

2025 Annual Report
of
Gotion High-Tech Co., Ltd.



国轩高科
GOTION HIGH-TECH

April 2026

Section I Important Notes, Table of Contents and Definitions

The Board of Directors, directors 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 (the head of the Accounting Department) (person in charge of accounting) declare that the financial statements herein are true, accurate and complete.

All directors have attended the meeting of the Board of Directors at which this report is deliberated.

The statements of future development plans and matters involved herein are planned ones, which 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 are advised to make investment rationally and pay attention to investment risks.

In this report, the Company has described in detail the main risks that may occur in the future and the response measures that the Company will take. For details, please refer to “(IV) Possible risks and response measures”, “XI. Prospects for the future development of the Company”, “Section III Management Discussion and Analysis”. Investors are kindly reminded to pay attention to these risks.

The profit distribution proposal of the Company deliberated and approved by the Board of Directors is as follows: based on the total share capital registered on the equity registration date for the implementation of the equity distribution deducting the repurchased shares in the Company’s special securities account for repurchase, a cash dividend of RMB 1.00 (inclusive tax) per 10 shares will be paid to all shareholders, and bonus shares will be given out as 0 shares (inclusive tax), and the Company will not increase share capital with reserved fund.

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Directory of Reference Documents

- I. The original 2025 annual report and its summary signed by the legal representative of the Company and sealed by the Company;
- II. The financial statements signed and sealed by the legal representative of the Company, accounting principal of the Company, head of the accounting department;
- III. The original 2025 annual audit report sealed by the accounting firm and signed and sealed by the certified public accountants;
- IV. The originals of all corporate documents and announcements publicly disclosed on the media and websites designated by the Company during the reporting period;
- V. Other reference documents.

The said reference documents are available at the Securities Affairs Center of the Company.

Definitions

Term	mean(s)	Definition
Company, the Company or Gotion High-Tech	mean(s)	Gotion High-Tech Co., Ltd.
Company Law	mean(s)	Company Law of the People's Republic of China
Securities Law	mean(s)	Securities Law of the People's Republic of China
Articles of Association or AoA	mean(s)	Articles of Associations of Gotion High-Tech Co., Ltd.
CSRC	mean(s)	China Securities Regulatory Commission
SZSE	mean(s)	Shenzhen Stock Exchange
SIX	mean(s)	SIX Swiss Exchange
GDR	mean(s)	Global Depositary Receipt
Gotion Holding	mean(s)	Nanjing Gotion Holding Group Co., Ltd. (formerly known as Zhuhai Gotion Trading Co., Ltd., which was relocated and renamed as "Nanjing Gotion Holding Group Co., Ltd." on September 29, 2020)
Gotion Group	mean(s)	Gotion Holding Group Co., Ltd.
The largest shareholder, Volkswagen China	mean(s)	Volkswagen (China) Investment Co., Ltd.
VW Group, VW AG	mean(s)	Volkswagen Aktiengesellschaft
Shareholders Agreement	mean(s)	the Shareholders Agreement between Volkswagen (China) Investment Co., Ltd. and Zhuhai Gotion Trading Co., Ltd., Li Zhen, Li Chen regarding Gotion High-Tech Co., Ltd.
Supplementary Agreement to Shareholders Agreement	mean(s)	the Supplementary Agreement to the Shareholders Agreement regarding Gotion High-Tech Co., Ltd.
Hefei Gotion	mean(s)	Hefei Gotion High-Tech Power Energy Co., Ltd.
Dongyuan Electrical	mean(s)	Jiangsu Dongyuan Electrical Group Co., Ltd.
Power Battery System	mean(s)	Cell, module, battery pack, and other components used in electric vehicles and hybrid electric vehicles.
Energy Storage Battery System	mean(s)	Cell, module, battery cabinet, and battery pack for lithium-ion energy storage systems.
GWh, MWh	mean(s)	Kilowatt-hour (kWh) is the unit of electrical energy. 1 GWh = 1,000,000 kWh, and 1 MWh = 1,000 kWh.
Ah	mean(s)	Ampere-hour (Ah) is used to express the capacity of a battery, which is the product of discharge current (amperes, A) and discharge time (hours, H).
Yuan, Ten thousand yuan, One hundred million yuan	mean(s)	RMB Yuan, RMB 10,000 yuan, RMB 100,000,000 yuan.
Cninfo	mean(s)	http://www.cninfo.com.cn
Reporting period, current reporting period, current period	mean(s)	From January 1, 2025, to December 31, 2025.

Section II Company Overview and Major Financial Indicator

I. Company profile

Stock name	Gotion High-Tech	Stock Code	002074
Stock name before change (if any)	Dongyuan Electrical		
Stock exchange	SZSE		
Chinese enterprise name	国轩高科股份有限公司		
Chinese name abbreviation	国轩高科		
Foreign enterprise name (if any)	Gotion High-Tech Co., Ltd.		
Foreign name abbreviation (if any)	GOTION		
Legal representative of the Company	Li Zhen		
Registered address	No. 566 Huayuan Avenue, Baohe District, Hefei City, Anhui Province		
Postal code of the registered address	230051		
Historical change of the registered address	On July 8, 2008, the registered address of the Company was changed from “No. 16 Zhenxing North Road, Shisong Town, Tongzhou City” to “No. 1 Dongyuan Avenue, Shisong Town, Tongzhou District”; on June 17, 2020, the registered address of the Company was changed from “No. 1 Dongyuan Avenue, Shisong Town, Tongzhou District” to “No. 566 Huayuan Avenue, Baohe District, Hefei City, Anhui Province”		
Office address	No. 566 Huayuan Avenue, Baohe District, Hefei City, Anhui Province		
Postal code of the office address	230051		
Website	www.gotion.com.cn		
E-mail	gxcgk@gotion.com.cn		

II. Contact person and contact information

	Board Secretary	Securities Representative
Name	Wang Quan	Yao Yuju
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
E-mail address	wangquan_yj@gotion.com.cn	yaoyuju@gotion.com.cn

III. Information disclosure and location

Website of the stock exchange for disclosure of annual reports of the Company	Shenzhen Stock Exchange (http://www.szse.cn)
Media and website for disclosure of annual reports of the Company	China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily, cninfo, English website of the Company (en.gotion.com.cn)
Location to keep the annual reports of the Company for check	Securities Affairs Center at No. 566 Huayuan Avenue, Baohe District, Hefei City, Anhui Province

IV. Change of registered information

Organization code	91320600138346792B
Changes of the Company's primary business since its listing (if any)	In 2015, the Company's major asset restructuring was approved by the CSRC and successfully implemented. The Company changed its single primary business of the power transmission & distribution equipment to a double one of both the power lithium battery and the power transmission & distribution equipment. In 2022, the Company divided its power lithium battery business into two categories: power battery systems and energy storage battery systems.
Changes of previous Controlling Shareholder (if any)	In 2015, the Company's major asset restructuring was approved by the CSRC and successfully implemented, and the Company changed its Controlling Shareholder from Mr. Sun Yiyuan to Gotion Holding. In December 2021, Volkswagen China made a strategic investment, thereby becoming the largest shareholder of the Company. Gotion Holding, Li Zhen and Li Chen, as persons acting in concert, jointly serve as the controlling shareholder of the Company.

V. Other relevant information

The accounting firm engaged by the Company

Name of the accounting firm	Suyajincheng CPA LLP
Office address of the accounting firm	14-16 Floors, Block A, Zhengtai Center Tower, No. 159 Taishan Road, Jianye District, Nanjing, Jiangsu Province
Names of the undersigned accountants	Luo Zhenxiong, Chen Qian

The sponsor engaged by the Company to perform the duty of consistent supervision during the reporting period

Applicable Not Applicable

Name of the sponsor	Office address of the sponsor	Name of the sponsor's representative	Period of consistent supervision
Guotai Haitong Securities Co., Ltd.	Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	Cui Hao, Chen Saide	From December 26, 2018 to December 31, 2023; as of the end of the reporting period, the period of continuous supervision has expired. However, since the Company has not yet fully utilized the raised funds, the sponsor's representative will continue to fulfill the obligation of continuous supervision.

Financial consultant engaged by the Company to perform the duty of consistent supervision during the reporting period

Applicable Not Applicable

VI. Major accounting data and financial indicators

Whether the Company need to retrospectively adjust or restate previous year's accounting data:

Yes No

	2025	2024	Changes compared to previous year (%)	2023
Operating income (RMB)	45,070,461,822.87	35,391,817,095.44	27.35%	31,605,490,020.32
Net profit attributable to shareholders of the listed company (RMB)	2,383,271,938.21	1,206,790,129.59	97.49%	938,726,847.76
Net profit attributable to shareholders of the listed company after deducting non-	431,836,780.76	262,543,788.91	64.48%	116,241,267.75

recurring profits and losses (RMB)				
Net cash flows from operating activities (RMB)	3,624,414,966.70	2,705,571,729.01	33.96%	2,418,690,817.29
Basic earnings per share (RMB/share)	1.32	0.68	94.12%	0.53
Diluted earnings per share (RMB/share)	1.32	0.68	94.12%	0.53
ROEWA	8.65%	4.77%	3.88%	3.87%
	As at the end of 2025	As at the end of 2024	Changes compared to the end of previous year (%)	As at the end of 2023
Total assets (RMB)	127,214,519,738.62	107,839,685,095.13	17.97%	93,592,652,122.38
Net assets attributable to owners of the listed company (RMB)	29,123,913,652.14	25,960,092,558.63	12.19%	25,066,839,997.17

The Company's net profit before or after deducting non-recurring profit and loss (whichever is lower) in the last three fiscal years are all negative, and the audit report of the last year indicates that the Company's ability to continue as a going concern is uncertain

Yes No

The Company's audited total profit, net profit and net profit after deducting the non-recurring profit and loss (whichever is the lowest) during the reporting period is negative

Yes No

VII. Differences of accounting data under domestic and overseas accounting standards

1. Differences of the net profit and net assets disclosed in the financial reports under both the international and Chinese accounting standards

Applicable Not Applicable

There was no difference of the net profit and net assets of the Company disclosed in the financial reports under both the international and Chinese accounting standards during the reporting period.

2. Differences of the net profit and net assets disclosed in the financial reports under both overseas and Chinese accounting standards

Applicable Not Applicable

There was no difference of the net profit and net assets of the Company disclosed in the financial reports under both overseas and Chinese accounting standards during the reporting period.

VIII. Major financial indicators by quarters

Monetary Unit: RMB

	Q1	Q2	Q3	Q4
Operating income	9,055,225,316.38	10,338,310,181.84	10,114,442,222.01	15,562,484,102.64
Net profit attributable to	100,632,548.36	265,996,019.25	2,166,599,353.68	-149,955,983.08

the shareholders of the listed company				
Net profit attributable to the shareholders of the listed company after deducting non-recurring profits and losses	14,588,743.44	58,281,924.17	12,507,032.34	346,459,080.81
Net cash flows from operating activities	127,495,575.73	197,353,711.16	132,340,032.60	3,167,225,647.21

Are there any material differences between the above financial indicators or their sum and the financial indicators related to the disclosed quarterly report and semiannual report of the Company

Yes No

IX. Items and amounts of non-recurring profit and loss

Applicable Not Applicable

Monetary Unit: RMB

Item	2025	2024	2023	Note
Gains or losses from disposal of non-current assets (including the reversal of accrued impairment losses on assets)	-34,045,304.84	-14,411,144.14	-1,743,644.32	
Government grants included into the current profit or loss (excluding the government grants that are closely related to the Company's business, compliant to national policies and regulations, are granted in accordance with established criteria with ongoing effects on the Company's profits and losses)	617,663,001.57	990,000,989.16	972,703,634.39	
In addition to the effective hedging business related to the normal business of the Company, gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains or losses from the disposal of financial assets and financial liabilities	2,109,769,373.64	244,347,107.67	84,807,677.28	
Funds occupation fee charged to non-financial enterprises and included in the current period's profit and loss	14,658,517.35			
Other non-operating income and expenses	-52,948,220.71	-16,953,239.75	-20,477,166.95	
Other profit or loss items complying with the definition of non-recurring profit or losses	-301,309,276.37	100,811,727.98		
Less: impact amount of income tax	394,265,496.45	288,688,389.16	246,784,875.36	
Impact amount of minority equity (after tax)	8,087,436.74	70,860,711.08	-33,979,954.97	
Total	1,951,435,157.45	944,246,340.68	822,485,580.01	--

Details of other profit or loss items complying with the definition of non-recurring profit or loss:

Applicable Not applicable

The Company does not have any other profit or loss item complying with the definition of non-recurring profit or loss.

Description of the situation where any non-recurring profit or loss item listed in *No.1 of Explanatory Announcement of*

Information Disclosure of Companies publicly Issuing Securities - Non-recurring Profit or Loss is defined as a recurring profit or loss item

Applicable Not applicable

The Company does not fall under any situation where any non-recurring profit or loss item listed in *No.1 of Explanatory Announcement of Information Disclosure of Companies publicly Issuing Securities - Non-recurring Profit or Loss* is defined as a recurring profit or loss item.

Section III Management Discussion and Analysis

I. Primary business of the Company during the reporting period

The Company primarily focuses on the R&D, manufacturing, marketing and service of power battery systems, energy storage battery systems, and transmission and distribution equipment within the new energy sector. According to the Industrial Classification and Codes for National Economic Activities (GB/T4754-2017) 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”.

(I) Outline of primary business

As a professional manufacturer of new energy lithium batteries and a provider of comprehensive green energy solutions, the Company focuses on two core businesses: power batteries and energy storage batteries for new energy vehicles. It simultaneously promotes technological innovation and application scenario expansion in power transmission and distribution equipment, and is committed to providing global customers with high-safety, high-quality, and cost-effective green energy products and integrated services, contributing to the steady realization of China’s “Carbon Peaking and Carbon Neutrality” goals.

During the reporting period, the Company closely followed the global energy transformation trend and the national green development strategy, delved deeply into its core lithium battery business, extended its industry chain layout, and strengthened its international market expansion. While consolidating its existing market position in power batteries and energy storage batteries, it actively expanded into emerging fields such as low-altitude flight, construction machinery, electric ships, portable energy storage, and To C, achieving all-round improvements in technological breakthroughs, product iterations, market development, and ecosystem construction, and continuously consolidating the core competitiveness for the future energy industry.

(II) Main products and applications

The Company’s main products are power battery system, energy storage battery system and power transmission and distribution equipment. Specifically:

1. Power battery system

The Company is one of the earliest enterprises in China dedicated to the independent research and development, large-scale production and international market expansion of power lithium batteries for new

energy vehicles. Its main products cover the full range of products including lithium iron phosphate cells, lithium manganese iron phosphate cells, ternary cells, battery modules and battery packs. The Company has established long-term, stable and deeply collaborative strategic partnerships with many mainstream new energy vehicle manufacturers around the world. Its products are widely used in all types of new energy vehicles, including pure electric passenger cars, commercial vehicles, special-purpose vehicles and hybrid vehicles, providing safe, efficient and reliable power solutions for the global new energy transportation sector.

2. Energy storage battery system

The Company has established a mature and complete technical application system and a full-spectrum product matrix in the field of energy storage battery systems. It can provide one-stop green energy system solutions for global customers, covering the entire chain of products such as energy storage cells, standardized battery boxes, integrated energy storage battery cabinets and system solutions. It comprehensively covers multiple fields such as power generation-side energy storage, grid-side energy storage, industrial and commercial energy storage, and household energy storage, meeting the customized needs of different customers and application scenarios.

The Company's energy storage battery system has passed multiple global authoritative certifications such as the national mandatory standard GB, the American UL, the international IEC, CSA, and TUV. The safety, reliability, and compliance of the products have all reached the international first-class level. Relying on its leading technological strength and complete product system, the energy storage projects participated by the Company have been implemented on a large scale in multiple regions and scenarios around the world. The coverage of green energy solutions continues to expand, and its global market influence and brand competitiveness steadily increase.

3. Power transmission and distribution equipment

Main products in the field of power transmission and distribution equipment include high and low voltage switch gear, digital electrical equipment, smart distribution network equipment, transformers, circuit breakers, integrated charging piles, and energy storage cabinets. These products are widely used in industries such as thermal power, hydro power, nuclear power, wind power, rail transportation, metallurgy, and chemical engineering. In recent years, the Company has actively promoted industrial transformation through technological innovation, expanding its power transmission and transformation O&M services as well as EPC project contracting.

(III) Business model

Relying on its full-chain layout, the Company has developed an integrated business model that combines “R&D-driven, supply chain guarantee, intelligent manufacturing, global marketing, and full-cycle services”, taking into account both large-scale efficiency and customized demands, providing solid support for the high-quality and sustainable development of its business.

1. Business model for power lithium batteries and energy storage batteries

In the R&D sector, the Company adheres to the principles of “market orientation, cutting-edge layout, and collaborative innovation”, builds a complete R&D and innovation system, and integrates top domestic and international industry-university-research resources. It focuses on core pain points such as the energy density, fast charging performance, cycle life of power lithium batteries, as well as the safety, stability, and comprehensive efficiency of energy storage batteries, and promotes the iterative upgrading of existing products. Meanwhile, it accelerates its efforts to break through cutting-edge technologies such as lithium iron manganese, sodium-ion, hybrid solid-liquid, and solid batteries, achieving efficient interaction between technological R&D, market demand and product application, and ensuring that technological advantages are transformed into product competitiveness.

In the supply chain sector, the Company has built a “diversified, global and risk-resistant” supply chain system. On the one hand, it has deepened long-term strategic cooperation with the world’s leading raw material suppliers to ensure the stable supply of key resources such as lithium, nickel and cobalt. On the other hand, relying on the layout of domestic and international production bases, it has promoted the local procurement of core raw materials and components, optimized the cost structure of the supply chain, and at the same time established a strict supplier access and control mechanism to fully control the quality of the supply chain, providing support for high-quality production and delivery.

In the manufacturing sector, the Company adopts an “intelligent, large-scale, and flexible” production model. Overseas bases and domestic bases share a mature and complete production management system and unified quality control standards, ensuring highly consistent, stable and reliable product quality. Through the upgrade of intelligent production lines, efficient mass production of battery cells, modules, battery packs and energy storage systems is achieved. At the same time, it has flexible production capabilities and can quickly adapt to the customized product demands of different scenarios and customers such as passenger vehicles, commercial vehicles and energy storage.

In the marketing sector, the Company implements the “To B+To C Synergy, Global integration” strategy. For the power lithium battery business, the Company focuses on the world’s mainstream new energy vehicle manufacturers, deepens long-term strategic cooperation with leading customers such as Volkswagen, Chery, Geely, and Leapmotor, adopts the “customized R&D + batch supply” model, and binds to the demands of core customers. For the energy storage battery business, it covers multiple scenarios such as power source side, grid side, industrial and commercial, household and portable energy storage. Through the “product sales + solution output” model, the Company expands diverse domestic and foreign customers and accelerates global market promotion relying on overseas marketing networks.

In the service sector, the Company has established a “full-cycle, localized, and intelligent” service system. For customers of power lithium batteries, it provides a full range of services including pre-sale technical consultation, during-sale customized adaptation, after-sale maintenance and repair, and battery recycling. For customers of energy storage batteries, it provides integrated services including project design, installation and commissioning, operation and maintenance management, etc. By deepening digital management and building an intelligent service platform, the Company achieves precise response to customer demands and efficient closed loop, and continuously consolidates the foundation of customer cooperation, contributing to the high-quality development of its global business.

2. Business model for power transmission and distribution

The Company adopts a bidding first and procurement later model for its power transmission and distribution business, settling in accordance with the contracted terms. Dongyuan Electrical, the Company’s subsidiary, implements the marketing strategies of unified management and control, rational optimization and comprehensively utilization of market resources and mainly adopts a direct sales model.

During the reporting period, the Company’s business models did not undergo significant changes.

(IV) Performance drivers and market position

1. Performance drivers

(1) Industrial policy incentives

The current global carbon neutrality process is continuously deepening and advancing. The green and low-carbon transformation of energy has become a consensus and strategic focus for all countries around the world. Relevant policies have been rolled out intensively, and support has been continuously strengthened, laying a solid policy foundation for the long-term and stable development of the new energy industry. Under the guidance of the “Carbon Peak and Carbon Neutrality” goals, in 2025, the domestic new energy policy system worked in concert to fully unleash market potential. The Ministry of Industry and Information Technology of the People’s Republic of China and other departments have issued the *Action Plan for High-Quality Development of the New Energy Storage Manufacturing Industry*, clearly stating that by 2027, 3 to 5 eco-leading enterprises will be cultivated to promote the upgrading of energy storage products towards high safety, long life and low cost. The National Development and Reform Commission and the National Energy Administration jointly issued the *Notice on Deepening the Market-oriented Reform of On-Grid Electricity Prices for New Energy to Promote High-Quality Development of New Energy* and the *Notice on Comprehensively Accelerating the Construction of the Electricity Spot Market*, promoting the full entry of new energy on-grid electricity into the market, the formation of electricity prices by the market, and the establishment of a sustainable development price settlement mechanism. Meanwhile, the policy plan *Development Plan for the New Energy Vehicle Industry (2021-2035)* is being implemented in an orderly manner, the mandatory national standard *Safety Technical Specifications for Electric Bicycles* is being fully implemented, and multiple factors such as the continuous implementation of the tax reduction and exemption policy for the purchase of new energy vehicles and the iterative upgrading of the small power lithium battery market are jointly promoting the further release of market demand. Internationally, the EU and the Middle East have successively introduced special laws for new energy, influencing the global landscape from three aspects: emission mandates, industrial support, and market access. The EU’s *Automotive Industry Package* has relaxed the zero-emission target by 2035 and provided EUR 1.8 billion in battery support. The *Power Grid Package Plan* promotes power grid upgrading, helps achieve the targets of emission reduction and renewable energy by 2030, and supports the modernization of the power grid. The *Regulation on Batteries and Waste Batteries* requires carbon footprint certification for batteries, raising the entry threshold, and the member states of the European Union have also simultaneously introduced consumption incentives. Countries in the Middle East have accelerated the layout of green energy and the pace of industrial upgrading. Saudi Arabia has promoted economic transformation based on its “Vision 2030”, while the United Arab Emirates has planned its development path with the “Energy Strategy 2050” as the core, and has introduced incentive policies in areas

such as energy storage technology R&D and the construction of new energy vehicle infrastructure, accelerating the process of energy decarbonization. On the whole, overseas policies are driving the expansion of global demand for new energy and promoting the reconstruction of the supply chain pattern, and technological and compliance capabilities have become core competitiveness. During the reporting period, the Company accurately seized domestic and international policy opportunities and expanded its market share by leveraging policy dividends.

(2) Surge in market demand

During the reporting period, the demand in the two core sectors of new energy vehicles and energy storage continued to explode, becoming the core driving force for the Company's performance growth. According to EVTank's statistics, in the field of new energy vehicles, global sales of new energy vehicles reached 23.542 million units in 2025, with a year-on-year growth of 29.1%. The Chinese market accounted for more than 70%, and the continuous release of market demand drove a significant increase in the installed capacity of power batteries. With a rich product matrix, the Company precisely met the demands of various passenger and commercial vehicles, achieving a steady increase in sales. The growth momentum in the energy storage sector was equally strong. According to data from EVTank, the global shipment of energy storage lithium batteries reached 651.5GWh in 2025, representing a year-on-year increase of 76.2%. Among them, the shipment of Chinese enterprises was 614.7GWh, accounting for 94.4% of the global total. From the perspective of the energy storage sub-sectors, household energy storage and portable energy storage have become growth highlights. Data from ICC shows that the shipment of household energy storage and portable energy storage reached 58.8GWh in 2025, surging by 117.7% year-on-year. In the future, as the global energy transition progresses further, and the penetration rate of new energy vehicles continues to rise, the demand from emerging overseas markets will gradually release. Coupled with the diversification of energy storage scenarios and the accelerated global layout, the long-term growth logic of the industry will be clear and the development space broad. The Company will seize the development opportunities of the global new energy industry, and further consolidate its market position to lay a solid foundation for its long-term high-quality development.

(3) Support by technical advantages

The Company's technological breakthroughs are driven by a dual-engine of "material science plus digital science". It always adheres to the core orientation of technological innovation to build a diversified and multi-level technological layout. Based on the continuous consolidation of the existing technological advantages of lithium iron phosphate batteries, the Company has taken solid-state batteries as a key R&D direction, fully

promoting technological R&D and industrialization. During the reporting period, the Company successfully completed the construction and commissioning of the first all-solid-state battery pilot production line, building a differentiated competitive barrier. Relying on stable product performance and reliable technical strength, the Company's products stand out in key dimensions such as safety, energy density, and fast charging performance. They can not only precisely meet the core demands of new energy vehicles for long range and fast charging, but also fully adapt to the scenario requirements of high safety and high stability in the energy storage field, achieving an efficient transformation of technological strength into product competitiveness. This further enhances the market share of products and injects strong impetus into the Company's performance growth. Meanwhile, the Company has continuously strengthened its standard setting and intellectual property layout, and has taken the lead or participated in the revision and improvement of multiple national and industry standards. Its global intellectual property layout has been continuously deepened, with the total number of patent technologies exceeding 10,000. The coverage of core technology patents has been continuously expanded, and its technological discourse power and industry influence have been constantly enhanced. With the continuous advancement of the global layout, the scale of the R&D team has steadily expanded, the R&D management system has become increasingly complete, and the efficiency of technological innovation and transformation has significantly improved, providing solid technical support for the Company's sustained and stable business growth.

(4) Continuous improvement of comprehensive competitiveness

During the reporting period, the Company made efforts in multiple dimensions such as products, markets, supply chains, and management to continuously enhance its comprehensive competitiveness and ensure stable growth in performance. In terms of products, efforts were focused on promoting the mass production of high energy density and high value-added products to enhance the profitability of the products. In terms of market expansion, the Company firmly advanced the globalization strategy, deepened strategic cooperation with leading customers, actively expanded high-quality global customers and emerging markets, coordinated with mainstream domestic automakers to go global, and optimized the customer structure and regional layout. The Company's domestic market share steadily increased, with a growth rate ranking among the top in the industry. The scale and breadth of its overseas business layout continued to accelerate. By leveraging the policy dividends of the global energy transition, it effectively released the growth momentum of the market. In terms of supply chain, by signing long-term procurement agreements and building core material production capacity on its own, the Company locked in the supply of key raw materials such as lithium ore, electrolyte, and copper

foil, achieving independent control over materials like lithium iron phosphate cathodes and silicon-carbon anodes, and reducing supply chain costs and risks. In terms of base construction, the Company's high-quality domestic production capacity was continuously released, and the construction of overseas bases was accelerated. A global production capacity layout was gradually formed, and the scale effect gradually emerged. In terms of management, the Company deepened the concept of lean manufacturing, strengthened cost control and operation management, optimized production efficiency, continuously advanced business process optimization and digital construction, and contributed to the improvement of management efficiency, providing a solid guarantee for the sustained growth of its performance.

2. Market position

During the reporting period, the Company made steady progress and led the industry in growth rate in its power lithium battery business. According to the statistics of SNE Research, in 2025, the Company's global installed capacity of power lithium batteries reached 53.5GWh, increasing by 82.5% year-on-year. The growth rate ranked first among the top 10 enterprises in terms of global installed capacity. Its global market share has increased to 4.5%, and the ranking has risen by three places compared to 2024, leaping to the fifth place globally. According to statistics from the China Automotive Power Battery Industry Alliance, the Company's installed capacity of power lithium batteries in China reached 43.44GWh in 2025, representing a year-on-year growth of 73%, with a market share of 5.65%, firmly ranking fourth.

Rapid breakthroughs were made in the energy storage battery business, and the advantages in core niche markets became more prominent. According to ICC's statistics, the Company's shipment of energy storage batteries exceeded 30GWh in 2025, with a market share of 5%. Among them, the global base station and data center UPS backup battery market performed outstandingly, with a market share exceeding 28%, firmly holding the top position globally and continuously consolidating its leading position in the market. During the reporting period, the Company was repeatedly included in the BNEF Energy Storage Tier1 list, thanks to its well-established global delivery network, high-quality energy storage products and excellent project performance capabilities. Looking ahead, the Company will adhere to its original aspiration of green and low-carbon development, focus on technological innovation, continuously increase investment in R&D, constantly optimize product performance and improve energy utilization efficiency, steadily expand business layout and market share, deeply cultivate all-scenario applications, and continuously provide efficient, safe and environmentally friendly green solutions for global customers to contribute to the transformation of the global energy structure and sustainable development.

II. Industry profile during the reporting period

In 2025, the global energy transition entered a critical and deepening period, the “Carbon Peak and Carbon Neutrality” goals and the energy security strategy drove each other, and the global energy structure evolved deeply from traditional fossil energy to new energy. Coupled with the application and empowerment of digital and artificial intelligence technologies, the industry was presented with structural opportunities. The three major fields where the Company operates, namely power lithium batteries, energy storage batteries and power transmission and distribution equipment, are all core supports for the construction of the new power system and key carriers for the development of the new energy industry. After the industry has undergone a reshuffle, it has embarked on a path to break through the “anti-involution”, gradually moved away from the extensive development model of low-price competition and capacity competition, and accelerated the progress towards a sustainable model featuring technological innovation, quality improvement, diversified models, global collaboration, and green and zero-carbon development. The Company not only fully benefited from the industry dividends brought about by the concentrated release of energy storage market demand and the rapid increase in the electrification rate of new energy, but also faced multiple challenges such as fluctuations in raw material prices, increasingly fierce international competition, and the long industrialization cycle of new technologies. Facing a development environment where opportunities and challenges coexisted, the Company, while consolidating its existing advantages and accelerating market expansion, continuously deepened technological innovation and industrial upgrading, promoted multi-point breakthroughs and all-round efforts, and ensured stable operation, high-quality and sustainable development.

(I) Power lithium battery industry

In 2025, the trend of automotive electrification continued to accelerate, driving the rapid growth of the power lithium battery industry. According to data from EVTank, the global shipment of power batteries reached 1,495.2 GWh, representing a year-on-year increase of 42.2%. According to the statistics of SNE Research, the global installed capacity of automotive power batteries increased by 31.7% year-on-year to 1,187 GWh. According to statistics from the China Association of Automobile Manufacturers, in 2025, the sales volume of new energy vehicles in China reached 16.49 million units, increasing by 28.2% year-on-year. The market penetration rate rose to 50.8%, officially entering a new stage of high-quality development with a penetration rate of over 50%. According to the data from the China Automotive Power Battery Industry Innovation Alliance, the installed capacity of power batteries in China reached 769.7GWh in 2025, an increase of 40.4% year-on-year, and the market size continued to expand. From the perspective of segmented markets, the industry showed

structural differentiation and differentiated growth characteristics. The market for new energy passenger vehicles maintained a steady development, with an annual sales volume of 13.875 million units, a year-on-year increase of 19.8%, and a penetration rate of 54%, continuously leading the industry's electrification transformation. The new energy commercial vehicle market witnessed explosive growth, with domestic sales reaching 871,000 units, a significant year-on-year increase of 63.7%, and the penetration rate rising to 26.9%. Among them, the heavy-duty truck segment performed particularly outstandingly. According to EVTank's statistics, the annual sales volume reached 233,000 units, surging by 181.9% year-on-year. The installed capacity of the supporting lithium batteries reached 96.7GWh, becoming an important engine driving the growth of the power battery industry.

Overall, technological innovation has become the core main line driving the high-quality development of the industry. Enterprises in the upstream and downstream of the industry chain have deepened their collaboration and engaged in healthy competition, jointly promoting the continuous upgrading of the power battery industry towards more advanced technology, more optimized structure, and superior quality.

(II) Energy storage battery industry

In 2025, the construction of a new global power system was accelerated, with the substitution of renewable energy speeding up. The installed capacity of photovoltaic and wind power increased significantly. As a core support for ensuring the balance of the power system and promoting the consumption of clean energy, energy storage had a prominent strategic position. The industry entered a period of explosive growth, and market demand showed a favorable trend of multi-scenario coordinated efforts and comprehensive expansion. In the domestic market, under the guidance of the *Notice on Deepening the Market-oriented Reform of On-Grid Electricity Prices for New Energy to Promote High-Quality Development of New Energy* (F. G. J. G. [2025] No. 136), and with the gradual implementation of capacity electricity price policies, the state clearly established an independent new energy storage capacity electricity price mechanism on the power grid side. This not only stabilized the capacity revenue expectations of the industry, but also enriched the industry's profit model and broadened the development path. According to data from the National Energy Administration, in 2025, China's newly installed photovoltaic capacity reached 315.07GW, representing a year-on-year growth of 13.7%, directly driving a sharp increase in the demand for energy storage facilities. According to data from CNES, China's new installed capacity of new energy storage reached 66.43GW/189.48GWh, increasing by 52%/73% year-on-year. Independent energy storage has become the core of growth, and the industry is gradually transforming towards high-quality development. The overseas market performed outstandingly. The European and American regions

continued to expand thanks to policy dividends. Europe promoted the coordinated development of household and grid-side peak shaving energy storage. With the continuous improvement of carbon footprint management and safety standards, the industry upgraded towards high-end, compliance and sustainability. Meanwhile, regions such as the Middle East, Southeast Asia, and Latin America have risen rapidly. Relying on the accelerated process of new energy substitution and the increasing penetration rate of photovoltaic power in these areas, they have become new growth poles in the global energy storage market.

From the perspective of industrial development trends, the continuous release of energy storage battery capacity and the accelerating pace of technological iteration have effectively driven down system costs through the batch shipment of large-capacity cells, further stimulating market demand in various scenarios. Chinese enterprises, leveraging their advantages of full industry chain synergy, have taken a dominant position in the global market. In the future, as the application scenarios of energy storage continue to expand and emerging scenarios such as mining and data centers rise, the scale of the energy storage industry will continue to grow steadily, and the industry is expected to enter a higher-quality development stage.

(III) Power transmission and distribution equipment industry

With the continuous advancement of domestic power system upgrading and transformation, the electricity consumption by residents and industries has been increasing steadily. The state has been continuously increasing investment in power grid construction, presenting a favorable development opportunity for the power transmission and distribution equipment industry. The industry as a whole has maintained a stable development trend and is accelerating its transformation towards green, intelligent and digital development. The country is continuously promoting the construction of a new energy system, with multiple core policies working in tandem. In the field of distribution networks, the *Guiding Opinions on Energy Work in 2025* explicitly states that efforts should be made to transform distribution networks towards intelligence and flexibility, and to make up for the shortcomings in power supply. In terms of the supervision of transmission and distribution prices, the National Development and Reform Commission has revised and issued the *Cost Supervision and Audit Measures for Transmission and Distribution Pricing*, the *Pricing Measures for Transmission and Distribution Prices of Provincial Power Grids*, etc., to facilitate the consumption of new energy and the cost reduction and efficiency improvement of power grid enterprises. In the field of ultra-high voltage construction, multiple departments have opened up green channels for approval, encouraged private capital to participate, promoted the large-scale construction of ultra-high voltage channels, and facilitated the transmission of clean energy. All policies were coordinated and effective, providing solid support for the high-quality development of the industry. Investment

in national power grid engineering construction increased year-on-year, with a significant growth rate in investment in ultra-high voltage direct current projects. The volume of cross-regional and cross-provincial power transmission steadily rose, and the intelligent transformation of distribution networks and the renewal of old equipment accelerated, driving the continuous release of demand for transmission and distribution equipment. Intelligent, low-energy-consuming and integrated equipment have become the mainstream in the market, and technological innovation and product upgrading have become the core competitiveness of enterprises.

Relying on the development opportunities of the industry, the Company's power transmission and distribution business focuses on core products such as high and low voltage switchgear assemblies and intelligent distribution network equipment, which are in line with the industry policy orientation and market demand. In 2025, the Company continued to increase investment, promoted technological iteration, expanded diverse application scenarios, and steadily enhanced its competitiveness to provide support for its overall business development.

III. Analysis of core competence

(I) Solid core technology foundation and strong ability to innovate and iterate

Technological innovation is the core engine that supports the Company's long-term development. The Company has always adhered to its original development aspiration of "technology-based enterprise", and has been deeply engaged in the field of new energy batteries for many years. It has built a complete technical barrier covering the entire life cycle of batteries, continuously breaking through technical bottlenecks and promoting the iterative upgrading of core technologies and breakthroughs in key areas, which has helped the Company achieve a growth against the headwinds in market share during the period of industry structure adjustment.

The Company continues to advance technological innovation and product application in the fields of material research and digital research. In terms of materials, the Company has established an independent R&D system and capability covering the whole chain of mineral processing, positive electrodes, negative electrodes, diaphragm, electrolytes, and other auxiliary materials. The Company has developed an LMFP material that has shown significant improvements in compaction density and low-temperature performance. Concurrently, the Company is expediting the research and development of pivotal materials for solid-state batteries, surmounting technical barriers, and further consolidating its leading technological edge. In terms of digital R&D, with big data and artificial intelligence as the core drivers, by deploying the Axtrem digital and intelligent industrial AI

platform, the entire production and manufacturing process can be automatically executed and monitored in real time, effectively enhancing production efficiency and product quality. At the same time, the Company continuously optimizes the big data intelligent early warning system to achieve real-time monitoring and safe operation and maintenance of on-board and energy storage systems, build a digital control system covering the entire product life cycle and the entire process, and strengthen the product safety defense line. The Company actively integrates high-quality global innovation resources and has established eight R&D centers worldwide, covering core regions such as Shanghai and Hefei in China, Tsukuba in Japan, Singapore, Silicon Valley in the United States, and Cleveland in the United States. These centers comprehensively cover multiple fields including material system R&D, product design, testing and verification, and the breakthrough of next-generation battery systems. By conducting in-depth exchanges and collaboration with globally renowned enterprises and research institutions, the Company accelerates the process of technological innovation, absorbs and draws on advanced technologies and management experiences, and continuously enhances the core technological competitiveness of batteries and the operational efficiency of the R&D system.

The Company is committed to building a global network of scientific and technological cooperation and deepening the mechanism of collaborative innovation between schools and enterprises. By the end of the reporting period, it had established in-depth cooperative relationships in scientific research innovation and talent cultivation with many renowned universities at home and abroad, such as Stanford University, Columbia University, Nanyang Technological University, University of Hannover, Tsinghua University, University of Science and Technology of China, and Tongji University, to jointly carry out cutting-edge technology R&D, jointly promote the technological iteration and progress of the new energy battery industry, and reserve core talents for the Company's long-term development.

The Company attaches great importance to the protection and standardized management of intellectual property rights, actively conducts patent layout, and deeply participates in the formulation of industry standards, thus building a solid technical protection barrier. As of the end of the reporting period, the Company had cumulatively filed 13,254 patent applications, including 5,951 invention patents (of which 496 are foreign patents), and has led or participated in the formulation of a total of 183 industrial standards, continuously enhancing the Company's technological discourse power and influence within the industry.

(II) Complete product line structure and extremely extensive coverage of scenarios

From technology R&D to product launch, the Company has built a diversified, high-quality and high-security product system by relying on scientific strategic planning and efficient operation management,

precisely meeting the needs of customers in multiple application scenarios, regions and levels, and strongly supporting the continuous expansion of the Company's business scale.

In the power sector, with a focus on the passenger car market, the Company's products cover pure electric, plug-in hybrid, and range-extended technology pathways, catering to the requirements of high-end, mid-range, and economy segments. During the reporting period, a brand-new LMFP system L600 Qichen battery cell and battery pack independently developed by the Company were launched, effectively enhancing the driving range and alleviating users' range anxiety. Meanwhile, the Company launched the G Yuan hybrid solid-liquid battery for the first time. With its unique adaptive solid-solid interface technology, it built a high-speed ion transport channel to ensure stable and efficient operation throughout the entire life cycle. The first pilot production line of the all-solid-state battery "Jadestone" was built and put into operation, meeting the future demand for high-performance cells. Facing the commercial vehicle market, the Company launched the Gotion-brand battery super heavy truck standard package, comprehensively covering application scenarios such as tractors, mixers, and mining trucks. At the same time, it accelerated the research and development and mass production of new market segment products such as low-altitude aircraft and electric ships.

In the energy storage sector, the Company's product matrix has achieved multi-scenario coverage, including application areas such as public utility energy storage, commercial and industrial energy storage, household energy storage, and portable energy storage, forming a complete product system of "energy storage batteries + system solutions". During the reporting period, the newly launched "Qianyuan Zhichu" energy storage battery system had significantly enhanced operational safety and reliability in extreme environments through technological upgrades. In the To C market, the Gendome series of portable mobile energy storage devices such as Go300 and Home3000 gained high attention in overseas markets with their innovative design and performance advantages, opening up new markets for the Company's business growth. In the field of zero-carbon solutions, the Company, leveraging its core technological advantages, has fully integrated the zero-carbon concept into the entire business process, precisely matching the zero-carbon transformation needs of multiple scenarios such as industry, logistics, parks, and households. It has launched customized and integrated zero-carbon solutions to empower the green upgrade of downstream scenarios.

(III) Well-supported industry chain and highly resilient supply chain

The Company is one of the earliest enterprises in China to lay out the entire industry chain of new energy batteries. It is involved in the upstream raw material fields such as minerals, precursors, cathodes, anodes, copper foil, and separators, as well as the battery recycling field. It adheres to the independent control of core

industrial links and has built a complete industry chain closed loop of “upstream resources - midstream manufacturing - downstream application – recycling”, effectively enhancing the Company’s risk resistance capacity and profit level.

In terms of upstream resources, the Company has secured access to mineral assets, such as the Yichun lithium mine, independently built material bases for cathodes, anodes, etc., and achieved self-sufficiency in core materials. At the same time, through strategic investment, long-term collaboration and other means, it has established close cooperative relationships with leading upstream enterprises in areas such as diaphragms and electrolytes, effectively ensuring the stable supply of key raw materials, strengthening the security and cost advantage of the supply chain, and providing support for the Company’s capacity expansion and product competitiveness improvement.

In terms of midstream manufacturing, the Company has continuously expanded the scale of high-quality production capacity, promoting the global and local layout of production capacity. By the end of the reporting period, it had established production bases in multiple core regions across the country, including Hefei, Tongcheng, Lu’an, Chuzhou, Nanjing, Tangshan, Qingdao, Yichun, Liuzhou, and Wuhai. At the same time, efforts were intensified for capacity construction in cities such as Wuhu, Hefei and Nanjing. In terms of overseas layout, efforts were accelerated to promote the construction of factories in regions such as Asia-Pacific, Europe and Africa, and the Americas. The Company continuously enhances its comprehensive manufacturing competitiveness through a standardized production system, automated production lines and full-process quality control. In addition, the Company actively promotes the transformation towards intelligent manufacturing and green manufacturing. During the reporting period, the Company released the “Zero-Carbon Solution for High-Energy-Consuming Factories” at its factory in Wuhai, Inner Mongolia, marking the official operation of the world’s first zero-carbon anode material factory.

In terms of downstream application, the Company has forged strategic partnerships with numerous vehicle manufacturers and energy storage system integrators, thereby facilitating sustained growth in scale. Additionally, the Company is in the process of establishing a battery recycling network, which aims to create a sustainable closed-loop system of “production - application - regeneration,” thereby embodying the principles of sustainable development. This comprehensive industry chain model not only bolsters the Company’s resilience against risks but also enhances overall operational efficiency and profitability.

(IV) Cultivate a second growth curve and provide application solutions for emerging scenarios

The innovative solutions for emerging scenario applications are the new growth poles cultivated by the Company. Relying on its own technological advantages in battery cells, it focuses on scenarios such as small power, mobile charging, and To C, and launches customized solutions to promote the implementation of mobile heavy truck charging solutions. The Gendome series of portable energy storage products are sold to various overseas regions. The Company is simultaneously laying out supporting products for emerging scenarios such as low-altitude economy and marine fields, continuously expanding the application boundaries of its products, creating differentiated competitive advantages, and building a green and environmentally friendly new energy ecosystem with industry chain partners.

IV. Analysis of primary business

1. Overview

During the reporting period, the Company achieved an operation income of RMB 45,070.4618 million, a year-on-year increase of 27.35%, realized an operating profit of RMB 2,345.1106 million, a year-on-year increase of 82.72%, achieved total profit of RMB 2,253.3262 million, a year-on-year increase of 78.40%, and achieved a net profit of RMB 2,288.4189 million, a year-on-year increase of 98.28% (in which the net profit attributable to the owner of the parent company was RMB 2,383.2719 million, a year-on-year increase of 97.49%). The main business situation is as follows:

(I) Focus on breakthroughs in cutting-edge technologies and consolidation of the competitiveness of products in all scenarios

In the passenger vehicle sector, the Company launched the world's first LMFP ultra-fast charging cell – “Qichen II Battery Cell”, with an energy density of 240Wh/kg. It is equipped with 5C fast charging technology, significantly enhancing charging efficiency and range performance, and effectively alleviating users' range anxiety. A significant breakthrough has been made in solid-state battery technology. The first pilot production line of the all-solid-state battery Jadestone has been successfully put into operation. The energy density of G Yuan hybrid solid-liquid battery can reach up to 300Wh/kg, enabling the vehicle to travel a range of 1,000 kilometers and providing a next-generation core power solution for high-end electric passenger vehicles.

In the commercial vehicle sector, the “Gotion-brand battery super heavy truck standard package” launched by the Company has a single pack capacity of 116kWh. It innovatively integrates four-gun parallel charging technology with a 1000V high-voltage platform, increasing charging efficiency by 30%. The product achieves zero capacity attenuation after 3,000 cycles and zero wear and tear during 1.2 million kilometers of driving. It

features an extremely long lifespan and high reliability, providing stable and efficient energy support for urban logistics, long-distance transportation and other scenarios.

In the energy storage sector, the Company continuously improves its product matrix. The Qianyuan Zhichu 20MWh energy storage battery system adopts modular splicing integration and wind-liquid integrated energy-saving technology. Combined with a seven-level safety protection system, it significantly enhances operational safety and stability in extreme environments. The brand-new industrial and commercial storage product, Qianyuan Zaidao, was simultaneously launched. It supports flexible system configuration of 2/4h and has an overall efficiency exceeding 91%. It can be widely adapted to diverse application scenarios such as industrial parks, photovoltaic storage charging stations, data centers, and microgrids.

(II) Deepening and breakthrough in the global market and upgrading of the three major businesses in a coordinated manner

The Company closely follows the development trends of the new energy industry, accurately grasps the changes in market demand, continuously optimizes the global market layout, promotes the coordinated development of domestic and overseas markets, steadily upgrades the marketing structure, and constantly consolidates its core competitiveness.

In the passenger vehicle sector, it has been deeply engaged in the high-end market in China. By providing personalized customization solutions to meet the core demands of mid-to-high-end models, it has successfully obtained core orders for models such as the Chery's Sterra ES, Geely's Galaxy E5, Changan's Qiyuan A06, and the entire range of high-end models from Leapmotor. The proportion of B-class and above models supplied has significantly increased. Overseas, the Company focuses on market expansion. On the basis of cooperation with leading customers such as Vinfast, TATA, and Rivian, it actively explores new strategic customers. During the reporting period, the standard battery cells jointly developed by the Company and Volkswagen were mass-produced and delivered, and were equipped on multiple vehicle platforms of the Volkswagen Group, marking a leapfrog progress in global market expansion.

In the commercial vehicle sector, new energy heavy-duty trucks are accelerating their penetration. Batteries for Gotion-brand battery super heavy truck standard package comprehensively cover heavy-duty truck application scenarios, and strategic cooperation with leading enterprises such as Sany Heavy Industry, FAW Jiefang, Chery Commercial Vehicles, and Geely Commercial Vehicles are deepened. The Company accelerates the development of customers in the Americas, Europe and Africa simultaneously to achieve leapfrog growth and major breakthroughs in the commercial vehicle business.

The energy storage sector has been making continuous efforts, focusing on multi-scenario energy storage demands, and achieving breakthroughs in both domestic and international markets simultaneously. Domestically, multiple energy storage projects have been successfully delivered and connected to the grid. Among them, the Baotou Weijun 1.2GWh grid-side independent energy storage power station invested and constructed by the Company has achieved full capacity grid connection, setting an industry benchmark. The overseas market has achieved remarkable results. The Lower Rio project in the United States and two energy storage power stations in Japan have been successfully connected to the grid. During the exhibitions in Australia, Japan and North America, the Company signed orders and cooperation agreements with many enterprises, accelerating its global energy storage market layout. During the reporting period, the Company was repeatedly included in the BNEF Tier 1 energy storage list, and the global influence of its energy storage business continued to consolidate.

(III) Construction of a diversified energy service system driven by technological innovation

Driven by technological innovation, the Company focuses on new application scenarios such as commercial vehicle charging and small power, launches multiple new products, and builds intelligent energy solutions. It integrates the zero-carbon concept into each business unit, assists in achieving decarbonization goals in different scenarios, and improves the diversified zero-carbon energy service system.

In the field of commercial vehicle charging, the building-block charging and battery swapping system launched by the Company adopts a modular building-block battery pack design. Each pack has a high capacity and flexible combination, which can be quickly adapted to pure electric heavy-duty trucks, semi-trailer tractors and other commercial vehicle models, achieving a five-minute ultra-fast battery swapping. It is also equipped with a customized intelligent energy management system, significantly improving charging efficiency and operational economy, leading the innovation of heavy-duty truck charging models. Relying on this innovative technology, the Company has accelerated the layout of its heavy-duty truck battery swapping trunk network, covering scenarios such as mining areas, trunk logistics, and zero-carbon parks, to create an efficient, safe, and replicable electric vehicle charging ecosystem for commercial vehicles.

In the field of small power and emerging scenarios, the Company focuses on high-growth scenarios such as electric two-wheelers/three-wheelers, low-altitude flight, intelligent robots, and electric ships, and launches high-safety, long-life, and standardized products to open up the Company's third growth curve.

In the To C business field, the Company has launched the Gendome series of portable energy storage products for global families and individual users, covering categories such as household energy storage and

outdoor mobile power banks. With advantages of large capacity, high safety and intelligence, it meets diverse needs such as household backup power, outdoor travel and emergency power supply. The products are exported to Europe, America, Asia-Pacific and other regions, successfully building a global consumer brand targeting end users.

In the field of zero-carbon solutions, the Company, relying on its core technological advantages, deeply integrates the zero-carbon concept into the entire business chain, and builds an independent and complete zero-carbon solution business platform as the core support of its diversified energy service system. The Company focuses on the zero-carbon transformation demands of multiple scenarios such as industry, logistics, parks, and households, and has launched an integrated zero-carbon solution, covering core areas such as energy storage for new energy power generation, low-carbon operation of electric charging for heavy-duty trucks and logistics vehicles, low-carbon management throughout the entire life cycle of power batteries, and clean energy storage for households and outdoors. It aims to achieve a closed loop of green power “source-storage-load” and create a “waste-free” ecosystem.

(IV) Deep implementation of the global strategy and quality improvement and acceleration of overseas expansion

The Company firmly advances its global development strategy, taking “global layout, local operation, and collaborative efficiency” as the core, and comprehensively consolidating the foundation for overseas development. In terms of the supply chain, a diversified, highly secure and risk-resistant global supply chain network has been built. Relying on overseas production capacity layout, local procurement of core raw materials is promoted to effectively reduce logistics costs and geographical risks. At the same time, the Company deepens the strategic cooperation with leading global raw material suppliers to ensure the stable supply of key resources such as lithium, nickel and cobalt. In terms of production and manufacturing, it accelerates the establishment and commissioning of overseas production bases, and builds a global production capacity matrix of “domestic core and overseas fulcrum”. Overseas bases follow the mature quality control standards in China to ensure consistent product quality, enabling rapid response to customer demands in core regions around the world and shortening the delivery cycle. In the field of comprehensive services, the Company continuously improves the overseas service network, responds quickly and troubleshoots faults, and enhances customer experience and stickiness. At the same time, it collaborates with top overseas universities and research institutions to jointly develop cutting-edge technologies and attract global innovative talents,

actively participates in the formulation of industry standards, and continuously enhances its global resource integration capabilities and technological discourse power.

2. Income and cost

(1) Composition of operating income

Monetary Unit: RMB

	2025		2024		Year-on-year increase/decrease
	Amount	Proportion to operating income	Amount	Proportion to operating income	
Total operating income	45,070,461,822.87	100%	35,391,817,095.44	100%	27.35%
By industry					
Power battery system	34,074,009,140.08	75.60%	25,648,234,808.94	72.47%	32.85%
Energy storage battery system	9,066,118,458.62	20.12%	7,831,578,941.56	22.13%	15.76%
Power transmission and distribution products	422,883,585.25	0.94%	456,823,031.23	1.29%	-7.43%
Other businesses	1,507,450,638.92	3.34%	1,455,180,313.71	4.11%	3.59%
By product					
Power battery system	34,074,009,140.08	75.60%	25,648,234,808.94	72.47%	32.85%
Energy storage battery system	9,066,118,458.62	20.12%	7,831,578,941.56	22.13%	15.76%
Power transmission and distribution products	422,883,585.25	0.94%	456,823,031.23	1.29%	-7.43%
Other businesses	1,507,450,638.92	3.34%	1,455,180,313.71	4.11%	3.59%
By region					
Chinese main-land	34,887,364,691.27	77.41%	24,386,980,117.08	68.91%	43.06%
Overseas (including Hong Kong, Macao and Taiwan)	10,183,097,131.60	22.59%	11,004,836,978.36	31.09%	-7.47%
By sales model					
Direct selling	45,070,461,822.87	100.00%	35,391,817,095.44	100.00%	27.35%

(2) Industries, products, regions or sales models making up over 10% of the Company's operating income or operating profit

Applicable Not applicable

Monetary Unit: RMB

	Operating income	Operating cost	Gross profit margin	Year-on-year increase/decrease in operating income	Year-on-year increase/decrease in operating cost	Year-on-year increase/decrease in gross profit margin
By industry						
Power battery system	34,074,009,140.08	29,172,444,988.92	14.39%	32.85%	34.03%	-0.75%
Energy storage battery system	9,066,118,458.62	7,184,898,878.46	20.75%	15.76%	17.24%	-1.00%
Power transmission and distribution products	422,883,585.25	347,568,018.72	17.81%	-7.43%	-5.28%	-1.87%
Other businesses	1,507,450,638.92	1,075,457,351.52	28.66%	3.59%	41.59%	-19.15%
By product						
Power battery system	34,074,009,140.08	29,172,444,988.92	14.39%	32.85%	34.03%	-0.75%
Energy storage battery system	9,066,118,458.62	7,184,898,878.46	20.75%	15.76%	17.24%	-1.00%
Power transmission and distribution products	422,883,585.25	347,568,018.72	17.81%	-7.43%	-5.28%	-1.87%
Other businesses	1,507,450,638.92	1,075,457,351.52	28.66%	3.59%	41.59%	-19.15%
By region						
Chinese mainland	34,887,364,691.27	29,705,173,212.26	14.85%	43.06%	45.14%	-1.22%
Overseas (including Hong Kong, Macau and Taiwan)	10,183,097,131.60	8,075,196,025.36	20.70%	-7.47%	-5.59%	-1.58%
By sales model						
Direct selling	45,070,461,822.87	37,780,369,237.62	16.17%	27.35%	30.19%	-1.83%

Where the standard for the statistics of the Company's primary business data is adjusted during the reporting period, the Company's primary business data after the adjustment as at the end of the reporting period in the last year

Applicable Not Applicable

(3) Whether the Company's income from physical sales is greater than the labor service income

Yes No

Industry	Item	Unit	2025	2024	Year-on-year increase/decrease
Battery system	Sales volume	10,000Ah	3,087,352	1,975,231	56.30%
	Production volume	10,000Ah	3,192,604	2,107,631	51.48%
	Inventory volume	10,000Ah	477,955	372,703	28.24%

Reasons why the relevant data changed by over 30% year on year

Applicable Not applicable

1. Sales volume in 2025 rose by 56.30% year on year, mainly due to an increase in sales as a result of strong market demand during the reporting period.

