant differences between current and previous period estimates	None
Cumulative amount of share-based payments settled in equity included in capital reserve	907,677,614.78
Pay confirmed total expenses settled with equities in current period	273,845,157.85

Other notes

**XIV. Notes to major items in the financial statements of the parent company****1. Accounts receivable****(1) Accounts receivable disclosed by classification**

Monetary Unit: RMB

Category	Closing balance					Opening balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Proportion of accrual		Amount	Proportion	Amount	Proportion of accrual	
Of which:										
Accounts receivable with provision for bad debts reserve based on portfolio	126,221,510.15	100.00%		0.00%	126,221,510.15	12,760,231.61	100.00%			12,760,231.61
Of which:										
Of which: Portfolio 1										
Combination 2	126,221,510.15	100.00%		0.00%	126,221,510.15	2,760,231.61	100.00%			12,760,231.61
Total	126,221,510.15	100.00%		0.00%	126,221,510.15	12,760,231.61	100.00%			12,760,231.61

Provision for bad debts by portfolio:

Monetary Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Proportion of accrual
Portfolio 1			
Combination 2	126,221,510.15		
Total	126,221,510.15		

Basis for determining the portfolio:

Provision for bad debts by portfolio:

Monetary Unit: RMB

Name	Closing balance		
	Book balance	Bad-debt provision	Proportion of accrual
Portfolio 1			

Combination 2	126,221,510.15		
Total	126,221,510.15		

Basis for determining the portfolio:

In case the provision for bad debt is made with respect to accounts receivable according to the general model of expected credit loss, please disclose the relevant information of bad debt provision in line with the disclosure method of other receivables:

☐ Applicable ☒ Not applicable

Disclosure by aging

Monetary Unit: RMB

Aging	Closing balance
Within 1 year (including 1 year)	126,221,510.15
Total	126,221,510.15

## (2) Provision, recovery or return of bad debt reserve in current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Withdrawal or write-back	Write off	Other	
Bad debts of accounts receivable provision	0.00					

## (3) Top 5 accounts receivable in terms of the ending balance grouped by debtors

Monetary Unit: RMB

Entity Name	Ending balance of accounts receivable	Proportion of total balance of accounts receivable at the end of the period	Ending balance of bad debt provision
Customer No. 1	109,380,271.37	89.49%	
Customer No. 2	7,215,121.28	5.90%	
Customer No. 3	4,440,491.68	3.63%	
Customer No. 4	624,000.00	0.51%	
Customer No. 5	572,080.65	0.47%	
Total	122,231,964.98	100.00%	

## 2. Other receivables

Monetary Unit: RMB

Item	Closing balance	Opening balance
Dividends receivable	110,000,000.00	110,000,000.00
Other receivables	4,006,642,555.46	4,322,206,570.74
Total	4,116,642,555.46	4,432,206,570.74

**(1) Dividend receivable****1) Classification of dividends receivable**

Monetary Unit: RMB

Project (or Invested Unit)	Closing balance	Opening balance
Hefei Gotion High-Tech Power Energy Co., Ltd.	110,000,000.00	110,000,000.00
Total	110,000,000.00	110,000,000.00

**(2) Other receivables****1) Classification of other receivables according to the nature of payment**

Monetary Unit: RMB

Nature of funds	Closing book balance	Opening book balance
Receivables and payables	4,006,371,562.91	4,321,080,933.62
Margin	522,534.00	1,535,299.90
Other	184,695.84	67,482.12
Of which: Provision for bad debt	-436,237.29	-477,144.90
Total	4,006,642,555.46	4,322,206,570.74

**2) Provision for bad debts**

Monetary Unit: RMB

Bad-debt provision	First stage	Second stage	Third stage	Total
	Expected credit losses over the next 12 months	Expected credit loss for the entire duration (no credit impairment occurred)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as at January 1, 2023	477,144.90			477,144.90
Balance as at January 1, 2023 in the current period				
Amount written back in the current period	40,907.61			40,907.61
Balance as at June 30, 2023	436,237.29			436,237.29

Changes in book balance with major amount changes in provision for loss in the current period

☐ Applicable ☒ Not applicable

Disclosure by aging

Monetary Unit: RMB

Aging	Closing balance
Within 1 year (including 1 year)	4,006,555,628.75
Over 3 years	523,164.00
4 to 5 years	500,000.00

Over 5 years	23,164.00
Total	4,007,078,792.75

### 3) Provision for bad debt made, recovered or reserved in the current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Opening balance	Amount of change in the current period				Closing balance
		Accrual	Withdrawal or write-back	Write off	Other	
Bad-debt provision	477,144.90		40,907.61			436,237.29
Total	477,144.90		40,907.61			436,237.29

### 4) Top 5 other receivables in terms of ending balance grouped by debtors

Monetary Unit: RMB

Entity Name	Nature of funds	Closing balance	Aging	Proportion in the total ending balance of other receivables	Ending balance of bad debt provision
Customer No. 1	Receivables and payables	1,090,000,000.00	Within 1 year	27.20%	
Customer No. 2	Receivables and payables	1,087,699,674.00	Within 1 year	27.14%	
Customer No. 3	Receivables and payables	774,605,760.00	Within 1 year	19.33%	
Customer No. 4	Receivables and payables	759,865,128.00	Within 1 year	18.96%	
Customer No. 5	Receivables and payables	186,197,386.35	Within 1 year	4.65%	
Total		3,898,367,948.35		97.28%	