2. Production volume in 2025 rose by 51.48% year on year, mainly due to the release of production capacity and an increase in output during the reporting period.

(4) Performance of major sales contracts signed by the Company as of the reporting period

Applicable Not Applicable

(5) Composition of operating costs

Product Category

Monetary Unit: RMB

Product category	Item	2025		2024		Year-on-year increase/d decrease
		Amount	Proportion to operating cost	Amount	Proportion to operating cost	
Battery system	Raw materials	29,155,110,940.67	77.17%	23,118,670,757.76	79.66%	-2.49%

Description

None

(6) Whether there was any change in the consolidation scope during the reporting period

Yes No

For details of the changes in the consolidation scope, please refer to “VII. Explanation on the changes in the consolidation scope compared with the financial report of the previous year” of Section V.

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

Applicable Not Applicable

(8) Major customers and major suppliers

Major customers of the Company

Aggregate sales amount from top five customers (\$)	18,733,258,007.44
Proportion of aggregate sales amount of top five customers’ sales to total annual sales	41.56%
Proportion of related party sales among sales of top five customers to total annual sales	0.00%

Information of top 5 customers of the Company

No.	Customer's name	Sales amount (RMB)	Proportion to the total annual sales amount
1	Customer 1	4,855,027,737.78	10.77%
2	Customer 2	4,690,275,884.88	10.41%
3	Customer 3	3,474,489,025.13	7.71%
4	Customer 4	2,999,412,189.99	6.65%
5	Customer 5	2,714,053,169.66	6.02%
Total	--	18,733,258,007.44	41.56%

Other explanations about the major customers

Applicable Not Applicable

Major suppliers of the Company

Total purchase amount achieved through the top 5 suppliers (RMB)	8,256,750,404.68
Proportion of total purchase achieved through top 5 suppliers in the total annual purchase amount of the Company	23.04%
Proportion of the total purchase amount achieved through related parties among the top 5 customers in the total annual purchase amount of the Company	3.91%

Information of top 5 suppliers of the Company

No.	Supplier's name	Purchase amount (RMB)	Proportion to the total annual purchase amount
1	Supplier 1	2,859,313,911.52	7.98%
2	Supplier 2	1,510,284,623.50	4.22%
3	Supplier 3	1,402,048,634.90	3.91%
4	Supplier 4	1,387,916,100.77	3.87%
5	Supplier 5	1,097,187,133.99	3.06%
Total	--	8,256,750,404.68	23.04%

Other explanations about the major suppliers

Applicable Not applicable

The proportion of related party purchases from the top 5 suppliers in the total annual purchases was 3.91%.

During the reporting period, the proportion of the Company's trade business income to its total operating income exceeded 10%

Applicable Not Applicable

3. Expenses

Monetary Unit: RMB

	2025	2024	Year-on-year increase/decrease	Reasons for major changes
Selling expenses	351,173,600.43	304,389,113.38	15.37%	No significant changes
General and administrative expenses	2,031,280,126.75	1,928,191,843.52	5.35%	No significant changes
Financial expenses	1,442,765,291.76	842,650,250.38	71.22%	Mainly due to an increase in exchange

				loss in this period
R&D expenditures	2,430,381,617.01	2,148,217,634.41	13.13%	No significant changes

4. R&D input

Applicable Not applicable

Name of major R&D projects	Project purpose	Project progress	Objectives intended to be achieved	Expected impact on the future development of the Company
DX-009	Develop a new series of commercial vehicle lithium iron phosphate battery cells, combined with the liquid cooling solution at the product end, to shorten the charging time and enhance Gotion's competitiveness in the heavy truck market	The mass production approval has been completed, and the current production line has been fully operational and is capable of mass production	The performance of the battery cell can meet the needs of customers, and the products can be delivered in bulk	At present, the battery cells on this platform have been delivered to customers and are continuously generating economic benefits for the Company
DX-010	Based on the demands of customers, develop ternary high-voltage battery cells, which can simultaneously meet the demands of multiple other customers.	The engineering approval has been completed, and the battery cells are now in mass production on the production line	The performance of the battery cell can meet the needs of customers, and the products can be delivered in bulk	At present, the battery cells on this platform have been delivered to customers and are continuously generating economic benefits for the Company
DX-012	Customize a new size of ultra-fast charging cell based on customer demands	The engineering approval has been completed, and the battery cells are now in mass production on the production line	The performance of the battery cell can meet the needs of customers, and the products can be delivered in bulk	At present, the battery cells on this platform have been delivered to customers and are continuously generating economic benefits for the Company

R&D personnel of the Company

	2025	2024	Change ratio
Number of R&D persons	4,358	3,754	16.09%
Proportion of R&D persons	13.17%	14.68%	-1.51%
Educational background of R&D personnel			
Bachelor	2,058	1,728	19.10%
Master	1,794	1,440	24.58%
Doctor	188	175	7.43%
College or below	318	411	-22.63%
Age of R&D persons			
Under 30 years old	1,885	1,790	5.31%
30-40 years old	2,195	1,714	28.06%
More than 40 years old	278	250	11.20%

R&D input of the Company

	2025	2024	Change ratio
Amount of R&D input	3,364,521,004.13	2,929,302,256.64	14.86%

(RMB)			
Proportion of R&D input in operating revenue	7.47%	8.28%	-0.81%
Capitalized amount of R&D input (RMB)	934,139,387.12	781,084,622.23	19.60%
Proportion of capitalized amount of R&D input in R&D input	27.76%	26.66%	1.10%

Reasons for and impacts of significant changes in the composition of the R&D personnel of the Company

Applicable Not Applicable

Reasons for notable changes in the proportion of total R&D input in operating income compared with that in the previous year

Applicable Not Applicable

Reasons for the major changes in the capitalization rate of R&D input and their justifications

Applicable Not Applicable

5. Cash flow

Monetary Unit: RMB

Item	2025	2024	Year-on-year increase/decrease
Subtotal of cash inflow from operating activities	27,990,027,437.45	24,538,965,799.07	14.06%
Subtotal of cash outflow from operating activities	24,365,612,470.75	21,833,394,070.06	11.60%
Net cash flow from operating activities	3,624,414,966.70	2,705,571,729.01	33.96%
Subtotal of cash inflow from investing activities	6,137,154,071.10	9,130,892,700.34	-32.79%
Subtotal of cash outflow from investing activities	16,433,143,613.61	16,238,265,234.05	1.20%
Net cash flow from investing activities	-10,295,989,542.51	-7,107,372,533.71	-44.86%
Subtotal of cash inflow from financing activities	38,704,205,809.09	34,392,266,092.05	12.54%
Subtotal of cash outflow from financing activities	31,464,060,987.47	28,912,633,343.09	8.82%
Net cash flow from financing activities	7,240,144,821.62	5,479,632,748.96	32.13%
Net increase in cash and cash equivalents	249,648,310.53	1,228,131,696.34	-79.67%

Main reasons for the major year-on-year changes in relevant data

Applicable Not Applicable

- In 2025, the Company's net cash flow from operating activities increased by RMB 918.8432 million compared with the same period of the previous year, representing a year-on-year increase of 33.96%, mainly due to an increase in sales proceeds in the current period;
- In 2025, the Company's net cash flow from investing activities decreased by RMB 3,188.617 million compared with the same period of the previous year, representing a year-on-year decrease of 44.86%, mainly due to a decrease in the amount of investment recovered in the current period;
- In 2025, the Company's net cash flow from financing activities increased by RMB 1,760.1521 million compared with the same period of the previous year, representing a year-on-year increase of 32.13%, mainly due to an increase in inflows from financing

activities during the current period;

4. In 2025, the Company's net increase in cash and cash equivalents decreased by RMB 978.4834 million compared with the same period of the previous year, representing a year-on-year decrease of 79.67%, mainly due to a decrease in the amount of investment recovered in the current period.

Reasons for the significant differences between the net cash flow and the annual net profit generated by the Company's operating activities during the reporting period

Applicable Not applicable

V. Analysis of non-primary business

Applicable Not Applicable

VI. Analysis of assets and liabilities

1. Major changes in asset composition

Monetary Unit: RMB

	End of 2025		Beginning of 2025		Increase/decrease in proportion	Reasons for major changes
	Amount	Proportion in total assets	Amount	Proportion in total assets		
Monetary Funds	16,813,185,998.06	13.22%	16,548,290,096.70	15.35%	-2.13%	Mainly because that the growth rate of assets exceeds the growth rate of the money market
Account receivable	16,300,297,490.16	12.81%	16,454,343,330.81	15.26%	-2.45%	Mainly due to an increase in the scale of assets
Inventories	9,690,157,206.01	7.62%	7,121,300,998.48	6.60%	1.02%	No significant changes
Long-term equity investment	1,807,750,113.80	1.42%	1,476,417,299.07	1.37%	0.05%	No significant changes
Fixed assets	42,506,540,834.94	33.41%	30,017,592,523.27	27.84%	5.57%	Mainly due to an increase in the conversion of construction in progress to fixed assets in the current year
Constructions in progress	12,676,514,992.83	9.96%	14,799,663,030.94	13.72%	-3.76%	Mainly due to an increase in the conversion of construction in progress to fixed assets in the current year
Right-of-use assets	177,749,724.62	0.14%	322,182,319.57	0.30%	-0.16%	No significant changes
Short-term borrowing	19,649,635,531.29	15.45%	17,508,814,480.34	16.24%	-0.79%	No significant changes
Contract	697,056,960.78	0.55%	529,043,969.44	0.49%	0.06%	No significant changes

liabilities						
Long-term borrowing	19,252,155,837.43	15.13%	18,510,118,171.97	17.16%	-2.03%	Mainly because that the growth rate of assets exceeds the growth rate of long-term financing
Lease liabilities	117,886,403.18	0.09%	349,664,148.53	0.32%	-0.23%	No significant changes
Other non-current financial assets	3,358,886,392.90	2.64%	1,570,712,000.00	1.46%	1.18%	No significant changes
Notes payable	12,639,869,777.39	9.94%	9,359,509,603.26	8.68%	1.26%	No significant changes

Relatively high proportion of overseas assets

Applicable Not Applicable

2. Assets and liabilities measured at fair value

Applicable Not Applicable

Item	Amounts at the beginning of the reporting period	Gains and losses for changes in fair value in this reporting period	Accumulated changes in fair value recognized in equity	The impairment in this reporting period	Repurchased amounts in this reporting period	Selling amounting in this reporting period	Other changes	Amount at the end of this reporting period
Financial assets								
1.Trading financial assets (excluded the derivative financial assets)	2,832,052,529.23	362,999,093.78			4,764,275,654.19	5,796,805,665.60	11,632,235.21	2,150,889,376.39
2.Derivative financial assets	85,801,650.51	85,801,650.51						0.00
3.Other debt investment	282,543,103.44		240,000,000.00	225,000,000.00				60,000,000.00
4.Other equity instruments investments	1,175,332,421.61		911,142,079.88					1,503,215,887.75
5.Other non-current financial assets	1,570,712,000.00	1,792,962,392.90			0.00	0.00	4,788,000.00	3,358,886,392.90

Subtotal of the financial assets	5,946,441,704.79	2,070,159,836.17	- 1,151,142,079.88	225,000,000.00	4,764,275,654.19	5,796,805,665.60	- 16,420,235.21	7,072,991,657.04
Total	5,946,441,704.79	2,070,159,836.17	- 1,151,142,079.88	225,000,000.00	4,764,275,654.19	5,796,805,665.60	- 16,420,235.21	7,072,991,657.04
Financial debts	0.00	147,993,845.05						147,993,845.05

Contents of other changes: Other changes are mainly due to the conversion at exchange rate.

Whether there were significant changes in the measurement attributes of the company's major assets during the reporting period

Yes No

3. Restriction of asset or rights as of the end of the reporting period

Item	Book balance as at the end of the period (RMB)	Book value as at the end of the period (RMB)	Reasons for restriction
Monetary funds	4,007,200,431.88	4,007,200,431.88	Among them, RMB 2,939,359,008.56 is deposit, RMB 893,580,000.00 is pledged for financing, and RMB 174,261,423.32 is frozen due to judicial proceedings and others
Note receivable	2,072,085,180.21	1,968,480,921.20	Endorsed or discounted undue and non-canceled notes
Fixed assets	3,211,463,885.96	2,698,184,851.46	Mortgaged for financing
Fixed assets	3,558,280,210.30	2,756,524,831.98	Property rights used for financing
Construction in progress	92,256,466.80	92,256,466.80	Mortgaged for financing
Construction in progress	108,631,153.62	108,631,153.62	Property rights used for financing
Intangible assets	839,212,220.25	745,794,325.73	Mortgaged for financing
Total	13,889,129,549.02	12,377,072,982.67	

VII. Analysis of investment status

1. Overall situation

Applicable Not applicable

Investment amount during the reporting period (RMB)	Investment amount in the same period of previous year (RMB)	Change ratio
16,433,143,613.61	16,238,265,234.05	1.20%

2. Major equity investment made during the reporting period

Applicable Not applicable

3. Major non-equity investment in progress during the reporting period

Applicable Not Applicable

Monetary Unit: RMB

Project name	Investment method	Fixed assets investment or not	Industry of the investment project	Investment amount during the reporting period	Accumulated investment amount as of the end of the reporting period	Source of funds	Project progress	Expected income	Accumulated realized income as of the end of the reporting period	Reasons for not achieving planned progress and expected income	Disclosure date (if any)	Disclosure index (if any)
Gotion Xinzhan's power battery project with an annual output of 20GWh	Self-built	Yes	New Energy Industry	676,322,094.71	3,191,501,284.64	Self-owned and self-raised funds	Under construction	Not applicable	Still under construction	Not applicable	October 27, 2022	CNINFO, Announcement No.: 2022-104
Liuzhou Gotion newly added power battery production base project with an annual output of 10GWh (Phase II)	Self-built	Yes	New Energy Industry	107,690,427.38	1,225,651,773.15	Self-owned and self-raised funds or funds raised by other means of	Under construction	Not applicable	Still under construction	Not applicable	October 27, 2022	CNINFO, Announcement No.: 2022-105
Slovakia New Energy Battery Super Factory	Self-built	Yes	New Energy Industry	250,955,249.85	301,554,982.25	Self-owned and self-raised funds or funds raised by other means of	Under construction	Not applicable	Still under construction	Not applicable	December 13, 2024	CNINFO, Announcement No.: 2024-094
Morocco New Energy Battery Production Base	Self-built	Yes	New Energy Industry	385,246,972.05	629,202,489.92	Self-owned and self-raised funds or funds raised by other means of	Under construction	Not applicable	Still under construction	Not applicable	December 13, 2024	CNINFO, Announcement No.: 2024-093

Jiangsu Gotion's new lithium-ion battery (20GWh) intelligent manufacturing base project	Self-built	Yes	New Energy Industry	46,484,059.39	46,484,059.39	Self-owned and self-raised funds or funds raised by other means of	Under construction	Not applicable	Still under construction	Not applicable	August 30, 2025	CNINFO, Announcement No.: 2025-049
Total	--	--	--	1,466,698,803.38	5,394,394,589.35	--	--	--	--	--	--	--

4. Investment in financial assets

(1) Investment in securities

Applicable Not Applicable

Monetary Unit: RMB

Securities type	Securities code	Securities abbreviation	Initial investment cost	Accounting measurement model	Beginning book value	Profit/loss from changes in fair value in the Current Period	Accumulated changes in fair value recognized in equity	Purchase amount in the Current Period	Sales amount in the Current Period	Profit/loss during the reporting period	Ending book value	Accounting subject	Source of funds
Domestic/foreign stock	000980.SZ	Zotye Auto	26,344,379.91	Fair value	12,522,562.74	5,973,105.24				5,973,105.24	18,495,667.98	Held-for-trading financial assets	Self-owned
Domestic/foreign stock	301217.SZ	Tongguan Copper Foil	262,880,828.64	Fair value	241,119,170.64	495,869,475.60			88,028,550.00	500,949,246.34	648,960,096.24	Held-for-trading financial assets	Self-owned
Domestic/foreign stock	688223.SH	Jingke Energy	2,500.00	Fair value	3,555.00	-740.00			2,815.00	-912.83	0.00	Held-for-trading financial assets	Self-owned
Domestic/foreign stock	601127.SH	Seres	116,847,089.52	Fair value	299,850,582.36	-27,941,695.32				-25,064,352.60	271,908,887.04	Held-for-trading financial assets	Self-owned

												financial assets	
Domestic/foreign stock	301325.SZ	Manst	30,000,000.00	Fair value	25,401,562.50	-1,706,250.00				-1,706,250.00	23,695,312.50	Held-for-trading financial assets	Self-owned
Domestic/foreign stock	301511.SZ	Defu Technology	49,999,992.00	Fair value	31,400,000.00	0.00			31,400,000.00	57,978,361.56	0.00	Held-for-trading financial assets	Self-owned
Domestic/foreign stock	688646.SH	ST Yifi	48,913,628.40	Fair value	35,232,444.73	2,069,422.74					37,301,867.47	Held-for-trading financial assets	Self-owned
Domestic/foreign stock	09973.HK	Chery	376,264,040.50	Fair value	376,264,040.50	886,874,685.84				886,874,685.84	1,263,138,726.34	Other non-current financial assets	Self-owned
Domestic/foreign stock	09690.HK	Tuhuw	218,371,834.12	Fair value	140,123,927.81	-95,823,580.39					122,548,253.73	Other equity instrument investments	Self-owned
Domestic/foreign stock	VFS.US	Vinfast Auto PTE. Ltd.	1,213,753,195.93	Fair value	570,253,716.33	-753,891,548.99					459,861,646.94	Other equity instrument investments	Self-owned
Domestic/foreign stock	09680.HK	ONTIME	158,000,000.00	Fair value	67,293,041.33	-114,774,816.90					43,225,183.10	Other equity instrument investments	Self-owned
Domestic/foreign stock	09973.HK	Chery	346,808,221.54	Fair value		-824,451.67	346,808,221.54				345,983,769.87	Other equity instrument investments	Self-owned
Domestic/foreign stock	02560.HK	Conch Material Technology	48,014,961.57	Fair value		-21,078,141.15	48,014,961.57				26,936,820.42	Other equity instrument investments	Self-owned
Domestic/foreign stock	02643	Caoca	149,4	Fair		-	149,4				105,8	Other	Self-

stic/foreign stock	.HK	o Inc.	51,753.07	value			43,615,143.15	51,753.07			36,609.92	equity instrument investments	owned
Domestic/foreign stock	EBUS .AS	Ebusco Holding N.V.	47,617,722.77	Fair value			-24,415,031.65	47,617,722.77			23,202,691.12	Other equity instrument investments	Self-owned
Total			3,093,270,147.97	--	1,799,464,603.94	1,361,138,004.10	-1,054,422,713.90	591,892,658.95	119,431,365.00	1,425,003,883.55	3,391,095,532.67	--	--

(2) Investment in derivatives

Applicable Not Applicable

1) Derivative investments for hedging purposes during the reporting period

Applicable Not Applicable

Monetary Unit: RMB 0,000

Type of derivative investment	Initial investment amount	Amount as at the beginning of the period	Profit or loss from changes in fair value in the current period	Accumulated changes in fair value recognized in equity	Purchase amount during the reporting period	Sales amount during the reporting period	Amount as at the end of the period	Proportion of investment amount as at the end of the period to the net assets of the Company at the end of the reporting period
Foreign exchange swap	1,530,824.53	396,639.19	-13,843.23	0	1,134,185.34	492,596.02	1,038,228.51	28.13%
Total	1,530,824.53	396,639.19	-13,843.23	0	1,134,185.34	492,596.02	1,038,228.51	28.13%
Is there any significant change in accounting policies and specific accounting principles for hedging business	No significant change							

during the reporting period	
Actual profit or loss during the reporting period	In order to avoid and prevent operational risks caused by fluctuations in foreign exchange rates, the Company carried out forward foreign exchange settlement, foreign exchange swaps and related business for foreign exchange related to its production and operation in a certain proportion. During the reporting period, the actual income realized by the Company's foreign exchange hedging derivative contracts amounted to RMB -138.4323 million.
Effectiveness of the hedging	The financial derivatives invested by the Company for hedging can offset the risk of exchange rate fluctuations and achieved the goal of risk management.
Source of funding for derivative investment	Self-owned and self-raised funds
Risks of the derivatives held during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.) and risk control measures	<p>1. Analysis of the risk of hedging business conducted by the Company.</p> <p>The hedging business can help avoid the impact of exchange rate fluctuations on the Company, and is beneficial to the normal operation of the Company. However, there may also be certain risks: 1. Market risk: Futures, forward contracts and other derivative products have significant market fluctuations, which may generate the risks of price fluctuation and hedging losses; 2. Systemic risk: Global economic impact may lead to financial system risk; 3. Default risk: In case the counter-party defaults by failing to pay the Company's hedging profits as agreed, the Company's actual losses cannot be hedged.</p> <p>2. Preparation work and risk control measures for hedging</p> <p>The Company has formulated the <i>Securities Investment and Derivatives Trading Management Rules</i>, which has clear provisions on the operating principles, approval authority, business processes, information isolation, risk management and other aspects of the hedging businesses. All transactions throughout the entire hedging process will be conducted in strict accordance with the above rules. For more information on the risk control measures, please refer to the <i>Securities Investment and Derivatives Trading Management Rules</i> disclosed by the Company, on www.cninfo.com.cn.</p>
Changes in the market prices or fair value of derivatives invested during the reporting period, and the specific methods and the assumptions and parameters used for analyzing the fair	Changes in fair value will be determined at the end of each month based on market price quoted by external financial institutions.

value of derivatives	
Is it involved in any litigation (if applicable)	Not applicable
Date on which the announcement on the approval of the derivative investment by the Board of Directors is disclosed (if any)	April 25, 2025
Date on which the announcement on the approval of derivative investments by the shareholders' meetings is disclosed (if applicable).	May 29, 2025

2) Derivative investments for speculative purposes during the reporting period

Applicable Not Applicable

There was no derivative investment for speculative purposes during the reporting period.

VIII. Sales of major assets and equity

1. Sales of major assets

Applicable Not Applicable

The Company did not sell major assets during the reporting period.

2. Sales of major equity

Applicable Not Applicable

IX. Analysis of major shareholding companies

Applicable Not applicable

Major subsidiaries and shareholding companies with an impact of over 10% on the Company's net profit

Monetary Unit: RMB

Company's name	Company type	Primary business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Hefei Gotion High-Tech Power Energy Co., Ltd.	Subsidiary	Industrial production	10,000,000,000.00	71,271,775,018.00	18,760,748,672.74	41,292,686,357.55	2,346,948,045.12	2,160,550,895.54

Acquisition or disposal of subsidiaries during the reporting period

Applicable Not applicable

Corporate name	Method of acquisition or disposal of subsidiaries during the reporting period	Impact on overall production operations and performance
Liuzhou Gotion New Energy Battery Co., Ltd.	New establishment	Further strengthen the competitive advantage and market development and service capacity of the Company and enhance the profitability and sustainable development of the Company.
Bozhou Gotion New Energy Co., Ltd.	New establishment	
Anhui Gotion Electric Power Co., Ltd.	New establishment	
Tongcheng Xuanneng Wind Power Generation Co., Ltd.	New establishment	
Lujiang Gotion Photovoltaic Power Generation Co., Ltd.	New establishment	
Lujiang Luxuan Photovoltaic Power Generation Co., Ltd.	New establishment	
Tongcheng Lvting Gotion Wind Power Generation Co., Ltd.	New establishment	
Gotion Spain Green Energy Co., Ltd.	New establishment	
G-Volt Africa Limited	New establishment	
Saudi Arabia Gotion New Energy Co., Ltd.	New establishment	
Gotion Battery Sales (Inner Mongolia) Co., Ltd.	New establishment	
Wuhu Gotion Green Energy Co., Ltd.	New establishment	
Hefei Gotion Jitaimi Battery Technology Co., Ltd.	New establishment	
Wuhu Gotion Power Technology Co., Ltd.	New establishment	
Hefei Gotion Green Energy Co., Ltd.	New establishment	
Gotion Technology Mobility Co., Ltd.	New establishment	
FORTUNE POWER B.V	New establishment	Further strengthen the competitive advantage and market development and service capacity of the Company and enhance the profitability and sustainable development of the Company
Anhui Gotion Green Energy Power Engineering Co., Ltd.	Acquisition	
Novagrid Pte Ltd	Acquisition	Optimize the Company's industrial layout and improve its operation efficiency.
Hefei Gotion Zhonghong New Energy Technology Development Co., Ltd.	Cancel	
Suixi Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	Cancel	
Hefei Gotion Zhonghong New Energy	Cancel	

Co., Ltd.		
Huaibei Gotion Xiangfeng New Energy Co., Ltd.	Cancel	
Bozhou Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	Cancel	
Tongcheng Kongcheng Gotion Wind Power Generation Co., Ltd.	Cancel	
Guzhen Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	Cancel	
Weihai Gotion New Energy Technology Co., Ltd.	Cancel	
Chuzhou Gotion Xiangfeng New Energy Co., Ltd.	Cancel	
Tongling Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	Cancel	
Gotion Luxembourg Technology Co., Ltd.	Cancel	

Description of major shareholding companies

X. Structured entities controlled by the Company

Applicable Not Applicable

XI. Prospects for the future development of the Company

(I) Industry landscape and trend

In 2025, the global power battery and energy storage industry underwent a profound adjustment amid structural growth. The resilience of downstream demand was highlighted, and the impact of price fluctuations in the industry chain, international trade barriers, and regionalized policies intensified. The industry has shifted from scale expansion to a comprehensive competition involving technology, cost, globalization, compliance, and supply chain resilience, with the characteristics of high-quality development becoming more prominent.

Looking ahead, there is still considerable room for improvement in the penetration rate of new energy vehicles. While the electrification of passenger vehicles continues to deepen, the electrification of commercial vehicles will enter an accelerated period. Coupled with the continuous expansion of small power scenarios, they will jointly drive the long-term growth of demand for power batteries. According to the forecast of EVTank, global sales of new energy vehicles will exceed 28 million units in 2026. Meanwhile, the energy storage market will continue to explode, and the promotion and implementation of zero-carbon scenarios will further release demand, forming a trillion-class market space of “two-wheel drive” with power batteries. Driven by the rising prices of raw materials in the upstream and the tight supply in the industry, the lithium battery industry chain as a whole will enter a stage of simultaneous increase in both volume and price. In the field of power batteries,

technological competition is becoming increasingly fierce. High-nickel ternary, large cylindrical, and hybrid solid-liquid batteries are penetrating on a large scale. Innovations in high-voltage platforms, fast charging technologies, and CTC/CTP structures are advancing simultaneously. The industry is upgrading towards high safety, high energy density, long life, and low cost. Energy storage batteries are evolving towards ultimate cost reduction, safety and reliability, intelligent integration, and long-duration energy storage. Multiple routes such as flow batteries and sodium-ion batteries enter commercial verification. The power market mechanism is constantly improving, opening up space for sustained growth. The parallel trend of industrial globalization and regionalization is becoming increasingly evident. Overseas localized production, carbon footprint compliance, and adaptation to international trade rules have become the core competitiveness of enterprises. Battery enterprises are accelerating the layout of overseas production capacity and the localization of supply chains to cope with the challenges of regionalized policies. The battery recycling and circular economy system is being accelerated to promote the green and sustainable development of the industry chain. Meanwhile, emerging application scenarios such as eVTOL, construction machinery, ship electrification, AIDC, and humanoid robots are expanding rapidly, injecting new growth momentum into the lithium battery industry, providing broad prospects for the long-term development of the industry.

(II) Development strategy of the Company

Over the past 20 years, the Company has been deeply engaged in the new energy industry. By continuously focusing on technological innovation, constantly improving the industry chain layout, steadily accelerating international development, and actively expanding high-quality customer groups, it has gradually built a core competitiveness with solid barriers and abundant vitality, and accumulated high-quality resources and core capabilities that can support its long-term development. Adhering to the original aspiration and mission of “Let green energy serve mankind”, the Company has always adhered to the business philosophy of “product is king, talent-based, and user first”. With materials science and digital science as the dual drivers, it is committed to building a distinctive and technologically leading new energy science system to promote green and low-carbon development. The Company will focus on strategic priorities, anchor its development goals, and unite its efforts to implement core tasks: First, accelerate the construction of the R&D system to empower technological innovation and product upgrading; second, accelerate the expansion of the global market and break through high-end customers and diverse business scenarios; third, forge lean manufacturing capabilities and empower global manufacturing with full-stack AI; fourth, strengthen global capital operation to promote stable business development; fifth, introduce innovative business models to enhance operational efficiency. Looking ahead, the

Company will anchor its strategic direction, adhere to the core of innovation, activate new impetus for high-quality development through innovation-driven growth, and write a new chapter of green development with practical actions and a sense of responsibility.

(III) Business plan

The year 2026 is a crucial one for the Company to make a leap from “global layout” to “global leadership”. Facing the industry opportunities brought by the deepening of the global “Carbon Peak and Carbon Neutrality” goals, the acceleration of new energy storage, and the rapid increase in the penetration rate of new energy vehicles, as well as the major trend of the comprehensive penetration of new-generation artificial intelligence technology into all industries, the Company will continue to adhere to the business principles of putting customers first, quality as the foundation, products as the soul, management as the basis, and projects as the guideline, strengthen technological leadership and differentiated competition with the advantages of the entire industry chain, optimize the global operation system, and pool the wisdom of all staff to promote the high-quality leapfrog development of the Company.

1. Focus on breaking through in high-value markets and create new increments for market expansion

Firmly establish the market awareness that “Customer is God”, focus on the three major directions of “improving existing stock, seizing new growth, and optimizing services”, coordinate domestic and international, traditional and emerging markets, and consolidate the foundation of market competition with an elite team and an efficient service network.

(1) Continuously expand the core customer base. In the power sector, further increase the market share of Class B and above. Closely follow the overseas expansion pace of vehicle manufacturers and accelerate the mass production and supporting delivery of localized overseas projects. Actively break through the mainstream international automakers and achieve product matching. Seize the explosive window of the heavy truck market and achieve high growth in the segmented market. In the energy storage sector, continue to consolidate strategic cooperative relationships, focus on seizing large-scale energy storage projects, and expand the construction of integrated photovoltaic storage and charging demonstration power stations. Accelerate the expansion of cooperation with international energy giants and strive to implement multiple GWH-level projects.

(2) Actively explore diverse business scenarios. Continue to promote the “Thousand Cities and Ten Thousand Stores” direct sales and channel network layout, covering scenarios such as electric two-wheelers, low-speed unmanned vehicles, robots, low-altitude aircraft, and power tools. In the C-end market sector, relying on e-commerce platforms and local distributor channels, expand the market size of household energy storage

and portable energy storage products and strive to achieve major breakthroughs. In the mobile energy storage sector, actively explore emerging scenarios such as ship energy storage, mobile power supply for oil fields, and energy storage for zero-carbon parks, and accelerate the implementation of benchmark projects.

(3) Strengthen project control and standardization construction. Firmly establish the concept of “project-driven” and strictly implement the pre-requirements of project management. Systematically carry out capacity planning argumentation and comprehensive benefit analysis, accurately assess the capacity matching level and input-output benefits, and ensure that project initiation is scientific and standardized, with both risks and benefits controllable. Realize the standardization, refinement and efficiency of project process management.

2. Focus on high-level R&D and innovation to create a new engine for innovative development

Fully strengthen the innovative awareness of “Product is soul”, take the dual-wheel drive of “materials science + digital science” as the core, seize the opportunities of mass production and multi-field application of hybrid solid-liquid batteries, and continuously consolidate the leading technological advantage.

(1) Deepen the innovation of the material system. Promote the large-scale application of the new generation of lithium iron phosphate, lithium manganese iron phosphate and high-nickel system materials, continuously improve the performance indicators of silicon-carbon anodes, and expand the applicable temperature range and scenarios of wide-temperature range electrolytes. Focus on making breakthroughs in cutting-edge materials, build a database for materials genome engineering, and further enhance the independent control level of key materials.

(2) Accelerate the application of digital technologies. Improve the Aetrix R&D platform and enhance the coverage of simulation process automation and intelligent analysis of experimental data. Build a battery full life cycle failure analysis platform to improve the accuracy of failure diagnosis; deepen the in-depth application of industrial AI in the R&D process, establish a knowledge graph of the structure-activity relationship among materials, battery cells and systems, effectively shorten the R&D cycle and improve R&D efficiency.

(3) Promote product iteration and upgrading. Realize the large-scale mass production and delivery of hybrid solid-liquid batteries, promote the R&D and testing of solid batteries, continuously improve the energy density level, and at the same time accelerate the extension and layout of products from the automotive field to multiple fields. In the large-scale energy storage sector, launch large-capacity and ultra-long-duration energy storage products, iterate and upgrade high-power energy storage systems and integrated products, and complete the certification in mainstream markets of Europe and America. In the industrial and commercial energy storage sector, promote the cost optimization and competitiveness enhancement of integrated products. In the household

energy storage sector, launch upgraded household energy storage products and accelerate global market promotion. Actively expand emerging application markets such as low-altitude flight, water transportation, engineering infrastructure, agricultural applications, factory storage and distribution, and robots.

(4) Lay out a global intellectual property system. Build a comprehensive patent protection network around core technologies and key products, and continuously increase the scale of patent applications and the proportion of overseas patents. Improve the international patent risk early warning mechanism and build a full-chain intellectual property management system covering “application, utilization and rights protection”. Actively lead and participate in the formulation of international standards, introduce high-end R&D and testing norms in advance, and promote the enterprise to make a leap from product output to standard leadership.

(5) Improve the support platform and team building. Build a dedicated verification platform for solid-state batteries and long-duration energy storage, and enhance the testing capabilities in extreme environments. Deepen cooperation among government, industry, university and research institutions, and jointly carry out R&D on major cutting-edge technologies such as solid-state batteries and battery recycling with universities and research institutions. Optimize the structure of the R&D team, set up three-level incentives for gold, silver and bronze designers, and enhance the comprehensive design capabilities.

3. Focus on high-level manufacturing support to lay a solid new foundation for product delivery

Always adhere to the intelligent manufacturing awareness “Quality is life”, take customer demands as the core orientation, and focus on the four major directions of “maintaining quality, expanding production capacity, improving efficiency, and reducing costs” to make overall plans for promoting global production capacity layout, lean manufacturing upgrade and supply chain optimization.

(1) Strengthen the lifeline of quality. Establish a full-chain quality control system covering the entire process from R&D, manufacturing to after-sales service. Strengthen sample verification and design review in the R&D stage, and strictly control the level of incoming material defects. Continuously optimize process parameters in the manufacturing stage, enhance the consistency and stability of battery cells, and strictly control the early failure rate at the market end. Establish a sound and rapid response mechanism in the after-sales service stage, reduce the medium and long-term failure rate, and constantly enhance customer satisfaction and brand reputation.

(2) Accelerate the implementation of global manufacturing. Build a global integrated manufacturing collaboration system, deepen the collaborative support of domestic core bases for overseas regions, accelerate the construction and commissioning process of overseas bases, and gradually promote the large-scale layout of

overseas battery cell production capacity. Accelerate the construction of new domestic production lines and the intelligent upgrading of old ones, coordinate the connection between production and sales and resource allocation, and ensure the stable and orderly operation and production throughout the year. Simultaneously establish a unified standard production system overseas, promote intelligent manufacturing and the construction of lighthouse factories, and comprehensively enhance the operational efficiency and product quality of overseas bases.

(3) Deepen the upgrade of lean manufacturing. Comprehensively promote the new generation of advanced production lines and continuously enhance the automation and intelligence levels of production lines. Accelerate the digital transformation of the manufacturing process, achieve full-process visualization and traceable management of production, and promote continuous optimization of unit energy consumption. Establish a supporting authorization system featuring “Responsibility and power decentralization”, refine the budget management of each base, and promote cost reduction, efficiency improvement and lean operation throughout all links.

(4) Intensify efforts to reduce costs and increase efficiency. Through material substitution, process optimization and the synergy of scale effects, continuously improve the comprehensive cost. Continuously deepen the lean management of the supply chain, establish a long-term and stable strategic cooperation mechanism with core suppliers, and optimize procurement costs for key materials. Optimize personnel allocation by relying on AI technology and digital tools to enhance human efficiency and operational efficiency. Implement budget management at the factory level and strengthen monthly execution assessment. Strengthen the training and capacity building of the management team, optimize the organizational structure and business processes, and deeply explore the potential for cost reduction in manufacturing management through intelligent transformation and other means.

4. Focus on high-quality operation and management, and build a new system of collaborative governance

Firmly establish the long-term concept of “Management is foundation”, and position as “global integration”, persistently implement the management requirements of “Focus on sorting, optimize control, and strengthen supervision”, empowering the overall development with refined management.

(1) Build a global operation system. Strengthen the interaction among operation, human resources and finance, and promote the implementation of the operation flywheel mechanism covering “personnel, finance and affairs”. Establish a three-level operation coordination mechanism, clarify the boundaries of rights and responsibilities, and enhance the efficiency of coordination. Accelerate the digital transformation of operations,

build a global business data middle platform and business decision-making cockpit to achieve real-time monitoring and dynamic analysis of business situations, and continuously improve decision-making efficiency and response speed. Through pilot projects and iterative optimization, steadily promote the standardization and regularization of global business processes.

(2) Enhance the efficiency of financial control. Reduce the scale of business accounting units and solidify the responsibilities of business entities at all levels. Deepen comprehensive budget management and achieve dynamic connection between the budget and business goals. Optimize the financing structure and steadily reduce the asset-liability ratio. Build a standard cost management system and strengthen cost control throughout the entire project life cycle. Promote the SAP system to cover global business operations and support business decisions with high-quality financial data.

(3) Strengthen the empowerment of capital operation. Benchmark against the operation models of outstanding enterprises, make investment layouts around capacity expansion, technological R&D, and market development, expand diversified financing channels, and promote localized financing overseas. Strengthen the full-process control of post-investment management and project exit, do a good job in market value management, and enhance the Company's brand image in the global capital market.

(4) Optimize the construction of organizational talents. Adhere to the principle of focusing on the grassroots, customers and the future, establish a global cadre training and assessment mechanism, and select outstanding cadres to strengthen the front line of business. Implement a global talent introduction and cultivation plan, with a focus on attracting international high-end R&D, manufacturing and marketing talents. Improve the stepwise incentive mechanism, promote the transformation of the organizational structure towards a matrix model, and comprehensively enhance the organization's response and collaborative combat capabilities.

5. Focus on the implementation of sustainable development and strengthen the new image of a responsible enterprise

Firmly hold the Company's position, accurately grasp the direction, and guided by the core values of "Cherish, be pragmatic, be honest and innovative", deepen the construction of risk prevention and control, brand culture and sustainable development systems, integrate the concept of responsibility into the entire business chain, and comprehensively shape a trustworthy and courageous corporate image.

(1) Strengthen the foundation for risk prevention and control. Adhering to the principle of "Prevention first, full-process control, and closed-loop efficiency", construct a multi-dimensional and multi-level risk prevention and control system to build a solid safety barrier for the Company's development. Focus on the three core risk

areas of finance, compliance and law, and improve the full closed-loop risk management mechanism of “identification, assessment, response and monitoring”. In the early stage of the project, establish a collaborative mechanism of “business, finance and legal affairs” to solidify and deepen the prevention and control of risks in advance and enhance the capacity for risk governance.

(2) Enhance the soft power of brand culture. With the goal of enhancing both brand value and cultural cohesion, promote the implementation of the “1+4+N” brand strategy. Focus on the three business scenarios of automotive, energy storage and To C, build four brand matrices, expand N characteristic product brands around the segmented markets, and shape the Company’s future through the power of brands. Adhering to the “Four Creations” concept, create value for customers, benefits for employees, profits for investors, and harmony for society. Strengthen the vanguard and exemplary role, promote the rooting of corporate culture, and further enhance the sense of belonging, centripetal force and cohesion of all employees.

(3) Deepen ESG practice management. Fully integrate the ESG concept into the Company’s strategy and business management, respond to the expectations of stakeholders with high-standard sustainable development practices, and enhance the competitiveness of the Company in sustainable development. Strengthen the dissemination of ESG values, promote the in-depth understanding of sustainable concepts, and build an ESG management and practice system with industry characteristics. Actively respond to the ESG demands of customers and partners, and empower market expansion and international cooperation with high-level ESG management. Continuously optimize ESG governance and information disclosure, steadily improve rating performance, and establish a responsible and trustworthy corporate image.

(IV) Possible risks and response measures

1. Market fluctuations and competition

Risk analysis: There are uncertainties in the global political and economic environment, and the pace of overseas market development has slowed down. With the gradual release of domestic and foreign enterprises’ production capacity, international market competition will intensify. At the same time, changes in market policies and demand preferences in different regions may also cause fluctuations, further increasing the difficulty of market development and maintenance.

Response measures: First, strengthen risk management and dynamic tracking in overseas markets, and formulate differentiated development strategies in combination with regional differences; second, focus on customer needs to

explore new application scenarios, accelerate the implementation of new technologies, strengthen brand promotion, and enhance the brand influence and market recognition; third, accurately plan the pace of development, innovate the mode of business cooperation, optimize the sales delivery process, steadily expand overseas markets, and prevent and control all kinds of fluctuation risks.

2. Technological iteration and R&D

Risk analysis: The technology of power batteries is in a stage of rapid iterative development. Breakthroughs in new systems, new processes, and new materials may gradually replace existing technologies and become the market leader. Existing production lines face risks such as high difficulty in technological transformation, high investment costs, and poor capacity connection. If the enterprise fails to accurately predict the technological development trend, lags behind in R&D investment and has insufficient efficiency in technology transformation, it may gradually lose its market competitiveness, affecting its long-term development layout.

Response measures: First, reserve the compatibility space for new technologies in the construction of new production lines and technological transformation, enhance the flexibility and upgradability of production lines, and reduce the cost of technological transformation; second, connect with the demands of downstream customers, plan in advance for the upgrading, transformation or disposal of backward production lines, and avoid idle production capacity; third, increase investment in R&D, build a high-quality R&D team, focus on breakthroughs in core technologies, accelerate the implementation of new products and new technologies, and maintain technological leadership; fourth, deepen the application of digital technologies such as AI.

3. Fluctuations in raw material prices

Risk analysis: Lithium, cobalt, etc. are the main raw materials for power batteries, and affected by a variety of factors such as global supply and demand, geopolitics, and industry chain games, their prices fluctuate frequently and it is difficult to predict them. Rising raw material prices may squeeze the Company's profit margins and affect its profitability; the decline in raw material prices may cause the risk of inventory impairment, which will have a negative impact on the Company's asset quality and business performance. At the same time, the stability of the raw material supply chain may also be affected by the external environment, indirectly intensifying the risks brought about by price fluctuations.

Response measures: First, improve the supply chain layout, establish long-term strategic cooperation with core suppliers, sign long-term supply agreements, and ensure stable supply and controllable costs; second, optimize inventory management, establish a dynamic monitoring mechanism, and use tools such as hedging to offset price fluctuations; third, pay attention to the industrialization of material recycling technology, promote the recycling and utilization of resources, and reduce the reliance on raw materials; fourth, intensify the research and application of new battery materials and lay out technical routes that are less dependent on traditional scarce raw materials.

4. Financial risk

Risk analysis: With a significant increase in the Company's operating income, the balance of its accounts receivable will increase simultaneously. If customers fail to make payments in a timely manner or bad debts occur, it may affect the stability of the Company's cash flow and have an adverse impact on production and operation. The increase in capital investment and the expansion of financing scale brought about by the Company's scale expansion may intensify the pressure on capital allocation. Meanwhile, the Company's industrial investments are gradually being implemented, and the held-for-trading financial assets are measured at fair value, which is affected by the macroeconomy, industry cycles and market conditions. If the market declines, it will lead to the risk of a decline in the Company's profits.

Response measures: First, optimize the customer structure, focus on strategic customers featuring timely payment and good credit standing, establish a credit rating system, and strictly control the addition of new accounts receivable; second, innovate financial and cooperation models, promote bill settlement and factoring business, and accelerate the return of funds; third, improve the internal financial control system, strengthen fund allocation, budget management and financial accounting control, and enhance the professional capabilities of financial personnel and the level of refined control; fourth, rationally plan the scale and structure of financing, optimize the efficiency of fund utilization, and ensure the stability of cash flow; fourth, establish a fair value fluctuation monitoring mechanism to track asset price changes in real time and make early risk predictions and warnings.

5. Legal and compliance risks

Risk analysis: Global regulation is becoming stricter, and relevant laws and regulations in the power battery industry, such as environmental protection, labor employment, intellectual property rights, import and export, and data security, are constantly being updated. If the Company fails to adapt to policy changes in a timely manner and there are compliance lapses, it may face risks such as administrative penalties, litigation and arbitration, as well as damage to brand reputation, which will affect its normal operations.

Response measures: First, improve the legal and compliance management system, equip professional teams and legal advisors, track and interpret regulations and policies, and update compliance systems in a timely manner; second, strengthen compliance control throughout the entire process, standardize operations at key links, and conduct regular compliance self-inspections and risk rectifications; third, strengthen compliance training for all staff, enhance compliance awareness, and ensure that business operations are legal and compliant; fourth, establish an emergency response mechanism for legal disputes, issue risk warnings in advance, and properly handle litigation and arbitration to minimize losses to the greatest extent.

XII. Reception of research, communication, interviews, etc., during the reporting period

Applicable Not Applicable

Reception time	Reception place	Reception method	Type of the visitor/interviewer	Visitor/interviewer	Main content of the discussion and the materials provided	Index of the basic information of research
April 28, 2025	Meeting room of the Company	Telephone communication	Institution or individual	Refer to cinfo website for the names of participators	Refer to cinfo website	Refer to “002074 Gotion High-Tech Investor Relations Management Information 20250428” on cinfo website.
May 8, 2025	“Cloud Interview” column on the interaction platform	Online communication on Internet platforms	Others	Investors participating in the 2024 annual online performance briefing of Gotion High-Tech	Refer to cinfo website	Refer to “002074 Gotion High-Tech Investor Relations Management Information 20250508” on cinfo website.
May 19, 2025	Meeting room of the Company	Telephone communication	Institution or individual	Refer to cinfo website for the names of participators	Refer to cinfo website	Refer to “002074 Gotion High-Tech Investor Relations Management Information 20250519” on cinfo website.
September 2, 2025	Meeting room of the Company	Telephone communication	Institution or individual	Refer to cinfo website for the names of participators	Refer to cinfo website	Refer to “002074 Gotion High-Tech Investor Relations Management Information

						20250902” on cninfo website.
October 28, 2025	Meeting room of the Company	Telephone communication	Institution or individual	Refer to cninfo website for the names of participators	Refer to cninfo website	Refer to “002074 Gotion High-Tech Investor Relations Management Information 20251028” on cninfo website.

XIII. Formulation and implementation of the market value management system and valuation enhancement plan

Has the Company formulated a market value management system

Yes No

Has the Company disclosed the valuation enhancement plan

Yes No

In order to further regulate the Company’s market value management, strengthen the Company’s market value management work, and safeguard the legitimate rights and interests of the Company and the investors, the Company actively responds to the *Several Opinions of the State Council on Further Promoting the Sound Development of the Capital Market* on encouraging listed companies to establish market value management system, In accordance with the *Regulatory Guidelines for Listed Companies No. 10 - Market Value Management* and other relevant laws and regulations, the *Market Value Management System* was formulated and approved at the 11th meeting of the ninth Board of Directors of the Company held on December 11, 2024.

XIV. Implementation of the action plan for “Improvement of Both Quality and Return”

Has the Company disclosed the announcement on its action plan for “Improvement of Both Quality and Return”.

Yes No

Following the guiding philosophy of “revitalizing the capital market and boosting investors confidence” and “vigorously improving the quality and investment value of listed companies, taking more powerful and effective measures to stabilize the market and investors confidence”, the Company continuously strengthens its corporate governance, effectively safeguard the interests of investors, enhance its quality and investment value as a listed company to achieve sustainable development. To actively responded to the call for “Improvement of Both Quality and Return”, the Company formulated its own action plan, and implemented the relevant measures. For more details, please refer to the *Announcement on the Action Plan for Promoting the “Improvement of Both Quality and Return”* (Announcement No.: 2024-009) and the *Announcement on the Progress of the Action Plan for “Improvement of Both Quality and Return”* (Announcement No.: 2025-030) disclosed by the Company on February 6, 2024 and April 25, 2025 respectively on cninfo website.

During the reporting period, the Company actively promoted the action plan for “Improvement of Both Quality and Return”. The specific progress is as follows:

1. The main business grew steadily and the market position was enhanced. Relying on the full industry chain scenario, the Company focused on lithium battery manufacturing, firmly grasped the power and energy storage business, promoted the green economy, and built core competitiveness. In 2025, the Company achieved operating income of RMB 45,070.4618 million, an increase of 27.35% compared with the same period of the previous year, with a steady growth in business performance.

2. The investment in innovation was increased and breakthroughs were achieved in core products. In 2025, the R&D investment reached RMB 3.365 billion, representing a year-on-year growth of 14.86%, and there were 2,698 new patent applications. Core products such as G-class super heavy-duty truck standard box batteries, 5C ultra-fast charging G-class batteries, and long-life energy storage systems were successfully launched, and the technological achievements were rapidly industrialized, supporting the leapfrog development of high-end supporting and energy storage businesses.

3. Governance structure was optimized and compliance level improved. The Company continuously strengthened the governance of “Two Meetings and One Tier”, revised the rules of procedure for each special committee of the Board of Directors and the working system for independent directors, promoted the diversity of director members, improved the governance structure, and strengthened compliance operation and risk prevention and control, with clear rights and responsibilities and effective checks and balances, comprehensively enhancing the level of standardized governance, and safeguarding the rights and interests of shareholders and stakeholders.

4. Information disclosure was standardized and transparent, and shareholder returns were solid. The Company strictly adhered to legal regulations in fulfilling its information disclosure obligations, maintaining high-frequency and high-quality communication with investors through various channels such as performance briefings, interactive platforms, and investor hotlines, effectively improving the timeliness and transparency of information disclosure and fully demonstrating its investment value. At the same time, the Company established a stable and sustainable return mechanism and implemented the profit distribution for the year 2024. The Company distributed the cash dividend of RMB 1.0 (including tax) for every 10 shares to all shareholders, with the total cash dividend amount of RMB 179 million. The Company effectively safeguarded shareholders’ rights and conveyed confidence in development.

Section IV Corporate Governance, Environment and Society

I. Overview of corporate governance

During the reporting period, the Company, in strict accordance with the *Company Law*, the *Securities Law*, the *Governance Guidelines for Listed Companies*, the *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, the *Self Regulatory Guidelines for Listed Companies No. 1 - Standardized Operation of Listed Companies on the Main Board* and other laws, regulations and regulatory requirements, continuously improved its governance structure of “Two Meetings and One Tier”, and established a decision-making and supervision mechanism that is clear in rights and responsibilities, efficient in operation, and effective in checks and balances. The Company continuously enhanced its compliance operation level and risk prevention and control capabilities, optimized decision-making processes and internal control systems, and strengthened information disclosure and investor rights protection, earnestly safeguarding the legitimate rights and interests of shareholders and stakeholders. As at the end of the reporting period, the actual status of corporate governance complied with all the requirements of relevant regulatory rules regarding corporate governance. The specific situation is as follows:

1. Shareholders and shareholders’ meeting

During the reporting period, the Company held three shareholders’ meetings. The procedures for convening and holding shareholders’ meeting, the qualifications of persons attending the shareholders’ meeting, and the voting procedures for the shareholders’ meeting were in compliance with the relevant provisions of the *Company Law*, the *Articles of Association*, and the *Rules of Procedure of the Shareholders’ Meeting of the Company*, to guarantee all shareholders (especially for minority shareholders) may be conferred equal rights according to the shares they hold and can fully exercise their corresponding rights. Meanwhile, the Company held a shareholders’ meeting by combining on-site and online voting to ensure that all shareholders have the right to know and vote on the Company’s major matters and can fully exercise their rights. Lawyers have attended the previous shareholders’ meetings and made complete meeting minutes to effectively safeguard the legitimate rights and interests of the Company and all shareholders.

2. The Company and its controlling shareholder

The corporate governance structure is improving day by day, and the construction of internal control system is constantly strengthened. The Company has independent business and autonomous operating capabilities and is independent of the controlling shareholder in terms of business, personnel, assets, institutions and finances. The Company’s Board of Directors and internal institutions can operate independently, ensuring the Company’s independent operation, independent management and independent assumption of responsibility and risk. During the reporting period, the controlling shareholder and its related parties did not directly or indirectly interfere with the decision-making and operation activities of the Company, nor did they harm the interests of the Company and its minority shareholders.

3. Directors and the Board of Directors

During the reporting period, the Company completed the re-election of its Board of Directors. The number of directors has been adjusted from 9 to 11, including 7 non-independent directors (including 1 employee representative director) and 4 independent directors. The number and structure of the Board of Directors of the Company follow the requirements of the relevant laws and regulations. During the reporting period, the Company held six meetings of the Board of Directors. The convening, holding and voting procedures of the meeting of the Board of Directors comply with relevant laws and regulations. All Directors have carried out their work in accordance with the *Company Law*, the *Articles of Association* and the *Rules of Procedure of the Board of Directors* of the Company, attended the meetings of the Board of Directors, the meetings of special committees of the Board of Directors and the shareholders' meetings, performed their duties and obligations diligently and conscientiously, and actively familiarized themselves with relevant laws and regulations to effectively improve their abilities to perform duties. There are four special committees under the Board of Directors. All the members of the special committees are composed of directors. Within the scope of duty under the Articles of Association of the Company and the working rules of each special committee, each special committee of the Board of Directors gives full play to its professional advantages, and provides advice and decision-making reference for the Board of Directors to improve the operation efficiency of the Board of Directors.

Independent directors perform their duties independently in strict accordance with the *Working System for Independent Director of the Company* and other relevant provisions. During the reporting period, the independent directors held two special meetings. The independent directors diligently fulfilled their duties, focused on the interests of the Company and all shareholders, especially minority shareholders, and expressed independent and objective opinions and suggestions on major matters.

4. Performance evaluation and incentive mechanism

The appointment of the senior officers of the Company is open, transparent and in compliance with the laws and regulations. The Company actively gives play to the responsibilities of the Remuneration and Appraisal Committee of the Board of Directors, determines the remuneration plan of the Company's senior officers at the beginning of the year, conducts performance appraisal on them at the end of the year, and evaluates their completion of various indicators in a fair and objective manner to determine their remuneration. In addition, the Company continuously improved employee performance evaluation and incentive constraint mechanisms, enhanced the concept of joint and sustainable development of the Company and its employees, actively created a fair and efficient professional environment in management, actively mobilized the work enthusiasm of all parties, and thus continuously improved the Company's performance.

The Company successfully unlocked the shares under the stock option incentive plans and employee stock ownership plans during the reporting period on schedule, and formulated a new employee stock ownership plan, which effectively bound core talents with the Company's long-term interests and strongly supported the implementation of the development strategy and business objectives. In the future, the Company will continue to enrich its incentive tools, explore diversified forms of incentive, and build a multi-level and long-term comprehensive incentive system covering senior officers, core backbone and key position employees, so as to promote the high-quality and sustainable development of the Company.

5. Stakeholders

The Company adheres to prudent operation, upholds the maximization of shareholder value, attaches great importance to and earnestly safeguards the legitimate rights and interests of all stakeholders including employees, creditors, customers, suppliers and the general public, and actively builds a long-term cooperative relationship featuring positive interaction and win-win cooperation. The Company takes the initiative to fulfill its social responsibilities, continuously promotes green and low-carbon development and public welfare undertakings, improves the mechanism for coordinating and communicating interests, and promotes the harmonious coexistence of the enterprise with society and the environment. The Company strictly adheres to relevant laws, regulations and regulatory requirements, and has compiled and disclosed the Company's *2025 Sustainable Development Report*, comprehensively demonstrating its sense of responsibility and achievements in sustainable development.

6. Information disclosure management

During the reporting period, the Company has made a total of 169 announcements. The Company has fulfilled its information disclosure obligations earnestly in strict accordance with the laws and regulations such as the *Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange*, the *Self Regulatory Guidelines for Listed Companies No. 1 - Standardized Operation of Listed Companies on the Main Board* and the provisions of the *Information Disclosure Management Policy of the Company*, etc., so as to ensure information disclosure in a true, accurate, complete and timely manner. In the meantime, the Company continuously strengthened the full-process management of insider information, standardized the registration and filing of insiders, established an insider file for its regular reports and major issues as well as a memorandum of progress on major issues, and submitted them for filing in a timely manner as required. During the sensitive period, the Company sent notifications prohibiting share trading to directors and senior officers in accordance with regulations, strictly regulated the behavior of external information reporting, effectively prevented the leakage of insider information and insider trading, and ensured the compliance and order of information disclosure.

7. Investor relations management

The Company attaches great importance to investor relations management and designates the Board Secretary as the person in charge of investor relations management. The Securities Affairs Center of the Company, as the body to implement investor relations management, standardizes the management of investor relations. The Company has also established diversified communication channels for investors, including a dedicated telephone line, a special email address, an interactive platform for investors and other forms, to fully ensure the right to know, the right to participate and investors' right to supervise, and ensure that information disclosure is fair, timely and effective. The Company strictly implements the insider information confidentiality system, and strengthens information isolation and compliance control. During the process of receiving institutional research visits, investor visits and inquiries, the Company always abides by regulatory requirements, adheres to the principle of fair disclosure, prevents the leakage of major undisclosed information, and earnestly safeguards the order of the capital market and the legitimate rights and interests of investors.

8. Internal audit system

During the reporting period, the Company organized the revision of the *Internal Audit System of the Company*, set up a dedicated internal audit department and equipped it with professional auditors. Under the guidance of the Audit Committee of the Board of Directors, the internal audit department strictly follows regulatory requirements and the Company's management and operation needs to carry out regular audit

supervision on related-party transactions, the use of raised funds, the operation of internal institutions, holding subsidiaries and important participating companies, and key business areas to continuously upgrade the standardized operation of the Company, ensure the efficient realization of business objectives, and earnestly safeguard the overall interests of the Company and the legitimate rights and interests of shareholders.

Whether there is significant difference among the actual status of corporate governance and the laws, administrative regulations and relevant regulations on corporate governance of listed companies issued by the CSRC

Yes No

There is no significant difference among the actual status of corporate governance and the laws, administrative regulations and relevant regulations on corporate governance of listed companies issued by the CSRC.

II. The Company's independence from the controlling shareholder, actual controller in terms of assets, personnel, finance, institutions, business, etc.

The Company is strictly separated from the controlling shareholder and the actual controller in terms of business, personnel, finance, institutions, assets, etc. The Company has a complete internal organization, and has an independent and complete business system and the ability to operate independently.

1. Assets

The Company has a clear property relationship with the controlling shareholder and the actual controller, has complete and independent legal person assets, independently owns the production systems, auxiliary production systems and supporting facilities related to production and operation, and lawfully owns the land, plant, machinery and equipment related to production and operation, as well as ownership or use rights of trademarks, patents, and non-patented technologies. The Company has complete control over all assets and has no circumstance in which assets and funds are occupied by the controlling shareholder or the actual controller to harm the Company's interests.

2. Personnel

The Company has signed labor contracts with its employees, has an independent workforce, and has established a complete management system in terms of labor, personnel and performance-related pay, maintaining independence from the controlling shareholders and actual controller. The directors and senior officers of the Company are elected in accordance with the *Company Law*, the Articles of Association and other relevant laws and regulations. The senior officers of the Company work and receive salary in the Company, and do not hold any positions other than director and supervisor in the controlling shareholder, actual controller and their subsidiaries.

3. Finance

The Company has an independent financial accounting department, been equipped with full-time financial personnel, and established an independent accounting system and a standardized financial management system, to independently make financial decisions. The Company opens independent bank accounts, makes tax

declarations and fulfills tax obligations independently in accordance with the law, and has not shared bank accounts or mixed tax payments with the controlling shareholder or the actual controller.

4. Institutions

The Company has independent production, operation and office premises, without mixed operation or joint office with the controlling shareholder, the actual controller or other related parties. The Company has established and improved its internal organizational structure, with each department having clear functions and operating independently. There is no subordinate relationship between the Company and its functional departments and the functional departments of the controlling shareholder or any other related parties, or there is no circumstance in which the controlling shareholder or any other related parties interfere with the Company's institutional setup, production and operation activities.

5. Business

The Company has the relevant business qualifications required for operation, has an independent and complete R&D, procurement, production, sales and service system, and has the independent ability to operate in the market. The Company conducts its business independently, conducts accounting independently, makes decisions independently, and assumes business risks and responsibilities independently. It does not rely on its controlling shareholder, actual controller or other related parties. Its business system is complete and independently controllable.

III. Industry Competition

Applicable Not Applicable

IV. Directors and Senior Officers

1. Basic information

Name	Gender	Age	Position	Status of office holding	Commencement date of tenure	Expiration date of tenure	Number of shares held at the beginning of the period (shares)	Number of shares increased in the current period (shares)	Number of shares reduced in the current period (shares)	Other changes (shares)	Number of shares held at the end of the period (shares)	Reasons for increase or decrease of shares
Li Zhen	Male	62	Chairman	Current	July 15, 2015	December 29, 2028	103,276,150	0	0	0	103,276,150	
			General Manager	Current ¹	July 15, 2015	December 29, 2028						
Wang Qisui	Male	42	Director	Current	December 29, 2025	December 29, 2028	12,000	0	0	0	12,000	
			Vice	Current	May	December						

			General Manager	23, 2022	ber 29, 2028							
Steven Cai	Male	64	Director	Current	April 7, 2017	December 29, 2028	0	60,000	0	0	60,000	Due to the exercise of stock options
			Vice General Manager	Departed	December 20, 2019	December 29, 2025						
Olaf Korzinovski	Male	59	Director	Current	April 26, 2023	December 29, 2028	0	0	0	0	0	
Rainer Ernst Seidl	Male	55	Director	Current	November 20, 2024	December 29, 2028	0	0	0	0	0	
Zhang Hongli	Male	45	Director	Current	December 20, 2019	December 29, 2028	173,000	29,500	0	0	202,500	Due to the exercise of stock options
Yang Maoping	Female	44	Employee Representative Director	Current	December 29, 2025	December 29, 2028	/	/	/	/	0	
Sun Zhe	Male	60	Independent Director	Current	December 15, 2021	December 15, 2027	0	0	0	0	0	
Qiao Yun	Male	52	Independent Director	Current	January 18, 2023	December 29, 2028	0	0	0	0	0	
Qiu Xinping	Male	60	Independent Director	Current	December 15, 2021	December 15, 2027	0	0	0	0	0	
Wang Feng	Male	51	Independent Director	Current	December 15, 2021	December 15, 2027	0	0	0	0	0	
Zhang Wei	Male	46	Vice General Manager	Current	December 20, 2019	December 29, 2025	0	0	0	0	0	
Zhang Yifei	Male	41	Financial Manager	Current	April 27, 2022	December 29, 2028	0	0	0	0	0	

Wang Quan	Male	39	Secretary of the Board of Directors	Current	December 4, 2023	December 29, 2028	0	0	0	0	0	
Sun Aiming	Male	45	Vice General Manager	Departed	April 27, 2022	December 29, 2025	0	45,000	0	0	45,000	Due to the exercise of stock options
Wang Qiang	Male	45	Vice General Manager	Departed	December 24, 2018	December 29, 2025	292,900	0	0	0	292,900	
Total	--	--	--	--	--	--	103,754,050	134,500	0	0	103,888,550	--

Note 1: On December 29, 2025, the re-election of the Company's tenth Board of Directors was completed, and the term of the Company's ninth Board of Directors expired. On February 4, 2026, the appointment of the 10th batch of senior officers was completed, and during the period, the 9th batch of senior officers Li Zhen, Wang Qisui, Steven Cai, Zhang Wei, Sun Aiming, Wang Qiang, Zhang Yifei and Wang quan are still performing their duties.

Whether there were any departure of directors or senior officers during the reporting period

Yes No

On December 29, 2025, the re-election of the Company's tenth Board of Directors was completed, and the term of the Company's ninth Board of Directors expired. On February 4, 2026, the appointment of the 10th batch of senior officers was completed. Among them, Li Zhen, Wang Qisui, Zhang Wei, Zhang Yifei and Wang quan have been re-elected as senior officers of the Company, and Steven Cai, Sun Aiming and Wang Qiang no longer serve as senior officers upon the expiration of their terms.

Changes in directors and senior officers

Applicable Not applicable

Name	Position	Type of change	Date of change	Name
Wang Qisui	Director	Election	December 29, 2025	General election
Yang Maoping	Employee Representative Director	Election	December 29, 2025	General election
Steven Cai	Vice General Manager	Resignation upon expiration of the term	December 29, 2025	General election
Sun Aiming	Vice General Manager	Resignation upon expiration of the term	December 29, 2025	General election
Wang Qiang	Vice General Manager	Resignation upon expiration of the term	December 29, 2025	General election

2. Officeholding status

Professional background, working experience and current main duties of the Company's existing directors and senior officers

On December 29, 2025, the Company held its second extraordinary general meeting of shareholders in 2025, during which six non-independent directors and four independent directors were elected to the 10th Board of

Directors. Together with the one employee representative director elected at the second employee representative congress in 2025, they formed the 10th Board of Directors of the Company. On February 4, 2026, the Company held the 1st meeting of the 10th Board of Directors, appointing the chairman of the 10th Board of Directors and senior officers of the Company.

(I) Directors

The current Board of Directors of the Company is the 10th Board of Directors with 11 members, including 7 non-independent directors (including 1 employee representative director) and 4 independent directors. The profile of each director is as follows:

1. Mr. Li Zhen, born in January 1964, is a Chinese national with a doctor's degree in Business Administration from the National University of Singapore. He served successively as a researcher at the Economic Research Center of Hefei Municipal Government, and the General Manager of Hefei Economic and Technological Development Company. Currently, he is the Chairman & General Manager of the Company and Executive Director of the Gotion Holding and Gotion Group.

2. Mr. Wang Qisui, born in July 1984, is a Chinese national with a doctor's degree from Wuhan University of Technology and a postdoctoral degree in Materials Chemistry from the University of Science and Technology of China and is a senior engineer. He served successively as a Senior Engineer and Senior Supervisor at the Materials Branch of the General Institute of Engineering Research of the Company, the General Manager, Assistant to the President and Vice President of Hefei Gotion's Directly Affiliated Factory No. 3, the President of the Company's China Business Segment, and the Chairman of the Company's Board of Supervisors. Currently, he is a director, Vice General Manager and Executive President of the Company.

3. Mr. Steven Cai, born in October 1962, is an American national with a master's degree from Wayne University. He served successively as Invited Project Reviewer of the Society of Automotive Engineers, Member of the Global Patent Review Committee of General Motors, Member of the Electric Vehicle Safety Strategy Review Committee of General Motors, Invited Expert of Electric Vehicle Technology Seminar of the Ministry of Industry and Information Technology of the People's Republic of China, China National Electric Vehicle Charging Standard Consultant, Engineering Technology Director of Contemporary Amperex Technology Co., Limited, a member of the China Intelligent Electric Vehicle Safety Protection Expert Committee, the President of the General Institute of Engineering Research of the Company, and Vice General Manager of the Company. Currently, he is a director and Senior Vice President of the Europe & Africa Market of the Company.

4. Mr. Olaf Korzinovski, born in October 1967, is a German national with a master's degree in mechanical engineering from Wolfenbüttel. He served successively as the Planning Director of Polkowice Factory of Volkswagen AG in Poland, the Engine Project Director of the Salzgitter Factory in Germany, the Fuel Vehicle Project Planning Director of the Wolfsburg Headquarters in Germany, the Technical General Manager of Volkswagen Automatic Transmission (Tianjin) Co., Ltd., the General Manager of the Kassel Factory in Germany, and the Chief Operating Officer of the Parts Business of Volkswagen AG. Currently, he is a director of the Company and the Executive Vice President of Volkswagen Group (China) in charge of the production and parts business.

5. Mr. Rainer Ernst Seidl, born in July 1971, is a German national with a bachelor's degree in industrial engineering from the University of Applied Sciences, Munich, Germany. Since joining Volkswagen AG in October 1997, he has worked in the Engineering Logistics Planning Department and Financial Control

Department of Audi AG (Ingolstadt Plant), and worked as Head of Finance of Automobile-Lamborghini, First Vice President (Finance) of FAW Volkswagen AG, Executive Vice President of Finance of Volkswagen (China) Investment Co., Ltd., and Financial Control Manager of Volkswagen AG Group. Currently, he is a director of the Company and Financial Manager of Everlence Europe AG.

6. Mr. Zhang Hongli, born in September 1981, is a Chinese national with a doctor's degree in Materials from the Institute of Metal Research, Chinese Academy of Sciences, and a postdoctoral degree from the University of California, Santa Barbara. He was included in "Hundred Talents Program" of Hefei and selected as "Leading Technical Talent of Strategic Emerging Industries" in Anhui, and won the Science and Technology Progress Award of Anhui. He once served as Project Scientist of the University of California, Santa Barbara, President of the Company's Institute of Materials Research, President of the Institute of Battery Research, and Vice President of the General Institute of Engineering Research. Currently, he is a director of the Company, an Executive Vice President of the China business sector of the Company, and the President of Hefei Base.

7. Ms. Yang Maoping, born in April 1982, is a Chinese national with a doctor's degree in Physical Chemistry from the University of Science and Technology of China and is a senior engineer. Ms. Yang Maoping is the leader of the 115 Industry Innovation Team in Anhui Province and a Class C high-level talent in Hefei City. She was successively honored with titles such as "Outstanding Talent of Lu Zhou, Hefei City" and "March 8th Red Flag Bearer of Hefei City". She successively served as Materials R&D Engineer, Chief Engineer, Vice President and President of the Materials Branch of the General Institute of Engineering Research of the Company, and President of the Core Materials Branch of the General Institute of Engineering Research. Currently, he is an employee representative director of the Company and Vice President of the General Institute of Engineering Research.

8. Mr. Sun Zhe, born in January 1966, is a Chinese national with a doctor's degree in political science from Columbia University, a master's degree in laws and bachelor's degree in laws from Fudan University in Shanghai. He served successively as the deputy director, professor and doctoral supervisor of the Center for American Studies of Fudan University in Shanghai, director and professor of the Center for China-U.S. Relations of Tsinghua University and served as the independent director of MGM China Holdings Limited (2282.HK) for 10 consecutive years. Currently, he is an independent director of the Company, the co-director of the China Project of Columbia University, a researcher of the Institute of Government Governance Innovation of Beijing University, an independent non-executive director of China Resources Land Co., Ltd. (1109.HK), and an independent non-executive director of JS Global Lifestyle Company Limited (01691.HK).

9. Mr. Qiao Yun, born in October 1974, is a Chinese national with a doctor's degree in Business Administration from the National University of Singapore. He once served as a member of the Information Technology Division of the Science and Technology Commission of Shanghai Municipality, General Manager of Shanghai Yahuan Information Technology Co., Ltd., Vice General Manager of CETC Digital Technology Co., Ltd., Executive Director and President of CETC-MOTOR Co., Ltd., independent director of Chongqing Dima Industry Co., Ltd., General Manager of Nanjing Tianqing Automobile Electronics Co., Ltd., President of Shanghai O-Film Tech. Co., Ltd., Vice President of Shanghai Sansheng Hongye Investment (Group) Co., Ltd. Currently, he is an independent director of the Company, and the President of Shanghai Qingjian Automobile Technology Co., Ltd.

10. Mr. Qiu Xinping, born in July 1966, born in July 1966, is a Chinese national with a Ph.D. degree in metallurgical physical chemistry from University of Science and Technology Beijing. Since May 1996, he has served in the Department of Chemistry, Tsinghua University, mainly engaged in the research of advanced

chemical power sources such as lithium-ion batteries, fuel cells, and flow batteries. He has published more than 200 scientific papers, applied for more than 30 patents, and has won 1 natural science award from the Ministry of Education and 2 science and technology awards from Beijing municipality. Currently, he is an independent director of the Company.

11. Mr. Wang Feng, born in February 1975, is a Chinese national with a bachelor's degree from Beijing University of Technology, MBA from China Europe International Business School, certified public accountant. He served successively as chief financial officer of Henan Zhongpin Food Co., Ltd., Beijing Shenyang Intelligent Technology Co., Ltd., Tujia Network Technology (Beijing) Co., Ltd., Rise Education Cayman Co., Ltd. (NASDAQ: REDU), CFO of Flash Express (Beijing) Co., Ltd. and other companies. Currently, he is an independent director of the Company.

(II) Non-director Senior officers

The Company has 7 current non-director senior officers. The profile of each senior officer is as follows:

1. Mr. Chen Wei, born in February 1983, is a Chinese national with a doctor's degree in Synchrotron Radiation and Its Applications from the University of Science and Technology of China. After graduating in 2014, he joined the Company and successively served as the Vice President of the Battery Branch of the General Institute of Engineering Research of the Company, the President of the Trial Production Branch of the General Institute of Engineering Research, the Chairman of Hefei Gotion Battery Co., Ltd., and the Vice President of the China Business Segment. Currently, he is Vice General Manager of the Company, and President of the Company's China Business Segment.

2. Mr. Zhang Wei, born in February 1980, is a Chinese national with a master's degree in public administration. He once served as HR Manager of Hefei Gotion, director and General Manager of Nanjing Gotion Battery Co., Ltd., and Vice President of the Company's Strategic Business Segment. Currently, he is Vice General Manager of the Company, and President of the Energy Storage Segment.

3. Mr. Fu Zhou, born in October 1979, is an American national with a doctor's degree in Materials Chemistry from the University of Science and Technology of China and is a postdoctoral researcher at Dalhousie University in Halifax, Canada. He has published over 30 papers and books and holds more than 70 patents. He successively served as the R&D team leader of the Electronic Materials Division at DowChemicalCompany, Senior R&D Manager at Waltham A123Systems, R&D Director and Vice President of Tianqi Lithium Co., Ltd., and Vice President of the General Institute of Engineering Research of the Company. Currently, he is Vice General Manager of the Company, and President of the General Institute of Engineering Research of the Company.

4. Mr. Cao Yong, born in September 1988, is a Chinese national with a doctor's degree in Physical Chemistry from Xiamen University. He successively served as the President of the Forward-looking Technology Institute of the General Institute of Engineering Research of the Company, the Technical Director of the Volkswagen Project Center, and the Vice President of the General Institute of Engineering Research. Currently, he is Vice General Manager of the Company, and Executive Vice President of the General Institute of Engineering Research of the Company.

5. Mr. Ralf Lorenz, born in September 1970, is a German national with a master's degree in engineering from the Technical University of Braunschweig/Wolfenbitt in Germany. Since joining Volkswagen AG in

September 1997, he has successively served as Chief General Manager of Production Materials Procurement at Volkswagen's Pune plant in India, Head of Electrical Procurement Department at Volkswagen AG, and Head of Exterior Procurement Department at SAIC Volkswagen Automotive Co., Ltd. Currently, he is Vice General Manager and Procurement Manager of the Company.

6. Mr. Zhang Yifei, born in March 1985, is a Chinese national with a bachelor's degree in Accounting from Harbin Institute of Technology and a master's degree in Business Administration from Hefei University of Technology. He once served as Chief Financial Officer of JAC Group (Anhui Jianghuai Automobile Group Corp., Ltd.), and Director of Accounting, Capital and Tax of Volkswagen (Anhui) Co., Ltd. Currently, he is the Finance Chief of the Company.

7. Mr. Wang Quan, born in May 1987, is a Chinese national with a master's degree in Financial Science from Illinois Institute of Technology. He previously worked at the Asset Management Center of Zhonghui Life Insurance Co., Ltd., the Asset Management Department and Institutional Business Department of Guoyuan Securities Co., Ltd., the Strategic Development Department of Anhui Guoyuan Capital Co., Ltd., and the Chairman's Office of the Company. Currently, he is the secretary of the Board of Directors of the Company.

The situation where the controlling shareholder and the actual controller concurrently serve as the chairman and general manager of the listed company

Applicable Not applicable

The Chairman and General Manager of the Company are currently Mr. Li Zhen, the actual controller of the Company. Mr. Li Zhen, as the founder of the Company, has made significant contributions to the Company's development since its establishment. He possesses profound industry experience and strategic vision. The Company believes that having Mr. Li Zhen serve as its chairman and general manager will be conducive to ensuring efficient decision-making, stable operation and continuous implementation of the Company's strategy. The Company has established and improved its corporate governance structure. Major business, financial and operational policies have all been collectively studied and decided by the Board of Directors and senior management. At the same time, by improving the internal control mechanism and giving full play to the supervisory role of independent directors and the special committees, an effective check and balance is formed to truly safeguard the interests of the Company and all shareholders.

Service for the shareholders

Applicable Not applicable

Name of employee	Name of shareholder	Position held in the shareholder	Commencement date of tenure	Expiration date of tenure	Whether to receive compensation and allowances from the shareholder
Li Zhen	Nanjing Gotion Holding Group Co., Ltd.	Executive Director	April 15, 2015		No
Olaf Korzinovski	Volkswagen (China) Investment Co., Ltd.	Executive VP	April 1, 2023		Yes

Service for other entities

Applicable Not applicable

Name of employee	Name of other organization	Position held in other entity	Commencement date of tenure	Expiration date of tenure	Whether to receive compensation and
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					allowances from other entity
Li Zhen	Hefei Gotion High-Tech Power Energy Co., Ltd.	Chairman			Yes
Li Zhen	Hefei Gotion Battery Technology Co., Ltd.	Chairman			No
Li Zhen	Gotion Holding Group Co., Ltd.	Executive Director			No
Li Zhen	Anhui Gotion Atomic Bit Technology Co., Ltd.	Director			No
Li Zhen	Hefei Boxuan Equity Investment Co., Ltd.	Director			Yes
Wang Qisui	Jiangxi Gotion New Energy Technology Co., Ltd.	Director			No
Wang Qisui	Tianjin CHTC New Energy Automobile Research Institute Co., Ltd.	Director			No
Wang Qisui	Qingdao Gotion Battery Co., Ltd.	Director			No
Wang Qisui	Jiangsu Gotion New Energy Technology Co., Ltd.	Director			No
Wang Qisui	Nanjing Gotion Battery Co., Ltd.	Director			No
Wang Qisui	Gotion New Energy (Lujiang) Co., Ltd.	Director			No
Wang Qisui	Tongcheng Gotion New Energy Co., Ltd.	Director			No
Wang Qisui	Anhui Gotion New Energy Automobile Technology Co., Ltd.	Director & General Manager			No
Wang Qisui	Hefei Gotion Battery Technology Co., Ltd.	Director			No
Wang Qisui	Hefei Gotion High-Tech Power Energy Co., Ltd.	Director & General Manager			Yes
Wang Qisui	Tongcheng Gotion Battery Technology Co., Ltd.	Director			No
Wang Qisui	Tianjin Gotion New Energy Technology Co., Ltd.	Director			No
Wang Qisui	Jinzhai Gotion New Energy Co., Ltd.	Director			No
Wang Qisui	Chuzhou Gotion New Energy	Director			No

	Power Co., Ltd.				
Wang Qisui	Gotion New Energy Technology Co., Ltd.	President			No
Wang Qisui	Hefei Gotion Power Energy Sales Co., Ltd.	General Manager			No
Wang Qisui	Hefei Gotion Energy Storage and Sales Co., Ltd.	General Manager			No
Steven Cai	GOTION, INC.	Chief Technology Officer			Yes
Steven Cai	Inobat AS	Director			No
Steven Cai	Hefei Gotion High-Tech Power Energy Co., Ltd.	Director			No
Olaf Korzinovski	Shanghai Volkswagen Powertrain Co., Ltd.	Chairman	July 18, 2023	June 27, 2025	No
Olaf Korzinovski	Volkswagen FAW Engine (Dalian) Co., Ltd.	Chairman	April 26, 2023	December 5, 2025	No
Olaf Korzinovski	Volkswagen FAW Platform Parts Co., Ltd.	Chairman			No
Olaf Korzinovski	Volkswagen FAW Platform Parts (Anhui) Co., Ltd.	Chairman			No
Olaf Korzinovski	Volkswagen Automatic Transmission (Tianjin) Co., Ltd.	Director			No
Olaf Korzinovski	Volkswagen Automatic Transmission (Dalian) Co., Ltd.	Chairman			No
Olaf Korzinovski	Volkswagen (Anhui) Parts Co., Ltd.	Chairman			No
Olaf Korzinovski	CAMS New Energy Technology Co., Ltd.	Chairman			No
Rainer Ernst Seidl	Volkswagen AG	Financial Control Manager	September 1, 2021	August 31, 2025	No
Rainer Ernst Seidl	Everllence Europe AG	Chief Financial Officer			Yes
Rainer Ernst Seidl	Volkswagen Group UK Co., Ltd.	Director			No
Rainer Ernst Seidl	Volkswagen Group Service Co., Ltd.	Director			No
Rainer Ernst Seidl	Volkswagen Financial Services Overseas Co., Ltd.	Director			No
Zhang Hongli	Anhui Gotion New Energy Automobile Technology Co., Ltd.	Chairman			No
Zhang Hongli	Jiangxi Gotion	Director			No

	New Energy Technology Co., Ltd.				
Zhang Hongli	Tongcheng Gotion New Energy Co., Ltd.	Director			No
Zhang Hongli	Tongcheng Gotion Battery Technology Co., Ltd.	Director			No
Zhang Hongli	Hefei Gotion Battery Technology Co., Ltd.	Director			No
Zhang Hongli	Hefei Gotion Green Energy Co., Ltd.	Director			No
Zhang Hongli	Hefei Gotion New Energy Technology Co., Ltd.	Deputy Chairman			No
Sun Zhe	Columbia University	Co-Director of China Projects			Yes
Sun Zhe	Peking University	Researcher and academic member of the Institute of Government Governance Innovation			No
Sun Zhe	Zhejiang Qi'an Information Technology Co., Ltd.	Director			No
Sun Zhe	China Resources Land Limited	Independent Non-Executive Director			Yes
Sun Zhe	JS Global Lifestyle Company Limited	Independent Non-Executive Director			Yes
Qiao Yun	Shanghai Qingjian Automotive Technology Co., Ltd.	Chairman			Yes
Qiu Xinping	Tsinghua University	Professor			Yes
Qiu Xinping	Anhui Qingzhi Technology Development Co., Ltd.	Director			No
Wang Feng	Weiju Network Technology (Shanghai) Co., Ltd.	Director			No
Zhang Wei	Jiangsu Gotion New Energy Technology Co., Ltd.	Chairman			Yes
Zhang Wei	Nanjing Gotion Battery Research Institute Co., Ltd.	Director			No
Zhang Wei	Nanjing Gotion Battery Co., Ltd.	Director			No
Zhang Wei	Tangshan Gotion Battery Co., Ltd.	Director			No
Zhang Wei	Hefei Jiachi	Director			No

	Technology Co., Ltd.				
Zhang Wei	Nanjing Gotion New Energy Co., Ltd.	Director & General Manager			No
Zhang Wei	Jinzhai Gotion New Energy Co., Ltd.	Director			No
Zhang Wei	Zhong'an Energy (Anhui) Co., Ltd.	Director			No
Zhang Wei	Anhui Gotion New Energy Co., Ltd.	President			No
Sun Aiming	Bozhou Gotion New Energy Co., Ltd.	Chairman			No
Sun Aiming	Hefei Gotion Battery Technology Co., Ltd.	Director & General Manager			No
Sun Aiming	Hefei Gotion Qingchun New Energy Technology Co., Ltd.	Chairman			No
Wang Qiang	Hefei Gotion High-Tech Power Energy Co., Ltd.	Director			Yes
Wang Qiang	MCC Ramu New Energy Technology Co., Ltd.	Director			No
Wang Qiang	Wuhu Gotion Power Technology Co., Ltd.	Chairman & General Manager			No
Wang Qiang	Wuhu Gotion Green Energy Co., Ltd.	Chairman & General Manager			No
Wang Qiang	Hefei Gotion Battery Technology Co., Ltd.	Chairman & General Manager	August 31, 2022	November 12, 2025	No
Explanation of service for other entities	The service of current directors and senior officers of the Company as directors or senior officers in other entities is as described above.				

Penalties imposed on the current and the departed directors and senior officers of the Company during the reporting period by securities regulatory authorities in recent three years

Applicable Not applicable

On December 7, 2023, the Anhui Branch of the CSRC issued the *Decision on Issuing a Warning Letter to Gotion High-Tech Co., Ltd. and Making Regulatory Talks with Li Zhen and Pan Wang* ([2023] No. 54). Due to the untimely disclosure of major transaction matters by the Company, regulatory talks were conducted with Li Zhen, President & General Manager of the Company, and Pan Wang, the then Board Secretary and Vice General Manager of the Company.

3. Remuneration for directors and senior officers

Decision-making procedure, determination basis and actual payment of remuneration for directors and senior officers

(I) Decision-making procedures

The Remuneration and Appraisal Committee puts forward relevant recommendations to the Board of Directors on the remuneration for directors of the Company, which is submitted to the general meeting of shareholders for deliberation and determination after deliberation by the Board of Directors. The Remuneration and Appraisal Committee puts forward relevant recommendations to the Board of Directors on the remuneration for senior officers, which is determined after deliberation by the Board of Directors.

(II) Basis of determination

In accordance with the *Implementation Measures for the Remuneration and Appraisal of Directors and Senior Officers of the Company*, the allowance standard of directors was as follows: the President and each independent director shall be entitled to allowance for directors (before tax) of RMB 300,000 per year, other directors shall be entitled to allowance for directors (before tax) of RMB 160,000 per year.

At the end of the year, the Company implements an evaluation system for senior officers and directors who hold other positions, and finally determines their remuneration according to the evaluation result and the Company's salary evaluation plan.

(III) Actual payment

During the reporting period, the total remuneration (including allowances) receivable by the above directors and senior officers during their tenure in the Company was RMB 15,063,800 (including tax). Among them, the current director Mr. Olaf Korzinovski and the director Mr. Rainer Ernst Seidl voluntarily renounced the claim of allowances for directors during the reporting period.

Remuneration for directors and senior officers during the reporting period

Monetary Unit: RMB '0,000

Name	Gender	Age	Position	Status of officeholding	Total remuneration from the Company (before Tax)	Whether any remuneration is received from the Company's related parties
Li Zhen	Male	62	Chairman	Current	185.68	No
			General Manager	Current		
Wang Qisui	Male	42	Director	Current	145.79	No
			Vice General Manager	Current		
Steven Cai	Male	64	Director	Current	211.22	No
			Vice General Manager	Departed		
Olaf Korzinovski	Male	59	Director	Current	0	Yes

Rainer Ernst Seidl	Male	55	Director	Current	0	Yes
Zhang Hongli	Male	45	Director	Current	161.65	No
Yang Maoping	Female	44	Employee Representative Director	Current	80.75	No
Sun Zhe	Male	60	Independent Director	Current	30	No
Qiao Yun	Male	52	Independent Director	Current	30	No
Qiu Xinping	Male	60	Independent Director	Current	30	No
Wang Feng	Male	51	Independent Director	Current	30	No
Zhang Wei	Male	46	Vice General Manager	Current	111.58	No
Zhang Yifei	Male	41	Financial Manager	Current	113.71	No
Wang Quan	Male	39	Secretary of the Board of Directors	Current	94.86	No
Sun Aiming	Male	45	Vice General Manager	Departed	130.42	No
Wang Qiang	Male	45	Vice General Manager	Departed	150.72	No
Total	--	--	--	--	1,506.38	--

Assessment basis for the actual remuneration received by all directors and senior officers at the end of the reporting period	KPI assessment and performance of duties
Completion of the assessment of the actual remuneration received by all directors and senior officers at the end of the reporting period	Completed
Deferred payment arrangements for the actual remuneration received by all directors and senior officers at the end of the reporting period	None
Stop-payment claims for the actual remuneration received by all directors and senior officers at the end of the reporting period	None

Information note:

Applicable Not applicable

V. Performance of duties by directors during the reporting period

1. Directors' attendance at the meetings of Board of Directors and the shareholders' meetings

Directors' attendance at the meetings of Board of Directors and the shareholders' meetings							
Name of director	Number of board meetings that should be attended by	Number of on-site attendances	Number of attendances by communicati	Number of attendances by proxy	Number of absences	Whether failed to attend meeting of the Board of	Number of attendances at the shareholders'

	the directors during the reporting period		on			Directors in person for two consecutive times	meetings
Li Zhen	4	3	1	0	0	No	3
Steven Cai	4	1	3	0	0	No	3
Olaf Korzinovski	4	1	3	0	0	No	3
Rainer Ernst Seidl	4	0	3	1	0	No	3
Zhang Hongli	4	2	2	0	0	No	3
Sun Zhe	4	0	4	0	0	No	3
Qiao Yun	4	1	3	0	0	No	3
Qiu Xinping	4	2	2	0	0	No	3
Wang Feng	4	1	3	0	0	No	3
Wang Qisui	0	0	0	0	0	No	1
Yang Maoping	0	0	0	0	0	No	1

Explanations on failure to attend meetings of the Board of Directors in person for two consecutive times

During the reporting period, there was no director who failed to attend meetings of the Board of Directors in person for two consecutive times.

2. Directors' objections to the matters related to the Company

Whether directors raised objections to the matters related to the Company

Yes No

During the reporting period, the directors raised no objections to the matters related to the Company.

3. Other remarks about the directors' performance of their duties

Whether the directors' suggestions on the Company have been adopted

Yes No

Explanations on whether the directors' suggestions on the Company have been adopted or not

During the reporting period, the directors of the Company strictly abided by relevant provisions such as the Company Law, the Securities Law, the *Governance Guidelines for Listed Companies* and the Articles of Association, faithfully, diligently and prudently performed their duties as directors, and continuously paid attention to the Company's operation and management, financial status, internal control and the progress of major issues. All the proposals submitted to the Board of Directors for deliberation have been thoroughly studied and carefully discussed, and professional opinions have been put forward in combination with industry trends and the Company's actual situation, providing strong support for the Board of Directors' scientific decision-making and the Company's stable operation.

The independent directors of the Company strictly performed their duties in accordance with the *Administrative Measures for Independent Directors of Listed Companies* and the Company's relevant regulations. They independently and objectively supervised and verified the Company's financial reports,

related-party transactions, major business decisions and other matters, effectively safeguarding the legitimate rights and interests of the Company and all shareholders, especially small and medium-sized shareholders. Independent directors, drawing on their professional backgrounds, actively offered suggestions and strategies regarding the Company's development strategy, risk control, and compliant operation, playing a significant role in the Company's standardized governance and high-quality development.

For the relevant suggestions put forward by the directors during their performance of duties, the Company conducted thorough research and argumentation in light of its actual business development. It actively adopted and promoted the implementation of suggestions that have the conditions for implementation and are conducive to enhancing the corporate governance efficiency and business quality. For suggestions that need to be planned in a coordinated manner in combination with the external environment and resource conditions, the Company will continue to track and study them, and steadily advance them when conditions are met.

VI. Performance of duties by special committees under the Board of Directors during the reporting period

Name of the committee	Members	Number of meetings held	Date of meeting	Content of meeting	Major opinions and proposals made	Performance of other duties	Description of matters objected (if any)
Audit Committee	Wang Feng, ZhangHongli, Rainer Ernst Seidl, Sun Zhe, Qiao Yun	3	April, 23, 2025	1. Deliberated the <i>Proposal on the Internal Control Self Evaluation Report of 2024</i> , the <i>Proposal on the Internal Audit Re-port of 2024 and Internal Audit Plan of 2025</i> , the <i>Proposal on the Internal Audit Report of Q1 and Internal Audit Plan of Q2 2025</i> , the <i>Proposal on the Final Account Re-port of 2024</i> , the <i>Proposal on the Annual Financial Report of 2024</i> , the	In combination with the actual situation of the Company, put forward relevant opinions, and approved all the proposals unanimously after full communication and discussion.	None	None

				<p><i>Proposal on the Budget Report of 2025, the Proposal on the Report of Q1 2025, and the Proposal on Retention of the Accounting Firm for 2025; 2. Reported and discussed financial matters of the Company.</i></p>			
			August 27, 2025	<p>1. Deliberated the <i>Proposal on the Internal Audit Report of the First Half Year and the Internal Audit Plan of Q3 2025, and the Proposal on the Financial Report of the First Half Year of 2025</i>; 2. Reported and discussed financial matters of the Company.</p>	<p>In combination with the actual situation of the Company, put forward relevant opinions, and approved all the proposals unanimously after full communication and discussion.</p>	None	None
			October 23, 2025	<p>1. Deliberated the <i>Proposal on the Internal Audit Report of Q3 and the Internal Audit Plan of Q4 2025, and the Proposal on the Financial Report of Q3</i></p>	<p>In combination with the actual situation of the Company, put forward relevant opinions, and approved all the proposals unanimously after full communication and</p>	None	None

				2025; 2. Reported and discussed financial matters of the Company.	discussion.		
Remuneration and Appraisal Committee	Qiao Yun, Zhang Hongli, Rainer Ernst Seidl, Qiu Xinping, Wang Feng	2	April 23, 2025	Deliberated the <i>Proposal on the Compensation Plan for Directors and Senior Officers in 2025</i> and the <i>Proposal on the Achievement of the Conditions for Unlocking the Third Batch of Shares under the ESOP (Phase III)</i>	In combination with the actual situation of the Company, put forward relevant opinions, and approved all the proposals unanimously after full communication and discussion.	None	None
			August 27, 2025	Deliberated the <i>Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period under the 2021 Stock Option Incentive Plan</i> and the <i>Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period of the First Batch of Stock Options Granted under the 2022 Stock Option</i>	In combination with the actual situation of the Company, put forward relevant opinions, and approved all the proposals unanimously after full communication and discussion.	None	None

				<i>Incentive Plan, the Proposal on the Adjustment and Distribution of Reserved Shares under the ESOP (Phase IV), the Proposal on the Company's Employee Stock Ownership Plan (Phase V) (Draft) and Its Summary and the Proposal on the Measures for the Administration of the Company's Employee Stock Ownership Plan (Phase V).</i>			
Nomination Committee	Sun Zhe, Qiu Xiping, Olaf Korzinovski, Steven Cai, Qiao Yun	1	October 23, 2025	Deliberated the <i>Proposal on the Board of Directors' Reshuffle and the Election of Non-independent Directors for the 10th Board of Directors</i> and the <i>Proposal on the Board of Directors' Reshuffle and the Election of Independent Directors for the 10th Board of Directors.</i>	The members conducted a thorough review of the qualifications of candidates for directors, and unanimously approved the proposal after full communication and discussion.	None	None
Strategy and ESG	Li Zhen, Olaf Korzinovski,	1	December 3, 2025	Reported and discussed the	The members conducted in-	None	None

Committee	Steven Cai, Zhang Hongli, Rainer Ernst Seidl			Company's strategic plan for the next five years and ESG strategic plan	depth discussions on the Company's strategic layout in core areas such as R&D, marketing, manufacturin g, supply chain, quality, global services, digitalization , and AI empowermen t over the next five years, clarified the need to continuously improve the ESG system, adhere to a sustainable development direction, and actively build a strategic risk prevention and control mechanism.		
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VII. Work of the Audit Committee

Whether the Audit Committee discovered any risk during the supervision activities during the reporting period

Yes No

The Audit Committee has no objection to the supervision matters during the reporting period.

VIII. Employees

1. Number of employees, specialty and educational background

Number of existing employees of parent company as at the end of the reporting period	657
Number of existing employees of major subsidiaries as at the end of the reporting period	32,430
Total number of existing employees as at the end of the	33,087

reporting period	
Total number of salaried employees in the current period	33,087
Number of retired employees to be paid by the parent company and major subsidiaries	0
Specialty	
Category	Number of persons
Production employees	17,334
Sales employees	959
Technical employees	11,087
Financial employees	411
Administrative employees	3,296
Total	33,087
Educational background	
Category	Number of persons
Doctor's degree or above	311
Master's degree	3,646
Bachelor's degree	8,154
Associate degree	7,492
Below associate degree	13,484
Total	33,087

2. Policy on employee compensation

The Company has, in strict accordance with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China* and other relevant laws and regulations as well as other departmental regulations, established and improved its human resource management systems and working procedures, strictly implemented relevant policies, and effectively guaranteed the legitimate rights and interests of employees.

The Company's employee compensation mainly consists of fixed salary, performance pay, seniority pay, overtime pay, post grant, etc., and will be increased by a certain amount annually according to the Company's operating efficiency, the overall salary status of the industry, the annual performance assessment results and the improvement of their working ability. The salary of production staff consists of fixed salary and incentive bonus determined according to piecework quota, quality score, assessment score and other related indicators; the salary of sales staff consists of fixed salary and incentive bonus mainly based on the commission, which is determined according to sales volume, return rate, profit margin and other related indicators; the salary of R&D staff consists of fixed salary determined according to their rank and and incentive bonus determined according to the situation of the research project; the salary of management staff consists of fixed salary determined according to the rank and duties of each post and incentive bonus determined according to the work results.

In order to further improve the enthusiasm of the Company's managers and employees and promote the sustainable growth of the Company's performance, the Company has effectively attracted and retained outstanding talents and fully mobilized the enthusiasm of managers and core technical personnel through the implementation of employee stock ownership plan and stock option incentive plan.

3. Training plan

The Company adheres to the talent cultivation tenet of “bestowing virtue at the top, talent at the middle, and ability at the grassroots”, and builds a management system with well-defined responsibilities and clear division of labor. It persists in and implements the guiding ideology of talent cultivation featuring the cultivation of cadre teams as the core, business improvement and promotion as the goal, highlight of training value as the orientation, and scientific and systematic training assessment and application of results as the starting point.

In terms of the training management system, it deepens the hierarchical management model of “Gotion College (Level 1) - Segment/Base (Level 2) - Business Department (Level 3)”. The superior units provide overall guidance, jointly build and share the resource pool of teachers and courses, and promote the rapid accumulation and reuse of excellent experiences. The formulation and implementation of training plans are fully process-oriented, with regular online submissions to ensure traceability of the training project process and improved management efficiency.

In terms of the training system construction, it focuses on three major modules: leadership, professionalism, and internationalization. Relying on outstanding internal trainers and business backbones, it creates high-quality courses for employees at home and abroad, such as cross-cultural courses, specialized courses on business capabilities of various segments, and FEMA series courses, etc. It simultaneously develops the internal learning platform of “Laugh Academy”, the online foreign language learning system and other self-owned resources to encourage employees to improve themselves.

In the design and closed-loop implementation of the training program, it conducts in-depth research in collaboration with business departments to identify pain points, carefully selects internal and external instructors, and after multiple rounds of course refinement and optimization, outputs standardized plans. After training, a closed loop of “feedback collection - effect tracking - result application” is established. The assessment results are directly incorporated into the job capability evaluation and applied to key talent decisions such as promotion and job rotation, strengthening the transformation from training to practice.

4. Labor outsourcing

Applicable Not applicable

Total working hours of labor outsourced (hours)	117,111
Total remuneration paid for labor outsourcing (RMB)	2,706,283.05

IX. Profits distribution and increase of share capital with reserved fund

Formulation, implementation or adjustment of the policies for profits distribution, especially the policies for the cash dividends, during the reporting period

Applicable Not applicable

The Company held the 2nd meeting of the ninth Board of Directors and the 2nd meeting of the ninth Board of Supervisors respectively on April 26, 2023, deliberated and passed the *Proposal on Shareholder Return Planning for the Next Three Years (2023-2025)*, which clearly stipulated the criteria for dividend distribution, the ratio as well as the decision-making procedures for

the adjustment of the profit distribution policy, and institutionally guaranteed the continuity and stability of the profit distribution policy. It can fully protect the legitimate rights and interests of minority investors. During the reporting period, the Company implemented the profit distribution policy in strict accordance with the *Articles of Association* of the Company and the *Shareholders' Return Plan for the Next Three Years (2023-2025)*.

Special notes on cash dividend policies	
Do they comply with the <i>Articles of Association</i> of the Company or the resolution of the shareholders' meeting:	Yes
Are the dividend standards and ratios clear and explicit:	Yes
Is the decision-making process and mechanism complete:	Yes
Do independent directors have fulfilled their duties and played their due role:	Yes
State the specific reasons if the Company does not distribute cash dividends, as well as the measures to be taken next to enhance investor returns:	N/A
Do minority shareholders have sufficient opportunities to express their opinions and demands, and have their legitimate rights and interests been fully protected:	Yes
Are the conditions and procedures for adjusting or changing cash dividend policies are compliant and transparent:	N/A

No plan for the distribution of cash dividends was proposed while the Company realized profits during the reporting period and the parent company's profits available for distribution to shareholders was positive

Applicable Not applicable

Profit distribution and the increase of share capital with reserved fund during the reporting period

Applicable Not applicable

Number of bonus shares per 10 shares (shares)	0
Dividend per 10 shares (yuan) (tax included)	1.0
Equity base for distribution proposal (shares)	Total share capital registered on the equity registration date for the implementation of the equity distribution minus the repurchased shares in the Company's special securities account for repurchase
Cash dividend amount (yuan) (tax included)	181,245,350.80
Amount of cash dividends in other ways (e.g., share repurchases) (yuan)	0.00
Total cash dividends (including other means) (yuan)	181,245,350.80
Distributable profit (yuan)	235,325,551.85
Total cash dividends (including other methods) as a percentage of total profit distribution	100%

The current cash dividend

Other

Details of the proposed profits distribution or capitalization of capital reserves

The Company intends to distribute a cash dividend of RMB 1.00 (inclusive of tax) for every 10 shares to all shareholders based on the total share capital registered on the equity registration date for the implementation of the equity distribution minus the repurchased shares in the Company's repurchase special securities account, and give 0 bonus shares (tax included), and the Company will not increase share capital with reserved funds. As of April 20, 2026, the total share capital of the Company is 1,814,221,054 shares, after deducting the repurchased shares in the Company's special securities account for repurchase of 1,767,546 shares, and based on this calculation the total proposed cash dividend of RMB 181,245,350.80 (tax included), accounting for the proportion of the net profit attributable to shareholders of listed companies for the year of 2025 as a 7.60%. During the period from the date of disclosure of the announcement on equity distribution plan to the share registration date for the implementation of the equity distribution, if there is any change in the total share capital of the Company, or if there is any change in the shares held in the

Company's repurchase special account as a result of share repurchase, cancellation of repurchased shares, or completion of the non-transaction transfers of repurchased shares transferred to the Employee Stock Ownership Plan, the Company intends to maintain the same distribution ratio per share and adjust the total amount of the distribution accordingly, and will announce the details of such adjustments in a separate announcement.

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

Applicable Not applicable

1. Equity incentive

(1) 2021 stock option incentive plan (the "2021 Incentive Plan")

① The Company held the 13th meeting of the eighth Board of Directors on August 26, 2021, deliberating and passing the *Proposal on the "Company's 2021 Stock Option Incentive Plan (Draft)" and its Summary*, the *Proposal on the "Administrative Measures for the Implementation and Assessment of the Company's 2021 Stock Option Incentive Plan"* and the *Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Handle Matters Related to the 2021 Stock Option Incentive Plan*. It was agreed that 29.98 million stock options would be granted to 1,087 eligible incentive objects, including directors, senior officers and core technical (business) personnel, at the exercise price of RMB 39.30 per option.

② The Company held the 13th meeting of the eighth Board of Directors on August 26, 2021, deliberating and passing the *Proposal on the "Company's 2021 Stock Option Incentive Plan (Draft)" and its Summary*, the *Proposal on the "Administrative Measures for the Implementation and Assessment of the Company's 2021 Stock Option Incentive Plan"* and the *Proposal on Examining the List of Incentive Objects under the Company's 2021 Stock Option Incentive Plan*. The Board of Supervisors verified the list of incentive objects under the 2021 Incentive Plan and gave verification opinions.

③ The Company publicized the names and positions of the incentive objects under the 2021 Incentive Plan during the period from September 1, 2021 to September 10, 2021. During the publicity period, the Board of Supervisors of the Company did not receive any objection related to the intended incentive objects under the 2021 Incentive Plan. On September 11, 2021, the Company disclosed the *Publicity Description and Verification Opinions on the List of Incentive Objects under the Company's 2021 Stock Option Incentive Plan* (Announcement No.: 2021-079).

④ The Company held the 3rd extraordinary shareholders' meeting of 2021 on September 15, 2021, deliberating and passing the *Proposal on the "Company's 2021 Stock Option Incentive Plan (Draft)" and its Summary*, the *Proposal on the "Administrative Measures for the Implementation and Assessment of the Company's 2021 Stock Option Incentive Plan"* and the *Proposal on Requesting the Shareholders' Meeting to Authorize the Board of Directors to Handle Matters Related to the 2021 Stock Option Incentive Plan*. At the same time, the Company conducted an examination on the buying and selling of the Company's stocks by the persons in the know of insider information and the incentive objects within 6 months before the announcement of the 2021 Incentive Plan, and did not find any buying and selling of stocks by the persons in the know of insider information using insider information. On September 16, 2021, the Company disclosed the *Report on Examination of the Buying and Selling of the Company's Stocks by the Persons in the Know of Insider*

Information and the Incentive Objects under the 2021 Stock Option Incentive Plan (Announcement No.: 2021-082).

⑤ The Company held the 14th meeting of the eighth Board of Directors and the 14th meeting of the eighth Board of Supervisors on October 28, 2021, deliberating and passing the *Proposal on the Adjustment of Matters Related to the 2021 Stock Option Incentive Plan* and the *Proposal on the Grant of Stock Options to the Incentive Objects*. The number of incentive objects under the 2021 Incentive Plan was adjusted from 1,087 to 1,063, while the total number of stock options granted under the 2021 Incentive Plan was not adjusted. Meanwhile, the grant date under the 2021 Incentive Plan was confirmed to be October 28, 2021. The Board of Supervisors verified the list of incentive objects to be granted with stock options.

⑥ The Company disclosed the *Announcement on the Completion of Registration of Grant under the 2021 Stock Option Incentive Plan* (Announcement No.: 2021-096) on November 16, 2021. The registration of grant under the 2021 Incentive Plan was completed in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. Actually 29.98 million stock options were granted to 1,063 eligible incentive objects.

⑦ The Company held the 18th meeting of the eighth Board of Directors and the 19th meeting of the eighth Board of Supervisors on July 7, 2022, deliberating and passing the *Proposal on Adjusting the Exercise Price under the 2021 Stock Option Incentive Plan* to adjust the exercise price of the 2021 Incentive Plan from RMB 39.30/share to RMB 39.20/share.

⑧ The Company held the 3rd meeting of the ninth Board of Directors and the 3rd meeting of the ninth Board of Supervisors on August 28, 2023, deliberating and passing the *Proposal on the Achievement of the Exercise Conditions for the First Exercise Period under the 2021 Stock Option Incentive Plan* and the *Proposal on Canceling Some of the Stock Options Granted under the 2021 Stock Option Incentive Plan*. There were a total of 936 incentive objects who met the exercise conditions for the first exercise period of the stock options granted under the 2021 Incentive Plan, and thus a total of 10.6392 million stock options were exercisable. Meanwhile, a total of 3.3688 million stock options that have been granted to 133 incentive objects but not yet exercised were canceled since they did not meet or not fully meet the standards in personal performance appraisal or resigned.

⑨ The Company held the 5th meeting of the 9th Board of Directors and the 5th meeting of the 9th Board of Supervisors on December 4, 2023, deliberating and passing the *Proposal on Canceling Some of the Stock Options Granted under the 2021 Stock Option Incentive Plan*. A total of 520,000 stock options that have been granted to 19 incentive objects but not yet exercised were canceled since they resigned and were no longer qualified as incentive objects. Meanwhile, the first exercise period for the stock options granted under the 2021 Incentive Plan has expired on November 14, 2023, and as of the expiration date, none of the incentive objects have exercised the stock options. Therefore, the Company canceled a total of 10.4312 million stock options that have not been exercised upon expiration in accordance with relevant rules and regulations. After the completion of the cancellation, the number of stock options under the 2021 Incentive Plan was changed to 15.66 million, and the number of incentive objects was changed to 917.

⑩ The Company held the 8th meeting of the ninth Board of Directors and the 8th meeting of the ninth Board of Supervisors on June 21, 2024, deliberating and passing the *Proposal on Adjusting the Exercise Price under the 2021 Stock Option Incentive Plan* to adjust the exercise price of the 2021 Incentive Plan from RMB 39.20/share to RMB 39.10/share.

⑪ The Company held the 9th meeting of the ninth Board of Directors and the 9th meeting of the ninth Board of Supervisors on August 27, 2024, deliberating and passing the *Proposal on the Achievement of the Exercise Conditions for the Second Exercise Period under the 2021 Stock Option Incentive Plan* and the *Proposal on Canceling Some of the Stock Options Granted under the 2021 Stock Option Incentive Plan*. There were a total of 887 incentive objects who met the exercise conditions for the second exercise period of the stock options granted under the 2021 Incentive Plan, and thus a total of 7.5822 million stock options were exercisable. Meanwhile, a total of 456,300 stock options that have been granted to the above incentive objects but not yet exercised were canceled since they did not meet or not fully meet the standards in personal performance appraisal or resigned.

⑫ The Company held the 11th meeting of the ninth Board of Directors and the 11th meeting of the ninth Board of Supervisors on December 11, 2024, deliberating and passing the *Proposal on Canceling Some of the Stock Options Granted under the 2021 Stock Option Incentive Plan*. The second exercise period for the stock options granted under the 2021 Incentive Plan has expired on November 14, 2024, and as of the expiration date, none of the incentive objects have exercised the stock options. Therefore, the Company canceled a total of 7.5822 million stock options that have not been exercised upon expiration in accordance with relevant rules and regulations. Meanwhile, since 10 incentive objects resigned and therefore were disqualified as incentive objects, the remaining 72,000 stock options granted to the corresponding 10 incentive objects were cancelled. After the completion of the cancellation, the number of stock options under the 2021 Incentive Plan was changed to 7.5495 million, and the number of incentive objects was changed to 877.

⑬ The Company held the 13th meeting of the ninth board of directors and the 13th meeting of the ninth Board of Aupervisors on August 28, 2025, deliberating and passing the *Proposal on Adjusting the Exercise Price under the 2021 Stock Option Incentive Plan*, changing the exercise price under the incentive plan from RMB 39.10 per option to RMB 39.00 per option.

⑭ The Company held the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors on August 28, 2025, deliberating and passing the *Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period under the 2021 Stock Option Incentive Plan* and the *Proposal on Canceling Some of the Stock Options Granted under the 2021 Stock Option Incentive Plan*. There were a total of 849 incentive objects who met the exercise conditions for the third exercise period of the stock options granted under the 2021 Incentive Plan, and thus a total of 7,333,200 stock options were exercisable. Meanwhile, a total of 216,300 stock options that have been granted to the above-mentioned incentive objects but not yet exercised were canceled since they did not meet or not fully meet the standards in personal performance appraisal or resigned.