## 3. Long-term equity investments

Monetary Unit: RMB

Item	Closing balance			Opening balance		
	Book balance	Depreciation reserves	Book value	Book balance	Depreciation reserves	Book value
Investments in subsidiaries	16,107,443,396.16		16,107,443,396.16	16,107,443,396.16		16,107,443,396.16
Investment in joint ventures and associates	238,944,789.90		238,944,789.90	250,089,183.68		250,089,183.68
Total	16,346,388,186.06		16,346,388,186.06	16,357,532,579.84		16,357,532,579.84

### (1) Investment in subsidiaries

Monetary Unit: RMB

Investee	Opening balance (book value)	Increase/decrease in the current period				Ending balance (book value)	Ending balance of provision for impairment
		Additional investment	Investment decrease	Provision for impairment reserve	Other		
Hefei Gotion High-tech Power Energy Co., Ltd.	14,032,363.3 15.05					14,032,363.3 15.05	
Jiangsu Dongyuan Electric Appliance Group Co., Ltd.	809,040,881. 11					809,040,881. 11	
Jiangxi Gotion New Energy Technology Co., Ltd.	500,000,000. 00					500,000,000. 00	
Jiangsu Gotion Energy Technology Co., Ltd.	366,139,200. 00					366,139,200. 00	
Feidong Gotion New Material Co., Ltd.	399,900,000. 00					399,900,000. 00	
Total	16,107,443.3 96.16					16,107,443.3 96.16	

## (2) Investment in joint ventures and associates

Monetary Unit: RMB

Investee	Opening balance (book value)	Increase/decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
		Additional investment	Investment decrease	Recognized investment gain and loss under equity method	Other comprehensive income adjustments	Other changes in equity	Declared payment of cash dividends or profits	Provision for impairment reserve	Other		
I. Joint Ventures											
II. Affiliated enterprises											
Shanghai Electric Gotion New Energy Technology Co.,	185,350,210.81			-10,433,322.52						174,916,888.29	



Ltd.											
Anhui Anwa New Energy Techno logy Co., Ltd.	64,738, 972.87			- 711,071 .26						64,027, 901.61	
Subtotal	250,089 ,183.68			- 11,144, 393.78						238,944 ,789.90	
Total	250,089 ,183.68			- 11,144, 393.78						238,944 ,789.90	

#### 4. Operating income and operating cost

Monetary Unit: RMB

Item	Amount incurred in the current period		Amount incurred in the last period	
	Income	Cost	Income	Cost
Main business	4,814,149.72			
Other businesses	6,603.77	4,402.80	22,227,830.27	11,472,534.44
Total	4,820,753.49	4,402.80	22,227,830.27	11,472,534.44

#### 5. Investment income

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the last period
Long-term equity investment income accounted by equity method	-11,144,393.78	-20,958,282.62
Total	-11,144,393.78	-20,958,282.62

### XV. Supplementary information

#### 1. Statement of non-recurring gains and losses for the current period

☞ Applicable ☐ Not applicable

Monetary Unit: RMB

Item	Amount	Note
Profits or losses from disposal of non-current assets (including the write-off for the accrued impairment of assets)	6,031,053.65	
Government subsidies included in current gains and losses (closely related to normal operational business of the Company, excluding the continuous government subsidies of certain amount or quota complying with national	86,720,367.69	

policies)		
Profits and losses resulting from the changes in fair value for holding trading financial assets and trading financial liabilities, and investment income from disposal of trading financial assets, trading financial liabilities, and financial assets available for trading, excluding the effective hedging businesses related to the regular business operation of the Company	134,871,138.10	
Other non-operating revenue and expenditure other than those mentioned above	-12,813,177.94	
Other items of profit and loss complying with the definition for non-recurring profit and loss	508,368.15	
Less: affected amount of income tax	38,938,546.60	
Effectuated amount of minority equity	2,674,034.21	
Total	173,705,168.84	--

Other gains or losses that fit the definition of non-recurring gains or losses:

☐ Applicable ☒ Not applicable

There are no other gains and losses items of the Company that meet the definition of non-recurring gains and loss.

Note for the definition of non-recurring gains and losses set out in the *No. 1 Explanatory Announcement on Information Disclosure for Companies Issuance Their Securities to the Public - Non-recurring gains and losses*, as recurring gains and losses.

☐ Applicable ☒ Not applicable

## 2. Return on equity and earnings per share

Profit during the reporting period	Weighted average return on net assets	Earnings per share	
		Basic earnings per share (RMB/Share)	Diluted earnings per share (RMB/Share)
Net profit attributable to ordinary shareholders of the Company	0.88%	0.12	0.12
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	0.15%	0.02	0.02

## 3. Differences in accounting data under domestic and foreign accounting standards

### (1) Differences in net profits and net assets in the financial reports disclosed pursuant to International Accounting Standards and Chinese Accounting Standards at the same time

☐ Applicable ☒ Not applicable

**(2) Differences in net profits and net assets in the financial reports disclosed pursuant to foreign accounting standards and Chinese Accounting Standards at the same time**

☐ Applicable ☒ Not applicable