⑮ The Company held the 15th meeting of the ninth Board of Directors and the 15th meeting of the ninth Board of Supervisors on December 8, 2025, deliberating and passing the *Proposal on Canceling Some of the Stock Options Granted under the 2021 Stock Option Incentive Plan*. The third exercise period of the stock options granted under the 2021 Incentive Plan expired on November 14, 2025. As of the expiration date, none of the incentive objects exercised their options. The Company cancelled a total of 7,333,200 stock options that had not been exercised by the expiration date in accordance with the regulations. Upon completion of the cancellation, the 2021 Incentive Plan was terminated.

(2) 2022 stock option incentive plan (the “2022 Incentive Plan”)

① The Company held the 16th meeting of the eighth Board of Directors on April 27, 2022, deliberating and passing the *Proposal on the “Company’s 2022 Stock Option Incentive Plan (Draft)” and its Summary*, the *Proposal on the “Administrative Measures for the Implementation and Assessment of the Company’s 2022 Stock Option Incentive Plan”* and the *Proposal on Requesting the Shareholders’ Meeting to Authorize the Board of Directors to Handle Matters Related to the 2022 Stock Option Incentive Plan*. It was agreed that 60 million stock options would be granted to incentive objects, and 48 million of them would be granted to 1,757 eligible incentive objects for the first time. Twelve million stock options would be reserved for grant. The exercise price is RMB 18.77 per option. The incentive objects can be directors, senior officers and core technical (business) personnel of the Company.

② The Company held the 16th meeting of the eighth Board of Directors on April 27, 2022, deliberating and passing the *Proposal on the “Company’s 2022 Stock Option Incentive Plan (Draft)” and its Summary*, the *Proposal on the “Administrative Measures for the Implementation and Assessment of the Company’s 2022 Stock Option Incentive Plan”* and the *Proposal on Examining the List of First Batch of Incentive Objects under the Company’s 2022 Stock Option Incentive Plan*. The Board of Supervisors verified the list of first batch of incentive objects under the 2022 Incentive Plan and gave verification opinions.

③ The Company publicized the names and positions of the first batch of incentive objects under the 2022 Incentive Plan during the period from April 30, 2022 to May 9, 2022. During the publicity period, the Board of Supervisors of the Company did not receive any objection related to the first batch of intended incentive objects under the 2022 Incentive Plan. On May 11, 2022, the Company disclosed the *Publicity Description and Verification Opinions on the List of First Batch of Incentive Objects under the Company’s 2022 Stock Option Incentive Plan* (Announcement No.: 2022-047).

④ The Company held the annual shareholders’ meeting of 2021 on May 23, 2022, deliberating and passing the *Proposal on the “Company’s 2022 Stock Option Incentive Plan (Draft)” and its Summary*, the *Proposal on the “Administrative Measures for the Implementation and Assessment of the Company’s 2022 Stock Option Incentive Plan”* and the *Proposal on Requesting the Shareholders’ Meeting to Authorize the Board of Directors to Handle Matters Related to the 2022 Stock Option Incentive Plan*. At the same time, the Company conducted an examination on the buying and selling of the Company’s stocks by the persons in the know of insider information and the incentive objects within 6 months before the disclosure of the draft 2022 Incentive Plan for the first time. On May 24, 2022, the Company disclosed the *Report on Examination of the Buying and Selling of the Company’s Stocks by the Persons in the Know of Insider Information and the Incentive Objects under the 2021 Stock Option Incentive Plan* (Announcement No.: 2022-050).

⑤ The Company held the 18th meeting of the eighth Board of Directors and the 19th meeting of the eighth Board of Supervisors on July 7, 2022, deliberating and passing the *Proposal on the Adjustment of Matters Related to the 2022 Stock Option Incentive Plan* and the *Proposal on the Grant of Stock Options for the First Time to the Incentive Objects*. The number of 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 under the 2022 Incentive Plan was adjusted from 48 million to 47.75 million, the total number of stock options reserved for grant was adjusted from 12 million to 11.9375 million, the total number of stock options to be granted was adjusted from 60 million to 59.6875 million, and the exercise price of stock options granted for the first time and reserved for grant was adjusted from RMB 18.77/share to RMB18.67/share. Meanwhile, the grant date for the first time

under the 2022 Incentive Plan was confirmed to be July 8, 2022. The Board of Supervisors verified the list of incentive objects to be granted with stock options.

⑥ The Company disclosed the *Announcement on the Completion of Registration of Grant under the 2021 Stock Option Incentive Plan for the First Time* (Announcement No.: 2022-067) on July 22, 2022. The registration of the grant under the 2022 Incentive Plan was completed in Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. Actually 47.75 million stock options were granted to 1,723 eligible incentive objects.

⑦ The Company held the 3rd meeting of the ninth Board of Directors and the 3rd meeting of the ninth Board of Supervisors on August 28, 2023, deliberating and passing the *Proposal on the Achievement of the Exercise Conditions for the First Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* and the *Proposal on Canceling Some of the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan*. There were a total of 1,571 incentive objects who met the exercise conditions for the first exercise period of the stock options granted under the 2022 Incentive Plan, and a total of 17.396 million stock options became exercisable, with an exercise price of RMB 18.67/share. Meanwhile, a total of 4.14 million stock options that have been granted to 193 incentive objects but not yet exercised were canceled since they did not meet or not fully meet the standards in individual performance appraisal or resigned.

⑧ The Company disclosed the *Reminder Announcement on the Adoption of Autonomous Exercise Mode for the First Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* (Announcement No.: 2023-068) on September 19, 2023. The first exercise period for the first batch of stock options granted under the 2022 Incentive Plan is from September 20, 2023 to July 19, 2024. During the period from the deliberation and approval by the Board of Directors of the Company of the *Proposal on the Achievement of the Exercise Conditions for the First Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* to the completion of the procedures for the application for registration for the autonomous exercise mode, a total of 10 incentive objects did not meet the exercise conditions due to resignation, and thus the corresponding stock options were canceled after completing the approval process. In 2022, there were a total of 1,561 incentive objects who actually meet the exercise conditions during the first exercise period for the first batch of stock options granted under the 2022 Incentive Plan, and thus a total of 17.316 million stock options were exercisable.

⑨ The Company held the 8th meeting of the ninth Board of Directors and the 8th meeting of the ninth Board of Supervisors on June 21, 2024, deliberating and passing the *Proposal on Adjusting the Exercise Price under the 2022 Stock Option Incentive Plan* to adjust the exercise price of the 2022 Incentive Plan from RMB 18.67/share to RMB 18.57/share.

⑩ The Company held the 9th meeting of the ninth Board of Directors and the 9th meeting of the ninth Board of Supervisors on August 27, 2024, deliberating and passing the *Proposal on the Achievement of the Exercise Conditions for the Second Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* and the *Proposal on Canceling Some of the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan*. There were a total of 1,477 incentive objects who met the exercise conditions for the second exercise period of the stock options granted under the 2022 Incentive Plan, and a total of 12.4368 million stock options became exercisable, with an exercise price of RMB 18.57/share. Meanwhile, the Board of Directors agreed to cancel a total of 4,167,840 stock options that have been granted to

the incentive objects but not yet exercised since they did not meet or not fully meet the standards in individual performance appraisal, resigned, or failed to exercise the stock options upon expiration of the first exercise period.

⑪ On October 10, 2024, the Company disclosed the Announcement on the Adoption of the Self-Exercise Model for the Second Exercise Period of the Initial Grant of the 2022 Stock Option Incentive Plan (Announcement No.: 2024-075), indicating that the actual exercise period for the second exercise period of the initial grant of the 2022 incentive plan is from October 11, 2024, to July 18, 2025. From the time the Company's Board of Directors approved the Proposal on the Achievement of Exercise Conditions for the Second Exercise Period of the 2022 Stock Option Incentive Plan until the completion of the relevant application registration for this self-exercise, 14 incentive objects either left the Company and no longer met the exercise conditions or voluntarily waived their rights to exercise during the second period. The corresponding stock options will be canceled following the completion of the approval process. The total number of incentive objects who met the exercise conditions for the second exercise period of the initial grant of the 2022 incentive plan was 1,463, corresponding to 12.3264 million stock options available for exercise.

⑫ The Company held the 13th meeting of the ninth board of directors and the 13th meeting of the ninth Board of Aupervisors on August 28, 2025, deliberating and passing the *Proposal on Adjusting the Exercise Price under the 20221 Stock Option Incentive Plan*, changing the exercise price under the 2022 Incentive Plan from RMB 18.57 per option to RMB 18.47 per option.

⑬ The Company held the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors on August 28, 2025, deliberating and passing the *Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period of the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* and the *Proposal on Canceling the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan*. There were a total of 1,406 incentive objects who met the exercise conditions for the third exercise period of the stock options granted under the 2022 Incentive Plan, and thus a total of 9,420,480 stock options were exercisable, and the exercise price was RMB 18.47 per option. Meanwhile, the Board of Directors of the Company agreed to cancel a total of 3,439,030 stock options that have been granted to the above-mentioned incentive objects but not yet exercised since they did not fully meet or not meet the standards in personal performance appraisal, voluntarily waived the right to exercise, resigned or failed to exercise their options upon expiration of the second exercise period.

⑭ On September 10, 2025, the Company disclosed the Announcement on the Adoption of the Self-Exercise Model for the Third Exercise Period of the Initial Grant of the 2022 Stock Option Incentive Plan (Announcement No.: 2025-065), indicating that the actual exercise period for the third exercise period of the initial grant of the 2022 incentive plan is from September 11, 2025, to July 7, 2026. The total number of incentive objects who met the exercise conditions for the third exercise period of the initial grant of the 2022 incentive plan was 1,406, corresponding to 9,420,480 stock options available for exercise.

⑮ The second exercise period of the initial grant of the 2022 Stock Option Incentive Plan expired on July 18, 2025. As of the end of the reporting period, the third exercise period has not yet expired. During the reporting period, the total number of options independently exercised by the incentive objects was 3,461,168 in the second exercise period and 8,656,319 in the third exercise period. The total share capital of the Company increased from 1,801,996,317 shares to 1,814,113,804 shares.

Note: A total of 11,937,500 stock options reserved for grant under the 2022 Incentive Plan were not granted within 12 months upon deliberation and approval at the Company's general meeting of shareholders (i.e., prior to May 23, 2023). Therefore, the reserved options have lapsed.

Equity incentives granted to directors and senior officers of the Company

Applicable Not applicable

Unit: Share

Name	Position	Number of stock options held at the beginning of the year	Number of stock options granted during the reporting period	Number of stock options that can be exercised during the reporting period	Number of stock options exercised during the reporting period	Exercise price of stock options exercised during the reporting period (RMB /option)	Number of stock options held at the end of the period	Market price at the end of the reporting period (RMB /option)	Number of restricted stocks held at the beginning of the period	Number of shares unlocked during the period	Number of restricted stocks granted during the reporting period	Grant price of restricted stocks (RMB /stock)	Number of restricted stocks held at the end of the period
Steven Cai	Director & Former Vice General Manager	240,000	0	228,000	60,000	18.57	48,000	39.11	0	0	0	0	0
Zhang Hongli	Director	165,000	0	156,000	29,500	18.57	36,000	39.11	0	0	0	0	0
Yang Maoping	Employee Representative Director	70,000	0	64,000	34,000	18.57/18.47	0	39.11	0	0	0	0	0
Zhang Wei	Vice General Manager	120,000	0	111,000	0		36,000	39.11	0	0	0	0	0
Wang Qiang	Former Vice General Manager	150,000	0	141,000	0		36,000	39.11	0	0	0	0	0
Sun Aiming	Former Vice General Manager	135,000	0	126,000	45,000	18.57	36,000	39.11	0	0	0	0	0
Total	--	880,000	0	826,000	168,500	--	192,000	--	0	0	0	--	0

Evaluation and motivation of senior officers

Senior officers of the Company are uniformly appointed by the Board of Directors. The Board of Directors has a Nomination Committee and a Remuneration and Appraisal Committee, which, as the management organization for the appointment and remuneration appraisal of senior officers of the Company, are responsible for formulating remuneration standards and plans for senior officers, reviewing their performance of duties and conducting annual appraisal, formulating scientific and reasonable remuneration plans and submitting them to the Board of Directors for deliberation.

2. Implementation of the employee stock ownership plan (ESOP)

Applicable Not applicable

All ESOPs in force during the reporting period

Scope of employees	Number of employees	Total amount of stocks held	Change	Ratio to total share capital of the listed Company	Source of funds for plan implementation
ESOP (Phase III) incentive objects	96	944,584	One incentive recipient left the Company and sold 1,339,100 shares.	0.05%	Own and self-raised funds of incentive objects
ESOP (Phase IV) incentive objects first granted	468	8,025,000	None	0.44%	Own and self-raised funds of incentive objects

Stocks held by directors and senior officers under the ESOP during the reporting period

Name	Position	Number of shares held at the beginning of the reporting period	Number of shares held at the end of the reporting period	Ratio to the total share capital of the Company
Wang Qisui	Director & Vice General Manager	164,273	127,000	0.01%
Steven Cai	Director & Former Vice General Manager	65,707	45,000	0.00%
Zhang Hongli	Director	135,707	115,000	0.01%
Yang Maoping	Employee Representative Director	51,424	39,000	0.00%
Zhang Wei	Vice General Manager	55,707	35,000	0.00%
Wang Quan	Secretary of the Board of Directors	20,000	20,000	0.00%
Sun Aiming	Former Vice General Manager	55,707	35,000	0.00%
Wang Qiang	Former Vice General Manager	100,000	100,000	0.01%

Changes of asset management institutions during the reporting period

Applicable Not applicable

Changes in equity caused by holders' disposal of shares during the reporting period

Applicable Not applicable

During the reporting period, under the ESOP (Phase III) of the Company, 1,339,100 Company's shares were sold in accordance with relevant regulations.

Exercise of shareholders' rights during the reporting period

During the reporting period, the ESOP (Phase III) of the Company exercised the shareholder's right to cash dividends in 2024, and attended the shareholders' meeting twice to exercise the shareholders' voting rights at the meetings through its representative.

During the reporting period, the ESOP (Phase IV) of the Company exercised the shareholder's right to cash dividends in 2024, and attended the shareholders' meeting twice to exercise the shareholders' voting rights at the meetings through its representative.

Other relevant information and explanation of the ESOP during the reporting period

Applicable Not applicable

Changes in the members of the ESOP Management Committee

Applicable Not applicable

Financial influence of the ESOP on the listed company during the reporting period and related accounting treatment

Applicable Not applicable

Termination of the ESOP during the reporting period

Applicable Not applicable

Other remarks:

(1) ESOP (Phase III)

① On December 22, 2022, the Company held the 21st meeting of the eighth Board of Directors, deliberating and passing the *Proposal on the Achievement of the Conditions for Unlocking the First Batch of Shares under the ESOP (Phase III)*. The conditions for unlocking the first batch of shares under the ESOP (Phase III) have been met, the lockup period expired on January 17, 2023, and the unlocking ratio is 40% of the total number of shares held under the ESOP (Phase III) (i.e., 1,253,473 shares). The ESOP (Phase III) Management Committee had sold the corresponding underlying stocks, and had distributed profits to the holders of the ESOP in accordance with relevant regulations. The remaining undistributed equity belongs to the Company.

② On April 18, 2024, the Company held the 6th meeting of the ninth Board of Directors, deliberating and passing the *Proposal on the Achievement of the Conditions for Unlocking the Second Batch of Shares under the ESOP (Phase III)*. The conditions for unlocking the second batch of shares under the ESOP (Phase III) have been met, the lockup period expired on January 17, 2024, and the unlocking ratio is 30% of the total number of shares held under the ESOP (Phase III) (i.e., 871,705 shares). During the reporting period, the ESOP (Phase III) Management Committee had sold the corresponding underlying stocks, and had distributed profits to the holders of the ESOP in accordance with relevant regulations. The remaining undistributed equity belongs to the Company.

③ On April 24, 2025, the Company held the 12th meeting of the ninth Board of Directors, deliberating and passing the *Proposal on the Achievement of the Conditions for Unlocking the Third Batch of Shares under the ESOP (Phase III)*. The conditions for unlocking the third batch of shares under the ESOP (Phase III) have been met, the lockup period expired on January 17, 2025, and the actual unlocking ratio is 30% of the total number of shares held under the ESOP (Phase III) (i.e., 860,905 shares). The ESOP (Phase III) Management Committee will continue to selectively sell the underlying stocks during the duration, and distribute profits to the holders of the ESOP in accordance with relevant regulations.

④ As of the end of this reporting period, the ESOP (Phase III) holds 944,584 shares of the Company.

(2) ESOP (Phase IV)

① On April 30, 2024, the Company held the 7th meeting of the ninth Board of Directors and the 7th meeting of the ninth Board of Supervisors, deliberating and passing the *Proposal on the Company's Employee Stock Ownership Plan (Phase IV) (Draft) and Its Summary* and other related proposals, agreeing that the Company would implement the ESOP (Phase IV). The above matters have been reviewed and approved at the Company's 2023 Annual General Meeting of Shareholders on May 21, 2024.

② On June 21, 2024, the Company held the 8th meeting of the ninth Board of Directors, deliberating and passing the *Proposal on Adjusting the Transfer Price under the ESOP (Phase IV)*. In view of the fact that the Company implemented the 2023 annual equity distribution during the period from the date of publication of the draft of the ESOP (Phase IV) to the completion of the transfer of the shares first granted, in accordance with the relevant provisions of the *Employee Stock Ownership Plan (Phase IV) of the Company*, the Company adjusted the subscription price under the ESOP (Phase IV) from RMB 11.70/share to RMB 11.60/share.

③ On December 26, 2024, the Company disclosed the *Announcement on the Completion of the Non-trading Transfer of the First Grant under the ESOP (Phase IV)* (Announcement No.: 2024-102). The actual number of subscribers for the first grant under the ESOP (Phase IV) was 468, with an actual subscription share of 93.09 million shares and a total subscription fund of RMB 93.09 million. The total number of non-trading transferred shares was 8.025 million.

④ On August 28, 2025, the Company held the 13th meeting of the ninth Board of Directors, deliberating and passing the *Proposal on Adjusting the Transfer Price of Reserved Shares under the ESOP (Phase IV)*. The subscription price of reserved shares under the ESOP (Phase IV) was adjusted from RMB 11.60/share to RMB 11.50/share.

⑤ On August 28, 2025, the Company held the 13th meeting of the ninth Board of Directors, deliberating and passing the *Proposal on the Adjustment and Distribution of Reserved Shares under the ESOP (Phase IV)*, agreeing that the Company would implement the distribution of reserved shares under the ESOP (Phase IV). The Company planned to grant no more than 2.975 million reserved shares to no more than 180 incentive objects. As of the end of the reporting period, the reserved shares under the ESOP (Phase IV) had not yet been fully granted.

⑥ On December 26, 2025, the Company disclosed the *Announcement on the Expiration of the Lock-up Period for the First Batch of Shares Granted to the Second Category of Participants under the ESOP (Phase IV)* (Announcement No.: 2025-095). The lock-up period for the first batch of shares granted to the second category of participants under the ESOP (Phase IV) of the Company expired on December 25, 2025. The unlocking ratio this time is 40% of the total shareholding of the second category of participants in the first grant under the

ESOP (Phase IV) (i.e., 2,882,000 shares). The Company will subsequently convene a board meeting based on the actual assessment results at both the company and individual levels to confirm the achievement of the performance under the ESOP (Phase IV). The ESOP (Phase IV) Management Committee will then handle and distribute the rights and interests according to the review results of the Board of Directors.

⑦ As of the end of this reporting period, the ESOP (Phase IV) holds 8,025,000 shares of the Company.

(3) ESOP (Phase V)

On August 28, 2025, the Company held the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors, deliberating and passing the *Proposal on the Company's Employee Stock Ownership Plan (Phase V) (Draft) and Its Summary* and other related proposals, agreeing that the Company would implement the ESOP (Phase V). The Company planned to grant no more than 11,202,539 shares of the Company to no more than 700 incentive objects, with a subscription price of RMB 21.07 per share. The above matters have been reviewed and approved at the Company's first extraordinary general meeting of shareholders in 2025 held on September 23, 2025. As of the end of the reporting period, the grant under the ESOP (Phase V) had not been completed.

3. Other employee incentive measures

Applicable Not applicable

XI. Construction and implementation of internal control system during the reporting period

1. Internal control construction and implementation

The Company has established and constantly improved its internal control system in strict accordance with the *Company Law*, the *Basic Standards for Enterprises' Internal Control* and its supporting guidelines, as well as relevant internal control regulatory requirements of the CSRC and the SZSE, and taking into consideration the actual situation, characteristics, and management needs of the Company, and ensured the effective operation of such system. Meanwhile, the Company carried out all kinds of special internal control evaluation work and annual internal control evaluation work regularly and on an ad hoc basis, and included important subsidiaries, key business-related matters and high-risk areas in the evaluation scope. By reviewing, analyzing and evaluating the internal control design and implementation every year, the Company has effectively prevented risks in operation and management, and continuously optimized the internal control system and achieved internal control objectives.

In the Company's identification of significant deficiencies in its internal control, no significant deficiencies were found in the Company's internal control for financial reporting or non-financial reporting as of the benchmark date of the internal control evaluation report.

2. Details of major defects in internal control discovered during the reporting period

Yes No

XII. Management of and control over subsidiaries during the reporting period

Company name	Combination plan	Combination progress	Problems encountered in the combination	Solutions adopted	Progress of solution	Follow-up solution
No	N/A	N/A	N/A	N/A	N/A	N/A

There are abnormalities in the management and control of the subsidiaries

Yes No

XIII. Internal control evaluation report or internal control audit report

1. Internal control evaluation report

Disclosure date of the internal control evaluation report	April 29, 2026	
Disclosure place of the internal control evaluation report	For details, please refer to the <i>Internal Control Self-Evaluation Report of 2025</i> published by the Company on cninfo website on April 29, 2026.	
Ratio of the total assets of the entities included in the evaluation scope to the total assets of the Company's consolidated financial statements	100.00%	
Ratio of the operating income of the entities included in the evaluation scope to the operating income of the Company's consolidated financial statements	100.00%	
Defect identification standards		
Category	Financial report	Non-financial report
Qualitative standards	Major defect: It is reasonably possible that a deficiency in internal control, either alone or in combination with other defects, will result in the failure to prevent or detect and correct a material misstatement in the consolidated financial statements in a timely manner, such as: (1) Directors and management commit the fraudulent acts that have a significant impact on financial reports; (2) The published financial reports are corrected; (3) Major misstatements in the current financial report are not discovered by the Company's internal	In case of following circumstances, they can be identified as major defects: (1) The Company lacks democratic decision-making procedures, such as the lack of collective decision-making procedures; (2) The Company's decision-making procedures are unscientific, such as decision-making errors; (3) The Company violates national laws and regulations, such as occurrence of major work safety or environmental pollution accidents; (4) The management personnel or technical personnel in key positions are left; (5) The results of

	control system; (4) The Company's internal control supervision is invalid. Important defects: it is reasonably possible that a defect in internal control, either alone or in combination with other defects, will result in the failure to prevent or detect and correct, in a timely manner, the misstatements in financial reporting that do not meet or exceed the important level but that still attract the attention of the Board of Directors and management. General defects: internal control defects that do not constitute major defects and important defects.	internal control evaluation, especially for major or important defects, have not been rectified; (6) The important business lacks system control or the system fails systematically. Other circumstances are determined as important defects or general defects according to the degree of impact.
Quantitative standards	(1) Quantitative judgment based on sales revenue: misstatement > 5% of the revenue is identified as a major defect, misstatement < 1% of the revenue is identified as a general defect, and others are identified as important defects. (2) Quantitative judgment based on net profit, total assets or owner's equity: misstatement > 5% of the above base is identified as a major defect, misstatement < 2% of the above base is identified as a general defect, and others are identified as important defects.	After considering compensatory control measures and actual deviation rate, based on the actual amount involved, the major defects are those that cause direct property losses which account for 1% of the Company's total assets, the important defects are those that cause direct property losses which account for 0.5% of the Company's total assets, and others are general defects.
Number of major defects in financial reports		0
Number of major defects in non-financial reports		0
Number of important defects in financial reports		0
Number of important defects in non-financial reports		0

2. Internal control audit report

Applicable Not applicable

Audit opinions in the internal control audit report	
Suyajincheng CPA LLP. ratifies that the Company has maintained effective internal control over financial reporting in all material aspects as of December 31, 2025 in accordance with the <i>Basic Standards for Enterprise Internal Control</i> and relevant regulations.	
Disclosure condition of the internal control audit report	Disclosed
Disclosure date of the internal control audit report	April 29, 2026
Disclosure website of the internal control audit report	Please refer to the "2025 Internal Control Audit Report" published by the Company on cninfo website on April 29, 2026.
Types of audit opinions on the internal control audit report	Standard unqualified opinions
Are there major defects in the non-financial reports	None

Does the accounting firm issue an internal control audit report with non-standard opinions

Yes No

Is the internal control audit report issued by the accounting firm consistent with the self-evaluation report of the Board of Directors

Yes No

Was a non-standard audit opinion on internal control issued during the reporting period or the previous year

Yes No

XIV. Self-inspection and rectification of problems in the special action on governance of the Company

The corporate governance of the Company as a whole meets the requirements and there are no major issues that need to be rectified. With the expansion of the Company's scale, business growth and changes in the external macro environment and market environment, it is necessary for the Company to constantly strengthen its own construction and further improve its internal control system. The Company will further enhance the effectiveness of its corporate governance in accordance with laws and regulations and regulatory requirements.

XV. Environmental information disclosure

Are the listed company and its major subsidiaries included in the list of enterprises that disclose environmental information in accordance with the law

Yes No

Number of enterprises included in the list of enterprises that disclose environmental information in accordance with the law		10
S/N	Company name	Query index for reports on environmental information disclosed in accordance with the law
1	Hefei Gotion High-Tech Power Energy Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Anhui) https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
2	Hefei Gotion Battery Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Anhui) https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
3	Hefei Gotion New Materials Technology Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Anhui) https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
4	Gotion New Energy (Lujiang) Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Anhui) https://39.145.37.16:8081/zhhb/yfplpub_html/#/home
5	Qingdao Gotion Battery Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Anhui) http://221.214.62.226:8090/EnvironmentDisclosure/
6	Inner Mongolia Gotion Zero Carbon Technology Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYear

		Report/index.js
7	Tangshan Gotion Battery Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Hebei) http://121.29.48.71:8080/#/fill/detail?enpId=28B7382A-D5F8-4866-B951-B61B0DB30445&year=2024
8	Nanjing Gotion Battery Co., Ltd.	System on Corporate Environmental Information Disclosed in Accordance with the Law (Jiangsu) http://ywxt.sthjt.jiangsu.gov.cn:18181/sp-sarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/sps-archive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js
9	Yichun Kefeng New Materials Co., Ltd.	Management Platform for System on Corporate Environmental Information Disclosed in Accordance with the Law (Jiangxi) http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information
10	Yifeng Gotion Lithium Industry Co., Ltd.	Management Platform for System on Corporate Environmental Information Disclosed in Accordance with the Law (Jiangxi) http://qyhjxxyfpl.sthjt.jiangxi.gov.cn:15004/information

XVI. Social responsibility

During the reporting period, the Company adhered to the business philosophy of “product is king, talent-based, and user first”, integrating social responsibility into every aspect of its development. It continuously optimized the corporate governance structure and effectively safeguarded shareholders’ rights and interests through diversified communication channels and a stable dividend distribution mechanism. Adhering to the people-oriented principle, the Company improved the career development system for employees, and created a fair and inclusive workplace environment. Adhering to the principles of integrity, compliance and mutual benefit, it joined hands with suppliers and customers to jointly build a sustainable business ecosystem. At the same time, relying on each base, the Company deeply participated in community co-construction, continuously invested in areas such as educational support, helping the weak and needy, and volunteer services, and gave back to society with practical actions, promoting the common growth of enterprise value and social value.

(I) Protection of the rights and interests of shareholders

The Company has established a comprehensive management mechanism for protecting the rights and interests of small and medium-sized shareholders, making efforts throughout the entire process from system

construction, communication channels, information disclosure, shareholder returns to response to demands, to effectively safeguard the legitimate rights and interests of small and medium-sized shareholders. To ensure the implementation of the mechanism, the Company has formulated and implemented the Investor Relations Management System, standardizing the investor communication process at the rule level and clarifying the requirements for protecting small and medium-sized shareholders. In daily communication, the Company has built a multi-dimensional interactive bridge: on the one hand, it opens basic channels such as investor contact numbers, faxes, and email addresses, and assigns dedicated personnel to handle feedback; on the other hand, through various forms such as the Shenzhen Stock Exchange's Interactive Easy platform, general meetings of shareholders, investor briefings, roadshows and symposiums, it safeguards the right to know and the right to speak of small and medium-sized shareholders. In the information disclosure process, the Company strictly adheres to compliance requirements, continuously enhances information transparency and disclosure quality, and treats all investors equally. In terms of shareholder returns, the Articles of Association clearly stipulates the cash dividend policy, ensuring that reasonable returns are implemented. At the same time, the Company takes the initiative to assume the primary responsibility for handling investors' demands, continuously optimizes the handling process, responds and replies to the demands of small and medium-sized shareholders in accordance with the law, and promotes the simultaneous improvement of the Company's governance level and value realization.

(II) Protection of the rights and interests of employees

The Company adheres to the talent concept of "people-oriented", strictly follows domestic and international labor laws and regulations as well as international labor standards, and builds a globally compliant employment system. In 2025, the Company officially joined the United Nations Global Compact, deeply integrating core principles such as human rights protection and labor standards into the entire process of human resource management. It promoted the "Human resources full life cycle management" model, and relied on digital platforms to standardize key links such as recruitment, training, performance, and compensation, so as to ensure fair and impartial employment. Thanks to its outstanding performance in organizational management, employee development and other fields, the Company has been awarded both the "Best Employer of the Year in China" and "Most Popular Employer among Employees in China" by Forbes, fully demonstrating the effectiveness of its talent strategy implementation.

(III) Protection of the rights and interests of suppliers, customers and consumers

In terms of supply chain management, the Company has established a complete supplier management system and issued a series of system documents such as the *Management Measures for the Development of Production Suppliers*, the *Management Measures for the Performance of Production Suppliers*, the *Management Measures for the Elimination of Production Suppliers*, and the *Management Measures for the Sustainable Development of Suppliers*, integrating the business ethics requirements of fair trade, transparent management, and compliant operation throughout the entire life cycle management of supplier access, assessment, performance evaluation and exit. Through full-process standardization and regularization control, it continuously optimized the supply chain ecosystem, enhanced the performance of supply chain management, effectively safeguarded the legitimate rights and interests of suppliers, and created an open, transparent, fair and just business procurement environment. The Company has always adhered to the business philosophy of “Product is king, talent-based, and user first”. It strictly resists all kinds of commercial behaviors that affect fair market competition. The Company has signed documents such as the Code of Conduct for Business Partners, Integrity Agreement, and Confidentiality Agreement with all its supplier partners. It regularly conducts compliance training for suppliers every year to enhance their understanding of compliance requirements and clarify the rights and obligations of both parties in terms of integrity in business operations, information protection, and fair competition. Meanwhile, the Company has established a multi-channel reporting mechanism covering official documents, letters, face-to-face meetings, phone calls and emails to ensure that business partners and other stakeholders can report business ethics violations in a timely manner, forming a supply chain governance pattern of multi-party supervision and joint construction of integrity. In terms of sustainable development of suppliers, the Company has established a systematic and standardized supplier sustainable development and due diligence management system with social responsibility, responsible procurement, and carbon management as the core dimensions, fully embedding ESG control requirements throughout the entire supply chain cooperation process. The Company has formulated the Supplier Social Responsibility Audit Form to conduct social responsibility audits on suppliers, comprehensively assessing their performance in areas such as labor rights, occupational health, environmental protection, and business ethics. For the problems identified during the audit, suppliers are required to rectify and close the loop within a specified period to continuously enhance the level of social responsibility in the supply chain.

During the reporting period, the Company formulated and released the *Responsible Mineral Supply Chain Due Diligence Management Policy* in accordance with the requirements of the OECD Due Diligence Guidelines and other documents, and carried out due diligence on the chain of custody. At the same time, relevant

requirements were integrated into the social responsibility audits on suppliers, and suppliers were required to simultaneously formulate responsible mineral-related policies and management procedures to conduct due diligence. Meanwhile, quality assistance was provided to key suppliers through supplier conferences, special audits and other means, effectively promoting the overall quality upgrade of the supply chain.

The Company has always adhered to taking customer needs as the core and continuously strengthened the protection of rights and interests of customers. By revising and improving system documents such as the *Customer Satisfaction Management Measures*, it has continuously optimized service processes and management standards, and promoted the institutionalization and standardization of customer service work. The Company regularly carries out specialized training for employees, covering key areas such as marketing professional knowledge, business ethics, and customer privacy protection, effectively enhancing the compliance awareness and service responsibility awareness of all staff, and truly safeguarding the legitimate rights and interests and vital interests of customers.

In terms of after-sales service, the Company continuously strengthens resource planning and network construction, and establishes and improves standardized service management systems. It accelerates the layout of the “four-in-one” overseas service network, promotes the pre-positioning and rapid response of services, and provides efficient, stable and reliable service guarantees for global customers. By improving the institutional system and perfecting the global service network, the Company continuously builds a solid barrier for protecting the rights and interests of customers, and strives to create sustainable cooperative value for customers.

(IV) Environmental protection and sustainable development

The Company has established an Environment, Health and Safety (EHS) Management Committee composed of the management team, which serves as the highest decision-making body for environmental management and is responsible for reviewing the EHS management target indicators and standardizing the operation of the EHS management system. The Company has implemented the EHS target responsibility letter mechanism, deeply integrating EHS management target into the performance evaluations of each base and department. It has also listed pollutant reduction as a core performance indicator, breaking down and implementing it layer by layer to ensure the implementation of emission reduction tasks. In terms of system construction, all the holding subsidiaries of the Company have passed the ISO 14001 environmental management system certification, and regular internal and external audits are carried out to ensure the effective operation of the system. In 2025, the Company’s total investment in environmental protection reached RMB 55.4347 million, providing a solid financial guarantee for all environmental management work. In terms of

pollution prevention and control, by continuously optimizing the wastewater and waste gas treatment processes, the intensity of pollutant emissions has been decreasing year by year. Eight domestic bases have been approved as national or provincial green factories, marking the Company's remarkable practical achievements in environmental management and green development.

In response to the national "Carbon Peaking and Carbon Neutrality" goals, the Company officially released the Zero Carbon Strategy in 2025, clearly setting the strategic goal of achieving operational carbon peak by 2027 and operational carbon neutrality by 2035. To achieve this goal, the Company has established a complete energy and carbon management system from top to bottom, and is rapidly and efficiently promoting energy conservation and carbon reduction. The Company has focused on five key energy-consuming devices, and continuously conducted indicator tracking and energy-saving diagnosis. By 2025, a total of 169 energy-saving projects were implemented, with a cumulative energy savings of 140 million kilowatt-hours. By building distributed photovoltaic power, the Wuhai base has achieved 100% direct supply of green electricity, providing a replicable case for zero-carbon practices and a solution for the Company to achieve its zero-carbon goal. Meanwhile, the four bases in Xinzhan, Jinzhai, Tangshan and Yichun have also completed the certification of carbon-neutral factories.

For more details, please refer to the Company's *2025 Sustainable Development Report* disclosed by the Company on cninfo website.

XVII. Consolidating and expanding the achievements of poverty alleviation and rural revitalization

The Company has always adhered to its mission and original aspiration of "Let green energy serve mankind", actively practiced the concept of green development and social responsibility, and built a public welfare system featuring "headquarters' overall leadership and subsidiaries' collaborative implementation". It closely follows the requirements of consolidating and expanding the achievements of poverty alleviation and comprehensively promoting rural revitalization, and continuously makes efforts in areas such as zero-carbon public welfare, care for special groups, and employee assistance. In 2025, the Company invested a total of over RMB 6 million in public welfare funds and materials, spreading warmth and giving back to society through concrete actions.

(I) Promoted zero-carbon public welfare projects to empower rural revitalization

1. Rural zero-carbon empowerment project

In Sidaohe Village, Jinzhai, the Company donated to build a zero-carbon public welfare photovoltaic storage and charging integrated project, with an investment of RMB 900,000, to improve the clean energy infrastructure in the countryside and empower rural revitalization with low-carbon energy. It also donated to build a zero-carbon public welfare photovoltaic storage and charging integrated project at Sapu Primary School in Tongcheng City, with an investment of RMB 900,000, to establish a clean energy system on campus and contribute to the revitalization of education.

2. Consumption-based assistance for agriculture action

The Trade Union Committee of Liuzhou Gotion Battery Co., Ltd. purchased agricultural products from poverty-stricken areas as employee consolation gifts, investing RMB 381,700 to expand the sales channels of agricultural products and increase the income of the masses. Tongcheng Gotion New Energy Co., Ltd. donated RMB 100,000 to the Liuchi Lane Charity Foundation of Anhui Province to support the development of rural charity. Jinzhai Gotion New Energy Co., Ltd. has made targeted purchases of local specialty agricultural products such as mountain walnuts, investing RMB 1 million to increase farmers' income through consumption-based assistance.

(II) Paid attention to charity and public welfare undertakings and conveyed warmth and strength

During the reporting period, the Company actively laid out charitable and public welfare undertakings. All subsidiaries of Gotion High-Tech actively fulfilled their social responsibilities and widely carried out diverse public welfare actions such as public welfare assistance, rural revitalization, community co-construction, respect for the elderly and education assistance, charitable donations, and cultural and sports support. The headquarters carried out public welfare donations and material assistance to left-behind children in the local community, cultural public welfare projects, local law enforcement and front-line sanitation groups. Subsidiaries in various regions successively carried out a series of measures, including rural education assistance, support for rural construction in other places, festival care and consolation for the elderly, assistance to disadvantaged groups and employees, community fund donations, support from public welfare organizations, sponsorship of cultural and sports events, support for local sports undertakings, and care for front-line personnel. They practiced their public welfare responsibilities in multiple dimensions, continuously deepened local

integration, and contributed to the improvement of people's livelihood and the development of local social undertakings.

(III) Deepened employee assistance and built a humanistic care system

The Company continuously improved its employee care and assistance mechanism and earnestly implemented various warm and reassuring measures. In terms of special assistance, 27 people were assisted through the employee assistance fund, with a total assistance amount of RMB 419,500; regular assistance for employees in difficulty was provided, covering 200 people, with an assistance fund of RMB 600,000. In terms of the construction of the employee welfare and security system, various warm-hearted cash gifts, consolation grants and maternity cash gifts were distributed in accordance with regulations. The Company simultaneously implemented humanistic care, distributed illness and injury consolation money to employees, and provided high-temperature consolation grants to frontline workers engaged in high-temperature operations, comprehensively strengthening the defense line of employee welfare and security, and effectively enhancing employees' sense of belonging and happiness.

Section V Major Matters

I. Performance of commitments

1. Commitments that have been completed during the reporting period or not completed by the end of the reporting period by the Company's actual controller, shareholders, related parties, acquirers and other commitment parties.

Applicable Not applicable

Reasons for commitment	Party making the commitment	Type of commitment	Content of commitment	Commitment time	Commitment period	Performance
Commitments made in the acquisition report or equity change report	Volkswagen China	Commitments regarding horizontal competition, related party transactions and occupation of funds	<p>“In order to regulate the related party transactions between Volkswagen China and the Company, Volkswagen China undertakes that: 1. Volkswagen China will make its best efforts to avoid unnecessary related party transactions with the Company; 2. If there is a need for related party transactions, Volkswagen China will deal with such related party transactions with the Company in strict accordance with the laws and regulations as well as the provisions of the Articles of Association and other internal management policies; 3. To ensure the fairness of the</p>	May 26, 2020	Long term	Under normal performance

			related party transactions, the pricing of the related party transactions between Volkswagen China and the Company will strictly comply with the principle of market pricing; in the absence of market price, the transaction price will be determined by both parties on the basis of fair and reasonable consultations on an equal basis.”			
	Volkswagen China	Other commitments	“In order to maintain the independence of the Company after the completion of the transaction, Volkswagen China undertakes that: 1. The transaction will have no impact on the independence of personnel, asset integrity and financial independence of the Company; 2. After the completion of the transaction, the Company will still have the ability to operate independently, have the status of an independent legal entity and continue to maintain the independence or integrity of its management structure, assets,	May 26, 2020	Long term	Under normal performance

			<p>personnel, production and operation, and finances; 3. Volkswagen China will strictly comply with the relevant regulations of the CSRC on the independence of listed companies and maintain and preserve the independence of the Company.”</p>			
		Other commitments	<p>“According to the <i>Shareholders’ Agreement</i> and the <i>Supplementary Agreement to the Shareholders Agreement</i>, Volkswagen China undertakes that for a period of 72 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 in respect 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</p>	December 11, 2024	Effective as of December 15, 2021	Under normal performance

			<p>(Gotion Holdings, Li Zhen and Li Chen together being the founding shareholders). If the termination or end of the undertaking to waive voting rights will result in Volkswagen China becoming a controlling shareholder of the Company, Volkswagen China shall satisfy all procedures and requirements for the change of control of the Company and becoming a controlling shareholder of the Company as required by the then applicable laws and regulations, rules of the stock exchange and securities regulatory authorities, including but not limited to the applicable regulatory requirements on information disclosure, horizontal competition, conflict of interest and connected transactions, etc.”</p> <p>This commitment will terminate upon the occurrence of any of the following circumstances:</p> <p>(a) the 72-month</p>			
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			<p>commitment period for the waiver of voting rights expires or any other extended period determined by Volkswagen China expires after 72 months; (b) Volkswagen China and its concerted actors are no longer the largest shareholders of the listed company, or Volkswagen China's shareholding ratio falls below 15%; (c) Volkswagen China's shareholding ratio is 5% lower than that of the founding shareholder; (d) the founding shareholder's shareholding ratio decreases by 5% after the completion of strategic investment, or the founding shareholder's shareholding ratio falls below 15%; or (e) a third party controls the listed company.</p>			
		Other commitments	<p>"Pursuant to the provisions of the Shareholder Agreement, Volkswagen China promises to Gotion Holding, Li Zhen, and Li Chen that as long as Volkswagen China's</p>	May 28, 2020	Effective as of December 15, 2021	Under normal performance

			<p>shareholding ratio in the Company is not less than 15%, Volkswagen China shall not directly or indirectly (including through any of its holding subsidiaries) gain control over any enterprise engaged in the production of automotive power lithium batteries in China, other than the listed Company and its subsidiaries. If Volkswagen China has not become the controlling shareholder of the listed company for any reason within five years after the completion of the strategic investment, this clause will become invalid five years after the completion of the strategic investment. From the date of signing the agreement, except for implementation through the listed company or its subsidiaries or prior consultation and agreement with the listed company, Volkswagen China and its holding subsidiaries shall not directly or</p>			
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			indirectly invest in 24M Technologies, Inc., MCC Ramu New Energy Technology Co., Ltd., or Hefei Xingyuan New Energy Materials Co., Ltd.”			
Commitments made during asset reorganization	Gotion Holding, Li Zhen, Li Chen	Commitments regarding horizontal competition, related party transactions and occupation of funds	<p>“After the completion of this transaction, the Company/I will, in strict accordance with the requirements of laws, regulations, regulatory documents and the relevant provisions of the articles of association of the listed company, continue to exercise shareholders’ rights or urge the directors to exercise directors’ rights, and per-form the obligation to avoid voting on the related party transactions involving the Company/me. After the completion of this transaction, the Company/I and other companies controlled by the Company/me will minimize related party transactions with the listed company to avoid funds occupation. When conducting related party transactions that are really</p>	September 5, 2014	Long term	Under normal performance

			necessary and unavoidable, ensure the fair operations based on the principles of marketization and fair prices, and perform relevant approval procedures and information disclosure obligations in accordance with relevant laws, regulations and regulatory documents, and ensure that the legitimate rights and interests of listed company and other shareholders will not be harmed by related party transactions and funds occupation.”			
	Gotion Holding, Li Zhen	Other commitments	“After the completion of this transaction, it is ensured that the listed company will continue to be completely separated from the controlling shareholder, actual controller and other enterprises controlled by it in terms of personnel, assets, finance, organization and business, and maintain the independence of the listed company in terms of personnel, assets, finance, organization and business.”	September 5, 2014	Long term	Under normal performance
Commitments	Gotion	Commitments	“(1) On the date	December 24,	Long term	Under normal

made during IPO or refinancing	Holding, Li Zhen, Li Chen	regarding horizontal competition, related party transactions and occupation of funds	of the commitment letter, neither the party making the commitment nor the sub-enterprise (except the issuer and its holding subsidiaries, the same below) directly or indirectly controlled by it has not produced or developed any products that compete with or constitute a competition with the products produced by the issuer, or directly or indirectly operated any business that competes with or constitute a competition with the business operated by the issuer, and does not participate in any investment in any other enterprises that compete with or constitute a competition with the products or business of the issuer; (2) During the period of being the controlling shareholder and actual controller of the issuer, neither the party making the commitment nor the sub-enterprise directly or indirectly controlled by it will not produce or develop any products that compete with or	2018		performance
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			<p>constitute a competition with the products produced by the issuer, or directly or indirectly operate any business that competes with or constitutes a competition with the business operated by the issuer, and will not participate in any investment in any other enterprises that compete with or constitute a competition with the products or business of the issuer; (3) If the issuer further expands its products and business scope during the period of being the controlling shareholder and actual controller of the issuer, neither the party making the commitment nor the sub-enterprise directly or indirectly controlled by it will not compete with the issuer's expanded products or business; if there is any such competition, the party making the commitment nor the sub-enterprise directly or indirectly controlled by it will avoid the horizontal competition by ceasing the production or</p>			
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			operation of such products or business or by including such business into the business scope of the issuer or by transferring such business to any unrelated third parties; (4) If, during the period of being the controlling shareholder and actual controller of the issuer, the party making the commitment and the sub-enterprise directly or indirectly controlled by it will face or may obtain in the future investment opportunities or other business opportunities that compete with or may constitute a competition with the products or business of the issuer, the issuer shall be given the right of first refusal to such investment opportunities or other business opportunities; (5) If the commitment letter proves to be untrue or not complied with, the party making the commitment will compensate the issuer for all direct and indirect losses.”			
	Gotion Holding, Li Zhen	Other commitments	“Commitments of controlling shareholder, the actual controller regarding the	May 28, 2020	Long term	Under normal performance

			<p>measures for making up the diluted returns for the current term due to the non-public offering of shares in 2020: (1) Not to interfere with the operation and management activities of the Company beyond their authority and not to encroach on the interests of the Company. (2) To effectively implement the measures formulated by the Company to make up for the related returns as well as this commitment, and in case of breach of or failure to perform this commitment causing losses to the Company or shareholders, agree to assume corresponding legal liabilities in accordance with the relevant provisions of laws, regulations and securities regulators; and (3) From the date of this commitment to the completion of the implementation of the current non-public offering of shares of the Company, if the CSRC makes other new regulatory requirements regarding the</p>			
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			measures for making up the returns and the commitments thereof, and if the above commitments cannot satisfy such requirements of the CSRC, the Company/I commit to issue additional commitments at that time in accordance with the latest requirements of the CSRC.”			
	Li Zhen, Wang Qiang, Lei Guang, Steven Cai, Zhang Hongli, Rao Yuanyuan, Qiao Yun, Wang Zhitai, Sheng Yang, Ma Guifu, Zhang Wei, An Dongliang, Hou Fei, Wang Chengkui, Pan Wang	Other commitments	“Commitments of all directors and senior officers regarding the measures for making up the diluted returns for the current term due to the non-public offering of shares in 2020: (1) Not to transfer benefits to other units or individuals without consideration or on unfair terms, or to use other means to harm the interests of the Company; (2) To exercise restraint on my consumption behavior for my duties; (3) Not to use the Company’s assets for investment or consumption activities unrelated to the performance of the duties; (4) The remuneration	May 28, 2020	Long term	Under normal performance

			<p>system to be established by the Board of Directors or the Remuneration Committee is linked to the implementation of the measures for making up the returns of the Company; (5) The exercise conditions of the Company's equity incentive (if any) to be announced are linked to the implementation of the measures for making up the returns of the Company; (6) From the date of this commitment to the completion of the implementation of the current non-public offering of shares of the Company, if the CSRC makes other new regulatory requirements regarding the measures for making up the returns and the commitments thereof, and if the above commitments cannot satisfy such requirements of the CSRC, I commit to issue additional commitments at that time in accordance with the latest requirements of the CSRC. (7) To effectively</p>			
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			implement the measures formulated by the Company to make up for the related returns as well as the commitment, and in case of my breach of or failure to perform this commitment causing losses to the Company or investors, I agree to assume the liability to compensate the Company and the investors according to law.”			
	Gotion Holding, Gotion High-Tech, Li Zhen	Other commitments	“With regard to the matter that no financial support or compensation has been provided, directly or through the relevant stakeholders, to the investors who participate in the subscription of the non-public offering of Gotion High-Tech in 2020, it is committed as follows: The Company/I do not make any promise of guaranteed return or disguised guaranteed return to the offering recipients; the Company/I do not provide financial assistance or compensation to the investors who participate in the subscription directly or through the	May 28, 2020	Long term	Under normal performance

			stakeholders.”			
	Volkswagen China	Other commitments	<p>“In accordance with the relevant provisions of the <i>Strategic Cooperation Agreement</i>, Volkswagen China undertakes that: (1) For the corresponding products developed by Gotion High-Tech and/or its relevant subsidiaries in accordance with the agreed terms and product specifications, Volkswagen China will use commercially reasonable efforts to strengthen Gotion High-Tech’s competitiveness through cooperation and to support Gotion High-Tech to obtain the appointment as a supplier of Volkswagen China and its related affiliates, as well as Volkswagen’s joint ventures in China (FAW Volkswagen, SAIC Volkswagen and Volkswagen Anhui) upon the final purchasing decision to be made by the related affiliates of Volkswagen China and Volkswagen’s joint ventures on their own. The parties agree that</p>	May 28, 2020	Long term	Under normal performance

			<p>the “commercially reasonable efforts” of Volkswagen China under this commitment means that Volkswagen China will support Gotion High-Tech to be designated as a supplier (including specific product models and demand for procurement) through its influence in the joint procurement meeting or other joint meeting with the related parties and Volkswagen Joint Venture, provided that the products meet the agreed product quality and technical parameters and that the supply price, delivery period, quantity and other supply conditions are considered to be competitive. (2) Volkswagen China will promote and support potential future cooperation between Gotion High-Tech and the Volkswagen Joint Venture in a manner to be determined by separate consultations between Gotion High-Tech and the Volkswagen</p>			
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			Joint Venture.”			
	Volkswagen China	Other commitments	<p>“To further implement the strategic cooperation, Volkswagen China, as a strategic investor of Volkswagen China, undertakes that:</p> <p>(1) Volkswagen China will send a team of experts to help Gotion High-Tech improve its overall technology in the areas of battery simulation and validation, manufacturing process, quality control and data analysis; (2) Volkswagen China will use its experience in R&D to help Gotion High-Tech further improve its R&D system and optimize its R&D process; after passing the audit of Volkswagen, the laboratory of Gotion High-Tech will be able to undertake more R&D work of Volkswagen in the field of battery; (3) Volkswagen China will cooperate with Gotion High-Tech in R&D in areas such as battery PACK design, as well as battery system thermal management, crash, sealing,</p>	March 24, 2021	Long term	Under normal performance

			<p>thermal runaway and other areas of active or passive battery safety; (4) Volkswagen China will provide training to Gotion High-Tech's on-site management personnel to help improve its product manufacturing process and quality management level; (5) Volkswagen China will open up the relevant testing standards to Gotion High-Tech in full and help Gotion High-Tech further improve the battery testing system; (6) Volkswagen China will make use of Volkswagen Group's global human resources channels to help Gotion High-Tech select more professional talents worldwide and enhance Gotion High-Tech's management and R&D capabilities; (7) Volkswagen China will help Gotion High-Tech further improve its technology R&D, raw materials supply, manufacturing and quality control system by sending expert</p>			
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			team, etc., so as to enhance Gotion High-Tech's own competitiveness. On this basis, Gotion High-Tech will be able to reach the leading level of the battery industry and the relevant requirements for designated suppliers of Volkswagen.”			
Whether the commitments are performed on time	Yes					
Elaborate the specific reasons for failure to perform any commitment on time and the work plan for the next step	Not applicable					

2. Where there is a period during which the Company's assets or projects are forecast to generate profit and the reporting period is still within the forecast period, the Company shall provide an explanation on the assets or projects reaching the original profit forecast and the reasons therefor.

Applicable Not Applicable

3. Performance commitments of the Company

Applicable Not Applicable

II. Controlling shareholder and its related parties' occupation of non-operating capital of the Company

Applicable Not Applicable

During the reporting period, the controlling shareholder and its related parties did not occupy any non-operating capital of the Company.

III. Illegal guarantee

Applicable Not Applicable

During the reporting period, the Company did not provide any illegal guarantees.

IV. Explanations of the Board of Directors on the latest “non-standard auditors’ report”

Applicable Not Applicable

V. Explanations of the Board of Directors and independent directors (if any) on the “non-standard auditors’ report” issued by the Accounting Firm for this re-orting period

Applicable Not Applicable

VI. Explanations on changes in accounting policies, accounting estimates or corrections of significant accounting errors compared to the financial report of the previous year

Applicable Not Applicable

The Company had no changes in accounting policies, accounting estimates or corrections of significant accounting errors during the reporting period.

VII. Explanation on the changes in the scope of consolidation compared with the financial report of the previous year

Applicable Not applicable

(I) Business combination not under common control

(1) In November 2025, the subsidiary Anhui Gotion New Energy Co., Ltd. signed a *Equity Transfer Agreement* with Anhui Yutong Construction Engineering Co., Ltd. Anhui Gotion New Energy Co., Ltd. acquired 100% of the equity of Anhui Yushu Construction Engineering Co., Ltd. (later renamed Anhui Gotion Green Energy Power Engineering Co., Ltd.) at a price of RMB 370,000. By December 2025, the company had completed the corresponding equity change registration procedures. As the company has no production and operation assets, this acquisition is not regarded as a business combination.

(2) In December 2025, GOTION SINGAPORE PTE LTD signed a *Equity Transfer Agreement* with ASTRIA INVESTMENT PTE. LTD. to acquire 100.00% of the equity of Novagrid Pte Ltd held by it at a price of SGD 640,000 (equivalent to RMB 4,366,880), and the corresponding property rights transfer was completed on the same day.

(II) Change in scope of consolidation due to any other reasons

(1) Scope of consolidation attributable to increase in newly established companies

Name of company	Date of establishment	Currency	Registered capital (RMB ‘0,000)	Remarks
Gotion Battery Sales (Inner Mongolia) Co., Ltd.	2025-12-19	RMB	2,000.00	Western Gotion (Inner Mongolia) Technology Co., Ltd.

				holds 100% equity
Liuzhou Gotion New Energy Battery Co., Ltd.	2025-01-09	RMB	115,916.05	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 86.27% equity
Bozhou Gotion New Energy Co., Ltd.	2025-03-10	RMB	30,000.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Anhui Gotion Electric Power Co., Ltd.	2025-02-18	RMB	500.00	Anhui Gotion New Energy Co., Ltd. holds 85% equity
Tongcheng Xuanneng Wind Power Generation Co., Ltd.	2025-02-25	RMB	100.00	Anhui Gotion Electric Power Co., Ltd. holds 100% equity
Tongcheng Lyting Gotion Wind Power Generation Co., Ltd.	2025-02-27	RMB	100.00	Tongcheng Xuanneng Wind Power Generation Co., Ltd. holds 100% equity
Luijiang Luxuan Photovoltaic Power Generation Co., Ltd.	2025-03-06	RMB	100.00	Anhui Gotion New Energy Co., Ltd. holds 100% equity
Luijiang Gotion Photovoltaic Power Generation Co., Ltd.	2025-02-20	RMB	100.00	Luijiang Luxuan Photovoltaic Power Generation Co., Ltd. holds 100% equity
Wuhu Gotion Green Energy Co., Ltd.	2025-07-22	RMB	100,000.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Hefei Gotion Jitaimai Battery Technology Co., Ltd.	2025-08-07	RMB	10,000.00	Gotion New Energy (Luijiang) Co., Ltd. holds 65% equity
Wuhu Gotion Power Technology Co., Ltd.	2025-10-21	RMB	100,000.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Hefei Gotion Green Energy Co., Ltd.	2025-11-17	RMB	100,000.00	Hefei Gotion Battery Technology Co., Ltd. holds 100% equity
Saudi Arabia Gotion New Energy Co., Ltd.	2025-1-6	SAR	50.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Gotion Technology Mobility Co., Ltd.	2025-8-4	TRY	25.00	GOTION SINGAPORE PTE. Ltd. holds 100% equity
G-Volt Africa Limited	2025-5-20	USD	0.01	GOTION SINGAPORE PTE. Ltd. holds 100% equity
Gotion Spain Green Energy Co., Ltd.	2025-2-20	EUR	10.00	Gotion GmbH holds 100% equity
FORTUNE POWER B.V	2025-3-21	EUR	0.01	Gotion GmbH holds 100% equity

(2) Deregistration of unconsolidated subsidiaries

Name of deregistered company	Deregistration date	Remarks
Weihai Gotion New Energy Technology Co., Ltd.	2025-2-12	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Huaibei Gotion Xiangfeng New Energy Co.,	2025-3-26	The company applied for cancellation of its business

Ltd.		qualification through statutory procedures to disqualify itself as a legal person.
Suixi Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-5-14	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Bozhou Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-4-24	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Guzhen Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-2-6	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Hefei Gotion Zhonghong New Energy Co., Ltd.	2025-3-27	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Hefei Gotion Zhonghong New Energy Technology Development Co., Ltd.	2025-2-27	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Tongcheng Kongcheng Gotion Wind Power Generation Co., Ltd.	2025-1-23	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Chuzhou Gotion Xiangfeng New Energy Co., Ltd.	2025-4-2	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Tongling Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-12-18	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Gotion Luxembourg Technology Co., Ltd.	2025-10-31	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.

VIII. Appointment and dismissal of accounting firm

The accounting firm currently appointed

Name of the domestic accounting firm	Suyajincheng CPA LLP
Remuneration of the domestic accounting firm (RMB '0,000)	210
Consecutive years of audit services provided by the domestic accounting firm	6 years
Names of the CPAs of the domestic accounting firm	Luo Zhenxiong, Chen Qian
Consecutive years of the audit services provided by the CPAs of the domestic accounting firm	5 years, 2 years

Whether a new accounting firm was appointed in the current period

Yes No

Appointment of internal control auditing accounting firm, financial consultant or sponsor

Applicable Not Applicable

IX. Delisting after the disclosure of the annual report

Applicable Not Applicable

X. Matters related to bankruptcy and reorganization

Applicable Not Applicable

The Company did not have any bankruptcy and reorganization related matters during the reporting period.

XI. Major litigation and arbitration

Applicable Not Applicable

The Company did not have any major litigation or arbitration during the reporting period.

Other litigation

Applicable Not applicable

General information of litigation (arbitration)	Amount involved (RMB '0,000)	Whether estimated liabilities are formed	Progress in litigation (arbitration)	Result of litigation (arbitration) and impact thereof	Enforcement of litigation (arbitration) judgments	Disclosure date	Disclosure website
Case of sales contract disputes between Feidong Gotion New Material Co., Ltd. and Zhejiang Yongtai Technology Co., Ltd.	20,253.92	No	Case closed	No material impact	Settled and case closed		
Case of sales contract disputes between Zhejiang Yongtai Technology Co., Ltd. and Feidong Gotion New Material Co., Ltd. and Hefei Qianrui Technology Co., Ltd.	31,118.3	No	Case closed	No material impact	Settled and case closed		
Case of construction contract dispute	4,002.39	No	Under enforcement	No material impact	Under enforcement		

between Tongzhou Construction Group Co., Ltd. and Hi-tech (Anhui) Architecture Design & Research Institute Co., Ltd. v. Tianjin CHTC New Energy Automobile Research Institute Co., Ltd. in 2019							
Case of sales contract disputes between Hefei Gotion High-Tech Power Energy Co., Ltd. v. Jiangsu Zhongkun Automobile Industry Co., Ltd.	4,765.86	No	Under enforcement	No material impact	Under enforcement		
Case of sales contract disputes between Hefei Gotion High-Tech Power Energy Co., Ltd. v. Shanghai Sunlong Bus Co., Ltd.	9,717.68	No	Under enforcement	No material impact	Under enforcement		
Case of equity transfer disputes between Hunan Lixing Mining Technology Co., Ltd. v. Yichun Kefeng New Materials Co., Ltd.	4,289.41	No	Under enforcement	No material impact	Under enforcement		
Case of sales contract disputes between Hefei Gotion High-Tech Power Energy Co., Ltd. v. WM New Energy Auto Parts	8,371.84	No	Under enforcement	No material impact	Under enforcement		

(Wenzhou) Co., Ltd. in 2022							
Case of loan contract disputes between China High-Tech Group Corporation v. eight defendants, including Tianjin CHTC New Energy Automobile Research Institute Co., Ltd., Hefei Gotion High-Tech Power Energy Co., Ltd., and Beijing CHTC Xinneng New Energy Automobile Technology Co., Ltd.	7,000	No	Under retrial	No material impact	Application for retrial rejected		
Case of disputes over compensation for property damage between Beijing Jimei Home Furnishing Market Co., Ltd. v. Beijing Jingfeng Guowei Comprehensive Energy Co., Ltd., Hefei Gotion High-Tech Power Energy Co., Ltd., Beijing Fuweisi Oil and Gas Technology Co., Ltd. and Beijing Fengxin Electrical Engineering	14,633.95	No	Under second trial	No material impact	Under second trial		

Co., Ltd.							
Case of sales contract disputes between Hefei Gotion High-Tech Power Energy Co., Ltd. v. Anhui Dongjiang New Energy Technology Co., Ltd., Anhui Dajiang New Energy Technology Co., Ltd., Dongjin Power Co., Ltd., Hefei Baijiaxin Science and Technology Consulting Co., Ltd., Shen Jun, Chen Zhenji, Wang Haixia and Zheng Jiajiang	6,454.82	No	Under enforcement	No material impact	Under enforcement		
Case of construction contract disputes between China Construction Dongfang Decoration Co., Ltd. and Anhui Gotion New Energy Automobile Technology Co., Ltd.	2,508.06	No	Case closed	No material impact	Case closed		
Case of sales contract disputes between Hefei Gotion New Energy Technology Co., Ltd. v. Sanfa (Guangzhou) Materials Technology Co., Ltd.	8,256.24	No	Under trial	No material impact	The defendant has appealed and the second instance is yet to be heard		
Case of disputes over liability for damage to the company's	5,500	No	Under enforcement	No material impact	Under enforcement and investigation		

interests between Yichun Kefeng New Materials Co., Ltd. v. Li Xinhai							
Case of sales contract disputes between Hefei Gotion High-Tech Power Energy Co., Ltd. v. Henan Yujie Era Automobile Co., Ltd	5,601.77	No	Under enforcement	No material impact	Under enforcement		
Case of loan contract disputes between China High-Tech Group Corporation v. Beijing CHTC Xinneng New Energy Automobile Technology Co., Ltd., Hefei Gotion High-Tech Power Energy Co., Ltd. and Tianjin CHTC New Energy Automobile Research Institute Co., Ltd.	7,400	No	Under trial	No material impact	The second instance is yet to be heard		
Case of sales contract disputes between Hefei Gotion Battery Materials Co., Ltd. v. Tibet Heli Lithium Industry Co., Ltd.	9,290.87	No	Under retrial	No material impact	Under retrial		
Case of sales contract disputes between Yifeng Gotion Lithium Industry Co., Ltd. v. Guangdong Zhongyao	9,908.63	No	Under trial	No material impact	Under trial		

Technology Co., Ltd.							
Case of sales contract disputes between Shanghai Xuanyi New Energy Development Co., Ltd. v. Shenzhen Tianshun Smart Energy Technology Co., Ltd.	17,167.24	No	Under trial	No material impact	Under trial		
Other cases enforced	106,978.69	No	Under enforcement	No material impact	Under enforcement		

XII. Punishment and rectification

Applicable Not Applicable

No such case as penalty and rectification during the reporting period.

XIII. Credit status of the Company, its controlling shareholder and actual controller

Applicable Not applicable

After inquiring the major credit information systems such as the Securities and Futures Market Dishonest Record Inquiry Platform of the China Securities Regulatory Commission, the Enterprise Credit Information Publicity System of the State Administration for Market Regulation, the Information Bulletin of the State Administration of Taxation on Major Tax Violations and Dishonest Cases, and the Platform for Disclosing and Querying Information about the List of Dishonest Persons Subject to Enforcement Issued by the courts, it is found that the Company, its controlling shareholder and actual controller have no illegal or dishonest behaviors during the reporting period.

XIV. Major related party transactions

1. Related party transactions related to daily operations

Applicable Not applicable

Related party	Relationship	Type of related party transaction	Contents of related party transaction	Pricing principles for related party transactions	Price of related party transaction	Amount of related party transaction (RMB '0,000)	Proportion in amount of similar transactions	Approved transaction quota (RMB '0,000)	Is the approved limit exceeded	Settlement method of related party transactions	Available market price for similar transactions	Disclosure date	Disclosure index
Nanjing Shengshi	A company controller	Purchase of goods	Battery cell housing	Fair pricing with reference	Market price	140,204.86	10.93%	150,000	No	Currency	Not applicable	August 30, 2025	Announcement No.

Precision Industry Co., Ltd.	Controlled by the actual controller		and accessories	reference to the market price									2025-018 and 2025-048 published on www.cninfo.com.cn
Hefei Qianrui Technology Co., Ltd.	A company controlled by the actual controller	Purchase of goods	Electrolyte	Fair pricing with reference to the market price	Market price	56,579.61	3.03%	50,000	Yes	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn
Anhui Gotion Feidong New Energy Technology Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Purchase of goods	Battery materials and accessories	Fair pricing with reference to the market price	Market price	51,929.82	3.02%	60,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-018 and 2025-048 published on www.cninfo.com.cn
Hefei Yuan Technology Co., Ltd.	A company controlled by the actual controller in the past 12 months	Purchase of goods	Aluminum foil and conductive paste	Fair pricing with reference to the market price	Market price	79,642.68	4.26%	100,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-018 and 2025-048 published on www.cninfo.com.cn
Bengb	A	Purch	Batter	Fair	Marke	22,31	1.74%	20,00	Yes	Curre	Not	August	Anno

u Jinshi Techn ology Co., Ltd.	comp any contro lled by the actual contro ller	ase of goods	y cell box and access ories	pricin g with refere nce to the marke t price	t price	2.93		0		ncy	applic able	t 30, 2025	unce ment No. 2025- 048 publis hed on www. cninfo .com. cn
Anhui Gotion Xiang lv Techn ology Co., Ltd.	A comp any contro lled by the actual contro ller	Purch ase of goods	Batter y box and access ories	Fair pricin g with refere nce to the marke t price	Marke t price	31,16 5.02	1.81%	40,00 0	No	Curre ncy	Not applic able	Augus t 30, 2025	Anno unce ment No. 2025- 018 and 2025- 048 publis hed on www. cninfo .com. cn
Shang hai Gotion Digita l Energy Techn ology Co., Ltd.	A comp any contro lled by the actual contro ller	Purch ase of goods	Energy storag e syste m on AC side	Fair pricin g with refere nce to the marke t price	Marke t price	1,782. 26	0.41%	20,00 0	No	Curre ncy	Not applic able	Augus t 30, 2025	Anno unce ment No. 2025- 048 publis hed on www. cninfo .com. cn
Hefei Atom ic Innov ation Energy Co., Ltd	A comp any contro lled by the actual contro ller	Purch ase of goods	Equip ment	Fair pricin g with refere nce to the marke t price	Marke t price	17,03 1.34	6.37%	60,00 0	No	Curre ncy	Not applic able	Augus t 30, 2025	Anno unce ment No. 2025- 048 publis hed on www. cninfo .com. cn
MCC Ram New Energy	A comp any in which	Purch ase of goods	Terna ry precur sor	Fair pricin g with refere	Marke t price	17,05 8.1	0.91%	20,00 0	No	Curre ncy	Not applic able	April 25, 2025	Anno unce ment No.

y Techn ology Co., Ltd.	Hefei Gotion holds a 30% stake and Wang Qiang , the Forme r Vice Gener al Mana ger of the Comp any, serves as a direct or			nce to the marke t price									2025- 018 publis hed on www. cninfo .com. cn
V_G HIGH - TECH Energy Soluti ons Co., Ltd.	An associ ate of the Comp any, in which Li Chen, one of the contro lling shareh olders , serves as a direct or	Purch ase of goods	Batter y cell and assem bly	Fair pricin g with refere nce to the marke t price	Marke t price	11,55 9.22	2.68%	20,00 0	No	Curre ncy	Not applic able	April 25, 2025	Anno unce ment No. 2025- 018 publis hed on www. cninfo .com. cn
Volks wagen (Chin a) Invest ment Co., Ltd. and its relate d partie s	Volks wagen China is the larges t shareh older of the Comp any	Purch ase of goods	Raw materi als for batter y cell	Fair pricin g with refere nce to the marke t price	Marke t price	36,69 4.51	1.16%	100,0 00	No	Curre ncy	Not applic able	Augus t 30, 2025	Anno unce ment No. 2025- 048 publis hed on www. cninfo .com. cn

Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Purchase of goods	Battery materials and accessories	Fair pricing with reference to the market price	Market price	20,540.95	1.04%	10,000	Yes	Currency	Not applicable	August 30, 2025	Announcement No. 2025-048 published on www.cninfo.com.cn
Tata Components Gotion Green Energy Application Co., Ltd.	An associate of the Company, in which Li Chen, one of the controlling shareholders, serves as a director	Sale of goods	Battery cell	Fair pricing with reference to the market price	Market price	174,364.13	5.12%	200,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn
Volks wagen (China) Investment Co., Ltd. and its related parties	Volks wagen China is the largest shareholder of the Company	Sale of goods	Energy storage system and battery cell	Fair pricing with reference to the market price	Market price	51,192.1	1.50%	200,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn
V_G HIGH-TECH Energy Solutions Co., Ltd.	An associate of the Company, in which Li Chen,	Sale of goods	Battery cell and materials	Fair pricing with reference to the market price	Market price	26,103.7	0.77%	100,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.

	one of the controlling shareholders, serves as a director												cninfo.com.cn
Shanghai Gotion Digital Energy Technology Co., Ltd.	A company controlled by the actual controller	Sale of goods	Energy storage system and battery cell	Fair pricing with reference to the market price	Market price	21,414.31	0.50%	100,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-018 and 2025-048 published on www.cninfo.com.cn
Anhui Gotion Feidong New Energy Technology Co., Ltd.	A company controlled by the actual controller	Sale of goods	Energy storage system and waste materials	Fair pricing with reference to the market price	Market price	108,773.6	2.46%	120,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-018 and 2025-048 published on www.cninfo.com.cn
Jiangsu Dianlala New Energy Technology Co., Ltd.	A company controlled by the actual controller	Sale of goods	Energy storage system and battery cell	Fair pricing with reference to the market price	Market price	23,792.38	0.55%	40,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-018 and 2025-048 published on www.cninfo.com.cn

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Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Sale of goods	Energy storage system and battery cell	Fair pricing with reference to the market price	Market price	16,716.33	0.38%	20,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-048 published on www.cninfo.com.cn
Nanji Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Sale of goods	Energy storage system and waste materials	Fair pricing with reference to the market price	Market price	8,170.62	0.18%	20,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-048 published on www.cninfo.com.cn
Volks wagen (China) Investment Co., Ltd. and its related parties	Volks wagen China is the largest shareholder of the Company	Acceptance of labor services/rental of assets	Labor cost	Fair pricing with reference to the market price	Market price	151.72	1.54%	10,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn
Anhui Minsheng Property Management Co., Ltd.	A company controlled by the actual controller in the past 12 months	Acceptance of labor services/rental of assets	Energy and property management fees	Fair pricing with reference to the market price	Market price	11,282.68	41.51%	50,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn
Gotion Holdi	A company	Acceptance of	Workshop leasin	Fair pricing with	Market price	17,711.21	6.19%	30,000	No	Currency	Not applicable	April 25, 2025	Announcement

ng Group Co., Ltd. and its subsidiaries	controlled by the actual controller	labor services/rental of assets	g	reference to the market price									No. 2025-018 published on www.cninfo.com.cn
Nanji Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Acceptance of labor services/rental of assets	Labor, energy and rental fees	Fair pricing with reference to the market price	Market price	1,159.14	0.48%	10,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-048 published on www.cninfo.com.cn
Volks wagen (China) Investment Co., Ltd. and its related parties	Volks wagen China is the largest shareholder of the Company	Provision of labor services/leasing of assets	Development and labor fees, production line leasing	Fair pricing with reference to the market price	Market price	22,571.91	56.36%	80,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn
V_G HIGH-TECH Energy Solutions Co., Ltd.	An associate of the Company, in which Li Chen, one of the controlling shareholders, serves as a director	Provision of labor services/leasing of assets	Development and labor fees	Fair pricing with reference to the market price	Market price	7,582.73	16.67%	20,000	No	Currency	Not applicable	April 25, 2025	Announcement No. 2025-018 published on www.cninfo.com.cn

Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Provision of labor services/leasing of assets	Energy and rental fees	Fair pricing with reference to the market price	Market price	226.72	2.60%	5,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-048 published on www.cninfo.com.cn
Nanji Gotion Holding Group Co., Ltd. and its subsidiaries	A company controlled by the actual controller	Provision of labor services/leasing of assets	Energy and rental fees	Fair pricing with reference to the market price	Market price	2,345.33	25.39%	5,000	No	Currency	Not applicable	August 30, 2025	Announcement No. 2025-048 published on www.cninfo.com.cn
Total				--	--	980,059.91	--	1,660,000	--	--	--	--	--
Details of large sales return				None									
If the total amount of daily related party transactions to occur in the current period is estimated by category, the actual performance (if any) during the reporting period				The actual trading amounts of each related party transaction conducted by the Company in 2025 fall within the limit deliberated and approved by the board of directors and the general shareholders' meeting. The difference between the actual and expected related party transaction amounts is primarily attributable to market fluctuations, the Company's business development, and changes in customer demand. The actual related party transactions between the Company and its related parties in 2025 are in line with the actual production and operation needs of the Company, with fair pricing and no harm to the interests of the Company and its shareholders. Other than the routine related party transactions disclosed above, the Company was not involved in any additional routine related party transactions subject to disclosure during the reporting period.									
Reasons for large difference between the transaction price and the market reference price (if applicable)				Not applicable									

2. Related party transactions related to the acquisition or sale of assets or equity

Applicable Not applicable

The Company did not have any related party transactions related to the acquisition or sale of assets or equity during the reporting period.

3. Related party transactions related to joint investment

Applicable Not applicable

The Company had no related party transaction related to joint investment during the reporting period.

4. Related creditor's rights and debts

Applicable Not applicable

Is there any non-operating related creditor's rights and debts

Yes No

Related creditor's rights receivable

Related party	Relationship	Cause of formation	Is there any non-operating occupation of funds	Beginning balance (RMB '0,000)	Additional amount in the current period (RMB '0,000)	Amount recovered in the current period (RMB '0,000)	Interest rate	Current interest (RMB '0,000)	Ending balance (RMB '0,000)
V_G HIGH-TECH Energy Solutions Co., Ltd.	An associate of the Company, in which Li Chen, one of the controlling shareholders, serves as a director	Project construction and daily operation	No		51,830.72	265.37	5.00%	1,465.85	51,565.35
Impact of related-creditor's rights on the Company's operating results and financial position		Project construction and daily operation							

Related debts payable

Related party	Relationship	Cause of formation	Beginning balance (RMB '0,000)	Additional amount in the current period (RMB '0,000)	Amount repaid in the current period (RMB '0,000)	Interest rate	Current interest (RMB '0,000)	Ending balance (RMB '0,000)
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5. Transactions with related finance company

Applicable Not applicable

The Company had no deposits, loans, credit facilities or other financial business with the related finance company and related parties.

6. Transactions between the finance company controlled by the Company and related parties

Applicable Not applicable

There were no deposits, loans, credit facilities or other financial business between the finance company controlled by the Company and related parties.

7. Other major related party transactions

Applicable Not applicable

The Company had no other major related party transactions during the reporting period.

XV. Major contracts and the performance thereof**1. Trusteeship, contracting and lease matters****(1) Trusteeship**

Applicable Not Applicable

The Company had no trusteeship matters during the reporting period.

(2) Contracting

Applicable Not Applicable

The Company had no contracting matters during the reporting period.

(3) Lease

Applicable Not applicable

Description of lease

1. Financing lease business: As of the end of the reporting period, the Company and its subsidiaries have engaged in sale-leaseback and direct lease financing lease business with a total lease principal of RMB 3,551,580,100, and a principal balance of RMB 2,480,429,200. During the reporting period, the Company and its subsidiaries did not have any instances of failing to pay rent on time.

2. For details about related-party leasing, please refer to “Section VIII Financial Report - 14.5. (2) Related-party Leasing” In addition, during the reporting period, some of the Company’s own real estate properties were used for rental, and the leased real estate property was used for office, and warehouse. There was no other major leasing.

Projects that bring the Company a profit or loss of more than 10% of the Company’s total profit of the reporting period

Applicable Not Applicable

The Company had no leasing projects that bring it a profit or loss of more than 10% of the Company’s total profit thereof during the Reporting period.

2. Major guarantee

Applicable Not applicable

Monetary Unit: RMB ‘0,000

Guarantee provided by the Company and its subsidiaries for other (excluding the guarantees provided for its subsidiaries)										
Name of guarantee	Disclosure date	Guarantee	Actual date of	Actual guarantee	Guarantee type	Collateral (if any)	Counter guarantee	Guarantee period	Performance	Related party

ed entity	of relevant announcement on guarantee amount	amount	occurrence	e amount			e (if any)		completed or not	guarantee or not
Shanghai Electric Gotion New Energy Technology (Nantong) Co., Ltd.	April 25, 2025	39,861.5	May 9, 2020	32,241.02	Joint and several liability guarantee	None	Counter guarantee provided	10 years	No	No
Shanghai Electric Gotion New Energy Technology Co., Ltd.	April 25, 2025	9,114	November 22, 2018	1,267.09	Joint and several liability guarantee	None	Counter guarantee provided	7 years	Yes	No
Hefei Xingyuan New Energy Materials Co., Ltd.	April 25, 2025	19,374	January 14, 2022 to July 5, 2022	9,383.92	Joint and several liability guarantee	Corresponding collateral	Counter guarantee provided	6-9 years	No	No
Total amount of guarantee approved to be provided for others (excluding subsidiaries) during the reporting period (A1)				0	Total amount of guarantee actually provided for others (excluding subsidiaries) during the reporting period (A2)		0			
Total amount of guarantee approved to be provided for others (excluding subsidiaries) as at the end of the reporting period (A3)				59,235.5	Balance of the amount of guarantee actually provided for others (excluding subsidiaries) as at the end of the reporting period (A4)		41,624.94			
Guarantees provide by the Company for its subsidiaries										
Name of guaranteed entity	Disclosure date of relevant announcement	Guarantee amount	Actual date of occurrence	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter guarantee (if any)	Guarantee period	Performance completed or not	Related party guarantee or not

	guarantee amount									
Chuzhou Gotion New Energy Power Co., Ltd.	April 25, 2025	330,000	November 17, 2023 to December 31, 2025	188,061.52	Joint and several liability guarantee	None	None	4-10 years	No	No
Chuzhou Gotion New Energy Power Co., Ltd.	April 25, 2025	10,000	January 1, 2025	8,000	Joint and several liability guarantee	None	None	1 year	Yes	No
Gotion New Energy (Lujiang) Co., Ltd.	April 25, 2025	62,500	July 28, 2022 to September 10, 2025	41,960	Joint and several liability guarantee	Corresponding collateral	None	3-6 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 25, 2025	110,000	June 29, 2021 to June 26, 2025	76,482.64	Joint and several liability guarantee	Corresponding collateral	None	0.5-5 years	Yes	No
Hefei Gotion Battery Materials Co., Ltd.	April 25, 2025	104,200	March 25, 2022 to October 29, 2025	71,862	Joint and several liability guarantee	Corresponding collateral	None	4-11 years	No	No
Hefei Gotion Battery Materials Co., Ltd.	April 25, 2025	113,000	March 25, 2022 to December 30, 2024	104,396.79	Joint and several liability guarantee	Corresponding collateral	None	0.5-3 years	Yes	No
Hefei Gotion Battery Technology Co., Ltd.	April 25, 2025	10,000	July 1, 2024	1,600	Joint and several liability guarantee	None	None	0.5 years	Yes	No
Hefei Gotion Battery Technology Co., Ltd.	April 25, 2025	350,000	March 17, 2023 to July 18, 2025	186,551.02	Joint and several liability guarantee	None	None	4-10 years	No	No
Hefei Gotion Battery Co., Ltd.	April 25, 2025	73,950	December 19, 2020 to August 13, 2024	28,800	Joint and several liability guarantee	Corresponding collateral	None	5-9 years	No	No
Hefei	April 25,	3,163,88	Novemb	2,155,58	Joint and	Correspo	None	1-10	No	No

Gotion High-Tech Power Energy Co., Ltd.	2025	9.1	er 29, 2021 to June 30, 2025	9.75	several liability guarantee	nding collateral		years		
Hefei Gotion High-Tech Power Energy Co., Ltd.	April 25, 2025	3,163,889.1	January 21, 2022 to December 30, 2024	1,841,675.09	Joint and several liability guarantee	Corresponding collateral	None	0.5-5 years	Yes	No
Hefei Gotion Precision Coating Material Co., Ltd.	April 25, 2025	1,000	September 17, 2025	1,000	Joint and several liability guarantee	None	None	4 years	No	No
Hefei Gotion Precision Coating Material Co., Ltd.	April 25, 2025	1,000	September 18, 2024	1,000	Joint and several liability guarantee	None	None	1 year	Yes	No
Hefei Gotion Kehong New Energy Technology Co., Ltd.	April 25, 2025	284,400	April 29, 2022 to June 6, 2025	135,380.36	Joint and several liability guarantee	Corresponding collateral	None	4-11 years	No	No
Hefei Gotion Kehong New Energy Technology Co., Ltd.	April 25, 2025	284,400	January 5, 2024 to November 25, 2024	47,200	Joint and several liability guarantee	None	None	0.5-2 years	Yes	No
Hefei Gotion New Materials Technology Co., Ltd.	April 25, 2025	76,500	June 27, 2022 to May 30, 2025	49,562	Joint and several liability guarantee	Corresponding collateral	None	4-12 years	No	No
Hefei Gotion New Materials Technology	April 25, 2025	10,000	March 10, 2023	5,000	Joint and several liability guarantee	None	None	2 years	Yes	No

ogy Co., Ltd.										
Jiangsu Dongyu an Electrical Group Co., Ltd.	April 25, 2025	50,300	January 9, 2025 to December 27, 2025	43,068	Joint and several liability guarantee	None	None	3-4 years	No	No
Jiangsu Dongyu an Electrical Group Co., Ltd.	April 25, 2025	50,300	January 15, 2024 to January 3, 2025	45,400	Joint and several liability guarantee	None	None	0.5-1 year	Yes	No
Jiangsu Gotion New Energy Technology Co., Ltd.	April 25, 2025	324,000	September 28, 2022 to December 23, 2025	269,007.12	Joint and several liability guarantee	Corresponding collateral	None	3.5-11 years	No	No
Jiangsu Gotion New Energy Technology Co., Ltd.	April 25, 2025	324,000	February 28, 2024 to September 27, 2024	74,400	Joint and several liability guarantee	None	None	0.5-1 year	Yes	No
Jiangxi Gotion New Energy Technology Co., Ltd.	April 25, 2025	10,000	December 18, 2024	2,700	Joint and several liability guarantee	None	None	5 years	No	No
Jiangxi Gotion New Energy Technology Co., Ltd.	April 25, 2025	10,000	October 12, 2022 to April 26, 2024	16,900	Joint and several liability guarantee	None	None	1-3 years	Yes	No
Jinzhai Gotion New Energy Co., Ltd.	April 25, 2025	212,500	February 8, 2024 to December 4, 2025	108,717.49	Joint and several liability guarantee	None	None	3.5-10 years	No	No
Jinzhai Gotion New Energy Co., Ltd.	April 25, 2025	212,500	February 2, 2024 to March 12, 2024	44,996	Joint and several liability guarantee	None	None	0.5-1 year	Yes	No
Liuzhou Gotion Battery Co., Ltd.	April 25, 2025	205,586.04	September 14, 2021 to November	140,065.31	Joint and several liability guarantee	Corresponding collateral	None	4-11 years	No	No

			er 24, 2025		e					
Liuzhou Gotion Battery Co., Ltd.	April 25, 2025	205,586.04	March 30, 2022 to November 18, 2025	26,157.94	Joint and several liability guarantee	None	None	1-3 years	Yes	No
Liuzhou Gotion New Energy Battery Co., Ltd.	April 25, 2025	120,000	April 29, 2025 to October 30, 2025	71,836.98	Joint and several liability guarantee	None	None	5-10 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 25, 2025	197,500	October 31, 2022 to November 27, 2025	124,519.27	Joint and several liability guarantee	None	None	3-9.5 years	No	No
Nanjing Gotion Battery Co., Ltd.	April 25, 2025	197,500	September 8, 2023 to November 26, 2024	136,788	Joint and several liability guarantee	None	None	0.5-3 years	Yes	No
Nanjing Gotion New Energy Co., Ltd.	April 25, 2025	156,000	April 22, 2024 to December 22, 2025	135,208.61	Joint and several liability guarantee	Corresponding collateral	None	3-7 years	No	No
Nanjing Gotion New Energy Co., Ltd.	April 25, 2025	156,000	September 22, 2023 to November 20, 2024	142,198.93	Joint and several liability guarantee	None	None	0.5-1 year	Yes	No
Nantong Aston Electric Appliance Manufacturing Co., Ltd.	April 25, 2025	2,000	September 23, 2025 to December 16, 2025	2,000	Joint and several liability guarantee	None	None	3.5-4 years	No	No
Nantong Aston Electric Appliance Manufacturing Co., Ltd.	April 25, 2025	2,000	December 30, 2024 to January 7, 2025	2,000	Joint and several liability guarantee	None	None	0.5-1 year	Yes	No
Nantong Gotion New Energy	April 25, 2025	57,500	July 23, 2024 to October 29, 2025	45,500	Joint and several liability guarantee	None	None	3.5-4 years	No	No

Technology Co., Ltd.					e					
Nantong Gotion New Energy Technology Co., Ltd.	April 25, 2025	57,500	February 5, 2024 to July 17, 2024	40,499.9	Joint and several liability guarantee	None	None	0.5-2 years	Yes	No
Inner Mongolia Gotion Zero Carbon Technology Co., Ltd.	April 25, 2025	151,408.02	April 2, 2022 to November 21, 2025	38,702.58	Joint and several liability guarantee	Corresponding collateral	None	3.5-8 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 25, 2025	179,000	September 27, 2023 to December 12, 2025	129,280	Joint and several liability guarantee	None	None	4-6 years	No	No
Qingdao Gotion Battery Co., Ltd.	April 25, 2025	179,000	February 27, 2024 to September 14, 2024	92,000	Joint and several liability guarantee	None	None	0-2 years	Yes	No
Shanghai Xuanyi New Energy Development Co., Ltd.	April 25, 2025	138,590	December 31, 2019 to December 25, 2020	68,179.8	Joint and several liability guarantee	Corresponding collateral	None	12-13 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 25, 2025	527,500	May 19, 2023 to December 31, 2025	267,487.44	Joint and several liability guarantee	Corresponding collateral	None	4-8 years	No	No
Tangshan Gotion Battery Co., Ltd.	April 25, 2025	527,500	February 14, 2023 to June 5, 2024	68,460	Joint and several liability guarantee	None	None	1-2 years	Yes	No
Tongcheng Gotion Battery Technology Co., Ltd.	April 25, 2025	120,000	December 23, 2024	89,000	Joint and several liability guarantee	None	None	10 years	No	No
Tongcheng Gotion	April 25, 2025	595,500	March 24, 2022 to	305,434.52	Joint and several liability	None	None	3-8.5 years	No	No

New Energy Technology Co., Ltd.			November 14, 2025		guarantee					
Tongcheng Gotion New Energy Technology Co., Ltd.	April 25, 2025	595,500	February 29, 2024 to June 13, 2024	125,450	Joint and several liability guarantee	None	None	1 year	Yes	No
Tongcheng Shuanggang Gotion Photovoltaic Power Generation Co., Ltd.	April 25, 2025	28,500	August 29, 2025	4,700	Joint and several liability guarantee	Corresponding collateral	None	18 years	No	No
Western Gotion (Inner Mongolia) Technology Co., Ltd.	April 25, 2025	183,000	December 1, 2025		Joint and several liability guarantee	Corresponding collateral	None	10 years	No	No
Yichun Gotion Battery Co., Ltd.	April 25, 2025	520,000	January 21, 2022 to December 12, 2025	220,055.11	Joint and several liability guarantee	Corresponding collateral	None	3.5-11 years	No	No
Jiangxi Weihong Lithium Co., Ltd.	April 25, 2025	5,000	April 24, 2024 to April 23, 2025	5,000	Joint and several liability guarantee	None	None	1 year	Yes	No
Yichun Gotion Battery Co., Ltd.	April 25, 2025	520,000	May 27, 2024 to September 1, 2024	71,000	Joint and several liability guarantee	None	None	0.5-2 years	Yes	No
Yichun Gotion Lithium Industry Co., Ltd.	April 25, 2025	17,200	June 14, 2022 to November 24, 2023	12,690	Joint and several liability guarantee	None	None	1.5-3 years	Yes	No
Yichun Gotion Mining Co., Ltd.	April 25, 2025	27,600	November 17, 2025	4,692	Joint and several liability guarantee	None	None	12 years	No	No

Yifeng Gotion Lithium Industry Co., Ltd.	April 25, 2025	147,000	May 17, 2023 to December 12, 2024	70,526.05	Joint and several liability guarantee	Corresponding collateral	None	4-11 years	No	No
Yifeng Gotion Lithium Industry Co., Ltd.	April 25, 2025	147,000	November 5, 2024	20,170	Joint and several liability guarantee	None		0.5-2 years	Yes	No
Total amount of guarantee approved to be provided for subsidiaries during the reporting period (B1)		3,773,002.32		Total amount of guarantee actually provided for subsidiaries during the reporting period (B2)		3,712,076.56				
Total amount of guarantee approved to be provided for subsidiaries as at the end of the reporting period (B3)		8,399,923.16		Balance of the amount of guarantee actually provided for subsidiaries as at the end of the reporting period (B4)		4,999,446.91				
Guarantee provided by a subsidiary for another subsidiary										
Name of guaranteed entity	Disclose date of relevant announcement on guarantee amount	Guarantee amount	Actual date of occurrence	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter guarantee (if any)	Guarantee period	Performance completed or not	Related party guarantee or not
Gotion New Energy (Lujiang) Co., Ltd.	April 25, 2025	5,000	February 7, 2025 to February 11, 2025	5,000	Joint and several liability guarantee	None	None	4 years	No	No
Gotion New Energy (Lujiang) Co., Ltd.	April 25, 2025	5,000	March 29, 2024	5,000	Joint and several liability guarantee	None	None	1 years	Yes	No
Total amount of guarantee approved to be provided for subsidiaries during the reporting period (C1)		0		Total amount of guarantee actually provided for subsidiaries during the reporting period (C2)		5,000				
Total amount of guarantee approved to be provided for subsidiaries as at the		5,000		Balance of the amount of guarantee actually provided for subsidiaries as at the		5,000				

end of the reporting period (C3)		end of the reporting period (C4)	
Total amount of guarantee provided by the Company (i.e., sum of the three items above)			
Total amount of guarantee approved to be provided during the reporting period (A1+B1+C1)	3,773,002.32	Total amount of guarantee actually provided during the reporting period (A2+B2+C2)	3,717,076.56
Total amount of guarantee approved to be provided as at the end of the reporting period (A3+B3+C3)	8,464,158.66	Balance of the amount of guarantee actually provided as at the end of the reporting period (A4+B4+C4)	5,046,071.85
Percentage of the total balance of guarantee (A4+B4+C4) in the Company's net assets			173.26%
Of which:			
Balance of guarantees offered to shareholders, actual controller and their related parties (D)			0
Balance of debt guarantees directly or indirectly offered to guaranteed objects with asset-liability ratio exceeding 70% (E)			3,074,259.4
Explanation of the situation where guarantee liability occurred during the reporting period for unexpired guarantee contracts or where there is evidence indicating the possibility of joint and several liability for repayment (if any)		None	
Explanation of providing guarantees to others in violation of prescribed procedures (if any)		None	

Description of the use of composite guarantees

3. Entrusted others to manage cash assets

(1) Entrusted wealth management

Applicable Not applicable

Overview of entrusted wealth management during the reporting period

Monetary Unit: RMB '0,000

Product category	Risk feature	Balance of entrusted wealth management during the reporting period	Amount not recovered on time
Others	Low risk	95,859.53	0

Details of the Company, as a single principal, entrusting financial institutions to carry out asset management or investing in high-risk entrusted wealth management with low security and poor liquidity

Applicable Not applicable

(2) Entrusted loan

Applicable Not applicable

There were no entrusted loans during the reporting period.

4. Other major contracts

Applicable Not applicable

There were no major contracts during the reporting period.

XVI. Use of raised funds

Applicable Not applicable

1. Overall situation of use of raised funds

Applicable Not applicable

Monetary Unit: RMB '0,000

Fundraising year	Fundraising method	Securities listing date	Total amount of funds raised	Net amount of funds raised (1)	Total amount of raised funds used in the current period	Total amount of raised funds used cumulatively (2)	Proportion of raised funds used at the end of the reporting period (3)=(2)/(1)	Total amount of raised funds with change of use during the reporting period	Cumulative total amount of raised funds with change of use	Proportion of cumulative total amount of raised funds with change of use	Total amount of raised funds not used yet	Use and destination of raised funds not used yet	Amount of funds raised after idling for over two years
2021	Issuing stocks to specific entities	December 15, 2021	730,294.52	723,085.51	85,994.41	596,887	82.55%	532,278.38	532,278.38	73.61%	117,230.89	Funds are deposited in a dedicated account for raised funds and temporarily supplementing working capital	0

												1	
Total	--	--	730,294.52	723,085.51	85,994.41	596,887	82.55%	532,278.38	532,278.38	73.61%	117,230.89	--	0

Overall situation of use of raised funds:

In 2025, the Company utilized raised funds of RMB 859.9441 million. As of December 31, 2025, the cumulative amount of raised funds utilized by the Company reached RMB 5,968.87 million, and the amount of the remaining raised funds from the completed projects invested with raised funds used for permanently supplementing working capital (excluding interest and income from wealth management products) was RMB 10,327.57, with raised funds of RMB 1,172.3089 million yet to be used, including the relevant issuance expenses that had been paid to third parties but had not been replaced of RMB 13.5996 million.

2. Projects committed to be invested with raised funds

Applicable Not applicable

Monetary Unit: RMB '0,000

Financing project name	Securities listing date	Committed investment projects and use of over-raised funds	Project nature	Whether the project has been changed (including partial change)	Total committed investment amount	Total investment amount after adjustment (1)	Amount invested during this reporting period	Cumulative amount invested as of the end of the period (2)	Investment progress as of the end of the period (3) = (2)/(1)	Date when the project reaches the intended usable status	Benefits realized during the reporting period	Cumulative income achieved as of the end of the reporting period	Expected benefits achieved or not	Feasibility of the project changed tremendously or not
Committed investment projects														
Issuing stocks to specific entities in 2021	December 15, 2021	Gotion Battery industrialization project with an annual output of 16GWh high specific	Production and Construction	Yes	532,464.78	3,462.56		3,462.56					N/A	No

		energy power Li-ion battery												
Issuing stocks to specific entities in 2021	December 15, 2021	Gotion Materials project with an annual output of 30,000 tons of high nickel ternary cathode materials	Production and Construction	No	100,000	100,000	5,565.08	89,672.43	89.67%	December 1, 2024	218.4	218.4	N/A	No
Issuing stocks to specific entities in 2021	December 15, 2021	Additional working capital	Additional working capital	No	90,620.73	90,620.73		90,650	100.03%				N/A	No
Issuing stocks to specific entities in 2021	December 15, 2021	20G Wh Volkswagen United Cell Project (before change)/Volkswagen	Production and Construction	Yes		532,278.38	80,429.33	413,102.01	77.61%	December 31, 2026			N/A	No

		Standard Battery Cell Production Line Project (after change)												
Subtotal of committed investment projects				--	723,085.51	726,361.67	85,994.41	596,887	--	--	218.4	218.4	--	--
Use of over-raised funds														
N/A	December 15, 2021	N/A	N/A	No									N/A	No
Total				--	723,085.51	726,361.67	85,994.41	596,887	--	--	218.4	218.4	--	--
Failure to achieve the scheduled progress or expected earnings (by specific project) and the reason therefor (including reasons for selecting "N/A" for "Expected benefits achieved or not")		<p>The committed benefit from the project "Gotion Materials project with an annual output of 30,000 tons of high nickel ternary cathode materials" is a post-tax financial internal rate of return of 19.16% after reaching full production capacity. It has not yet reached full production capacity by 2025. Due to the high fixed costs in the early stage, the cumulative benefits achieved by the deadline are relatively low.</p>												
Major changes in the feasibility of the project		N/A												
Amount, purpose and use progress of over-raised funds		N/A												
There are situations where the purpose of the raised funds is changed		N/A												

without authorization and the raised funds are occupied in violation of regulations	
Changes in the implementation place of projects invested with raised funds	Applicable
	Happened in previous years
	The Company changed “Gotion Battery’s high specific energy lithium battery industrialization project with an annual output of 16GWh” into “Volkswagen United Cell Project with an Annual Output of 20GWh”, with the implementation entity changed from Hefei Gotion Battery Co., Ltd., a wholly-owned subsidiary of the Company, to Hefei Gotion Battery Technology Co., Ltd., a wholly-owned subsidiary of the Company, and the implementation location changed from Hefei Economic and Technological Development Zone to Hefei Xinzhan High-Tech Industry Development Zone
Adjustment to the implementation mode of projects invested with raised funds	N/A
Preliminary investment and replacement of projects invested with raised funds	N/A
Temporary supplement of working capital with idle raised funds	Applicable
	On December 11, 2024, the Company held the 11th meeting of the ninth Board of Directors and the 11th meeting of the ninth Board of Supervisors, where it approved the proposal to temporarily supplement working capital with idle raised funds, agreeing to use no more than 1 billion of idle funds from the non-public issuance of stocks for this purpose, with a duration not exceeding four months. As of April 10, 2025, the Company had returned all the idle raised funds used for temporarily supplementing working capital to the dedicated account for raised funds, and the usage period did not exceed four months. On April 24, 2025, the Company held the 12th meeting of the ninth Board of Directors and the 12th meeting of the ninth Board of Supervisors, where it approved the proposal to temporarily supplement working capital with idle raised funds, agreeing to use no more than 1 billion of idle funds from the non-public issuance of stocks for this purpose, with a duration not exceeding twelve months. As of December 31, 2025, the amount of idle raised funds temporarily used to supplement working capital was RMB 1 billion.
Amount of the balance of raised funds in project implementation and its reasons	Applicable
	On April 24, 2025 and May 28, 2025, the Company held the 12th meeting of the ninth Board of Directors and the 12th meeting of the ninth Board of Supervisors, and the 2024 Annual General Meeting of Shareholders, respectively, where it deliberated and approved the <i>Proposal on the Completion of Some Projects Invested with Raised Funds and the Permanent Use of the Remaining Raised Funds to Supplement Working Capital</i> . It was agreed that the “Gotion Materials project with an annual output of 30,000 tons of high nickel ternary cathode materials” would be concluded, the remaining raised funds after the conclusion would be permanently used to supplement working capital for the Company’s daily production and operation activities. The Company has transferred a total of RMB 134.1727 million of the remaining raised funds from the “Gotion Materials project with an annual output of 30,000 tons of high nickel ternary cathode materials” (including the interest generated from bank deposits of the raised funds and deducting bank handling fees, etc.) and the balance of the “Supplementing working capital” account in the 2021 non-public offering of stocks fundraising project of RMB 3.0508 million (including the interest generated from bank deposits of the raised funds and deducting bank handling fees, etc.) to the Company’s general account for daily business operations.
Use and	All the unused raised funds of the Company are deposited in the special account for raised funds or used for temporarily supplement working capital, and are put into use as planned.

destination of raised funds not yet used	
Problems or other situations in the use and disclosure of raised funds	<p>On August 25, 2022, the Company held the 19th meeting of the ninth Board of Directors and the 20th meeting of the ninth Board of Supervisors respectively, where it deliberated and approved the <i>Proposal on Using Bank Acceptance Drafts to Pay the Funds Required for the Projects Invested with Raised Funds and Replacing Them with the Raised Funds in Equal Amounts</i>, and agreed that during the implementation period of the projects invested with raised funds, the Company may use bank acceptance drafts to pay the funds required for the projects invested with raised funds and replace them with the raised funds in equal amounts, transferring the funds from the special account for raised funds to the Company's general settlement account. The sponsor institution issued a verification opinion without objection to this.</p> <p>During the reporting period, the Company used the raised funds to replace bank acceptance drafts (including endorsement transfer payments) with an amount of RMB 120.4129 million.</p>

3. Change in the projects invested with raised funds

Applicable Not applicable

Monetary Unit: RMB '0,000

Financing Project Name	Fund-raising method	Project after change	Originally committed projects	Total amount of raised funds to be invested in the project after change (1)	Actual amount invested during the reporting period	Actual cumulative amount invested as of the end of the period (2)	Investment progress as of the end of the period (3) = (2) / (1)	Date when the project reaches the intended usable status	Benefits realized during the reporting period	Expected benefits achieved or not	Feasibility of the project after change has changed tremendously or not
Issuing stocks to specific entities in 2021	Issuing stocks to specific entities	Volkswagen Standard Battery Cell Production Line Project	Gotion Battery's high specific energy lithium battery industrialization project with annual output of 16GWh / Volkswagen United Cell Project with an	532,278.38	80,429.33	413,102.01	77.61%	December 31, 2026		N/A	No

			Annual Output of 20GWh								
Total	--	--	--	532,278.38	80,429.33	413,102.01	--	--	0	--	--
Reasons for changes, decision-making procedures and information disclosure (by specific project)			<p>1. Changes and reasons</p> <p>(1) The Company changed the investment project “Gotion’s high specific energy lithium battery industrialization project with an annual output of 16GWh” into “Volkswagen United Cell Project with an Annual Output of 20GWh”, with the implementation entity changed from Hefei Gotion Battery Co., Ltd., a wholly-owned subsidiary of the Company, to Hefei Gotion Battery Technology Co., Ltd., a wholly-owned subsidiary of the Company, and the implementation location changed from Hefei Economic and Technological Development Zone to Hefei Xinzhan High-Tech Industry Development Zone.</p> <p>In order to meet the rapidly increasing market demand for new energy vehicles, in line with the Company’s future strategic development planning, and in view of the fact that the scale of land to be used for the original project invested with the raised funds could meet the need of the project construction, it is likely to increase the costs of construction, energy consumption, labor and site maintenance and it will be difficult to implement the project if the project continues to be implemented according to the original plan. Therefore, the Company changed the use of the raised funds, from the original project to the “Volkswagen United Cell Project with an Annual Output of 20GWh”, which was implemented in Hefei Xinzhan High-Tech Industry Development Zone by Hefei Gotion Battery Technology Co., Ltd., a wholly-owned subsidiary of the Company. Upon the completion of the above change, the investment and construction of the project will be accelerated, the utilization efficiency of the raised funds will be improved and the market share of the Company’s products will be further enlarged.</p> <p>(2) The Company adjusted the time for the “Volkswagen United Cell Project with an Annual Output of 20GWh” to reach the intended usable status from September 2023 to December 2024, with the implementation entity, investment content and investment scale remaining unchanged.</p> <p>In order to adapt to the changing demands of the market economy environment, the project implementation entity Hefei Gotion Battery Technology Co., Ltd. continuously upgraded the processes of some production lines based on customer feedback. Moreover, as the related upgraded equipment were imported or customized equipment from both domestic and foreign sources, the equipment procurement cycle was relatively long, which affected the construction progress of some parts of the project and the commissioning progress of some equipment. To control the investment risks of the project and avoid potential hazards in production and operation after the project goes into production, the Company adopted a gradual investment approach, which led to the failure of the project to reach the intended usable status within the planned time. In order to better enhance the construction quality of the project and rationally and effectively allocate resources, and to match the current production and operation status of the Company, after careful research, the company decided to gradually advance the construction process of the project in accordance with the principle of production and use balance, and adjusted the time for the project to reach the intended usable status.</p> <p>(3) The Company changed the “Volkswagen United Cell Project with an Annual Output of 20GWh” to the “Volkswagen Standard Battery Cell Production Line Project”, with the implementation content changed from “Annual output of 20GWh power lithium-ion batteries, including 10GWh ternary power batteries and 10GWh lithium iron phosphate power batteries” to “Annual output of 28GWh power lithium-ion batteries, including 12GWh ternary power batteries, 16GWh lithium iron phosphate power batteries and the supporting PACK production project”, the date when the project reaches the intended usable status adjusted from December 2024 to December 2026, and the implementation location, implementation entity and total investment of the project remaining unchanged.</p> <p>Driven by the rapid growth of new energy vehicles, in order to meet the demands of strategic customers for high-performance power lithium batteries, improve the efficiency of the use of raised funds, and achieve the Company’s overall business development plan and other objective needs, the Company intended to change the purpose of the raised funds and adjust the date when the project reaches the intended usable status. In response to the demands of strategic customers for high-performance power lithium-ion batteries, the Company planned to upgrade and optimize the production line process based on the achievements of the existing projects invested with raised funds, and further expand the production capacity of power batteries. At the same time, given that the performance indicators of the original battery cell design are no longer able to match the latest</p>								

	<p>technical requirements of strategic customers, this capacity increase will simultaneously carry out a comprehensive iteration of the battery cell design to ensure that the product performance reaches the industry-leading level and effectively meet customers' application demands for high performance and high reliability of power batteries. This capacity increase will deeply apply the Company's independently developed high-voltage density cathode materials and high-rate cell technology. By optimizing the formula of anode and cathode materials, improving the structural design and manufacturing process of cells, a new generation of high-performance power lithium-ion cells with high energy density, high charge and discharge efficiency, and long cycle life will be produced.</p> <p>2. Decision-making procedures</p> <p>(1) On April 27, 2022, the <i>Proposal on Changing the Use of Raised Funds</i> was deliberated and approved at the 16th meeting of the eighth Board of Directors. At the same time, the Board of Supervisors clearly expressed its consent, independent directors issued independent opinions on their consents, and the sponsor institution issued a non-objection verification opinion on it. On May 23, 2022, the above proposal was deliberated and adopted at the Company's 2021 annual general meeting of shareholders.</p> <p>(2) On December 4, 2023, the <i>Proposal on Adjusting the Implementation Progress of Some Projects Invested with Raised Funds</i> was deliberated and approved at the 5th meeting of the ninth Board of directors. At the same time, the Board of Supervisors clearly expressed its consent, independent directors issued independent opinions on their consents, and the sponsor institution issued a non-objection verification opinion on it.</p> <p>(3) On April 24, 2025, the <i>Proposal on Changing the Use of Raised Funds</i> was deliberated and approved at the 12th meeting of the ninth Board of Directors. At the same time, the Board of Supervisors clearly expressed its consent, and the sponsor institution issued a non-objection verification opinion on it. On May 28, 2025, the above proposal was deliberated and adopted at the Company's 2024 annual general meeting of shareholders.</p> <p>3. In addition to the above-mentioned changes, as of December 31, 2025, there have been no other changes to the Company's projects invested with raised funds, and there have been no external transfers or exchanges of the Company's projects invested with raised funds.</p>
Failure to achieve the scheduled progress or expected earnings and the reason therefor (by specific project)	N/A
Major changes in the feasibility of the project after change	None

4. Verification opinions of intermediary agencies on the storage and use of raised funds

Applicable Not applicable

After verification, the sponsor institution believes that the storage and use of the Company's raised funds in 2025 comply with the *Administrative Measures for the Sponsorship Business of Securities Issuance and Listing*, the *Regulatory Rules for the Raising of Funds by Listed Companies*, the *Rules Governing the Listing of Stocks on Shenzhen Stock Exchange*, the *Self-Regulatory Guidelines for Companies Listed on Shenzhen Stock Exchange No. 13 - Sponsorship Business*, and the *Self-Regulatory Guidelines for Companies Listed on Shenzhen Stock Exchange No. 1 - Standardized Operations of Companies Listed on the Main Board* and the Company's management regulations for raised funds and other laws, regulations and system documents, the raised funds have been stored in a dedicated account and used for specific purposes, and the relevant information disclosure obligations have been fulfilled in a timely manner. There is no situation of changing the purpose of the raised funds in disguise or harming the interests of shareholders, there is no situation of illegal use of the raised funds, and the Company's use of the raised funds does not violate any relevant national laws and regulations on anti-money laundering.

In conclusion, the sponsor institution has no objection to the storage and use of the Company's raised funds in 2025.

XVII. Other major events

Applicable Not applicable

1. On May 19, 2025, Nanjing Gotion Holding Group Co., Ltd., one of the controlling shareholders of the Company, acquired a total of 21,373,518 shares of the Company that it had previously increased its holdings through derivatives trading conducted by Galaxy Derui Capital Management Co., Ltd. through block trading. After the completion of this acquisition, the combined shareholding ratio of Gotion Holding and its concert parties Li Zhen and Li Chen increased from 16.7870% to 17.9538%. This change in equity exceeds 1% of the Company's total share capital. Nanjing Gotion Holding Group Co., Ltd. and its concert parties committed that they would not reduce their holdings of the Company's shares within six months from the date of completion of this equity change. For more details, please refer to the *Announcement on the Change of Controlling Shareholder's Equity Exceeding 1%* (Announcement No.: 2025-031) disclosed by the Company on the designated information disclosure media on May 21, 2025.

2. The Company held the 12th meeting of the ninth Board of Directors and the 12th meeting of the ninth Board of Supervisors on April 24, 2025, deliberating and approving the *Proposal for the Change of Accounting Policies*. For more details, please refer to the *Announcement on the Change of Accounting Policies* (Announcement No.: 2025-013) disclosed by the Company on designated information disclosure media on April 25, 2025.

3. The Company held the 12th meeting of the ninth Board of Directors and the 12th meeting of the ninth Board of Supervisors on April 24, 2025, deliberating and approving the *Proposal on the 2024 Annual Profit Distribution Plan*. The Company intends to distribute a cash dividend of RMB 1 (inclusive of tax) for every 10

shares to all shareholders based on the total share capital registered on the equity registration date for the implementation of the equity distribution minus the repurchased shares in the Company's repurchase special securities account, and give 0 bonus shares, and the Company will not increase share capital with reserved funds. This matter was deliberated and approved by the Company at the 2024 annual general meeting of shareholders on May 28, 2025. As of the end of the reporting period, the Company's 2024 annual equity distribution has been completed, with an actual dividend amount of RMB 179 million. For more details, please refer to the *Announcement on the Implementation of the 2024 Annual Equity Distribution* (Announcement No.: 2025-040) disclosed by the Company on the designated information disclosure media on July 11, 2025.

4. On August 27, 2024, the Company held the 9th meeting of the ninth Board of Directors and the 9th meeting of the ninth Board of Supervisors, deliberating and approving the *Proposal Regarding the Registration and Issuance of Medium Term Notes and Super-short-term Financing Bonds*. The Company planned to apply to the National Association of Financial Market Institutional Investors for the registration and issuance of medium-term notes not exceeding RMB 2 billion (inclusive) and super-short-term financing bonds not exceeding RMB 1 billion (inclusive) in the national interbank bond market. This matter was deliberated and approved by the Company at the first extraordinary general meeting of shareholders in 2024 held on November 20, 2024. On November 12, 2025, the Company successfully issued the first tranche of medium-term notes for 2025, with a total amount of RMB 600 million. For more details, please refer to the *Announcement on the Issuance Results of the First Tranche of Medium-term Notes for 2025* (Announcement No.: 2025-085) disclosed by the Company on the designated information disclosure media on November 13, 2025.

5. On October 23, 2025, the Company held the 14th meeting of the ninth Board of Directors, deliberating and approving the *Proposal on the Cancellation of the Board of Supervisors, the change of Registered Capital and the Revision of the Articles of Association and Its Annexes*. This matter has been reviewed and approved at the Company's second extraordinary general meeting of shareholders in 2025 held on December 29, 2025. For more details, please refer to the *Announcement on the Cancellation of the Board of Supervisors, Change of Registered Capital and Revision of the Articles of Association and Some Management Systems* (Announcement No.: 2025-076) disclosed by the Company on the designated information disclosure media on October 25, 2025. As of the end of the reporting period, the Company has not yet completed the relevant industrial and commercial registration of changes.

6. On October 23, 2025, the Company held the 14th meeting of the ninth Board of Directors, deliberating and approving the *Proposal on the Board of Directors' Reshuffle and the Election of Non-independent Directors for the 10th Board of Directors* and the *Proposal on the Board of Directors' Reshuffle and the Election of Independent Directors for the 10th Board of Directors*. Six non-independent directors and four independent directors were elected to the 10th Board of Directors. Together with the one employee

representative director elected at the second employee representative congress in 2025, they formed the 10th Board of Directors of the Company. This matter was deliberated and approved by the Company at the second extraordinary general meeting of shareholders in 2025 held on December 29, 2025. For more details, please refer to the *Announcement on the Completion of the Board of Directors' Reshuffle* (Announcement No.: 2025-098) disclosed by the Company on the designated information disclosure media on December 30, 2025.

XVIII. Major events of the subsidiaries

Applicable Not applicable

1. On August 28, 2025, the Company held the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors, deliberating and approving the *Proposal on Investing in the Construction of the Jiangsu Gotion New Lithium-ion Battery (20GWh) Intelligent Manufacturing Base Project*. The Company plans to invest in the construction of a new lithium-ion battery (20GWh) intelligent manufacturing base project in Liuhe Economic Development Zone, Nanjing, with a total investment of no more than RMB 4 billion. For more details, please refer to the *Announcement on the Proposal on Investing in the Construction of the Jiangsu Gotion New Lithium-ion Battery (20GWh) Intelligent Manufacturing Base Project* (Announcement No.: 2025-049) disclosed by the Company on the designated information disclosure media on August 30, 2025.

2. On August 28, 2025, the Company held the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors, deliberating and approving the *Proposal on Investing in the Construction of the Wuhu Gotion 20GWh New Energy Battery Base Project*. The Company plans to invest in the construction of a new energy battery base project with an annual output of 20GWh in Wuhu Economic and Technological Development Zone, Anhui Province, with a total investment of no more than RMB 4 billion. For more details, please refer to the *Announcement on the Investment in the Construction of the Wuhu Gotion 20GWh New Energy Battery Base Project* (Announcement No.: 2025-050) disclosed by the Company on the designated information disclosure media on August 30, 2025.

Section VI Change of Shares and Information of Shareholders

I. Changes in shares

1. Changes in shares

Unit: Share

	Prior to the change		Increase/decrease in the change					After the change	
	Number	Proportion	Shares newly issued	Shares granted	Shares converted from capital reserve	Others	Subtotal	Number	Proportion
I. Shares subject to sales restriction	77,893,424	4.32%	94,508	0	0	0	94,508	77,987,932	4.30%
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	77,893,424	4.32%	94,508	0	0	0	94,508	77,987,932	4.30%
Including: shares held by domestic legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shares held by domestic natural persons	77,893,424	4.32%	94,508	0	0	0	94,508	77,987,932	4.30%
4. Shares held by foreign subjects	0	0.00%	0	0	0	0	0	0	0.00%
Including: shares held by foreign	0	0.00%	0	0	0	0	0	0	0.00%

legal persons									
Shares held by foreign natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Shares not subject to sales restriction	1,724,102,893	95.68%	12,022,979	0	0	0	12,022,979	1,736,125,872	95.70%
1. RMB ordinary shares	1,724,102,893	95.68%	12,022,979	0	0	0	12,022,979	1,736,125,872	95.70%
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. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total number of shares	1,801,996,317	100.00%	12,117,487	0	0	0	12,117,487	1,814,113,804	100.00%

Reasons for shares change

Applicable Not applicable

The Company disclosed the *Reminder Announcement on the Adoption of Autonomous Exercise Mode for the Second Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* (Announcement No.: 2024-075) on October 10, 2024. The exercisable portion of the second exercise period for the first batch of stock options granted under the 2022 Incentive Plan is from October 11, 2024 to July 18, 2025. There were a total of 1,463 incentive objects who met the exercise conditions, and a total of 12,326,400 stock options became exercisable.

The Company disclosed the *Reminder Announcement on the Adoption of Autonomous Exercise Mode for the Third Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan* (Announcement No.: 2025-065) on September 10, 2025. The exercisable portion of the third exercise period for the first batch of stock options granted under the 2022 Incentive Plan is from September 11, 2025 to July 7, 2026. There were a total of 1,466 incentive objects who met the exercise conditions, and a total of 9,420,480 stock options became exercisable.

During the reporting period, the incentive objects were initially granted the right to exercise a total of 12,117,487 shares under the 2022 Stock Option Incentive Plan. As a result, the Company's total share capital increased from 1,801,996,317 to 1,814,113,804 shares.

Approval of shares change

Applicable Not applicable

The Company held the 3rd meeting of the ninth Board of Directors and the 9th meeting of the ninth Board of Supervisors on August 27, 2024, deliberating and approving the *Proposal on the Achievement of the Exercise Conditions for the Second Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan*.

The Company held the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors on August 28, 2025, deliberating and approving the *Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period for the First Batch of Stock Options Granted under the 2022 Stock Option Incentive Plan*.

Ownership transfer with respect to the shares change

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

As of the end of the reporting period, the total number of company shares has increased from 1,801,996,317 at the beginning to 1,814,113,804 shares. This share change has resulted in a decrease in both basic earnings per share and diluted earnings per share, as well as in net assets per share. The specific changes are as follows:

Item	Calculated based on the beginning-of-year capitalization (RMB/Share)	Calculated by year-end capitalization (RMB/Share)
Basic earnings per share - 2025 fiscal year	1.3226	1.3137
Diluted earnings per share - 2025 fiscal year	1.3226	1.3137
Net asset per share - End of 2025	16.1620	16.0541

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	Number of shares with sales restriction newly imposed in this period	Number of shares with sales restriction released in this period	Number of shares subject to sales restriction at the end of	Reasons for sales restriction	Date of sales restriction released
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	the period			period		
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
Zhang Hongli	129,750	22,125	0	151,875	Locked-up shares of 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
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
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
Pan Wang	58,387	38,633	0	97,020	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Sun Aiming	0	33,750	0	33,750	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Steven Cai	0	45,000 ¹	0	45,000	Locked-up shares of senior officers	Subject to relevant laws and regulations of the CSRC and the SZSE
Total	77,893,424	139,508	0	78,032,932	--	--

Note 1: During the reporting period, Steven Cai, a senior officer of the Company, exercised 60,000 stock options and locked in 45,000 restricted shares.

II. Securities issuance and listing

1. Issuance of securities (excluding preferred shares) during the reporting period

Applicable Not applicable

2. Explanations of the changes in the total number of shares and the shareholder structure of the Company as well as the changes in the structure of the Company's assets and liabilities

Applicable Not applicable

During the reporting period, the incentive objects were initially granted the right to exercise a total of 12,117,487 shares under the 2022 Stock Option Incentive Plan. As a result, the Company's total share capital increased from 1,801,996,317 to 1,814,113,804 shares.

3. Status of existing staff shares

Applicable Not Applicable

III. Shareholder or actual controller

1. Number of shareholders and shareholding status

Unit: Share

Total number of shareholders holding ordinary shares at the end of the reporting period	260,470	Total number of shareholders holding ordinary shares at the end of the preceding month before the disclosure date of the annual report	265,201	Total number of shareholders holding preferred shares with resumed voting rights at the end of the reporting period (if any) (refer to Note VIII)	0	Total number of shareholders holding preferred shares with resumed voting rights at the end of the preceding month before the disclosure date of the annual report (if any) (refer to Note VIII)	0	
Shareholding status of shareholders holding above 5% shares or top 10 shareholders (excluding shares lent through refinancing business)								
Name of shareholder	Nature of shareholder	Ownership ratio	Number of shares held at the end of the reporting period	Increase and decrease during the reporting period	Number of restricted shares held	Number of shares held without unlimited sales condition	Being pledged, marked or frozen	
							Share status	Number
Volkswagen (China) Investment Co., Ltd.	Domestic non-state-owned legal person	24.29%	440,630,983	0	0	440,630,983	N/A	0
Nanjing Gotion Holding Group Co., Ltd.	Domestic non-state-owned legal person	10.59%	192,125,405	21373518	0	192,125,405	Pledged	92,000,000
Li Zhen	Domestic	5.69%	103,276,15	0	77,457,112	25,819,038	Pledged	12,000,000

	natural person		0					
Hong Kong Securities Clearing Co., Ltd.	Overseas legal person	2.36%	42,848,706	-58609851	0	42,848,706	N/A	0
Li Chen	Domestic natural person	1.57%	28,472,398	0	0	28,472,398	N/A	0
Industrial and Commercial Bank of China Limited - Huatai-Pinebridge CSI300 Exchange-Traded Index Securities Investment Fund	Others	0.99%	17,920,463	-673031	0	17,920,463	N/A	0
Citibank, National Association	Overseas legal person	0.90%	16,290,100	-4990000	0	16,290,100	N/A	0
China Construction Bank Corporation - E Fund CSI300 Exchange-Traded Index Initiated Securities Investment Fund	Others	0.70%	12,760,900	-111800	0	12,760,900	N/A	0
Industrial and Commercial Bank of China Limited - GF Fund New Energy Vehicle Battery Exchange-Traded Index Securities Investment Fund	Others	0.56%	10,140,649	5842455	0	10,140,649	N/A	0

Industrial and Commercial Bank of China Limited - Huaxia CSI300 Exchange-Traded Index Securities Investment Fund	Others	0.54%	9,738,384	1179700	0	9,738,384	N/A	0
Circumstances where strategic investors or general legal persons become the top 10 shareholders holding shares due to the placement of new shares (if any) (refer to Note III)	Not applicable							
Explanations on the related relationship or concerted actions of the said shareholders	<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. Except for the aforesaid matters, 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.</p>							
Description of the shareholders entrusting/being entrusted with/waiving voting right	According to the provisions of the Supplementary Agreement to the Shareholders' Agreement, Volkswagen China undertakes that, within 72 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 (Gotion Holdings, Li Zhen and Li Chen collectively referred to as the Founder Shareholders).							
Special statement of repurchase accounts among the top 10 shareholders (if any) (refer to Note X)	As of the end of the reporting period, the Company's repurchase special account held 14,177,539 shares of the Company, accounting for 0.78% of the total shares. This does not include restricted shares and does not involve any pledge or freezing.							
Shareholding status of top ten shareholders without limited sales condition (excluding shares lent through refinancing and shares locked by executives)								
Name of shareholder	Number of shares held without limited sales condition at the end of the reporting period	Share class						
		Share class	Number					
Volkswagen (China) Investment Co., Ltd.	440,630,983	RMB ordinary shares	440,630,983					
Nanjing Gotion Holding Group Co., Ltd.	192,125,405	RMB ordinary shares	192,125,405					
Hong Kong Securities Clearing Co., Ltd.	42,848,706	RMB ordinary shares	42,848,706					
Li Chen	28,472,398	RMB ordinary	28,472,398					

		shares	
Li Zhen	25,819,038	RMB ordinary shares	25,819,038
Industrial and Commercial Bank of China Limited - Huatai-Pinebridge CSI300 Exchange-Traded Index Securities Investment Fund	17,920,463	RMB ordinary shares	17,920,463
Citibank, National Association	16,290,100	RMB ordinary shares	16,290,100
China Construction Bank Corporation - E Fund CSI300 Exchange-Traded Index Initiated Securities Investment Fund	12,760,900	RMB ordinary shares	12,760,900
Industrial and Commercial Bank of China Limited - GF Fund New Energy Vehicle Battery Exchange-Traded Index Securities Investment Fund	10,140,649	RMB ordinary shares	10,140,649
Industrial and Commercial Bank of China Limited - Huaxia CSI300 Exchange-Traded Index Securities Investment Fund	9,738,384	RMB ordinary shares	9,738,384
Explanations on the related relationship or concerted actions among the top 10 shareholders holding outstanding shares not subject to sales restriction, and that between the top 10 shareholders holding outstanding shares not subject to sales restriction and the top 10 shareholders	<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).</p> <p>2. Except for the aforesaid matters, 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 15,550,000 shares of the Company through the credit securities account.		

Whether shareholders holding more than 5%, the top 10 shareholders, and the top 10 unrestricted public shareholders participate in the lending of shares through refinancing business

Applicable Not applicable

Any change in the top 10 shareholders and the top 10 unrestricted public shareholders compared to the previous period due to reasons related to the lending/returning of shares through refinancing business

Applicable Not Applicable

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.

2. Controlling Shareholders of the Company

Nature of the controlling shareholder: Controlled by a natural person

Controlling shareholder type: Legal person

Name of controlling shareholder	Legal Representative/Responsible Person	Date of incorporation	Organization code	Main business
Nanjing Gotion Holding Group Co., Ltd., and Li Zhen and Li Chen	Li Zhen	April 15, 2005	91440400775081600P	Mainly for investment and investment management, technology research and development and consulting, automotive parts research and development and sales, trade business, etc.
Controlling shareholder's equity in other domestic or foreign listed companies controlled or participated during the reporting period	Not applicable			

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.

3. Actual Controller of the Company and Persons Acting in Concert

Actual controller nature: Domestic natural person

Type of actual controller: natural person

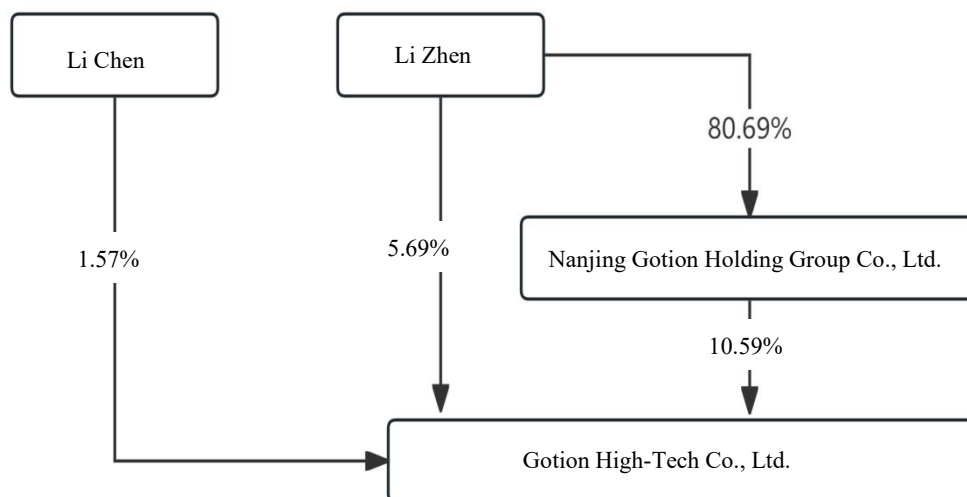
Actual controller name	Relationship with actual controller	Nationality	Obtained the right of residence in any other country or region or not
Li Zhen	In person	China	No
Li Chen	Concerted action (including agreement, relatives, and common control)	China	No
Main occupation and position	Mr. Li Zhen mainly acts as the President and General Manager of the Company, Executive Director of Nanjing Gotion Holding Group Co., Ltd., and Executive Director of Gotion Holding Group Co., Ltd.		
Domestic or foreign listed companies controlled in the past 10 years	None		

Change of the actual controller during the reporting period.

Applicable Not applicable

The actual controller of the Company did not change during the reporting period.

Block diagram of the property and control relationship between the Company and the actual controller



The actual controller controls the Company through a trust or other asset management methods.

Applicable Not applicable

4. The number of shares pledged by the controlling shareholder or largest shareholder and its concerted actors accounts for 80% of the shares held by it in the Company.

Applicable Not Applicable

5. Other corporate shareholders holding more than 10% of shares

Applicable Not applicable

Name of legal shareholder	Legal representative/responsible person	Date of incorporation	Registered capital	Major business operations or management activities
Volkswagen (China) Investment Co., Ltd.	RALF BRANDSTAETTER	February 4, 1999	USD 130,414,960	(I) Invest in sectors where foreign investment is authorized by the State in accordance with applicable laws; (II) Provide the following services to invested enterprises upon receiving written authorization from them (which must be unanimously approved by the Board of Directors): 1. Assist or represent the invested

				<p>enterprises in acquiring machinery, office equipment, and raw materials, components, and parts necessary for production from both domestic and international sources for their own use, and facilitate the sales of products manufactured by the invested enterprises (excluding complete vehicles) in domestic and international markets through distribution channels, while also providing after-sales support; 2. Manage foreign exchange transactions among the invested enterprises with the consent and oversight of the foreign exchange management authority; 3. Offer technical support, employee training, and internal personnel management services throughout the production, sales, and market development phases for the invested enterprises; 4. Aid the invested enterprises in securing loans and providing guarantees; (III) Establish R&D centers or departments within China to focus on the R&D of new products and advanced technologies, transfer R&D outcomes, and deliver corresponding technical services; (IV) Provide consulting services to investors, including market information, investment policies, and other investment-related advisory services for affiliates; (V) Acquire products manufactured by the</p>
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				<p>invested enterprises for system integration and market them both domestically and internationally. Should the products not fully satisfy the requirements for system integration, the procurement of supplementary products from domestic and foreign sources is permitted, provided that the value of such supplementary products does not exceed 50% of the total value of all products necessary for system integration; (VI)</p> <p>Deliver relevant technical training for domestic distributors and agents of the invested enterprises' products, as well as for domestic companies and enterprises that have entered into technology transfer agreements with investment companies, their parent companies, or affiliates; (VII)</p> <p>Provide operational leasing services for machinery and office equipment to the invested enterprises, or legally establish an operational leasing company; (VIII)</p> <p>Undertake outsourcing services for both domestic and foreign enterprises; (IX)</p> <p>Engage in warehousing and logistics distribution services in compliance with relevant regulations;</p> <p>(X) Establish a financial company, subject to approval from the China Banking and Insurance Regulatory</p>
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				<p>Commission, to offer pertinent financial services to investment companies and their invested enterprises; (XI) Participate in overseas engineering contracting and international investment with the approval of the Ministry of Commerce, establish a financing leasing company, and provide related services; (XII) Delegate the production or processing of their products (excluding complete vehicles) or those of their parent company (excluding complete vehicles) to other domestic enterprises and facilitate their sale both domestically and internationally; (XIII) Distribute auto repair service parts, raw and auxiliary materials, equipment, and specialized tools necessary for auto repair services through wholesale, retail (without establishing physical stores), and commission agency (excluding auctions), while also providing corresponding vehicle display, marketing, and after-sales services; wholesale daily necessities and Category II medical devices. (XIV) Technology development, technology promotion, technology transfer, technology consultation, and technical services. (The market entities shall independently choose</p>
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				business projects and carry out business activities according to law. Any business which requires ratification as stipulated by laws and regulations cannot be engaged until all required approval documents have been granted by the relevant departments. The Company shall not engage in any business prohibited or restricted by the State or local industrial policies.)
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6. Restricted reductions of the shares held by the controlling shareholder, actual controller, restructuring party and other commitment subjects

Applicable Not Applicable

IV. Implementation of share repurchase in the reporting period

Implementation progress of share repurchase

Applicable Not Applicable

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

Applicable Not applicable

V. Preferred shares

Applicable Not Applicable

The Company does not have any preferred shares during the reporting period.

Section VII Bonds

Applicable Not applicable

I Corporation bonds

Applicable Not Applicable

The Company does not have any corporation bonds during the reporting period.

II Corporate bonds

Applicable Not Applicable

The Company has no corporate bonds during the reporting period.

III Debt financing instruments of non-financial enterprises

Applicable Not applicable

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

Monetary Unit: RMB '0,000

Name of bond	Name abbreviation	Bond code	Issue date	Date of value	Maturity date	Balance of bonds	Interest rate	Method of repayment of principal and interest	Place of trade
2022 Phase I Gotion High-Tech Green Bond (Technological Innovation) Debt Financing Plan	22 Wan Gotion High-Tech ZRGN001 (Technological Innovation)	22CFGN0838	November 25, 2022	November 25, 2022	November 24, 2025	0	4.0%	The interest shall be paid once a season and the principal shall be repaid each half year, the remaining principal and interest are paid in full at maturity.	Beijing Financial Asset Exchange
2025	25 Gotion	13258012	November	November	November	60,000	1.88%	The	Inter-

Phase I Gotion High- Tech Green Technolo gical Innovatio n Bond	High- Tech GN001 (Technolo gical Innovatio n Bond)	3	r 10, 2025	r 12, 2025	r 11, 2028			interest shall be paid once a year, and the principal repaid at maturity	bank bond market
Investor Suitability Arrangements (if any)			Qualified investors of Beijing Financial Asset Exchange (excluding investors prohibited by national laws and regulations) and domestic qualified institutional investors who have opened accounts at the Shanghai Clearing House respectively.						
Applicable trading mechanism			Not applicable.						
Whether there is any risk in the termination of listing and if any, the countermeasures to cope with such risks			None.						

Bonds with overdue payment

Applicable Not Applicable

2. Trigger and enforcement of option provisions and investor protection provisions with respect to the Issuer or Investor;

Applicable Not Applicable

3. Information of Intermediaries

Name of bond project	Name of the intermediary	Business Address	Name of Signing Accountant	Intermediary's Contact Person	Tel.
2022 Phase I Gotion High-Tech Green Bond (Technological Innovation) Debt Financing Plan	Guangdong Development Bank Co., Ltd.	713 Dongfeng East Road, Yuexiu District, Guangzhou City, Guangdong Province	-	Zhu Xiaoxuan	0551-65955552
2022 Phase I Gotion High-Tech Green Bond (Technological Innovation) Debt Financing Plan	Shanghai Links Law Offices	19th Floor, Times Financial Center, 68 Yincheng Middle Road, Shanghai	-	Xia Huijun, Zheng Jianwen	021-31358666
2022 Phase I Gotion High-Tech Green Bond (Technological Innovation) Debt Financing Plan	Suyajincheng CPA LLP	Floors 14-16, Building A, Zhengtai Center, 159 Taishan Road, Jianye District, Nanjing City	Lin Lei, Luo Zhenxiong	Lin Lei, Luo Zhenxiong	025-83231630
2025 Phase I Gotion High-Tech Green Technological Innovation Bond	Orient Golden Credit Rating International Co., Ltd.	47th Floor, Block A, Ping An Xingfu Center, Fengtai District, Beijing	-	Wang Lu	010-83435900
2025 Phase I	Llinks Law	19th Floor, Times	-	Xia Huijun	021-31358739

Gotion High-Tech Green Technological Innovation Bond	Offices	Finance Center, No. 68 Yincheng Middle Road			
2025 Phase I Gotion High-Tech Green Technological Innovation Bond	Industrial Bank Co., Ltd.	Industrial Bank Building, No. 398 Jiangbin Middle Avenue, Taijiang District, Fuzhou City, Fujian Province	-	Zhou Xiaoli	0591-87844196

Whether there is any change in the aforesaid institutions during the reporting period

Yes No

4. Use of raised capital

Monetary Unit: RMB '0,000

Name of bond project	Total amount of raised capital	Agreed purpose of raised capital	Amount spent	Balance	Operation of the special account for the raised funds (if any)	Rectification of illegal use of raised funds (if any)	Whether the used of funds is consistent with the purpose, use plan and other agreements agreed in the fundraising instructions
2022 Phase I Gotion High-Tech Green Bond (Technological Innovation) Debt Financing Plan	50,000	Repayment of debts, replenishment of working capital, etc.	50,000	0	None	None	Yes
2025 Phase I Gotion High-Tech Green Technological Innovation Bond	60,000	Repayment of debts	60,000	0	None	None	Yes

Whether the raised funds are used for construction projects

Applicable Not Applicable

During the reporting period, the Company has changed the use of the funds raised by issue the above bonds

Applicable Not Applicable

5. Adjustment of credit rating results during the reporting period

Applicable Not Applicable

6. The guarantee, debt repayment plan, and other debt security plans during the reporting period and their impacts on the rights and interests of bond investors

Applicable Not Applicable

IV Convertible corporate bond

Applicable Not Applicable

The Company had no convertible corporate bonds during the reporting period.

V. Situation where the loss as indicated in the consolidated financial statements during the reporting period exceeds 10% of the net assets as at the end of the previous year

Applicable Not applicable

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

Applicable Not applicable

VII. Is there any violation of rules and regulations during the reporting period

Applicable Not applicable

VIII. Major accounting data and financial indicators of the Company in the past two years up to the end of the reporting period

Monetary Unit: RMB '0,000

Item	End of the current period	End of previous year	Increase or decrease as at the end of the current period compared with the end of the previous year
Current ratio	0.810000	0.880000	-7.95%
Debt-to-asset ratio	70.99%	72.28%	-1.29%
Quick ratio	0.610000	0.690000	-11.59%
	Current period	Same period of previous year	Increase or decrease in the current period compared with the same period of previous year
Net profit after deducting non-recurring gains or losses	43,183.68	26,254.38	64.48%
EBITDA-to-total debt ratio	8.15%	6.63%	1.52%
Interest coverage ratio	2.180000	1.680000	29.76%
Cash interest coverage ratio	3.650000	1.670000	118.56%
EBITDA interest coverage ratio	4.200000	3.200000	31.25%
Loan repayment rate	100.00%	100.00%	0.00%

Interest payment coverage ratio	100.00%	100.00%	0.00%
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Section VIII Financial Report

I. Auditors' report

Type of audit opinions	Standard unqualified opinion
Signature date of the auditors' report	April 27, 2026
Name of the Auditor	Suyajincheng CPA LLP
Number of the auditors' report	Suya Audit [2026] No. 210
Name of certified public accountant	Luo Zhenxiong/Chen Qian

Text of the Auditors' Report

To all shareholders of Gotion High-Tech Co., Ltd.,

I. Audit opinions

We have audited the financial statements of Gotion High-Tech Co., Ltd. ("Gotion High-Tech"), including the consolidated balance sheet and the balance sheet of the parent company as of December 31, 2025, the consolidated income statement and the income statement of the parent company, the consolidated cash flow statement and the cash flow statement of the parent company, the consolidated statement of changes in owners' equity and the statement of changes in owners' equity of the parent company, and relevant notes to financial statements of 2025.

In our opinion, the attached financial statements are prepared, in all material respects, in accordance with the *Accounting Standards for Businesses* and present fairly the financial position of Gotion High-Tech as of December 31, 2025, and its operating results and cash flow in year 2025.

II. Basis of our opinions

We implemented the audit in accordance with the stipulations of the *Auditing Standards for Chinese Certified Public Accountants*. Our responsibilities under those standards are further explained in the part of "Auditor's Responsibility for the Financial Statements" under the audit report. We are independent of Gotion High-Tech in accordance with the *Independence Standard for Certified Public Accountants of China No. 1 - Requirements for Independence in Financial Statement Audit and Review Services* and the Code of Ethics for Chinese CPA and we have followed the independence requirements for auditing public interest entities in the audit and fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence which we have acquired is sufficient and appropriate, which offers a basis for the provision of audit opinions.

III. Key items to be audited

Key items to be audited are those that we, in our professional judgment, consider being the most important for the audit of the financial statements for the current period. These items shall be addressed in the context of the audit of the overall financial statements and formation of the audit opinion, and we will not express an opinion on these items separately.

1. Recognition of income	
Key items to be audited	How to deal with the matters in the audit
Please refer to the accounting policies set forth in Item 26, Note III "Significant accounting policies and estimates" and Item 48, Note V "Notes to the items in the consolidated financial statements"	

<p>Gotion High-Tech mainly engages in R&D, manufacturing and marketing of batteries and the auxiliary products. The income from its primary business amounted to RMB 43,563.0112 million in 2025. As income is one of the key performance indicators of Gotion High-Tech, there is a particular risk that the management of the Company (the “Management”) may manipulate revenue recognition in order to achieve expected targets. Therefore, we took the recognition of income as a key item to be audited.</p>	<p>The main audit procedures we performed for recognition of income include the following:</p> <ol style="list-style-type: none"> (1) Learned and evaluated the effectiveness of the design of internal controls related to the recognition of income, and tested the effectiveness of the operation of the key controls; (2) Selected samples to check the sales contracts with important customers, checked the key terms and conditions of the contracts, and evaluated whether the Company’s recognition of income was in conformity with the provisions of Accounting Standards for Business Enterprises and its business essence, including but not limited to identifying the obligations of contract performance and determining the appropriateness of the timing of the transfer of commodity control rights, etc.; (3) Selected a sample from the transactions generating operating revenue recorded in this year, checked the invoice, sales contract, outbound delivery order, proof of delivery and other data of recognition of income, and evaluated whether the recognition of relevant income complies with the Company’s accounting policy for recognition of income; (4) Substantive analysis was carried out on the operating revenue and gross profit rate based on business types to analyze the rationality of changes and to identify whether there were significant or abnormal fluctuations; (5) Carried out external confirmation for a sample selected, and checked its sales amount through external confirmation to verify the authenticity of the operating revenue; (6) Selected a sample based on the income recognized before and after the balance sheet date, carried out the cutoff test on the supporting documents to evaluate whether the income is recorded in the appropriate accounting period; (7) Checked whether the information related to income had been properly presented and disclosed in the financial statements.
<p>2. Recoverability of accounts receivable</p>	
<p>Key items to be audited</p>	<p>How to deal with the matters in the audit</p>
<p>Please refer to the accounting policies set forth in Item 11, Note III “Significant accounting policies and estimates” and the Item 5, Note V “Notes to the items in the consolidated financial statements”</p>	

<p>The ending balance of Gotion High-Tech's accounts receivable is RMB 19,285.4654 million, and the amount of its bad debt provision is RMB 2,985.1679 million. The book value is relatively high. If the accounts receivable fail to be collected on schedule or cannot be collected at all, the bad debts caused thereby will have a significant impact on the financial statements. Therefore, we determined that the recoverability of accounts receivable was a key item to be audited.</p>	<p>The main audit procedures we performed for recoverability of accounts receivable include the following:</p> <p>(1) Learned and evaluated the effectiveness of the design of internal controls related to the daily management of accounts receivable and assessment of their and recoverability, and tested the effectiveness of the operation of the key controls;</p> <p>(2) Analyzed the rationality of accounting estimates of bad debt provision of accounts receivable; for the accounts receivable whose expected credit loss was measured on an individual basis, we obtained and reviewed the management's forecast for the cash flow expected to be collected, evaluated the rationality of key assumptions and the accuracy of data used in the forecast; for the accounts receivable whose expected credit loss was measured based on portfolios, we evaluated the rationality of portfolios divided by the Management according to the characteristics of credit risk, evaluated the rationality of the expected credit loss rate determined by the Management based on the experience in historical credit loss and forward-looking estimates; tested the accuracy and completeness of the data used by the Management (including the age of overdue accounts receivable, etc.) and the accuracy of the calculation of bad debt provision;</p> <p>(3) Carried out external confirmation for the sales amount and the balance of accounts receivable of the key accounts in the current period;</p> <p>(4) Checked the collection conditions of the accounts receivable after the period and evaluated the rationality of the credit loss of the accounts receivable.</p> <p>(5) Evaluated whether the Management's disclosure of bad debt provision for accounts receivable in the financial reports is appropriate.</p>
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IV. Other Information

The Management of Gotion High-Tech shall be responsible for other information. The other information comprises the information included in the 2025 annual report of the Company, but does not include the financial statements and our auditor's report thereon.

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

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

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

V. Responsibilities of the Management and those charged with governance for the financial statements

The Management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and responsible for designing,

implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

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

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

VI. Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, or error, and to issue an audit report that includes the audit opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with audit standards will always detect a material misstatement when it exists. The misstatement might be caused by fraud or errors. If each or all of the misstatements could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements, it is generally deemed as a material misstatement.

As part of an audit in accordance with the Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. Meanwhile, we also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management of the Company.
- (4) Conclude on the appropriateness of using the going concern assumption by the Management of the Company, and conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Gotion High-Tech's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by the Auditing Standards to draw attention in our auditors' report to the related disclosures in the consolidated financial statements, or to modify our opinion if such disclosures are inadequate. Our conclusions are based on the information available as of the date of our auditor's report. However, future events or conditions may cause Gotion High-Tech to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of Gotion High-Tech in entities and business activities to provide audit opinions on the financial statements. We are responsible for the guidance, supervision and implementation of the group audit and take full responsibility for the audit opinions.

We have communicated with those charged with governance regarding the planned scope and timing of the audit, and significant audit matters, including any significant audit deficiencies in internal control that we identify during our audit.

We have also provided a statement to those charged with governance that we have complied with professional ethics requirements relating to independence, communicated with them all relationships and other matters that may reasonably be considered to affect our independence, as well as relevant preventive measures.

Of the matters communicated with those charged with governance, we determine which matters are most important to the audit of the Financial Statements of the current period, and thus form the critical audit matters. We describe these matters in the Auditors' Report, unless the public disclosure of these matters is prohibited by laws and regulations, or in very few cases, if it is reasonably expected that the negative consequences caused by communication of certain matters in the Auditors' Report outweigh the benefits generated in the public interest, we confirm that the matters shall not be communicated in the Auditors' Report.

II. Financial statements

The monetary unit in the notes to the financial statements is RMB.

1. Consolidated balance sheet

Prepared by: Gotion High-Tech Co., Ltd.

December 31, 2025

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Cash and cash equivalents	16,813,185,998.06	16,548,290,096.70
Balances with clearing companies		
Loans to banks and other financial institutions		
Held-for-trading financial assets	2,150,889,376.39	2,832,052,529.23
Derivative financial assets		85,801,650.51
Notes receivable	3,240,804,795.42	379,902,251.80
Accounts receivable	16,300,297,490.16	16,454,343,330.81
Accounts receivable financing	1,375,348,839.80	1,491,828,951.59
Advances to suppliers	252,483,940.54	233,438,380.99
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivable	312,830,011.18	347,399,337.45
Including: interest receivable		
Dividends receivable		
Financial assets purchased under		

resale agreements		
Inventories	9,690,157,206.01	7,121,300,998.48
Including: Data resources		
Contract assets	0.00	0.00
Assets held for sale		
Non-current assets maturing within one year	88,413,876.61	49,925,965.40
Other current assets	3,706,608,709.50	3,218,492,943.03
Total current assets	53,931,020,243.67	48,762,776,435.99
Non-current assets:		
Disbursement of loans and advances		
Debt investment		
Other debt investments	60,000,000.00	282,543,103.44
Long-term receivable		
Long-term equity investment	1,807,750,113.80	1,476,417,299.07
Other equity instrument investment	1,503,215,887.75	1,175,332,421.61
Other non-current financial assets	3,358,886,392.90	1,570,712,000.00
Investment properties		
Fixed assets	42,506,540,834.94	30,017,592,523.27
Construction in progress	12,676,514,992.83	14,799,663,030.94
Productive biological assets		
Oil and gas assets		
Right-of-use assets	177,749,724.62	322,182,319.57
Intangible assets	6,758,523,753.47	5,603,171,485.98
Including: Data resources		
Development expense	485,566,283.80	419,640,807.40
Including: Data resources		
Goodwill	382,697,712.65	393,202,281.74
Long-term deferred expenses	146,714,681.09	150,627,014.63
Deferred income tax assets	1,808,365,715.37	1,292,747,440.45
Other non-current assets	1,610,973,401.73	1,573,076,931.04
Total non-current assets	73,283,499,494.95	59,076,908,659.14
Total assets	127,214,519,738.62	107,839,685,095.13
Current liabilities:		
Short-term borrowings	19,649,635,531.29	17,508,814,480.34
Borrowings from the central bank		
Loans from banks and other financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities	147,993,845.05	
Notes payable	12,639,869,777.39	9,359,509,603.26
Accounts payable	19,149,085,027.49	16,648,041,113.11
Advances from customers		
Contract liabilities	697,056,960.78	529,043,969.44
Financial assets sold under repurchase agreements		
Absorption of deposits and interbank deposits		
Receiving from vicariously traded		

securities		
Receiving from vicariously sold securities		
Employee compensation payable	628,314,507.74	527,452,714.15
Taxes and surcharges payable	351,888,281.73	292,052,422.52
Other payable	2,071,721,820.47	1,789,758,981.20
Including: interest payable		
Dividends payable	22,162,146.61	22,162,146.61
Handling charges and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities maturing within one year	8,910,703,760.81	8,501,932,083.59
Other current liabilities	2,087,430,040.15	415,133,709.20
Total current liabilities	66,333,699,552.90	55,571,739,076.81
Non-current liabilities:		
Provision for insurance contracts		
Long-term borrowings	19,252,155,837.43	18,510,118,171.97
Bonds payable	600,000,000.00	
Including: preferred shares		
Perpetual bonds		
Lease liabilities	117,886,403.18	349,664,148.53
Long-term payable	1,981,440,445.99	2,256,982,372.30
Long-term employee compensation payable		
Estimated liabilities	845,261,791.66	628,246,190.96
Deferred income	461,772,338.89	283,780,676.50
Deferred income tax liabilities	715,952,297.64	342,895,186.04
Other non-current liabilities		
Total non-current liabilities	23,974,469,114.79	22,371,686,746.30
Total liabilities	90,308,168,667.69	77,943,425,823.11
Owner's equity:		
Share capital	1,814,113,804.00	1,801,996,317.00
Other equity instruments		
Including: preferred shares		
Perpetual bonds		
Capital reserves	20,800,328,907.52	19,736,074,798.41
Less: treasury stock	441,086,989.87	521,046,499.79
Other comprehensive income	-953,750,743.92	-753,570,640.70
Special reserves	7,462,535.46	3,936,388.37
Surplus reserves	243,180,156.10	222,075,738.50
General risk reserve		
Undistributed profit	7,653,665,982.85	5,470,626,456.84
Total equity attributable to owners of the parent company	29,123,913,652.14	25,960,092,558.63
Minority equity	7,782,437,418.79	3,936,166,713.39
Total owners' equity	36,906,351,070.93	29,896,259,272.02
Total liabilities and owner's equity	127,214,519,738.62	107,839,685,095.13

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	Ending balance	Beginning balance
Current assets:		
Cash and cash equivalents	1,468,735,619.31	1,872,038,355.77
Held-for-trading financial assets	354,761,842.00	402,635,694.59
Derivative financial assets		
Notes receivable		
Accounts receivable	0.00	570,000.00
Accounts receivable financing		
Advances to suppliers		8,958.51
Other receivable	1,429,664,285.20	1,405,868,559.19
Including: interest receivable		
Dividends receivable	420,000,000.00	530,000,000.00
Inventories	6,599,662.00	8,218,472.00
Including: Data resources		
Contract assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	8,347,363.30	12,349,066.10
Total current assets	3,268,108,771.81	3,701,689,106.16
Non-current assets:		
Debt investment		
Other debt investments		
Long-term receivable		
Long-term equity investment	23,324,743,943.65	22,400,277,278.53
Other equity instrument investment	122,548,253.73	140,123,927.81
Other non-current financial assets		
Investment properties		
Fixed assets	244,104.84	353,042.41
Construction in progress		
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	2,411,212.43	2,687,730.81
Including: Data resources		
Development expenses		
Including: Data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	35,249,697.38	7,344,481.01
Other non-current assets		
Total non-current assets	23,485,197,212.03	22,550,786,460.57
Total assets	26,753,305,983.84	26,252,475,566.73
Current liabilities:		

Short-term borrowings		300,357,500.00
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable		
Advances from customers		
Contract liabilities		
Employee compensation payable	24,368,028.16	21,798,264.54
Taxes and surcharges payable	5,145,473.65	626,793.13
Other payable	2,092,635,486.58	2,208,804,081.86
Including: interest payable		
Dividends payable	2,033,891.80	2,033,891.80
Liabilities held for sale		
Non-current liabilities maturing within one year	101,673,611.14	299,953,037.70
Other current liabilities		
Total current liabilities	2,223,822,599.53	2,831,539,677.23
Non-current liabilities:		
Long-term borrowings		
Bonds payable	600,000,000.00	
Including: preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payable		
Long-term employee compensation payable		
Estimated liabilities	128,964,080.00	
Deferred income		
Deferred income tax liabilities	35,437,504.77	36,530,969.92
Other non-current liabilities		
Total non-current liabilities	764,401,584.77	36,530,969.92
Total liabilities	2,988,224,184.30	2,868,070,647.15
Owner's equity:		
Share capital	1,814,113,804.00	1,801,996,317.00
Other equity instruments		
Including: preferred shares		
Perpetual bonds		
Capital reserves	22,043,486,034.57	21,769,226,658.86
Less: treasury stock	382,086,989.87	462,046,499.79
Other comprehensive income	-95,823,580.39	-78,247,906.31
Special reserves		
Surplus reserves	150,066,979.38	128,962,561.78
Undistributed profit	235,325,551.85	224,513,788.04
Total owners' equity	23,765,081,799.54	23,384,404,919.58
Total liabilities and owner's equity	26,753,305,983.84	26,252,475,566.73

3. Consolidated income statement

Monetary Unit: RMB

Item	2025	2024
I. Total operating income	45,070,461,822.87	35,391,817,095.44
Including: operating income	45,070,461,822.87	35,391,817,095.44
Interest income		
Premiums earned		
Income from handling charges and commissions		
II. Total operating cost	44,351,353,931.54	34,519,146,759.14
Including: operating cost	37,780,369,237.62	29,020,131,352.84
Interest expense		
Handling charge and commission expenses		
Surrender value		
Net amount of compensation payout		
Net withdrawal of reserve for insurance responsibility contracts		
Policy dividend payment		
Reinsurance costs		
Taxes and surcharges	315,384,057.97	275,566,564.61
Selling expenses	351,173,600.43	304,389,113.38
General and administrative expenses	2,031,280,126.75	1,928,191,843.52
R&D expenditures	2,430,381,617.01	2,148,217,634.41
Finance costs	1,442,765,291.76	842,650,250.38
Including: interest expense	1,469,283,851.18	1,400,880,768.69
Interest income	333,055,984.95	447,466,832.59
Plus: other income	861,029,416.64	1,343,735,016.95
Investment income (“-” for losses)	145,788,773.17	47,194,409.49
Including: income from investment in associates and joint ventures	-66,408,494.06	-85,205,914.36
Income from de-recognition of financial assets measured at amortized cost		
Foreign exchange gains (“-” for losses)		
Income from net exposure hedging (“-” for losses)		
Gains from changes in fair value (“-” for losses)	1,922,165,991.12	196,190,396.49
Losses from credit impairment (“-” for losses)	-1,024,248,410.37	-766,306,053.55
Losses from asset impairment (“-” for losses)	-283,523,950.99	-399,009,989.81
Income from disposal of assets (“-” for losses)	4,790,852.79	-11,024,418.46
III. Operating profits (“-” for losses)	2,345,110,563.69	1,283,449,697.41
Plus: non-operating income	22,462,807.11	23,639,501.02
Less: non-operating expense	114,247,185.45	43,979,466.45
IV. Total profits (“-” for total losses)	2,253,326,185.35	1,263,109,731.98

Less: income tax expense	-35,092,701.40	108,975,519.59
V. Net profit (“-” for net losses)	2,288,418,886.75	1,154,134,212.39
(I) Classified by operating sustainability		
1. Net profit from continued operation (“-” for net losses)	2,288,418,886.75	1,156,568,489.71
2. Net profit from discontinued operation (“-” for net losses)		-2,434,277.32
(II) Classified by ownership		
1. Net profit attributable to shareholders of the listed company	2,383,271,938.21	1,206,790,129.59
2. Minority interest income	-94,853,051.46	-52,655,917.20
VI. Other comprehensive income, net of tax	-225,618,770.10	-671,347,612.60
Other comprehensive income, net of tax attributable to owners of the parent company	-200,180,103.22	-676,070,237.04
(I) Other comprehensive income that cannot be reclassified into profit or loss	-171,388,100.23	-647,839,229.79
1. Changes in re-measurement of the defined benefit plan	1,994,016.37	4,963,500.57
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	-173,382,116.60	-652,802,730.36
4. Changes in the fair value of the Company’s own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified into profit or loss	-28,792,002.99	-28,231,007.25
1. Other comprehensive income that can be transferred to profits or losses under the equity method	-8,094,819.35	-32,694,977.42
2. Changes in the fair value of the investment in other creditor’s rights	-222,543,103.44	-17,456,896.56
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of investment in other creditor’s rights	225,000,000.00	15,000,000.00
5. Cash flow hedging reserves		
6. Translation differences of financial statements denominated in foreign currency	-23,154,080.20	6,920,866.73
7. Others		
Other comprehensive income, net of tax attributable to minority shareholders	-25,438,666.88	4,722,624.44
VII. Total comprehensive income	2,062,800,116.65	482,786,599.79
Total comprehensive income attributable to owners of the parent company	2,183,091,834.99	530,719,892.55
Total comprehensive income attributable to minority shareholders	-120,291,718.34	-47,933,292.76
VIII. Earnings per share		
(I) Basic earnings per share	1.32	0.68
(II) Diluted earnings per share	1.32	0.68

In the case of a business combination under common control during the current period, net profit of the consolidated recognized before the combination was RMB 0, and net profit of the consolidated recognized in the prior period was RMB 0.

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	2025	2024
I. Operating income	25,789,545.27	16,934,615.62
Less: operating cost	25,615,296.24	11,960,541.93
Taxes and surcharges	189,855.89	666,551.07
Selling expenses		
General and administrative expenses	176,171,336.34	195,493,124.46
R&D expenditures		
Finance costs	-23,115,955.69	-142,456,332.43
Including: interest expense	23,005,573.45	28,061,246.89
Interest income	96,941,222.99	124,934,911.59
Plus: other income	10,691,736.62	1,304,892.85
Investment income (“-” for losses)	476,334,780.66	256,163,564.40
Including: income from investment in associates and joint ventures	-4,520,923.61	-48,504,938.45
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)	-22,973,852.59	111,140,926.31
Losses from credit impairment (“-” for losses)	-128,816,636.41	-192,698.60
Losses from asset impairment (“-” for losses)		-68,246,928.73
Income from disposal of assets (“-” for losses)		
II. Operating Profit (Mark “-” for Loss)	182,165,040.77	251,440,486.82
Plus: non-operating income	5,006.24	796,483.60
Less: non-operating expense		67,599.38
III. Total Profit (Mark “-” for Total Loss)	182,170,047.01	252,169,371.04
Less: income tax expense	-28,874,129.00	28,958,709.88
IV. Net Profit (Mark “-” for Net Loss)	211,044,176.01	223,210,661.16
(I) Net Profit as a Going Concern (Mark “-” for Net Loss)	211,044,176.01	223,210,661.16
(II) Net Profit of Discontinued Operation (Mark “-” for Net Loss)		
V. Net Amount of Other Comprehensive Incomes After Tax	-17,575,674.08	-73,943,215.60
(I) Other comprehensive income that cannot be reclassified into profit or loss	-17,575,674.08	-73,943,215.60
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	-17,575,674.08	-73,943,215.60

equity instruments investment		
4. Changes in the fair value of the Company's own credit risk		
5. Others		
(II) Other comprehensive income that will be reclassified into profit or loss		
1. Other comprehensive income that can be transferred to profits or losses under the equity method		
2. Changes in the fair value of the investment in other creditor's rights		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of investment in other creditor's rights		
5. Cash flow hedging reserves		
6. Translation differences of financial statements denominated in foreign currency		
7. Others		
VI. Total Comprehensive Income	193,468,501.93	149,267,445.56
VII. Earnings Per Share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Monetary Unit: RMB

Item	2025	2024
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and rendering of services	25,545,291,538.99	21,205,496,402.76
Net increase in deposit from customers and interbank		
Net increase in loans from the Central Bank		
Net increase in capital borrowed from other financial institutions		
Cash receipts from premiums under direct insurance contracts		
Net cash receipts from re-insurance business		
Net cash receipts from policyholders' deposits and investments		
Cash receipts from interest, handling fees and commissions		
Net increase in capital borrowed from banks		
Net increase in repurchase business capital		
Net cash received from agency trading of securities		
Cash receipts from tax refunds	1,046,235,411.03	1,371,582,101.95
Other cash received relating to operating activities	1,398,500,487.43	1,961,887,294.36
Subtotal of cash inflow from operating activities	27,990,027,437.45	24,538,965,799.07
Cash payments for goods acquired and	16,984,198,938.91	15,356,469,701.42

services received		
Net increase in customer loans and advances		
Net increase in deposits in central bank and interbank		
Cash payments for original insurance contract claims		
Net increase in capital lending		
Cash payments for interest, handling fees and commissions		
Cash payments for insurance policyholder dividends		
Cash payments to employees and on behalf of employees	4,633,520,037.76	3,500,935,424.98
Cash payments for taxes	861,585,424.84	955,749,773.71
Other cash payments relating to operating activities	1,886,308,069.24	2,020,239,169.95
Subtotal of cash outflows from operating activities	24,365,612,470.75	21,833,394,070.06
Net cash flow from operating activities	3,624,414,966.70	2,705,571,729.01
II. Cash flows from investing activities:		
Cash receipts from investment withdrawal	6,055,734,643.64	8,777,604,790.84
Cash received from returns on investments	37,804,807.35	23,898,992.00
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets	43,614,620.11	303,349,361.03
Net cash received from the disposal of subsidiaries and other business units		26,039,556.47
Other cash received relating to investing activities		
Subtotal of cash inflow in investment activities	6,137,154,071.10	9,130,892,700.34
Cash payments for the acquisition or construction of fixed assets, intangible assets and other long-term assets	10,170,965,654.14	9,068,397,787.47
Cash payments to acquire investments	5,864,824,223.33	7,023,491,583.55
Net increase in pledge loans		
Net cash payments for acquisition of subsidiaries and other business units	4,322,683.67	
Other cash paid relating to investing activities	393,031,052.47	146,375,863.03
Subtotal of cash outflows from investment activities	16,433,143,613.61	16,238,265,234.05
Net cash flow from investing activities	-10,295,989,542.51	-7,107,372,533.71
III. Cash flows from financing activities		
Cash receipts from investments	5,078,432,918.36	3,359,721,660.13
Including: Cash received by subsidiaries from the investment of minority shareholders	4,854,288,320.00	3,047,048,645.69
Cash receipts from borrowings	33,225,991,280.58	30,313,162,509.91
Other cash received in connection with financing activities	399,781,610.15	719,381,922.01
Subtotal of cash inflow in financing activities	38,704,205,809.09	34,392,266,092.05
Cash paid for repayment of debts	29,694,016,862.57	25,825,122,288.15
Cash payments for distribution of dividends, profits, or cash payments for interest expenses	1,697,717,375.08	1,542,226,120.17
Including: Dividends and profits paid to minority shareholders by subsidiaries	59,897,539.12	

Other cash paid related to financing activities	72,326,749.82	1,545,284,934.77
Subtotal of cash outflows from financing activities	31,464,060,987.47	28,912,633,343.09
Net cash flow from financing activities	7,240,144,821.62	5,479,632,748.96
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-318,921,935.28	150,299,752.08
V. Net increase in cash and cash equivalents	249,648,310.53	1,228,131,696.34
Including: balance of cash and cash equivalents at the beginning of the period	12,556,337,255.65	11,328,205,559.31
VI. Balance of cash and cash equivalents at the end of the period	12,805,985,566.18	12,556,337,255.65

6. Cash flow statement of the parent company

Monetary Unit: RMB

Item	2025	2024
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and rendering of services	33,374,976.08	20,043,744.53
Cash receipts from tax refunds		5,575,334.53
Other cash received relating to operating activities	73,191,178.55	755,162,153.57
Subtotal of cash inflow from operating activities	106,566,154.63	780,781,232.63
Cash payments for goods acquired and services received	26,971,255.74	10,346,909.45
Cash payments to employees and on behalf of employees	119,313,830.68	122,595,714.88
Cash payments for taxes	314,240.81	584,730.73
Other cash payments relating to operating activities	410,559,863.96	68,715,889.18
Subtotal of cash outflows from operating activities	557,159,191.19	202,243,244.24
Net cash flow from operating activities	-450,593,036.56	578,537,988.39
II. Cash flows from investing activities:		
Cash receipts from investment withdrawal	89,378,361.55	132,819,387.21
Cash received from returns on investments	532,877,342.72	1,619,383.64
Net cash recovered from the disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from the disposal of subsidiaries and other business units		
Other cash received relating to investing activities		329,940,384.44
Subtotal of cash inflow in investment activities	622,255,704.27	464,379,155.29
Cash payments for the acquisition or construction of fixed assets, intangible assets and other long-term assets	13,290.92	3,158,549.21
Cash payments to acquire investments	845,851,269.47	784,748,315.00
Net cash payments for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities		
Subtotal of cash outflows from investment activities	845,864,560.39	787,906,864.21
Net cash flow from investing activities	-223,608,856.12	-323,527,708.92
III. Cash flows from financing activities		

Cash receipts from investments	224,144,598.36	312,673,014.44
Cash receipts from borrowings	700,000,000.00	300,000,000.00
Other cash received in connection with financing activities	200,567,833.02	158,594,033.35
Subtotal of cash inflow in financing activities	1,124,712,431.38	771,267,047.79
Cash paid for repayment of debts	599,953,037.70	497,135,099.29
Cash payments for distribution of dividends, profits, or cash payments for interest expenses	200,817,456.91	206,037,121.63
Other cash paid related to financing activities	2,251,891.19	318,467,003.81
Subtotal of cash outflows from financing activities	803,022,385.80	1,021,639,224.73
Net cash flow from financing activities	321,690,045.58	-250,372,176.94
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-50,790,889.36	45,733,878.69
V. Net increase in cash and cash equivalents	-403,302,736.46	50,371,981.22
Including: balance of cash and cash equivalents at the beginning of the period	1,872,038,355.77	1,821,666,374.55
VI. Balance of cash and cash equivalents at the end of the period	1,468,735,619.31	1,872,038,355.77

7. Consolidated statement of changes in owners' equity

Amount of this period

Monetary Unit: RMB

Item	2025														
	Equity attributable to owners of the parent company												Minority equity	Total owners' equity	
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserve	Undistributed profit	Others			Subtotal
	Preferred shares	Perpetual bonds	Others												
I. Balance at the end of the previous year	1,801,996,317.00				19,736,074.79	521,046,499.79	-753,570,640.70	3,936,388.37	222,075,738.50		5,470,626.45		25,960,092.53	3,936,166,713.39	29,896,259,272.02
Including: changes in accounting policies															
Corr															

ection of errors in previous periods															
Others															
II. Balance at the beginning of the current year	1,80 1,99 6,31 7.00				19,7 36,0 74,7 98.4 1	521, 046, 499. 79	- 753, 570, 640. 70	3,93 6,38 8.37	222, 075, 738. 50		5,47 0,62 6,45 6.84		25,9 60,0 92,5 58.6 3	3,93 6,16 6,71 3.39	29,8 96,2 59,2 72.0 2
III. Changes in the current year (“-” for decrease)	12,1 17,4 87.0 0				1,06 4,25 4,10 9.11	- 79,9 59,5 09.9 2	- 200, 180, 103. 22	3,52 6,14 7.09	21,1 04,4 17.6 0		2,18 3,03 9,52 6.01		3,16 3,82 1,09 3.51	3,84 6,27 0,70 5.40	7,01 0,09 1,79 8.91
(I) Total comprehensive income							- 200, 180, 103. 22				2,38 3,27 1,93 8.21		2,18 3,09 1,83 4.99	- 120, 291, 718. 34	2,06 2,80 0,11 6.65
(II) Capital injection and reduction by owners	12,1 17,4 87.0 0				1,06 4,25 4,10 9.11	- 79,9 59,5 09.9 2							1,15 6,33 1,10 6.03	4,02 6,45 9,96 2.86	5,18 2,79 1,06 8.89
1. Common stock invested by owners	12,1 17,4 87.0 0				212, 027, 111. 36								224, 144, 598. 36	4,85 4,28 8,32 0.00	5,07 8,43 2,91 8.36
2.															

Capital invested by holders of other equity instruments														
3. Amount of share-based payments recorded into the owners' equity					98,572,738.66							98,572,738.66	2,166,376.27	100,739,114.93
4. Others					753,654,259.09	-79,959,509.92						833,613,769.01	-829,994,733.41	3,619,035.60
(III) Profit distribution								21,104,417.60		-200,232,412.20		-179,127,994.60	-59,897,539.12	-239,025,533.72
1. With drawal of surplus reserve								21,104,417.60		-21,104,417.60				
2. With drawal of the general risk reserve														
3. Distr										-179,		-179,	-59,8	-239,

Contribution to owners (or shareholders)											127,994.60		127,994.60	97,539.12	025,533.72
4. Others															
(IV) Internal carry over 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. Other comprehensive income carried over to retained earnings														
6. Others														
(V) Special reserve							3,52 6,14 7.09					3,52 6,14 7.09		3,52 6,14 7.09
1. Withdrawal in the current period							9,35 5,46 5.44					9,35 5,46 5.44		9,35 5,46 5.44
2. Use in the current period							- 5,82 9,31 8.35					- 5,82 9,31 8.35		- 5,82 9,31 8.35

(VI) Others															
IV. Balance at the end of the current period	1,814,113,804.00				20,800,328,907.52	441,086,989.87	-953,750,743.92	7,462,535.46	243,180,156.10		7,653,665,982.85		29,123,913,652.14	7,782,437,418.79	36,906,351,070.93

Amount in the previous period

Monetary Unit: RMB

Item	2024														Minority equity	Total owners' equity
	Equity attributable to owners of the parent company												Subtotal			
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserve	Undistributed profit	Others				
Preferred shares	Perpetual bonds	Others														
I. Balance at the end of the previous year	1,785,186,832.00				19,036,728,674.44	341,698,364.73	-87,404,801.14	1,271,151.96	199,754,672.38		4,473,001,832.26		25,066,839,971.77	1,229,041,038.68	26,295,881,035.5	
Including: changes in accounting policies																
Correction of errors in previous periods																
Others																

II. Balance at the beginning of the current year	1,785,832.00				19,036,728,674.44	341,698,364.73	-87,404,801.14	1,271,151.96	199,754,672.38		4,473,001,832.26		25,066,839,971.7	1,229,041,038.68	26,295,881,035.85
III. Changes in the current year (“-” for decrease)	16,809,485.00				699,346,123.97	179,348,135.06	-666,165,839.56	2,665,236.41	22,321,066.12		997,624,624.58		893,252,561.46	2,707,125,674.71	3,600,378,236.17
(I) Total comprehensive income							-676,070,237.04				1,206,790,129.59		530,719,892.55	-47,933,292.76	482,786,599.79
(II) Capital injection and reduction by owners	16,809,485.00				699,346,123.97	179,348,135.06							536,807,473.91	2,775,187,222.28	3,311,994,696.19
1. Common stock invested by owners	16,809,485.00				295,863,529.44								312,673,014.44	3,047,048,645.69	3,359,721,660.13
2. Capital invested by holders of other equity															

instru- ments														
3. Amo- unt of share- base d pay- ment s reco- ded into the own- ers' equi- ty					214, 241, 005. 86							214, 241, 005. 86	2,85 2,49 7.60	217, 093, 503. 46
4. Othe- rs					189, 241, 588. 67	179, 348, 135. 06						9,89 3,45 3.61	- 274, 713, 921. 01	- 264, 820, 467. 40
(III) Profi- t distri- butio- n								22,3 21,0 66.1 2		- 199, 261, 107. 53		- 176, 940, 041. 41	- 20,1 28,2 54.8 1	- 197, 068, 296. 22
1. With- draw- al of surpl- us reser- ve								22,3 21,0 66.1 2		- 22,3 21,0 66.1 2				
2. With- draw- al of the gene- ral risk reser- ve														
3. Distr- ibuti- on to own- ers (or share- hold- ers)										- 176, 940, 041. 41		- 176, 940, 041. 41	- 20,1 28,2 54.8 1	- 197, 068, 296. 22
4. Othe- rs														

rs															
(IV) Internal carry over of owners' equity							9,904,397.48				-9,904,397.48				
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. Other comprehensive income carried over to retained earnings															
6. Others						9,904,397.48					-9,904,397.48				
(V) Special reserve							2,665,236.41					2,665,236.41		2,665,236.41	
1. Withdrawal in the current period							6,710,974.39					6,710,974.39		6,710,974.39	
2. Use in the current period							-4,045,737.98					-4,045,737.98		-4,045,737.98	
(VI) Others															
IV. Balance at the end	1,801,996,317.00				19,736,074,798.41	521,046,499.79	-753,570,640.70	3,936,388.37	222,075,738.50		5,470,626,456.84		25,960,092,558.63	3,936,166,713.39	29,896,259,720.2

(or shareh olders)												
3. Others												
(IV) Interna l carryo ver of owners , equity												
1. Conve rsion of capital reserve s to increas ed capital (or capital stock)												
2. Conve rsion of surplus reserve s to increas ed capital (or capital stock)												
3. Recov ery of losses by surplus reserve s												
4. Amou nt of change s in the define d benefit plan carried over to the retaine d earnin gs												
5.												

Other comprehensive income carried over to retained earnings												
6. Others												
(V) Special reserve												
1. Withdrawal in the current period												
2. Use in the current period												
(VI) Others												
IV. Balance at the end of the current period	1,814,113,804.00				22,043,486.034.57	382,086,989.87	-95,823,580.39		150,066,979.38	235,325,551.85		23,765,081,799.54

Amount in the previous period

Monetary Unit: RMB

Item	2024											
	Share capital	Other equity instruments			Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profit	Others	Total owners' equity
		Preferr ed shares	Perpet ual bonds	Others								
I. Balance at the end of the previous year	1,785,186,832.00				21,362,574,111.95	282,698,364.73	-4,304,690.71		106,641,495.66	200,564,234.41		23,167,963,618.58
In cludin g: change s in account ing												

policies												
Correction of errors from previous periods												
Others												
II. Balance at the beginning of the current year	1,785,186,832.00				21,362,574,111.95	282,698,364.73	-4,304,690.71		106,641,495.66	200,564,234.41		23,167,963,618.58
III. Changes in the current year (“-” for decrease)	16,809,485.00				406,652,546.91	179,348,135.06	-73,943,215.60		22,321,066.12	23,949,553.63		216,441,301.00
(I) Total comprehensive income							-73,943,215.60			223,210,661.16		149,267,445.56
(II) Capital injection and reduction by owners	16,809,485.00				406,652,546.91	179,348,135.06						244,113,896.85
1. Common stock invested by owners	16,809,485.00				295,863,529.44							312,673,014.44
2. Capital Invested by Holders of Other Equity Instruments												
3. Amount of share-					214,241,005.86							214,241,005.86

based payments recorded into the owners' equity												
4. Others					- 103,451,988.39	179,348,135.06						- 282,800,123.45
(III) Profit distribution									22,321,066.12	- 199,261,107.53		- 176,940,041.41
1. Withdrawal of surplus reserve									22,321,066.12	- 22,321,066.12		
2. Distribution to owners (or shareholders)										- 176,940,041.41		- 176,940,041.41
3. Others												
(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. Recov ery of losses by surplus reserve s												
4. Amou nt of change s in the define d benefit plan carried over to the retaine d earnin gs												
5. Other compr ehensi ve incom e carried over to retaine d earnin gs												
6. Others												
(V) Specia l reserve												
1. Withdr awal in the current period												
2. Use in the current period												
(VI) Others												
IV. Balanc e at the end of	1,801, 996,31 7.00				21,769 ,226,6 58.86	462,04 6,499. 79	- 78,247 ,906.3 1		128,96 2,561. 78	224,51 3,788. 04		23,384 ,404,9 19.58

the current period												
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III. Company profile

Gotion High-Tech Co., Ltd. (formerly known as Jiangsu Dongyuan Electrical 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 Electrical Group Co., Ltd.* (Su Zheng Fu [1998] No. 30). After the changes, it will be RMB 1,136,650,819 as of December 31, 2018.

In accordance with the *Proposal on the “Restricted Stock Incentive Plan (Draft)” of the Company 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 canceled 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 by Gotion High-Tech Co., Ltd.*, among the 18,500,000 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 have 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 RMB1 per share, at an issuance price of RMB19.01 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 RMB 1,664,707,835.

According to the resolution of the 17th meeting of the 8th Board of Directors of the Company held on May 5, 2022, the resolution of the annual general meeting of 2021 held on May 23, 2022, and the approval of the *Reply of the China Securities Regulatory Commission regarding the Approval of the Initial Public Offering of Global Depository Receipts and Listing on the Swiss Stock Exchange by Gotion High-Tech Co., Ltd.* (Zheng Jian Xu Ke [2022] No.1610), the Company was approved to issue a certain number of Global Depository Receipts ("GDRs") to foreign investors. On July 28, 2022 Zurich time, the Company successfully issued 22,833,400 GDRs (with an issue price of USD 30.00 per GDR, each GDR representing 5 A shares of the Company, corresponding to 114.1670 million A shares) and listed them on the SIX Swiss Exchange. A total of USD 685.002 million (equivalent to RMB4,619,447,987.4) was raised in this GDR issuance, of which RMB 114.1670 million was included in the share capital and the remaining amount was included in the capital reserve (capital surplus) after deduction of the issuance expenses. After this change, the Company's share capital was changed to 1,778,874,835 shares and the registered capital shall be changed to RMB 1,778,874,835.

On August 28, 2023, the 3rd meeting of the ninth Board of Directors and the 3rd meeting of the ninth Board of Supervisors of the Company respectively deliberated and approved the *Proposal on the Achievement of the Exercise Conditions for the First Exercise Period for the Stock Options First Granted under the 2022 Stock Option Incentive Plan*. The Board of Directors believed that the exercise conditions for the first exercise period for the stock options first granted under the 2022 Stock Option Incentive Plan had been achieved, and 1,571 incentive objects met the exercise conditions. The number of exercisable stock options was 17.396 million, and the exercise price was RMB 18.67 per share. On August 27, 2024, the 9th meeting of the ninth Board of Directors and the 9th meeting of the ninth Board of Supervisors of the Company respectively deliberated and approved the *Proposal on the Achievement of the Exercise Conditions for the Second Exercise Period for the Stock Options First Granted under the 2022 Stock Option Incentive Plan*. The Board of Directors believed that the exercise conditions for the second exercise period for the stock options first granted under the 2022 Stock Option Incentive Plan had been achieved, and 1,477 incentive objects met the exercise conditions. The number of exercisable stock options was 12.4368 million, and the exercise price was RMB 18.57 per share. On August 28, 2025, the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors of the Company respectively deliberated and approved the *Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period for the Stock Options First Granted under the 2022 Stock Option Incentive Plan*. The Board of Directors believed that the exercise conditions for the third exercise period for the stock options first granted under the 2022 Stock Option Incentive Plan had been achieved, and 1,406 incentive objects met the exercise conditions. The number of exercisable stock options was 9,420,480, and the exercise price was RMB 18.47 per share. As of December 31, 2025, the said persons have exercised 35,238,969 shares in total and completed the registration of ownership and put the shares for circulation in the market. The registered capital of the Company has been changed to RMB 1,814,113,804.

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

The primary business of the Company and its subsidiaries is the R&D, production and sales of power batteries system, energy storage batteries system and the battery materials, and the production and sales of transmission and distribution equipment.

IV. Basis for preparing the financial statement

1. Basis for preparing

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. Significant accounting policies and accounting estimates

Remark to the detailed accounting policies and accounting estimates:

The following significant accounting policies and accounting estimates of the Company have been formulated in accordance with the Accounting Standards for Business Enterprises. The operations not mentioned herein are performed in accordance with the 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. Method for determining “major” and selection criteria

Applicable Not applicable

Item	Criteria of determining “major”
Major non-wholly-owned subsidiaries	Non-wholly-owned subsidiaries whose total assets account for more than 10% of the total assets of the Company at the end of the consolidation period, or total profits account for more than 10% of the total consolidated profits of the Company
Major joint ventures or associates	Joint ventures or associates the book value of whose long-term equity investments accounts for more than 5% of the Company’s net assets at the end of the consolidation period, or whose investment income under the equity method accounts for more than 10% of the Company’s consolidated net profit
Major construction in progress	Any construction in progress the investment amount in which is more than 1% of the total assets of the Company at the end of the consolidation period
Major accounts receivable	The amount of write-offs of individual receivables and the amount of recovery or reversal of bad debt provision for individual receivables is more than 5% of the Company’s total receivables at the end of the consolidated period
Major advance to suppliers aging over 1 year	The amount of an individual advance to suppliers is greater than 0.5% of the Company’s total assets at the end of the consolidated period.
Major other receivables aging over 1 year	The amount of an individual item is greater than 0.5% of the Company’s total assets at the end of the consolidated period.
Major accounts payable aging over 1 year	The amount of an individual item is greater than 0.5% of the Company’s total liabilities at the end of the consolidated period.
Major other payables aging over 1 year	The amount of an individual item is greater than 0.5% of the Company’s total liabilities at the end of the consolidated period.

6. 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 consolidated 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 consolidated 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.

7. Criteria for judging control and methods for preparing consolidated financial statements

(I) Criteria for judging control

The consolidation scope of the consolidated financial statements is determined on the basis of control. Control means that the investor has the power over the investee and enjoys the variable return through participating in activities related to the investee, and has the ability to affect its return by using the power over

the investee. Once the change in relevant facts and circumstances leads to a change in relevant elements involved in the control, a reassessment will be conducted.

(II) Basis for preparing the financial statements

1. 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.

2. 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.

3. 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.

4. 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.

8. 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.

9. 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.

10. 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.

11. Financial instruments

Financial instruments refer to contracts that form the financial assets of one party and the financial liabilities or equity instruments of other parties.

(I) Classification of financial instruments

1. Classification of financial assets

The Company classifies financial assets into the following three categories based on the business model for 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 classifies financial liabilities into the following two categories: (1) financial liabilities measured at fair value through current profit or loss (including held-for-trading financial liabilities and financial liabilities designated to be measured at fair value through current profit or loss); (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 financial assets measured at fair value through profit and loss, the relevant transaction costs shall be included in the current profit and loss and those of other financial assets shall be included in the initial recognition 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 asset 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 derecognized, 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 derecognized, 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 current 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 current profit or loss and the other financial liabilities at initial recognition. For financial liabilities measured at fair value through current profit or loss, relevant transaction costs shall be directly included in the current profit or loss; the transaction costs related to other financial liabilities shall be included in the initial recognition amount.

① Financial liabilities measured at fair value through current profit or loss

Held-for-trading financial liabilities (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 derecognized, 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 derecognized; 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. Where the Company neither transfers nor retains almost all the risks and rewards associated with the ownership of financial assets, it shall be dealt with in the following ways: 1) where the Company retains no control over the financial assets, the financial assets shall be derecognized, and the rights and obligations generated or retained in such transfer shall be separately recognized as assets or liabilities; 2) where the Company retains its control over the financial assets, the relevant financial assets shall be recognized according to the extent of its continuous involvement in the transferred financial assets and the relevant liabilities shall be recognized accordingly.

Where the entire transfer of a financial asset meets the de-recognition conditions, the difference of the following two amounts shall be included in current profit and loss: (1) the book value of the financial asset transferred on the date of de-recognition; 2) the sum of the consideration for the financial asset transferred and the amount of the derecognized part corresponding to the accumulated amount of the changes in fair value originally and directly recorded into other comprehensive income (financial assets involving transfer are the debt instrument investments measured at fair value through other comprehensive income). 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 derecognize 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, for which there is no active market, shall be determined by using valuation techniques. 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, lease receivable 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.

For accounts receivable or contract assets that contain significant financing components, and lease receivable specified in the *Enterprise Accounting Standard No. 21- Leases*, provision for losses shall always be made at an amount equivalent to the expected credit loss during the entire term.

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 receivable 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 fulfill 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 receivable portfolio 1 (Credit risk portfolio such as accounts	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

receivable) Account receivable portfolio 2 (receivable from related parties within the consolidation scope)	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. The calculation method for the overdue aging of accounts receivable: The aging of the Company's accounts receivable is calculated from the time when the sales revenue is recognized. Every 12 months is considered one year. The aging of accounts receivable is calculated based on the principle of first-in, first-out. If it is less than one year, it is still calculated as one year.
Other receivable portfolio 1 (Portfolios of credit risks such as deposit receivable, margin, advances, current account, etc.) Other receivable portfolio 2 (Receivable from related parties within the consolidation scope and current accounts with government departments due to export tax rebate, sales, etc.)	For the other receivable 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.

The expected credit loss rate for the entire duration of the accounts receivable portfolio 1 is shown below:

Item	Expected credit loss rate of the accounts receivable (%)
Not overdue	5.00
Overdue for less than 1 year	10.00
Overdue for 1-2 years	30.00
Overdue for 2-3 years	50.00
Overdue for 3-4 years	80.00
Overdue for more than 4 years	100.00

12. Notes receivable

See “11. Financial instruments” for details.

13. Accounts receivable

See “11. Financial instruments” for details.

14. Accounts receivable financing

See “11. Financial instruments” for details.

15. Other receivable

See “11. Financial instruments” for details.

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 “(VIII) Impairment of financial assets” of Note 11.

17. 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 sent out are accounted for by weighted average method.

(III) Criteria for determining and method for making provision for inventory depreciation

Inventories are valued at the lower of their costs or net realizable values on the balance sheet date. If the net realizable value of an inventory is less than its cost, provision for inventory depreciation will be made.

1. Basis for determining the net realizable value 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) Provision made on an individual basis

The Company makes provision for inventory depreciation at the difference of cost of the individual inventory higher than its net realizable value.

(2) Provision made by inventory categories

Provision for impairment losses of inventory is made by category for raw materials, revolving materials, goods in progress with large quantity and low unit price. For inventories for which provision for impairment losses of inventory is made by category, the Company determines the amount of impairment losses of inventory by taking into account factors such as the storage status and age of the inventories, their utilization in production and operation, their availability and estimated selling price.

(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.

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. The component is a part of the plan for intended disposal of an independent major business or a sole major business area; or
3. The component is a subsidiary acquired only for re-sale.

19. Other debt investments

See “11. Financial instruments” for details.

20. 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 method for accounting treatment of business combination under common control and that not under common control as specified in Item 6 of this Note 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 receivable 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 whether 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.

21. Fixed assets

(1) Recognition criteria

Fixed assets shall mean tangible assets with a useful life of more than one accounting year that is held for the purpose of production of commodities, provision of labor services, lease or business management. A fixed asset shall be recognized when it satisfies both of the following two criteria:

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.

(2) Depreciation method

Category	Depreciation method	Depreciation life	Residual value rate	Annual depreciation rate
Houses and buildings	Straight-line method	10-35 years	5%	2.71%-9.50%
Machinery equipment	Straight-line method	8-15 years	5%	6.33%-11.88%
Transportation equipment	Straight-line method	5-8 years	5%	11.88%-19.00%
Electronic equipment and others	Straight-line method	3-8 years	5%	11.88%-31.67%

1. The Company shall make provision for depreciation of all fixed assets except for the fixed assets and land that have been subject to full provision for depreciation but are still in use.

2. The provision for depreciation of the Company's fixed assets shall be made using the straight-line method starting from the month following the time when they reach the intended usable status. The depreciation rate and depreciation amount shall be determined based on the category of fixed assets, estimated useful life and estimated net residual rate, and respectively included in the cost or current profit or loss of relevant assets according to their uses.

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

4. For the decoration expenses of fixed assets that meet the capitalization conditions, the provision for depreciation shall be made separately using the straight-line method during the period between the two decorations or the remaining useful life of the fixed assets (whichever is shorter).

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 period, the exchange difference between the principal and interest of the foreign currency special borrowing shall be capitalized and included in the cost of the assets eligible for capitalization.

24. Intangible assets

(1) Useful life and its determination basis, estimated situation, amortization method or review procedure

(I) Initial measurement of intangible assets

1. Initial measurement of purchased intangible assets

The cost of a purchased intangible asset includes the purchase price, relevant taxes and other necessary expenditures which may be directly attributable to bringing the intangible asset to the conditions for the intended purpose. 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 until 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
Software	2-10		10.00-50.00
Mining rights	Expected exploitable 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) Scope of R&D expenditures and related accounting treatment

(I) Specific criteria for classifying research phase and development phase of internal R&D projects of the Company

1. Scope of R&D expenditures

They usually include R&D personnel salary expenses, direct input expenses, depreciation expenses and long-term deferred expenses, design expenses, equipment debugging expenses, intangible asset amortization expenses, commissioned external R&D expenses, other expenses, etc., including expensed R&D expenses and capitalized development expenses.

2. Specific criteria for classifying research phase and development phase

Based on its business model and characteristics of its R&D projects, the Company classifies R&D projects into those in research phase and those in 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. Expenditures incurred during the research phase of internal R&D projects will be written off to current profit or loss.

(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) Specific conditions and time point for capitalization of expenditure in the development phase

Expenditures in the development phase of internal R&D projects shall be capitalized only when the following conditions are met simultaneously: It is feasible technically to finish intangible assets for use or sale; It is intended to finish and use or sell the intangible asset; 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; 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 The expenditure attributable to the development phase of the intangible asset can be reliably measured. After a R&D project meets the above conditions and has passed the technical feasibility and economic feasibility analysis (generally sample B trial production and validation are in compliance with the set requirements, and have sufficient technical and financial support), the R&D project enters the development phase.

Expenditures in the development phase that have been capitalized are listed as development expenditure on the balance sheet and are transferred to intangible assets from the date when the project achieves its intended use.

(III) Handling of land use rights

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

2. If the Company independently develops and constructs factories and other buildings, the related land use rights are handled separately from the buildings.

3. The payment for the purchased land and buildings is allocated between the buildings and the land use rights. If it is difficult to allocate reasonably, both are regarded as fixed assets.

25. Long-term asset impairment

If any indication shows that the long-term equity investments, investment properties measured under the cost method, fixed assets, construction in progress, intangible assets with finite useful lives and other long-term assets may be impaired on the balance sheet date, an impairment test shall be conducted. If the results of the impairment test indicate that the recoverable amount of the assets is lower than the book value thereof, the difference between the recoverable amount and the book value shall be taken as the basis for making a provision for impairment and shall be included in the impairment loss. The recoverable amount is the higher of the net amount of the fair value of the asset less disposal expenses or the present value of its estimated future cash flows. The provision for asset impairment shall be calculated and recognized based on individual assets. If it is difficult to estimate the recoverable amount of the individual asset, the Company shall estimate the recoverable amount of the asset group that the asset belongs to. The asset group refers to a minimum asset group that can 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.

26. Long-term deferred expenses

(I) 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.

(II) Initial measurement of long-term deferred expenses

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

(III) 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.

27. Contract 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.

28. 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.

29. 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) For the contingencies involving a single item, it will be determined according to the amount most likely to occur.

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

30. 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 stock 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.

31. Income

Disclosure of accounting policies adopted for recognizing and measuring income by business type

(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 canceled, renewed or changed.

(II) Specific policies on the recognition of income

1. Sales of goods

A. Domestic sales: The control right 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

32. Contract cost

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

If the cost incurred by the Company in performing the contract meets 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.

33. Government grants

(I) Types of government grants

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

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

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

(II) Principles and timing for recognizing government grants

Principles for recognizing government grants:

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

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

(III) Measurement of government grants

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

2. If the government grants 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 grants

1. The government grants 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 stages by a reasonable and systematic method within the useful life of the relevant asset. Government grants measured at a nominal amount are directly included in the current profit or loss.

2. The government grants 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 grants 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 grants related to income as a whole.

4. The government grants 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 grants 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 grants 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.

34. 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. Basis for recognizing 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 the deductible losses and tax deductions that can be carried forward in the subsequent years, the deferred income tax assets shall be recognized by the Company accordingly to the extent of taxable income that is likely to offset the deductible losses and tax deductions.

(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.

35. Lease

(1) Accounting treatment of leases as a lessee

On the commencement date of the lease term, the Company recognizes right-of-use assets and lease liabilities for leases other than short-term leases and low-value asset leases, and recognizes depreciation expenses and interest expenses separately during the lease term.

1. Accounting treatment of right-of-use assets

The right-of-use assets refer to the rights of the Company as the lessee to use the leased assets during the lease term.

(1) Initial measurement

The Company initially measures right-of-use assets at cost on the commencement date of the lease term. Such cost includes: 1) the initial measurement amount of lease liabilities; 2) in case of lease incentive in the

lease payment paid on or before the commencement date of lease term, relevant amount of the lease incentive that has been enjoyed shall be deducted; 3) the initial direct expenses incurred, i.e., the incremental costs incurred in reaching the lease; 4) 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, except for those incurred for the production of inventory.

(2) Subsequent measurement

After the commencement date of lease term, the Company adopts a cost model to measure the right-of-use assets, i.e., a method to measure the right-of-use assets at cost minus accumulated depreciation and accumulated impairment losses. If the Company re-measures lease liabilities in accordance with relevant leasing standards, the book value of the right-of-use assets will be adjusted accordingly.

The Company will depreciate the right-of-use assets from the commencement date of lease term. The right-of-use assets shall be depreciated as of the month following the lease term. The depreciation amount provisioned will be included in the cost of the asset or in the current profit and loss based on the purpose of the right-of-use asset. The Company adopts the straight-line method to depreciate the right-of-use assets based on the expected consumption of economic benefits related to the right-of-use assets. If a right-of-use asset is impaired, the Company will carry out subsequent depreciation based on the book value of the right-of-use asset after deducting impairment loss.

2. Accounting treatment of lease liabilities

(1) Initial measurement

The Company initially measures a lease liability according to the present value of the unpaid lease payment on the commencement date of the lease term.

The lease payment refers to the amount paid by the Company to the lessor related to the right to use the leased asset during the lease term, including: 1) Fixed payment and substantial fixed payment, if there is lease incentive, after deducting relevant amount of lease incentive; 2) the variable lease payment depending on the index or ratio, which is determined at the initial measurement based on the index or ratio on the commencement date of the lease term; 3) The Company reasonably determines the exercise price of the call option when exercising it; 4) where the lease term reflects that the Company will exercise the option to terminate the lease, the lease payment includes the amount to be paid for exercising the option to terminate the lease; 5) the expected payment according to the residual value of the guarantee provided by the Company.

When calculating the present value of lease payments, the Company uses the implicit interest rate of the lease as the discount rate. If the implicit interest rate cannot be determined, the Company uses the incremental loan interest rate as the discount rate. The incremental loan interest rate refers to the interest rate that the Company must pay for borrowing funds under similar collateral conditions during a similar period in order to obtain assets with similar value to the right-of-use assets in a similar economic environment. The Company

obtains the incremental loan interest rate after making adjustment to the bank loan interest rate after taking into account relevant factors.

(2) Subsequent measurement

After the commencement date of the lease term, the Company will measure the lease liabilities in accordance with the following principles: 2) increase the carrying amount of a lease liability when confirming the interest on the lease liability; 2) reduce the carrying amount of a lease liability when paying lease payments; ③ re-measure the carrying amount of a lease liability when the lease payment amount changes due to re-valuation or lease changes.

If the following situations occur after the commencement date of the lease term, the Company will re-measure the book value of the lease liability concerned based on the present value of the changed lease payment and adjust the book value of the right-of-use asset accordingly. If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the remaining amount will be included in the current profit or loss.

① The substantial fixed payment has changed;

② The expected payable amount of the guarantee residual value has changed;

③ The index or ratio used to determine lease payments has changed;

④ The evaluation results or actual exercise of the call option, renewal option, or termination option have changed.

⑤ The interest expenses for each period during the lease term are recognized in the current profit or loss, except for those that should be capitalized.

3. Judgment basis and accounting treatment of short-term leases and low-value asset leases

A “short-term lease” refers to a lease with a lease term of no more than 12 months. Leases that include call options are not considered short-term leases.

A “low-value asset lease” is a lease the value of which is low when it was a brand-new asset. Where the Company sub-leases or anticipates sub-leasing a leased asset, the original lease is not recognized as a low-value asset lease.

The Company adopts a simplified treatment method for short-term leases and low-value asset leases, and uses the straight-line method or other systematic and reasonable methods to record the lease payments of short-term leases and low-value asset leases in the asset costs or current profit or loss for each period of the lease term, and will not recognize right-of-use assets and lease liabilities.

(2) Accounting treatment of leases as a lessor

1. Classification criteria for leases

As the lessor, the Company classifies the leases into financing lease and operating lease on the commencement date of the lease term.

A lease under which almost all the risks and rewards relevant to the ownership of the asset are materially transferred is recognized as a financing lease. Its ownership may or may not be transferred in the end.

Operating leases refer to the leases other than financing leases.

2. Accounting treatment method

(1) 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.

(2) Operating lease

The assets held by the Company for operating leases are included in 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 receivable relating to the lease before such change shall be deemed as receipts relating to the new lease.

36. Other significant accounting policies and accounting estimates

(I) Repurchase of shares

The shares repurchased by the Company will be managed as treasury stock before cancellation or transfer, and all expenses incurred in the repurchase will be transferred to the cost of treasury stock. For the consideration and transaction costs paid in share repurchases, the corresponding amount is deducted from

owner's equity, and no gains or losses will be recognized when repurchasing, transferring or canceling the Company's shares.

When treasury stock is transferred, the difference between the actual amount received and the book value of the treasury stock shall be included in the capital reserve. If the capital reserve is insufficient to offset, the surplus reserve and undistributed profits shall be offset. When treasury stock is canceled, share capital will be reduced based on the face value and the number of the canceled stock, capital reserves will be written off based on the difference between the book balance and face value of the canceled treasury stock. If the capital reserve is insufficient to offset, the surplus reserve and undistributed profits shall be offset.

37. 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 the relevant items in the financial statements at the beginning of the year of the first implementation of the new accounting standards starting from 2025

Applicable Not applicable

VI. Taxation

1. Main tax types and tax rates

Tax type	Tax basis	Tax rate
VAT	Amount of input tax deductible from output tax	13%, 9%, 6%, etc.
Urban maintenance and construction tax	Amount subject to turnover tax	7%, 5%
Educational surcharges	Amount subject to turnover tax	3%
Local educational surcharges	Amount subject to turnover tax	2%
Property taxes	Residual value of the property or rental income	1.2%, 12%
Enterprise income tax ¹	Taxable income	15%, 25% or appropriate national or regional tax rate

Note: 1. Except for the overseas subsidiaries listed below and the subsidiaries enjoying preferential tax rates as described in VI 2 of this section, the statutory income tax rate of the Company and each domestic subsidiary is 25%.

Information about taxpayers applying different enterprise income tax rates:

Name of taxpayer	Income tax rate
GOTION, INC. ¹	21.00%
Gotion High-Tech Japan Co., Ltd. ²	23.20%

GOTION SINGAPORE PTE. Ltd. ³	10.00%
PT. Gotion Indonesia Materials	22.00%
PT Gotion Green Energy Solutions Indonesia	22.00%
Gotion High-Tech (HK) Limited	16.50%
Gotion GmbH ⁴	15.00%
Gotion Germany Battery GmbH ⁵	15.00%
333 South Spruce LLC (USA) ⁶	21.00%
New Energy Real Estate Holdings Co., Ltd. (USA) ⁷	21.00%
Morocco Gotion Power Energy Co., Ltd.	The company is still in the construction period. After operation, it can enjoy a five-year tax exemption on income tax

Note: 1. Federal corporate income tax

2. Corporate income tax

3. Enjoy the tax benefits for pioneer enterprises from November 1, 2023 to October 31, 2028

4. Federal corporate income tax

5. Federal corporate income tax

6. Federal corporate income tax

7. Federal corporate income tax

2. Tax preference

1. The tax rates of the subsidiaries of the Company that enjoy tax preferences are presented as follows:

Name of taxpayer	Tax rate
Jiangsu Dongyuan Electrical Group Co., Ltd.	15.00%
Nantong Gotion New Energy Technology Co., Ltd.	15.00%
Hefei Gotion High-Tech Power Energy Co., Ltd.	15.00%
Nanjing Gotion Battery Co., Ltd.	15.00%
Nanjing Gotion New Energy Co., Ltd.	15.00%
Hefei Gotion Battery Material Co., Ltd.	15.00%
Qingdao Gotion Battery Co., Ltd.	15.00%
Tangshan Gotion Battery Co., Ltd.	15.00%
Hefei Gotion Battery Co., Ltd.	15.00%
Shanghai Xuanyi New Energy Development Co., Ltd.	15.00%
Liuzhou Gotion Battery Co., Ltd.	15.00%
Tianjin High-Tech New Energy Auto Institute Co., Ltd.	15.00%
Tianjin Gotion New Energy Technology Co., Ltd.	15.00%

Yichun Gotion Battery Co., Ltd.	15.00%
Tongcheng Gotion New Energy Co., Ltd.	15.00%
Jiangsu Gotion New Energy Technology Co., Ltd.	15.00%
Hefei Gotion New Materials Technology Co., Ltd.	15.00%
Hefei Gotion Battery Technology Co., Ltd.	15.00%
Jinzhai Gotion New Energy Co., Ltd.	15.00%
Jiangxi Weihong Lithium Co., Ltd.	15.00%
Inner Mongolia Gotion Zero Carbon Technology Co., Ltd.	15.00%
Anhui Gotion New Energy Automobile Technology Co., Ltd.	15.00%
Liuzhou Gotion New Energy Battery Co., Ltd.	15.00%
Yifeng Gotion Lithium Industry Co., Ltd.	15.00%

2. Preferential income tax rates available for the report period

(1) On November 18, 2025, Jiangsu Dongyuan Electrical Group Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202532003214, valid for three years. Since January 1, 2025, Jiangsu Dongyuan Electrical 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 19, 2024, Nantong 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 GR202432005467, valid for three years. Since January 1, 2024, 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 November 30, 2023, 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 GR202334006271, valid for three years. Since January 1, 2023, 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 19, 2025, 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

GR202532011015, valid for three years. Since January 1, 2025, 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 19, 2024, 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 GR202432006279, valid for three years. Since January 1, 2024, 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 December 7, 2023, Hefei Gotion Battery Material Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202334006999, valid for three years. Since January 1, 2023, 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 November 9, 2023, Qingdao 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 GR202337101611 valid for three years. Since January 1, 2023, 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 October 28, 2025, Tangshan 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 GR202513000146, valid for three years. Since January 1, 2025, 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 November 22, 2023, Hefei 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 GR202336001163, valid for three years. Since January 1, 2023, 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 December 26, 2024, Shanghai Xuanyi New Energy Development Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202431006438, valid for three years. Since January 1, 2024, 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, NDRC (Announcement of Ministry of Finance No. 23 in 2020). Specifically, it shall pay enterprise income tax at the rate of 15% from 2021 to 2030.

(12) On December 8, 2023, Tianjin Hi-Tech New Energy Auto Institute Co., Ltd., a subsidiary of the Company, passed the reexamination of high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202312001762, valid for three years. Since January 1, 2023, Tianjin Hi-Tech New Energy Auto Institute 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*.

(13) On December 8, 2023, Tianjin Gotion New Energy Technology Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202312001999, valid for three years. Since January 1, 2023, Tianjin Gotion New Energy Technology 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*.

(14) On November 22, 2023, Yichun 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 GR202336001163, valid for three years. Since January 1, 2023, Yichun 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*.

(15) On December 7, 2023, Tongcheng 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 GR202334006876, valid for three years. Since January 1, 2023, Tongcheng 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*.

(16) On December 16, 2024, Jiangsu Gotion New Energy Technology Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202432016039, valid for three years. Since January 1, 2024, Jiangsu Gotion New Energy Technology 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*.

(17) On December 6, 2024, Hefei Gotion New Materials Technology Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202434006739, valid for three years. Since January 1, 2024, Hefei Gotion New Materials Technology 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*.

(18) On November 18, 2024, Hefei Gotion Battery Technology Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202434005715, valid for three years. Since January 1, 2024, Hefei Gotion Battery Technology 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*.

(19) On October 28, 2025, Jinzhai 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 GR202534002841, valid for three years. Since January 1, 2025, Jinzhai 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*.

(20) On November 22, 2023, Jiangxi Weihong Lithium Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202336000264, valid for three years. Since January 1, 2023, Jiangxi Weihong Lithium 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*.

(21) On December 8, 2025, Inner Mongolia Gotion Zero Carbon Technology Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202515000483, valid for three years. Since January 1, 2025, Inner Mongolia Gotion Zero Carbon Technology 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*.

(22) On December 6, 2024, Anhui Gotion New Energy Automobile Technology Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202434006791, valid for three years. Since January 1, 2024, Anhui Gotion New Energy Automobile Technology 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*.

(23) Liuzhou Gotion New Energy Battery Co., Ltd., a subsidiary of the Company, is classified under an encouraged industry in Guangxi Zhuang Autonomous Region in accordance with the *Announcement on Continuing the Enterprise Income Tax Policy for the Western Development* (Announcement [2020] No. 23 of the Ministry of Finance) issued by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission (“vehicle manufacturing, manufacturing of special-purpose vehicles (excluding ordinary trailers, dump trucks, tank trucks, box trucks and cage trucks) and manufacturing of key auto parts and accessories”), can enjoy preferential policies on enterprise income tax, and shall pay the enterprise income tax at 15% from 2021 to 2030.

(24) On October 29, 2025, Yifeng Gotion Lithium Industry Co., Ltd., a subsidiary of the Company, was recognized as a high-tech enterprise and obtained a *Certificate of High-tech Enterprise* numbered GR202536000017, valid for three years. Since January 1, 2025, Yifeng Gotion Lithium Industry 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. Other tax credits and exemptions available for the reporting period

According to the document *Announcement of the Ministry of Finance and the State Administration of Taxation on the Policy of Additional Value-added Tax Credits and Deductions for Advanced Manufacturing Enterprises* (Announcement of the Ministry of Finance and the State Administration of Taxation No. 43 in 2023), during the period from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to pay their value-added tax payable after deducting the deductible input tax for the current period plus an additional 5% of the deductible input tax, and some subsidiaries of the Company may enjoy the aforesaid preferential tax policies during the reporting period, if they are in the list of advanced manufacturing enterprises determined by the relevant authorities.

VII. Notes to the items in the consolidated financial statements

1. Cash and cash equivalents

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Cash in hand	251,417.48	186,807.62
Deposit in bank	13,834,022,040.02	14,075,005,576.88
Other cash and cash equivalents	2,978,912,540.56	2,473,097,712.20
Funds deposited with the finance company	0.00	0.00
Total	16,813,185,998.06	16,548,290,096.70
Including: total amount of overseas deposits	5,718,387,699.63	6,428,844,203.27

Other remarks:

In which, restricted cash and cash equivalents in ending balance:

Item	Amount (RMB)	Remarks
Deposit in bank		
Loan pledge or bank's acceptance bill	893,580,000.00	
Judicial freezing	167,398,184.07	
Others	6,863,239.25	
Other cash and cash equivalents		
Security deposit for issuance of bank acceptance bill	2,287,721,176.85	
Security deposit for issuance of other bills and others	651,637,831.71	

Total	4,007,200,431.88
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Except for these, there are no other funds in the cash and cash equivalents at the end of the period that are subject to restrictions on their use or have potential risks of recovery due to mortgage, pledge or freezing.

2. Held-for-trading financial assets

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Financial assets measured at fair value with changes included in current profit or loss	2,150,889,376.39	2,832,052,529.23
Including:		
Structural deposits		800,728,904.11
Short and medium-term wealth management products	958,595,277.53	1,161,813,344.96
Equity investment in listed companies	1,000,361,831.23	645,529,877.97
Equity of unlisted enterprises	191,017,750.12	205,570,922.76
Trust products - claims		16,187,299.13
Others	914,517.51	2,222,180.30
Including:		
Total	2,150,889,376.39	2,832,052,529.23

Other remarks:

3. Derivative financial assets

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Foreign exchange swap, settlement and sale	0.00	85,801,650.51
Total		85,801,650.51

Other remarks:

4. Notes receivable

(1) Notes receivable presented by categories

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Commercial acceptance bill	3,240,804,795.42	379,902,251.80
Total	3,240,804,795.42	379,902,251.80

(2) Disclosure by the method for making provision for bad debt

Monetary Unit: RMB

Categor	Ending balance	Beginning balance
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y	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion	Amount	Provision made		Amount	Proportion	Amount	Provision made	
Including:										
Notes receivable with provision for bad debt made by portfolio	3,411,373,468.86	100.00%	170,568,673.44	5.00%	3,240,804,795.42	399,897,107.15	100.00%	19,994,855.35	5.00%	379,902,251.80
Including:										
Portfolio of commercial acceptance bills	3,411,373,468.86	100.00%	170,568,673.44	5.00%	3,240,804,795.42	399,897,107.15	100.00%	19,994,855.35	5.00%	379,902,251.80
Total	3,411,373,468.86	100.00%	170,568,673.44	5.00%	3,240,804,795.42	399,897,107.15	100.00%	19,994,855.35	5.00%	379,902,251.80

Provision for bad debt made by portfolio: 170,568,673.44

Monetary Unit: RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Provision made
Portfolio of commercial acceptance bills	3,411,373,468.86	170,568,673.44	5.00%
Total	3,411,373,468.86	170,568,673.44	

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:

Applicable Not applicable

(3) Provision for bad debt made, recovered, or reversed in the current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision	Recovered or reversed	Written-off	Others	
Portfolio of commercial acceptance bills	19,994,855.35	150,573,818.09				170,568,673.44
Total	19,994,855.35	150,573,818.09				170,568,673.44

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

Applicable Not applicable

(4) Notes receivable at the end of the period that has been endorsed or discounted by the Company and is not yet due on the balance sheet date

Monetary Unit: RMB

Item	Amount de-recognized at the end of the period	Amount not de-recognized at the end of the period
Commercial acceptance bills		2,072,085,180.21
Total		2,072,085,180.21

5. Accounts receivable**(1) Disclosure by aging**

Monetary Unit: RMB

Aging	Ending book balance	Beginning book balance
1 year or less	14,645,238,299.43	14,190,242,025.10
More than 1 year and less than 2 years	1,764,278,482.14	2,726,467,536.64
More than 2 years and less than 3 years	1,086,673,134.98	791,407,443.25
More than 3 years	1,789,275,439.61	1,235,660,559.71
More than 3 years and less than 4 years	698,336,347.32	367,080,482.53
More than 4 years and less than 5 years	336,703,877.78	367,529,491.44
More than 5 years	754,235,214.51	501,050,585.74
Total	19,285,465,356.16	18,943,777,564.70

(2) Disclosure by the method for making provision for bad debt

Monetary Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion	Amount	Provision made		Amount	Proportion	Amount	Provision made	
Accounts receivable with provision for bad debt made on an individual basis	1,293,068,949.94	6.70%	970,688,714.87	75.07%	322,380,235.07	768,290,229.32	4.06%	713,582,025.30	92.88%	54,708,204.02
Including:										
Accounts receivable with	17,992,396,406.22	93.30%	2,014,479,151.13	11.20%	15,977,917,255.09	18,175,487,335.38	95.94%	1,775,852,208.59	9.77%	16,399,635,126.79

provision for bad debt made by portfolio										
Including:										
Portfolio 1	17,992,396,406.22	93.30%	2,014,479,151.13	11.20%	15,977,917,255.09	18,175,487,335.38	95.94%	1,775,852,208.59	9.77%	16,399,635,126.79
Portfolio 2										
Total	19,285,465,356.16	100.00%	2,985,167,866.00	15.48%	16,300,297,490.16	18,943,777,564.70	100.00%	2,489,434,233.89	13.14%	16,454,343,330.81

Provision for bad debt made on an individual basis: RMB 970,688,714.87

Entity name	Beginning balance		Ending balance			
	Book balance	Provision for bad debt	Book balance	Provision for bad debt	Proportion	Reason for provision
Shanghai Electric Gotion New Energy Technology (Nantong) Co., Ltd.			172,935,162.81	69,174,065.12	40.00%	Expected to be partially irrecoverable
Letin (Shandong) Supply Chain Management Co., Ltd.	172,092,593.00	154,883,333.70	172,092,593.00	154,883,333.70	90.00%	Expected to be partially irrecoverable
Shanghai Electric Gotion New Energy Technology Co., Ltd.			147,004,278.58	58,801,711.43	40.00%	Expected to be partially irrecoverable
Anhui Dongjiang New Energy Technology Co., Ltd.	103,814,398.37	93,432,958.53	92,733,765.31	83,460,388.78	90.00%	Expected to be partially irrecoverable
WM New Energy Auto Parts (Wenzhou) Co., Ltd.	82,864,337.80	74,577,904.02	82,864,337.80	74,577,904.02	90.00%	Expected to be partially irrecoverable
Shanghai Electricity Gotion New Energy Science and Technology (Suzhou) Co., Ltd.			77,619,409.86	31,047,763.94	40.00%	Expected to be partially irrecoverable
Hozon New Energy			74,456,164.33	59,564,931.46	80.00%	Expected to be partially

Automobile Co., Ltd.						irrecoverable
Jiangxi Youte Automotive Technology Co., Ltd.	60,933,007.24	60,933,007.24	60,933,007.24	60,933,007.24	100.00%	Expected to be irrecoverable
Shanghai Sunlong Bus Co., Ltd.	82,353,316.10	82,353,316.10	58,233,316.10	58,233,316.10	100.00%	Expected to be irrecoverable
Henan Yujie Era Automobile Co., Ltd.	56,017,737.12	56,017,737.12	56,017,737.12	56,017,737.12	100.00%	Expected to be irrecoverable
Sinotruk (Chongqing) Light Vehicle Co., Ltd.			43,048,862.72	34,439,090.18	80.00%	Expected to be partially irrecoverable
Innovative (Suzhou) New Energy Technology Co., Ltd.	32,948,057.33	23,063,640.13	32,948,057.33	23,063,640.13	70.00%	Expected to be partially irrecoverable
Zhidou Electric Car Co., Ltd.	30,263,096.80	30,263,096.80	30,263,096.80	30,263,096.80	100.00%	Expected to be irrecoverable
Sichuan Yema Automobile Co., Ltd. Weifang Branch	23,442,652.75	18,754,122.20	23,539,498.30	18,831,598.64	80.00%	Expected to be partially irrecoverable
Hefei Hanxing Energy Storage Technology Co., Ltd.	23,210,000.00	23,210,000.00	23,210,000.00	23,210,000.00	100.00%	Expected to be irrecoverable
Letin Automobile Group Co., Ltd.			22,433,012.94	20,607,238.75	91.86%	Expected to be partially irrecoverable
Others	100,351,032.81	96,092,909.46	122,736,649.70	113,579,891.46	92.54%	Expected to be partially irrecoverable
Total	768,290,229.32	713,582,025.30	1,293,068,949.94	970,688,714.87		

Provision for bad debt made by portfolio: RMB 2,014,479,151.13

Monetary Unit: RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Provision made
Portfolio 1	17,992,396,406.22	2,014,479,151.13	11.20%
Total	17,992,396,406.22	2,014,479,151.13	

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:

Applicable Not applicable

(3) Provision for bad debt made, recovered, or reversed in the current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision	Recovered or reversed	Written-off	Others	
Provision made on an individual basis	713,582,025.30	302,301,889.75	45,195,200.18			970,688,714.87
Provision by portfolio	1,775,852,208.59	261,014,908.16		17,804,203.54	-4,583,762.08	2,014,479,151.13
Total	2,489,434,233.89	563,316,797.91	45,195,200.18	17,804,203.54	-4,583,762.08	2,985,167,866.00

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

Monetary Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the original ratio of provision for bad debts and the rationality thereof

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

Monetary Unit: RMB

Item	Amount written off
Accounts receivable actually written off	17,804,203.54

In which, write-off of major accounts receivable:

Monetary Unit: RMB

Entity name	Nature of accounts receivable	Amount written-off	Reason for the write-off	Write-off procedure executed	Arising from a related-party transaction or not

Remarks on the write-off of accounts receivable:

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

Monetary Unit: RMB

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Percentage to total ending balance of accounts receivable and contract assets	Ending balance of provision for bad debts in accounts receivable and impairment of contract assets
1st	1,119,451,657.26		1,119,451,657.26	5.80%	55,972,582.86
2nd	816,026,295.46		816,026,295.46	4.23%	40,801,314.77
3rd	767,330,022.45		767,330,022.45	3.98%	38,366,501.12
4th	729,548,174.41		729,548,174.41	3.78%	36,477,408.72

5th	635,597,316.96		635,597,316.96	3.30%	31,779,865.85
Total	4,067,953,466.54		4,067,953,466.54	21.09%	203,397,673.32

6. Accounts receivable financing

(1) Accounts receivable financing presented by categories

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Bank acceptance bill	1,375,348,839.80	1,491,828,951.59
Total	1,375,348,839.80	1,491,828,951.59

(2) Accounts receivable financing at the end of the period that has been endorsed or discounted by the Company and is not yet due at the balance sheet date

Monetary Unit: RMB

Item	Amount de-recognized at the end of the period	Amount not de-recognized at the end of the period
Bank acceptance bill	7,846,472,584.09	
Total	7,846,472,584.09	

7. Other receivables

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Other receivable	312,830,011.18	347,399,337.45
Total	312,830,011.18	347,399,337.45

(1) Other receivables

1) Classification of other receivable by nature of funds

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Guarantees and deposits	199,471,569.70	219,718,355.69
Temporary payments and loans	15,568,635.69	13,845,963.13
Disposal long-term assets	71,362,073.73	67,961,399.11
Other receivable	264,024,166.56	283,265,025.28
Total	550,426,445.68	584,790,743.21

2) Disclosure by aging

Monetary Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive)	179,828,420.21	193,699,426.08

More than 1 year and less than 2 years	125,849,635.32	54,084,044.40
More than 2 years and less than 3 years	40,759,883.63	229,990,895.66
More than 3 years	203,988,506.52	107,016,377.07
More than 3 years and less than 4 years	97,121,668.12	39,286,670.79
More than 4 years and less than 5 years	39,169,779.79	7,907,117.00
More than 5 years	67,697,058.61	59,822,589.28
Total	550,426,445.68	584,790,743.21

3) Disclosure by the method for making provision for bad debt

Applicable Not applicable

Monetary Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion	Amount	Provision made		Amount	Proportion	Amount	Provision made	
Provision for bad debt made on an individual basis	190,024,190.53	34.52%	183,511,461.70	96.57%	6,512,728.83	168,463,355.58	28.81%	168,463,355.58	100.00%	
Including:										
Provision for bad debt made by portfolio	360,402,255.15	65.48%	54,084,972.80	15.01%	306,317,282.35	416,327,387.63	71.19%	68,928,050.18	16.56%	347,399,337.45
Including:										
Other receivables with provision made by portfolio	360,402,255.15	65.48%	54,084,972.80	15.01%	306,317,282.35	416,327,387.63	71.19%	68,928,050.18	16.56%	347,399,337.45
Total	550,426,445.68	100.00%	237,596,434.50	43.17%	312,830,011.18	584,790,743.21	100.00%	237,391,405.76	40.59%	347,399,337.45

Provision for bad debt made on an individual basis: RMB 183,511,461.70

Monetary Unit: RMB

Entity name	Beginning balance		Ending balance			
	Book balance	Provision for	Book balance	Provision for	Proportion	Reason for

		bad debt		bad debt		provision
Provision made on an individual basis	168,463,355.58	168,463,355.58	190,024,190.53	183,511,461.70	96.57%	Expected not to be fully recoverable
Total	168,463,355.58	168,463,355.58	190,024,190.53	183,511,461.70		

Provision for bad debt made by portfolio: RMB 54,084,972.80

Monetary Unit: RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Provision made
Provision made by portfolio	360,402,255.15	54,084,972.80	15.01%
Total	360,402,255.15	54,084,972.80	

Basis for determining the portfolio:

Provision for bad debts made on the basis of a general model of expected credit losses:

Monetary Unit: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit losses in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2025	68,928,050.18		168,463,355.58	237,391,405.76
Balance as at January 1, 2025 in the current period				
- Transfer to Phase III	-2,339,007.01		2,339,007.01	
Provision in the current period	-12,984,579.40		12,857,360.30	-127,219.10
Reversal in the current period			148,261.19	148,261.19
Other changes	480,509.03			480,509.03
Balance as at December 31, 2025	54,084,972.80		183,511,461.70	237,596,434.50

Basis of classification of stages and percentage of provision for bad debts

Changes in the carrying amount of the provision for losses that are material during the period

Applicable Not applicable

4) 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	Beginning balance	Amount of change in the current period				Ending balance
		Provision	Recovered or reversed	Written-off	Others	
Provision made on an	168,463,355.58	12,857,360.30	148,261.19		-2,339,007.01	183,511,461.70

individual basis						
Provision by portfolio	68,928,050.18	-12,984,579.40			2,819,516.04	54,084,972.80
Total	237,391,405.76	-127,219.10	148,261.19		480,509.03	237,596,434.50

Note: Other changes are caused by variations in the scope of consolidation and exchange rate fluctuations.

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

Monetary Unit: RMB

Entity name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis for determining the original ratio of provision for bad debts and the rationality thereof
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5) Top 5 other receivable in terms of ending balance presented by debtors

Monetary Unit: RMB

Entity name	Nature of funds	Ending balance	Aging	Proportion in the total ending balance of other receivable	Ending balance of provision for bad debt
Shanghai International Autocity Development Co., Ltd.	Land deposit	87,523,200.00	1-2 years: 80,000,000.00 More than 5 years: 7,523,200.00	15.90%	15,523,200.00
Ministry of Economy and Finance of Morocco	Land development funds	77,325,050.32	Within 1 year	14.05%	3,866,252.52
Jiangxi Hzone Lithium Industry Technology Co., Ltd.	Intercourse funds	57,752,383.96	3-4 years	10.49%	57,752,383.96
Hefei Hengchuang Intelligent Technology Co., Ltd.	Payment for assets purchase	43,361,320.40	More than 5 years	7.88%	43,361,320.40
Beijing CHTC Xinneng New Energy Automobile Technology Co., Ltd.	Others	38,871,900.69	4-5 years	7.06%	38,871,900.69
Total		304,833,855.37		55.38%	159,375,057.57

8. Advance to suppliers

(1) Advance to suppliers presented by aging

Monetary Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	206,536,049.65	81.80%	212,153,358.74	90.88%
More than 1 year and less than 2 years	42,082,122.48	16.67%	10,582,862.11	4.53%
More than 2 years and less than 3 years	971,895.18	0.38%	9,136,275.93	3.91%
More than 3 years	2,893,873.23	1.15%	1,565,884.21	0.67%
Total	252,483,940.54		233,438,380.99	

State whether there is any advance to suppliers with the aging over 1 year and major amount which is not timely settled and specify the reason therefor:

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

During the reporting period, the total amount of the top five prepayments by payee at the end of the period was RMB 56,810,718.08, accounting for 22.01% of the total prepayment balance at the end of the period.

Other remarks:

9. Inventories

Whether the Company is required to comply with the disclosure requirements for the real estate industry

Yes

(1) Classification of inventories

Monetary Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value	Book balance	Provision for inventory depreciation or provision for impairment of contract performance cost	Book value
Raw materials	2,244,532,122.70	7,568,529.28	2,236,963,593.42	1,608,642,848.45		1,608,642,848.45
Goods in production	1,190,509,244.48	2,573,164.72	1,187,936,079.76	985,055,967.99	2,728,889.01	982,327,078.98
Goods in stock	5,756,294,604.08	207,005,021.59	5,549,289,582.49	3,311,782,479.73	132,655,821.40	3,179,126,658.33
Revolving materials	131,698.85		131,698.85	462,356.35		462,356.35
Goods dispatched	817,960,453.43	102,124,201.94	715,836,251.49	1,584,115,832.83	233,373,776.46	1,350,742,056.37
Total	10,009,428,123.54	319,270,917.53	9,690,157,206.01	7,490,059,485.35	368,758,486.87	7,121,300,998.48

(2) Provision for inventory depreciation or impairment of contract performance costs

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision	Others	Reversed or charged-off	Others	
Raw materials		7,568,529.28				7,568,529.28
Goods in production	2,728,889.01			155,724.29		2,573,164.72
Goods in stock	132,655,821.40	190,164,045.52		115,814,845.33		207,005,021.59
Goods dispatched	233,373,776.46	72,957,022.58		204,206,597.10		102,124,201.94
Total	368,758,486.87	270,689,597.38		320,177,166.72		319,270,917.53

Provision for inventory depreciation made by portfolio

Monetary Unit: RMB

Name	At the end of the period			At the beginning of the period		
	Ending balance	Provision for depreciation	Provision made	Beginning balance	Provision for depreciation	Provision made

Standard of provision for inventory depreciation made by portfolio

10. Non-current assets maturing within one year

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Long-term receivable maturing within one year	26,044,218.34	49,925,965.40
Financial assistance for associates maturing within one year	62,369,658.27	
Total	88,413,876.61	49,925,965.40

11. Other current assets

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Deductible input tax	3,666,842,894.79	3,195,473,425.85
Prepaid taxes	38,877,684.95	21,577,351.88
Others	888,129.76	1,442,165.30
Total	3,706,608,709.50	3,218,492,943.03

Other remarks:

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

Monetary Unit: RMB

Item	Beginning balance	Accrued interest	Interest adjustment	Changes in fair value	Ending balance	Cost	Accumulated	Accumulated	Remarks

			t	value in the current period			changes in fair value	provision for impairment recognized in other comprehensive income	
Convertible bond of Hozon New Energy Automobile Co., Ltd.	282,543,103.44			- 222,543,103.44	60,000,000.00	300,000,000.00	- 240,000,000.00	240,000,000.00	
Total	282,543,103.44			- 222,543,103.44	60,000,000.00	300,000,000.00	- 240,000,000.00	240,000,000.00	

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

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Convertible bond of Hozon New Energy Automobile Co., Ltd.	15,000,000.00	225,000,000.00		240,000,000.00
Total	15,000,000.00	225,000,000.00		240,000,000.00

(2) Provision for impairment

Monetary Unit: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2025	15,000,000.00			15,000,000.00
Balance as at January 1, 2025 in the current period				
- Transfer to Phase III	-15,000,000.00		15,000,000.00	
Provisions in the current period			225,000,000.00	225,000,000.00
Balance at December 31, 2025			240,000,000.00	240,000,000.00

Basis for determining the phases and the ratio of provision for bad debt

13. Other equity instruments investments

Monetary Unit: RMB

Item	Ending balance	Beginning balance	Gains included in other comprehensive income in the current period	Loss included in other comprehensive income in the current period	Accumulated gains included in other comprehensive income at the end of the current period	Accumulated loss included in other comprehensive income at the end of the current period	Dividend income recognized in the current period	Reason for designating a measurement at fair value with its change included in other comprehensive income
Equity investment in listed enterprises	1,127,594,975.10	777,670,685.47		241,968,369.32	0.00	1,054,422,713.90	2,624,025.10	
Equity investment in non-listed enterprises	375,620,912.65	397,661,736.14	73,517,435.05	4,931,182.33	143,280,634.02	0.00		
non-Total	1,503,215,887.75	1,175,332,421.61	73,517,435.05	246,899,551.65	143,280,634.02	1,054,422,713.90	2,624,025.10	

There is de-recognition in the current period

Monetary Unit: RMB

Item	Accumulated gains transferred to retained earnings	Accumulated losses transferred to retained earnings	Reason for de-recognition
InoBat AS			Transferred to long-term equity investment

Disclosure of non-trading equity instrument investments in the current period by item

Monetary Unit: RMB

Item	Dividend income recognized	Accumulated gains	Accumulated losses	Amounts transferred from other comprehensive income to retained earnings	Reason for designating a measurement at fair value with its change included in other comprehensive income	Reasons for transfer of other comprehensive income to retained earnings
New Energy Vehicle Technology Innovation (Hefei) Equity Investment		102,359,982.03			Non-trading strategic investments	

Partnership (L.P.)						
Anhui Jintong New Energy Automobile Fund (Phase I) Partnership (L.P.)		34,036,437.44				Non-trading strategic investments
Hefei Guoke Xinneng Equity Investment Management Partnership (L.P.)		6,719,729.17				Non-trading strategic investments
CHENQI TECHNOLOGY LIMITED			114,774,816.90	-		Non-trading strategic investments
Chebai Think Tank Automotive Industry Research Institute (Hefei) Co., Ltd.		152,366.54				Non-trading strategic investments
Vinfast Auto PTE. Ltd.			753,891,548.99	-		Non-trading strategic investments
Tuhu Car Maintenance Co., Ltd.			-95,823,580.39			Non-trading strategic investments
Mengxi New Energy Development (Baotou) Co., Ltd.		12,118.84				Non-trading strategic investments
Caocao Inc.			-43,615,143.15			Non-trading strategic investments
Chery Automobile Co., Ltd.			-824,451.67			Non-trading strategic investments
Anhui Conch Material Technology Co., Ltd.	2,624,025.10		-21,078,141.15			Non-trading strategic investments
Ebusco Holding N.V.			-24,415,031.65			Non-trading strategic investments

Other remarks:

14. Long-term equity investments

Monetary Unit: RMB

Investe	Beginn	Beginn	Increase/decrease in the current period	Ending	Ending
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Entity	Original balance (book value)	Original balance of provision for impairment	Additional investment	Reduced investment	Profit and loss on investment recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash dividends or profits declared for distribution	Provision of the provision for impairment	Others	Balance (book value)	Balance of provision for impairment
I. Joint Ventures												
V-G High-Tech Energy Solutions	327,195,886.85				-23,178,693.12	-9,081,045.31				-8,027,965.24	286,908,183.18	
Subtotal	327,195,886.85	0.00	0.00	0.00	-23,178,693.12	-9,081,045.31	0.00	0.00	0.00	-8,027,965.24	286,908,183.18	
II. Associates												
Hefei Senior New Energy Materials Co., Ltd.	200,674,740.84				26,319,165.72						226,993,906.56	
MCC Ramu New Energy Technology Co., Ltd.	384,823,271.51				5,712,970.12	30,433.31					390,566,674.94	
Beijing Full-Service Oil & Gas Technology Co., Ltd.		34,217,439.93										34,217,439.93
Jiangxi Ewinway New Materials Co.,	121,241,403.57				-18,859,336.64						102,382,066.93	

Ltd.												
North China Aluminum New Material Technology Co., Ltd.	105,250,142.00				-3,971,742.65						101,278,399.35	
Litong Energy Technology Co., Ltd.		2,752,931.70		4,517,276.30								
ELECTRIC MOBILITY TECHNOLOGY PTE. LTD			97,160,053.40		-1,420,506.95	-568,262.60					95,171,283.85	
Tongling Anxuan New Energy Technology Co., Ltd.	36,335,570.34				-5,730,643.32						30,604,927.02	
Shanghai Electric Gotion New Energy Technology Co., Ltd.		68,246,928.73									68,246,928.73	
Anhui Anwa New Energy Technology Co., Ltd.	67,990,284.22				-3,131,040.74	230,105.60					65,089,349.08	
Zhong	154,14				-						152,75	

an Energy (Anhui) Co., Ltd.	0,471.83				1,389,882.87						0,588.96	
Tata Auto Comp Gotion Green Energy Solutions Private Limited		6,977,566.60										6,977,566.60
NV Gotion Company Limited	78,764,140.92				-40,747,721.27	2,581,813.14				3,701,532.20	44,299,764.99	
Sakura Takasaki Battery Storage Station	1,386.99				-1,386.99							
Alarko Gotion Green Energy Co., Ltd.			18,211.62		-9,675.35	-855.90					7,680.37	
InoBat AS			304,171,601.82							7,525,686.75	311,697,288.57	
Subtotal	1,149,221,412.22	112,194,866.96	401,349,866.84	4,517,276.30	43,229,800.94	2,043,127.95	230,105.60	0.00	0.00	11,227,218.95	1,520,841,930.62	109,441,935.26
Total	1,476,417,299.07	112,194,866.96	401,349,866.84	4,517,276.30	66,408,494.06	-7,037,917.36	230,105.60	0.00	0.00	3,199,253.71	1,807,750,113.80	109,441,935.26

Recoverable amount determined as fair value less costs of disposal

Applicable Not applicable

Recoverable amount determined as the present value of estimated future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the said information and the information used in the impairment tests in previous

years or external information

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

Other remarks:

15. Other non-current financial assets

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Equity investment in unlisted enterprises	2,095,747,666.56	1,570,712,000.00
Equity investment in listed enterprises	1,263,138,726.34	
Total	3,358,886,392.90	1,570,712,000.00

Other remarks:

None

16. Fixed assets

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	42,506,540,834.94	30,017,592,523.27
Disposal of fixed assets		
Total	42,506,540,834.94	30,017,592,523.27

(1) Details of fixed assets

Monetary Unit: RMB

Item	Houses and buildings	Machinery equipment	Transportation equipment	Electronic equipment and others	Total
I. Original book value:					
1. Beginning balance	11,699,114,848.52	23,190,164,829.26	214,094,871.71	1,207,024,020.17	36,310,398,569.66
2. Increase in the current period	1,731,292,984.79	14,649,026,479.14	266,643,020.41	373,672,283.54	17,020,634,767.88
(1) Purchase	-132,814,059.66 ¹	46,586,177.03	179,949,037.94	63,560,027.16	157,281,182.47
(2) Transfer from construction-in-progress	1,881,794,227.63	14,602,298,138.04	90,623,704.75	310,587,628.71	16,885,303,699.13
(3) Increase from the business combination					
(4) Translation of statements in foreign currency	-17,687,183.18	142,164.07	-3,929,722.28	-475,372.33	-21,950,113.72
3. Decrease in	46,013,795.20	1,820,435,669.92	2,082,696.50	55,046,743.58	1,923,578,905.20

the current period					
(1) Disposal or scrapping	46,013,795.20	437,713,798.25	2,082,696.50	55,046,743.58	540,857,033.53
(2) Decrease in business combination					
(3) Others		1,382,721,871.67 ²			1,382,721,871.67
4. Ending balance	13,384,394,038.11	36,018,755,638.48	478,655,195.62	1,525,649,560.13	51,407,454,432.34
II. Accumulated depreciation					
1. Beginning balance	1,176,217,381.54	4,542,870,553.12	77,071,458.34	474,307,218.39	6,270,466,611.39
2. Increase in the current period	338,764,720.07	2,396,519,815.04	42,253,285.83	171,165,778.18	2,948,703,599.12
(1) Provision	339,149,048.00	2,396,292,054.37	42,445,141.32	171,348,889.77	2,949,235,133.46
(2) Increase from the business combination					
(3) Translation of statements in foreign currency	-384,327.93	227,760.67	-191,855.49	-183,111.59	-531,534.34
3. Decrease in the current period	11,714,839.30	276,368,031.39	1,884,578.30	50,628,599.12	340,596,048.11
(1) Disposal or scrapping	11,714,839.30	98,018,755.35	1,884,578.30	50,628,599.12	162,246,772.07
(2) Decrease in business combination					
(3) Others		178,349,276.04			178,349,276.04
4. Ending balance	1,503,267,262.31	6,663,022,336.77	117,440,165.87	594,844,397.45	8,878,574,162.40
III. Provision for impairment					
1. Beginning balance			22,339,435.00		22,339,435.00
2. Increase in the current period					
(1) Provision					
(2) Increase from the business combination					
3. Decrease in the current period					
(1) Disposal or scrapping					
(2) Decrease in business combination					
4. Ending balance			22,339,435.00		22,339,435.00
IV. Book value					
1. Ending book value	11,881,126,775.80	29,355,733,301.71	338,875,594.75	930,805,162.68	42,506,540,834.94

2. Beginning book value	10,522,897,466.98	18,647,294,276.14	114,683,978.37	732,716,801.78	30,017,592,523.27
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Note 1: The negative number for the purchase of houses and buildings in this period is due to the difference between the amount to be converted into fixed assets and the project settlement amount.

Note 2: Others refer to those transferred out for the technological transformation of subsidiaries during this period.

(2) Fixed assets leased out through operating leases

Monetary unit: RMB

Item	Ending book value
Houses and buildings	156,587,113.03
Machinery equipment	1,045,737.50
Total	157,632,850.53

(3) Fixed assets without title certificate

Monetary Unit: RMB

Item	Book value	Reasons for the failure to obtain title certificate
Nanjing Gotion's factory building (Phase II)	62,322,577.14	In progress
Jiangsu New Energy's factory building	712,575,613.88	In progress
Lujiang Material's factory building	275,001,588.12	In progress
Yichun Kefeng's office area	25,921,025.16	In progress
Lujiang Kehong's factory building	603,251,754.88	In progress
Yichuan Battery's factory building (Phase I)	248,923,266.10	In progress
Tianjin Hi-Tech's factory building (Phase I)	146,374,201.04	In progress
Liuzhou Gotion's factory building (Phase I and II)	757,546,241.08	In progress
Tongcheng Gotion's factory building (Phase I and II)	756,998,381.42	In progress
Tangshan Gotion's factory buildings (Phase I, II and III)	397,705,589.15	In progress
Inner Mongolia Gotion's factory building	186,677,318.12	In progress
Yifeng Gotion Lithium Industry's factory building (Phase I)	634,545,853.02	In progress
Hefei Gotion Battery Technology's factory building (Phase I)	702,737,137.85	In progress
Shanghai R&D Center	295,820,515.80	In progress
ETDZ Gotion's factory building (Phase II)	184,850,951.49	In progress
Hefei Gotion's supporting buildings A, B, C, D	52,124,972.64	In progress
Hefei Gotion's property in Pudong, Shanghai	66,690,622.04	In progress

Indonesia Gotion's office building	36,198,313.92	In progress
Total	6,146,265,922.85	

Other remarks:

17. Construction in progress

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Construction in progress	12,676,514,992.83	14,799,663,030.94
Total	12,676,514,992.83	14,799,663,030.94

(1) Details of construction in progress

Monetary Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Jiangsu Gotion's new energy intelligent manufacturing base and ancillary projects	136,837,812.93		136,837,812.93	137,950,322.43		137,950,322.43
Lujiang Kehong's high-end cathode materials project with an annual output of 200,000 tons				9,772,016.30		9,772,016.30
ETDZ Gotion's lithium iron phosphate soft pack battery and new energy battery production base project with an annual output of 4GWh	201,572,594.88		201,572,594.88	847,304,766.40		847,304,766.40
Hefei Gotion Battery Technology's Volkswagen standard electric core project	508,603,712.23		508,603,712.23	3,286,508,683.00		3,286,508,683.00
Hefei Gotion Battery Technology's power battery project with an annual output of 20GWh	33,585,815.04		33,585,815.04	842,273,327.20		842,273,327.20
Chuzhou Gotion's high-	988,759,151.61		988,759,151.61	1,269,268,771.69		1,269,268,771.69

performance razor blade battery project						
Inner Mongolia Gotion's lithium battery anode material construction project with an annual output of 100,000 tons	20,008,653.51		20,008,653.51	740,191,332.77		740,191,332.77
Shanghai Xuanyi's production base project in Lot 1702 Waigang Town, Jiading District, Shanghai	1,166,831,465.54		1,166,831,465.54	1,572,859,178.09		1,572,859,178.09
Tongcheng New Energy's power battery project (Phase II) with an annual output of 20GWh	1,142,971,194.11		1,142,971,194.11	1,108,837,134.94		1,108,837,134.94
Yichun Battery's lithium battery and pack production base construction project with an annual output of 10GWH	1,018,407.08		1,018,407.08	306,875,514.80		306,875,514.80
Liuzhou Gotion's power battery production base project (Phase II) with an annual output of 10GWH	240,640,921.98		240,640,921.98	270,710,816.49		270,710,816.49
Battery plant construction project of Gotion Illinois New Energy Inc	4,723,469,037.27		4,723,469,037.27	897,767,823.87		897,767,823.87
Tangshan Gotion's new energy high-end manufacturing base project	298,118,726.92		298,118,726.92	605,857,766.35		605,857,766.35
Gotion's equipment upgrading and transformation project for new energy power battery production lines with an annual output of 5GWh	602,718,540.49		602,718,540.49			
Jiangxi	710,926,078.43		710,926,078.43	74,474,079.39		74,474,079.39

Gotion's lithium battery base expansion project with an annual output of 30GWh						
Other engineering projects	1,900,452,880.81		1,900,452,880.81	2,829,011,497.22		2,829,011,497.22
Total	12,676,514,992.83		12,676,514,992.83	14,799,663,030.94		14,799,663,030.94

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

Monetary Unit: RMB

Item	Budget	Beginning balance	Increase in the current period	Amount transferred into fixed assets in the current period	Other amount decrease in the current period	Ending balance	Proportion of accumulated engineering investment in budget	Project progress	Accumulated amount of interest capitalization	Including: the amount of capitalization of interest in the current period	Interest capitalization rate in the current period	Source of funds
Jiangsu Gotion's new energy intelligent manufacturing base and ancillary projects		137,950,322.43	12,941,014.99	14,053,524.49		136,837,812.93	87.16%	Under construction	137,650,972.09			Other
ETDZ Gotion's lithium iron phosphate soft pack battery and new energy battery production base project with an annual output		847,304,766.40	130,878,658.09	776,610,829.61		201,572,594.88	73.98%	Under construction	64,705,412.08			Other

of 4GWh												
Hefei Gotion Batter y Techn ology' s Volks wagen standar d electri c core project		3,286, 508,68 3.00	970,47 5,246. 93	3,748, 380,21 7.70		508,60 3,712. 23	71.71 %	Under constr uction				Raised funds, others
Hefei Gotion Batter y Techn ology' s power battery project with an annual output of 20GW h		842,27 3,327. 20	1,237, 115,99 0.39	2,045, 803,50 2.55		33,585 ,815.0 4	88.14 %	Under constr uction	91,749 ,800.9 5	36,566 ,289.1 2	2.85%	Other
Chuzh ou Gotion 's high- perfor mance razor blade battery project		1,269, 268,77 1.69	1,268, 827,01 6.06	1,549, 336,63 6.14		988,75 9,151. 61	79.60 %	Under constr uction	55,945 ,832.2 6	32,978 ,908.5 4	2.80%	Other
Inner Mongol ia Gotion 's lithium battery anode materi al constr uction project with an annual output of 100,00 0 tons		740,19 1,332. 77	162,65 7,635. 96	882,84 0,315. 22		20,008 ,653.5 1	95.23 %	Under constr uction				Other
Shang hai Xuany		1,572, 859,17	92,580 ,319.1	498,60 8,031.		1,166, 831,46	92.52 %	Under constr	156,15 6,904.	24,665 ,767.2	4.24%	Other

i's production base project in Lot 1702 Waigang Town, Jiading District, Shanghai		8.09	3	68		5.54		uction	87	0		
Tongcheng New Energy's power battery project (Phase II) with an annual output of 20GWh		1,108,837.13 4.94	149,894,992.41	115,760,933.24		1,142,971,194.11	71.47%	Under construction	38,101,244.26	32,234,965.32	3.15%	Other
Yichun Battery's lithium battery and pack production base construction project with an annual output of 10GWH		306,875,514.80		305,857,107.72		1,018,407.08	92.02%	Under construction	38,588,995.80			Other
Liuzhou Gotion's power battery production base project (Phase II) with an		270,710,816.49	151,192,870.61	181,262,765.12		240,640,921.98	88.81%	Under construction	25,738,075.76	10,589,988.24	3.62%	Other

annual output of 10GWh												
Battery plant construction project of Gotion Illinois New Energy Inc		897,767,823.87	4,439,440,791.85	613,739,578.45		4,723,469,037.27	67.97%	Under construction				Other
Tangshan Gotion's new energy high-end manufacturing base project		605,857,766.35	220,933,377.54	528,672,416.97		298,118,726.92	87.41%	Under construction	31,921,368.79	1,396,847.77	4.50%	Other
Lujian Kehong's high-end cathode materials project with an annual output of 200,000 tons		9,772,016.30	13,034,855.45	22,806,871.75			98.00%	Completed				Other
Gotion's equipment upgrading and transformation project for new energy power battery production lines with an annual			602,718,540.49			602,718,540.49	59.65%	Under construction	2,068,552.67	2,068,552.67	2.80%	Others

output of 5GWh												
Jiangxi Gotion's lithium battery base expansion project with an annual output of 30GWh		74,474,079.39	1,573,728.405.68	937,276,406.64		710,926,078.43	25.76%	Under construction	20,125,988.88	20,125,988.88	2.86%	Others
Total		11,970,651,533.72	11,026,419,715.58	12,221,009,137.28		10,776,062,112.02			662,753,148.41	160,627,307.74		

(3) Impairment testing of construction in progress

Applicable Not applicable

18. Right-of-use assets

(1) Details of right-of-use assets

Monetary Unit: RMB

Item	Houses and buildings	Machinery equipment	Total
I. Original book value			
1. Beginning balance	375,862,979.62	1,951,646.42	377,814,626.04
2. Increase in the current period	163,671,356.67	228,173.13	163,899,529.80
(1) New leasing	166,558,348.35	171,915.37	166,730,263.72
(2) Increase from the business combination			
(3) Translation of statements in foreign currency	-2,886,991.68	56,257.76	-2,830,733.92
3. Decrease in the current period	274,286,896.10		274,286,896.10
(1) Expiration of lease			
(2) Decrease due to business combination			
(3) Others ¹	274,286,896.10		274,286,896.10
4. Ending balance	265,247,440.19	2,179,819.55	267,427,259.74
II. Accumulated depreciation			
1. Beginning balance	54,387,728.62	1,244,577.85	55,632,306.47
2. Increase in the current period	65,845,048.69	498,450.42	66,343,499.11

(1) Provision	66,779,432.56	467,832.62	67,247,265.18
(2) Increase from the business combination			
(3) Translation of statements in foreign currency	-934,383.87	30,617.80	-903,766.07
3. Decrease in the current period	32,298,270.46		32,298,270.46
(1) Disposal			
(2) Expiration of lease			
(3) Decrease due to business combination			
(4) Others	32,298,270.46		32,298,270.46
4. Ending balance	87,934,506.85	1,743,028.27	89,677,535.12
III. Provision for impairment			
1. Beginning balance			
2. Increase in the current period			
(1) Provision			
3. Decrease in the current period			
(1) Disposal			
4. Ending balance			
IV. Book value			
1. Ending book value	177,312,933.34	436,791.28	177,749,724.62
2. Beginning book value	321,475,251.00	707,068.57	322,182,319.57

Note 1: Others refer to early termination of the original lease contract during the current period

19. Intangible assets

(1) Details of intangible assets

Monetary Unit: RMB

Item	Land use rights	Patent right	Non-patented technology	Right of mining	Software and others	Total
I. Original book value						
1. Beginning balance	2,812,366,725.03		2,810,690,583.76	745,121,984.92	139,761,722.27	6,507,941,015.98
2. Increase in the current period	687,399,742.06		877,677,344.95	30,059,654.15	21,049,824.45	1,616,186,565.61
(1) Purchase	669,682,571.82		9,793,679.23	30,059,654.15	19,989,483.74	729,525,388.94
(2) Internal R&D			868,213,910.72			868,213,910.72
(3) Increase from the business combination			370,000.00			370,000.00
(4) Translation of statements in	17,717,170.24		-700,245.00		1,060,340.71	18,077,265.95

foreign currency						
3. Decrease in the current period			36,750,844.91		20,489.56	36,771,334.47
(1) Disposal			36,750,844.91		20,489.56	36,771,334.47
(2) Decrease due to business combination						
(3) Others						
4. Ending balance	3,499,766,467. 09		3,651,617,083. 80	775,181,639.07	160,791,057.16	8,087,356,247. 12
II. Accumulated Amortization						
1. Beginning balance	206,396,612.74		518,950,928.00	84,773,431.22	94,648,558.04	904,769,530.00
2. Increase in the current period	48,127,371.35		295,100,917.07	97,080,630.32	20,504,889.82	460,813,808.56
(1) Provision	48,127,371.35		295,160,767.07	97,080,630.32	20,231,670.21	460,600,438.95
(2) Increase due to business combination						
(3) Translation of statements in foreign currency			-59,850.00		273,219.61	213,369.61
3. Decrease in the current period			36,750,844.91			36,750,844.91
(1) Disposal			36,750,844.91			36,750,844.91
(2) Decrease due to business combination						
4. Ending balance	254,523,984.09		777,301,000.16	181,854,061.54	115,153,447.86	1,328,832,493. 65
III. Provision for impairment						
1. Beginning balance						
2. Increase in the current period						
(1) Provision						
(2) Increase from the business combination						
3. Decrease in the current period						
(1) Disposal						

4. Ending balance						
IV. Book value						
1. Ending book value	3,245,242,483.00	0.00	2,874,316,083.64	593,327,577.53	45,637,609.30	6,758,523,753.47
2. Beginning book value	2,605,970,112.29		2,291,739,655.76	660,348,553.70	45,113,164.23	5,603,171,485.98

The 45.04% of the intangible assets generated via internal R&D of the Company in the intangible assets balance at the end of the current period.

(2) Land use right without title certificate

Monetary Unit: RMB

Item	Book value	Reasons for the failure to obtain title certificate
Wuhu Gotion 20GWh New Energy Battery Base Project	190,842,598.00	Applied in January 2026

Other remarks:

20. Goodwill

(1) Original book value of goodwill

Monetary Unit: RMB

Name of investee or matters forming goodwill	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Formed by business combination	Others	Disposal	Others	
Jiangsu Dongyuan Electrical Group Co., Ltd.	80,427,604.58					80,427,604.58
Tianjin High-Tech New Energy Auto Institute Co., Ltd	67,496,148.69					67,496,148.69
Yifeng Huali 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
Gotion Argentina S.A.	441,170.30					441,170.30
Novagrid Pte Ltd		205,934.52				205,934.52
Total	546,227,489.30	205,934.52				546,433,423.82

(2) Provision for impairment of goodwill

Monetary Unit: RMB

Name of investee or matters forming goodwill	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision	Others	Disposal	Others	
Tianjin High-Tech New Energy Auto Institute Co., Ltd.	67,496,148.69					67,496,148.69
Gotion Argentina S.A.	441,170.30					441,170.30
Yichun Kefeng New Material Co., Ltd.	85,087,888.57	10,504,569.09				95,592,457.66
Novagrid Pte Ltd		205,934.52				205,934.52
Total	153,025,207.56	10,710,503.61				163,735,711.17

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

Entity name	Composition and basis of the asset group or combination of asset groups to which it belongs	Operating segments and basis	Is it consistent with prior years
Jiangsu Dongyuan Electrical Group Co., Ltd.	There is no major change to the operating assets within the consolidated scope of the company as compared with those on the date of merger and acquisition, and the operating assets of the company are classified as asset group in relation to the goodwill. The production and operation are independent and are able to generate independent cash flow.		Yes
Tianjin High-Tech New Energy Auto Institute Co., Ltd.	There is no major change in the operating assets of the company compared with those on the date of merger and acquisition, and its operating assets are classified as asset group related to the goodwill; and the production and operation are independent and can generate independent cash flow.		Yes
Yifeng Huali Mining Development Co., Ltd.	The same as above		Yes
Jiangxi Weihong Lithium Co., Ltd.	The same as above		Yes
Yichun Kefeng New Material	The same as above		Yes

Co., Ltd.			
Gotion Argentina S.A.	The same as above		Yes
Novagrid Pte Ltd	The same as above		

Change in asset group or combination of asset groups

Name	Composition before the change	Composition after the change	Objective facts leading to the change and the basis
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Other remarks

The Company shall adopt the market method to calculate the recoverable amount of Dongyuan Electrical Group Co., Ltd, and adopt the method of estimated present value of future cash flow to calculate the recoverable amount of the asset group with respect to other asset groups. The management prepares the financial budget based on past performance and its expectation of market development, and cash flow in the next 5 years is predicted on the basis of the financial budget. In subsequent years, cash flow will be the same as that in the 5th year, and will not exceed the long-term average growth rate of the business of the asset group. The pre-tax discount rate is used for calculating the present value of future cash flows. According to the results of impairment test, the amount of provision for goodwill impairment provision in the current period is RMB 10,710,503.61 (RMB 153,025,207.56 at the end of the previous period).

(4) Specific method for determining the recoverable amount

The recoverable amount is determined as the net fair value less costs of disposal

Applicable Not applicable

Monetary Unit: RMB

Item	Book value	Recoverable amount	Impairment amount	Determination of fair value and disposal costs	Key parameters	Basis for determining key parameters
Jiangsu Dongyuan Electrical Group Co., Ltd.	792,793,341.58	1,018,800,000.00	0.00	The fair value is determined using the comparison method of listed companies. According to the <i>Accounting Standard for Business Enterprises No. 8 - Impairment of Assets</i> , disposal costs include audit and assessment fees, legal fees, listing fees, relevant taxes and fees related to the disposal of assets, as well as direct expenses incurred to	The EV/S ratio is 0.4855; the fair value of the asset group is 1,020,900,000.00; the total disposal cost amounts to 2,069,810.00	By calculating and adjusting the value ratios of comparable companies and comparing them with the corresponding financial data of the asset group, the fair value of the asset group is calculated.

				bring the assets to a saleable state. This assessment takes into account stamp duty, property rights transaction fees, intermediary service fees and other charges.		
Total	792,793,341.58	1,018,800,000.00	0.00			

Recoverable amount is determined as the present value of the expected future cash flows

Applicable Not applicable

Monetary Unit: RMB

Item	Book value	Recoverable amount	Impairment amount	Years of the forecast period	Key parameters for the forecast period	Key parameters for the stable period	Basis for determining key parameters for the stable period
Yichun Kefeng New Material Co., Ltd	783,409,724.03	770,057,244.68	13,352,479.35	2026-2030	The growth rate of operating income was -92.35% to 10,631.75%, EBIT was -RMB 47.7397 million to RMB 124.2966 million, and the pre-tax discount rate was 11.94%	The growth rate of operating income was 0, EBIT was RMB 124.2966 million, and the pre-tax discount rate was 11.94%	The same as the last period of the forecast period
Total	783,409,724.03	770,057,244.68	13,352,479.35				

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

None

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

21. Long-term deferred expenses

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Amortization in the current period	Other decreases	Ending balance
Expenses for overhaul and renovation of houses and buildings	62,901,493.11	29,198,362.15	30,521,056.11		61,578,799.15
Landscape project	15,560,009.37	12,795,391.69	12,845,846.66		15,509,554.40
Equipment upgrade	72,165,512.15	21,721,728.23	24,260,912.84		69,626,327.54
Total	150,627,014.63	63,715,482.07	67,627,815.61		146,714,681.09

Other remarks:

22. Deferred income tax assets/deferred income tax liabilities

(1) Deferred income tax assets before offset

Monetary Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for impairment of assets	324,934,517.53	54,669,843.27	371,731,691.32	58,922,639.53
Unrealized profits from internal transactions	480,749,818.00	126,141,978.50	197,635,405.30	35,667,782.31
Deductible losses	3,609,076,624.87	748,774,942.43	2,459,747,084.93	460,858,073.77
Provision for bad debts	3,457,257,863.42	541,950,398.48	2,833,125,802.60	451,898,965.32
Estimated liabilities	714,737,318.06	107,668,021.11	628,246,190.96	94,236,928.65
Deferred income	385,751,809.96	64,599,348.57	208,025,932.44	32,884,804.58
Stock option	29,987,203.33	5,048,934.34	75,874,762.89	13,387,227.03
Loss from changes in the fair value of held-for-trading financial assets			15,357,634.32	2,303,645.15
Changes in the fair value of derivative financial liabilities	147,993,845.05	23,722,446.75		
Difference between income recognized according to tax law and based on accounting standards	596,379,381.63	135,789,801.92	548,787,517.08	142,587,374.11
Total	9,746,868,381.85	1,808,365,715.37	7,338,532,021.84	1,292,747,440.45

(2) Deferred income tax liabilities before offset

Monetary Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
Asset valuation appreciation arising from the business combination not under	350,012,576.04	79,196,124.04	411,440,463.49	94,636,897.26

common control				
Fixed assets depreciation differences	1,377,242,396.22	236,759,463.05	701,682,364.44	113,093,350.19
Changes in fair value of held-for-trading financial assets	2,229,876,811.26	349,031,975.49	212,827,450.13	46,867,215.60
Investment income from the conversion of long-term equity investments measured by equity method to held-for-trading financial assets	142,103,199.17	21,315,479.88	142,103,199.17	21,315,479.88
Differences arise between income recognition for tax purposes and accounting standards, as well as other factors.	124,029,592.92	29,649,255.18	260,956,491.56	66,982,243.11
Total	4,223,264,575.61	715,952,297.64	1,729,009,968.79	342,895,186.04

(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	Beginning offset amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets or liabilities after offset
Deferred income tax assets		1,808,365,715.37		1,292,747,440.45
Deferred income tax liabilities		715,952,297.64		342,895,186.04

(4) Details of un-recognized deferred income tax assets

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Deductible losses	658,220,546.83	732,815,248.26
Provision for bad debts in accounts receivable	74,891,553.57	50,646,740.61
Provision for depreciation of inventory		566,545.55
Provision for impairment of long-term equity investments	109,441,935.26	112,194,866.96
Provision for impairment of fixed assets	22,339,435.00	22,339,435.00
Provision for impairment of construction in progress		
Deferred income	76,020,528.93	75,754,744.06
Estimated liabilities	130,524,473.60	
Stock option	853,912.20	1,509,075.51
Loss from changes in fair value of held-for-trading financial assets	94,105,652.28	84,949,182.98
Bad-debt provision written off	119,498,355.69	119,498,355.69
Total	1,285,896,393.36	1,200,274,194.62

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

Monetary Unit: RMB

Year	Ending amount	Beginning amount	Remarks
2025		60,806,264.23	
2026	27,365,780.17	131,799,786.77	
2027	56,645,172.82	132,690,503.31	
2028	85,515,065.05	182,545,972.68	
2029	62,789,401.02	166,165,952.30	
Recoverable losses of 2030 and subsequent years	425,905,127.77	58,806,768.97	
Total	658,220,546.83	732,815,248.26	

Other remarks:

Pursuant to the *Announcement of the State Administration of Taxation on Issues Relating to Enterprise Income Tax Treatment on the Extension of the Loss Carry-forward Compensation Period for High-tech Enterprises and Science and Technology-Based Small and Medium-sized Enterprises* (Announcement No. 45 of 2018), some of high-tech enterprises affiliated with the Company have extended the loss carry-forward compensation period to 10 years, and some of its overseas subsidiaries, in accordance with the provisions of the local laws and regulations, are allowed to compensate for the loss for a period of 20 years or can be permanently carried forward to the subsequent years for deduction under the specified range of conditions.

23. Other non-current assets

Monetary Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Advance payment for project equipment	688,895,111.06		688,895,111.06	823,024,377.83		823,024,377.83
Expenditure on exploration rights and mining rights that do not meet the mining conditions	386,521,249.53		386,521,249.53	436,831,584.27		436,831,584.27
Advance payment for land and houses	0.00		0.00	100,698,254.20		100,698,254.20
Advance payment for equity investment	26,950,000.00		26,950,000.00	166,173,987.93		166,173,987.93
Net assets of benefit program	48,603,693.54		48,603,693.54	39,503,407.07		39,503,407.07
Financial assistance for associates	453,283,797.60		453,283,797.60	0.00		0.00
Others	6,719,550.00		6,719,550.00	6,845,319.74		6,845,319.74
Total	1,610,973,401.73		1,610,973,401.73	1,573,076,931.04		1,573,076,931.04

Other remarks:

24. Assets with restricted ownership or use

Monetary Unit: RMB

Item	End of period				Beginning of period			
	Book balance	Book value	Type of restriction	Details of restriction	Book balance	Book value	Type of restriction	Details of restriction
Cash and cash equivalents	4,007,200,431.88	4,007,200,431.88	Pledged & frozen	Including RMB 2,939,359,008.56 of security deposit, RMB 893,580,000.00 pledged for financing, and RMB 174,261,423.32 judicially frozen and others	3,991,952,841.05	3,991,952,841.05	Pledged & frozen	RMB 2,345,218,660.70 is deposit, RMB 1,499,452,211.12 is pledged for financing, and RMB 147,281,969.23 is judicially frozen.
Notes receivable	2,072,085,180.21	1,968,480,921.20	Transferred but not fully derecognized	Endorsed or discounted unmatured and unrecognized notes	390,572,095.25	371,043,490.49	Transferred but not fully derecognized	Endorsed or discounted unmatured and unrecognized notes
Fixed assets	3,211,463,885.96	2,698,184,851.46	Mortgage	Mortgaged for financing	2,624,675,152.06	2,430,094,840.63	Mortgage	Mortgaged for financing
Intangible assets	839,212,220.25	745,794,325.73	Mortgage	Mortgaged for financing	355,279,713.95	312,164,732.61	Mortgage	Mortgaged for financing
Account receivable financing			Pledge	Pledged for financing	1,891.79	1,891.79	Pledge	Pledged for financing
Fixed assets	3,558,280,210.30	2,756,524,831.98	Mortgage	Property rights for financing	4,142,700,278.81	2,369,285,901.05	Mortgage	Property rights for financing
Construction in progress	92,256,466.80	92,256,466.80	Mortgage	Mortgage for financing	512,372,582.96	512,372,582.96	Mortgage	Mortgaged for financing
Construction in progress	108,631,153.62	108,631,153.62	Mortgage	Property rights for financing	509,827,078.44	509,827,078.44	Mortgage	Property rights for financing
Equity in subsidiaries								Equity in subsidiaries pledged for financing [Remark]
Total	13,889,129,549.02	12,377,072,982.67			12,527,381,634.31	10,496,743,359.02		

Other remarks:

[Remark] Jiangxi Gotion New Energy Technology Co., Ltd., a subsidiary of the Company, pledged 184,426,200 shares of equity interest in Yichun Kefeng New Materials Co., Ltd., a subsidiary of the Company, for the purpose of borrowing money; and Yichun Gotion Lithium Co., Ltd., a subsidiary of the Company, pledged 45,500,000 shares of equity interest in Jiangxi Weihong Lithium Co. Ltd. As of December 31, 2025, all the equity pledges of the above-mentioned subsidiaries have been lifted.

25. Short-term borrowings

(1) Classification of short-term borrowings

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Pledged borrowing	260,000,000.00	240,000,000.00
Mortgaged borrowing	106,013,888.41	182,073,079.58
Guaranteed borrowing	19,248,617,320.03	16,720,462,266.00
Credit borrowing		350,000,000.00
Factoring borrowings		
Plus: interest outstanding on short-term borrowings	35,004,322.85	16,279,134.76
Total	19,649,635,531.29	17,508,814,480.34

Remarks on the classification of short-term borrowings:

26. Derivative financial liabilities

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Foreign exchange swap, settlement and sale	147,993,845.05	
Total	147,993,845.05	

Other remarks:

27. Notes payable

Monetary Unit: RMB

Type	Ending balance	Beginning balance
Commercial acceptance bill	5,487,195,108.41	2,679,969,889.04
Bank acceptance bill	7,152,674,668.98	6,679,539,714.22
Total	12,639,869,777.39	9,359,509,603.26

The total amount of notes payable that become due but unpaid yet at the end of the current period is 0.00 RMB, and the reason for failure to pay when due is: None.

28. Accounts payable

(1) Details of accounts payable

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Payable for goods	11,815,005,143.65	11,383,122,992.07
Payable for construction and equipment	7,334,079,883.84	5,264,918,121.04
Total	19,149,085,027.49	16,648,041,113.11

(2) Is there any situation where payments to small and medium-sized enterprises have not been made on time

Does it belong to a large enterprise

Yes No

Is there any situation where payments to small and medium-sized enterprises have not been made on time

Yes No**29. Other payables**

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Dividends payable	22,162,146.61	22,162,146.61
Other payables	2,049,559,673.86	1,767,596,834.59
Total	2,071,721,820.47	1,789,758,981.20

(1) Dividends payable

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Cash dividend	22,162,146.61	22,162,146.61
Total	22,162,146.61	22,162,146.61

Other remarks (including major dividends payable unpaid for more than one year and the reason for non-payment):

(2) Other payables**1) Other payables presented by nature of funds**

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Amount to be paid to fulfill the obligation of shares repurchase under the ESOP	261,202,398.36	105,898,026.20
Pending expenses	397,510,856.87	324,883,773.87
Intercourse funds	22,214,277.46	42,132,105.15
Amount to be paid for repurchase of minority equity of subsidiaries	56,621,566.64	40,394,144.00
Guarantee	92,348,405.33	103,480,921.28
Borrowings from non-financial institutions	1,011,047,661.72	937,613,029.85
Government grants to be refunded	166,377,836.08	170,155,707.50
Others	42,236,671.40	43,039,126.74
Total	2,049,559,673.86	1,767,596,834.59

Other remarks:

30. Contract liabilities

Item	Ending balance	Beginning balance
Goods payment received in advance	697,056,960.78	529,043,969.44
Total	697,056,960.78	529,043,969.44

Major contract liabilities with aging over 1 year

Monetary Unit: RMB

Item	Ending balance	Reason for failure to repay or carry forward
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Amounts and reasons for major changes in book value during the reporting period

Monetary Unit: RMB

Item	Amount of change	Reason for change
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31. Employee compensation payable

(1) Breakdown of employee compensation payable

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term employee compensation	516,497,569.80	5,048,827,927.41	4,941,185,188.73	624,140,308.48
II. Post-employment benefits - defined contribution plans	6,170,166.77	313,843,906.97	316,078,853.68	3,935,220.06
III. Dismissal benefit	4,784,977.58	30,042,207.03	34,588,205.41	238,979.20
IV. Other benefits maturing within one year		49,528.17	49,528.17	
Total	527,452,714.15	5,392,763,569.58	5,291,901,775.99	628,314,507.74

(2) Breakdown of short-term employee compensation

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Salary, bonus, allowance and subsidy	508,625,059.29	4,457,089,546.98	4,350,372,310.18	615,342,296.09
2. Employee welfare expenses		227,965,894.26	227,965,894.26	
3. Social insurance premiums	2,365,420.37	224,121,795.96	222,400,512.06	4,086,704.27
Including:	1,708,019.34	159,951,210.54	160,184,281.01	1,474,948.87

medical insurance				
Work-related injury insurance	161,956.62	14,610,168.14	14,575,384.75	196,740.01
Maternity insurance fee	347,691.60	955,028.68	1,061,090.20	241,630.08
Social security paid for overseas companies	147,752.81	48,605,388.60	46,579,756.10	2,173,385.31
4. Housing provident funds	4,728,405.34	101,599,060.99	102,284,738.41	4,042,727.92
5. Trade union funds and employee education funds	778,684.80	35,997,496.36	36,107,600.96	668,580.20
6. Short-term compensated absences		2,046,114.61	2,046,114.61	
7.Others		8,018.25	8,018.25	
Total	516,497,569.80	5,048,827,927.41	4,941,185,188.73	624,140,308.48

(3) Breakdown of defined contribution plans

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	6,038,097.52	303,556,971.29	305,780,892.84	3,814,175.97
2. Unemployment insurance	132,069.25	10,286,935.68	10,297,960.84	121,044.09
Total	6,170,166.77	313,843,906.97	316,078,853.68	3,935,220.06

Other remarks:

32. Taxes and surcharges payable

Monetary Unit: RMB

Item	Ending balance	Beginning balance
VAT	184,517,794.80	32,121,006.48
Enterprise income tax	75,876,459.62	179,279,747.52
Individual income tax	17,008,755.69	10,759,183.31
Urban maintenance and construction tax	4,330,651.10	1,624,203.36
Educational surcharge and local education surcharge	3,301,029.42	1,235,265.88
Property taxes	27,265,419.72	24,867,766.83
Urban land use tax	7,047,035.01	8,173,498.81
Others	32,541,136.37	33,991,750.33
Total	351,888,281.73	292,052,422.52

Other remarks:

33. Non-current liabilities maturing within one year

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Long-term borrowings maturing within	7,680,071,535.29	6,568,724,404.73

one year		
Bonds payable maturing within one year		298,753,037.70
Long-term payable maturing within one year	1,080,388,884.87	1,497,868,064.49
Lease liabilities maturing within one year	119,455,177.29	109,288,141.24
Interest on long-term borrowings maturing within one year	29,221,496.68	26,098,435.43
Interest on bonds payable maturing within one year	1,566,666.68	1,200,000.00
Total	8,910,703,760.81	8,501,932,083.59

Other remarks:

34. Other current liabilities

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Unrealized profits of internal sales corresponding to the inventory committed to repurchase		4,464,531.65
Output VAT to be transferred	64,717,276.13	50,097,082.30
Accounts payable which are not de-recognized (payment for part of the unmatured commercial bills)	2,022,712,764.02	360,572,095.25
Total	2,087,430,040.15	415,133,709.20

Increase/decrease of short-term bonds payable:

Monetary Unit: RMB

Bond name	Nominal value	Nominal interest rate	Issuance date	Bond duration	Issuance amount	Beginning balance	Amount issued in the current period	Interest accrued by nominal value	Amortization of premiums or discounts	Amount repaid in the current period		Ending balance	Is there any default or not
Total													

Other remarks:

35. Long-term borrowings

(1) Classification of long-term borrowings

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Pledged borrowing	80,000,000.00	145,400,000.00
Mortgaged borrowing	5,894,138,947.69	6,821,522,794.32
Guaranteed borrowing	20,690,920,386.02	18,021,019,782.38
Credit borrowings	109,068,039.01	
Factoring borrowings	158,100,000.00	90,900,000.00

Plus: Interests not due on long-term borrowings	29,221,496.68	26,098,435.43
Less: Long-term borrowings maturing within one year	-7,680,071,535.29	-6,568,724,404.73
Less: Interests on long-term borrowings maturing within one year	-29,221,496.68	-26,098,435.43
Total	19,252,155,837.43	18,510,118,171.97

Remarks on the classification of long-term borrowings:

Other remarks (including remarks on the interest rate range):

36. Bonds payable

(1) Bonds payable

Monetary Unit: RMB

Item	Ending balance	Beginning balance
2025 Green Science and Technology Innovation Bonds (Phase I)	600,000,000.00	
Total	600,000,000.00	

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

Monetary Unit: RMB

Bond name	Nominal value	Nominal interest rate	Issuance date	Bond duration	Issuance amount	Beginning balance	Amount issued in the current period	Interest accrued by nominal value	Amortization of premiums or discounts	Amount repaid in the current period	Interest paid in the current period	Non-current liabilities reclassified into those due within one year	Ending balance	Is there any default or not
22 Green Bonds 01 (STAR Market)	500,000,000.00		2022/11/25	3 years	500,000,000.00			11,914,067.6	-1,246,962.30		9,944,444.46			No
2025 Green Science and Technology	600,000,000.00		2025/11/10	3 years	600,000,000.00		600,000.00	1,566,666.68				1,566,666.68	600,000,000.00	No

y Innov ation Bond s (Phas e I)														
Total				1,100,000.00	600,000.00	12,758,073.44	-1,246,962.30		9,944,444.46	1,566,666.68	600,000.00			

37. Lease liabilities

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Lease liabilities – lease payment amount	241,859,589.92	547,256,513.84
Less: Lease liabilities – unrecognized financing expenses	-4,518,009.45	-88,304,224.07
Less: Lease liabilities maturing within one year	-119,455,177.29	-109,288,141.24
Total	117,886,403.18	349,664,148.53

Other remarks:

38. Long-term payables

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Long-term payable	1,975,182,481.67	2,249,740,560.44
Special payable	6,257,964.32	7,241,811.86
Total	1,981,440,445.99	2,256,982,372.30

(1) Long-term payable presented by nature of funds

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Payable for assets purchase or lease (nominal rent but actual mortgage)	2,611,359,421.71	2,991,036,679.94
Payable for equity repurchase	444,211,944.83	756,571,944.99
Less: long-term payable maturing within one year	-1,080,388,884.87	-1,497,868,064.49
Total	1,975,182,481.67	2,249,740,560.44

Other remarks:

(2) Special payable

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reason for formation
Reserves for the work-related injury or	7,241,811.86		983,847.54	6,257,964.32	

separation compensations for employees (of overseas companies)					
Total	7,241,811.86		983,847.54	6,257,964.32	

Other remarks:

39. Estimated liabilities

Monetary Unit: RMB

Item	Ending balance	Beginning balance	Reason for formation
External guarantee	128,964,080.00 ¹		Joint and several liability for external guarantee
Pending litigation	7,758,303.60		Losses from pending litigation
Product quality assurance	708,539,408.06	628,246,190.96	Estimated quality assurance expense
Total	845,261,791.66	628,246,190.96	

Note 1: In June 2024, the Company provided a 49% joint and several liability guarantee for the *Syndicated Loan Contract of RMB 813,500,000.00 for Shanghai Electric Gotion's Energy Storage System Base Engineering Project Phase I (5GWh)* of Shanghai Electric Gotion New Energy Technology (Nantong) Co., Ltd. ("Shanghai Electric Gotion Nantong"), a subsidiary of the associate Shanghai Electric Gotion New Energy Technology Co., Ltd. ("Shanghai Electric Gotion"). Shanghai Electric Gotion had been suffering from long-term operating losses. Its holding parent company Shanghai Electric Group Co., Ltd. publicly listed and transferred 47.4% of its equity in Shanghai Electric Gotion through the Shanghai United Assets and Equity Exchange, with a listing price of RMB 1. As of December 31, 2025, the balance of the above-mentioned long-term loans of Shanghai Electric Gotion Nantong was RMB 657.98 million. Based on the assessment report valid as of that date and in combination with the judgment of the future operating conditions of the associate, the Company accordingly accrued an estimated guarantee loss of RMB 128.96408 million.

Other remarks (including remarks on major assumptions and estimations with respect to the major estimated liabilities):

40. Deferred income

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reason for formation
Government grants	283,780,676.50	248,269,403.47	70,277,741.08	461,772,338.89	Related to assets
Total	283,780,676.50	248,269,403.47	70,277,741.08	461,772,338.89	--

Other remarks:

The decrease in amount of RMB 1,596,000.00 is caused by exchange rate fluctuations.

41. Share capital

Monetary Unit: RMB

	Beginning balance	Increase/decrease					Ending balance
		Shares newly issued	Shares granted	Shares converted from capital	Others	Subtotal	

				reserve			
Total number of shares	1,801,996,317.00	12,117,487.00				12,117,487.00	1,814,113,804.00

Other remarks:

On August 27, 2024, the 9th meeting of the ninth Board of Directors and the 9th meeting of the ninth Board of Supervisors of the Company respectively deliberated and approved the *Proposal on the Achievement of the Exercise Conditions for the Second Exercise Period for the Stock Options First Granted under the 2022 Stock Option Incentive Plan*. The Board of Directors believed that the exercise conditions for the second exercise period for the stock options first granted under the 2022 Stock Option Incentive Plan had been achieved, and 1,477 incentive objects met the exercise conditions. The number of exercisable stock options was 12.4368 million, and the exercise price was RMB 18.57 per share. On August 28, 2025, the 13th meeting of the ninth Board of Directors and the 13th meeting of the ninth Board of Supervisors of the Company respectively deliberated and approved the *Proposal on the Achievement of the Exercise Conditions for the Third Exercise Period for the Stock Options First Granted under the 2022 Stock Option Incentive Plan*. The Board of Directors believed that the exercise conditions for the third exercise period for the stock options first granted under the 2022 Stock Option Incentive Plan had been achieved, and 1,406 incentive objects met the exercise conditions. The number of exercisable stock options was 9,420,480, and the exercise price was RMB 18.47 per share. Among them, in 2025, the above-mentioned personnel independently exercised 12,117,487 shares and completed the ownership registration and listing for circulation, increasing the Company's registered capital by RMB 12,117,487 and increasing the capital reserve (capital premium) by RMB 212,027,111.36.

42. Capital reserves

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Capital premium (share capital premium)	19,053,137,683.05	1,037,319,855.78	38,237,760.42	20,052,219,778.41
Other capital reserves	682,937,115.36	98,802,844.26	33,630,830.51	748,109,129.11
Total	19,736,074,798.41	1,136,122,700.04	71,868,590.93	20,800,328,907.52

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

(1) Share capital premium

Increase in the current period is mainly about the following items: a) See the remarks in Note 41. Share capital; b) RMB 33,630,830.51 was carried forward to other capital surplus due to the exercise of share options or unlocking of shares under the ESOP (Phase III) and ESOP (Phase IV) and the 2022 Stock Option Incentive Plan during each exercise period; c) the Company's net identifiable assets increased by a total of RMB 789,994,733.40 as calculated by shareholding ratio because of the different proportions of increased capital subscription by the minority shareholders of the Company's subsidiaries such as Liuzhou Gotion Battery Co., Ltd., Tangshan Gotion Battery Co., Ltd., etc.; d) RMB 1,667,180.51 was transferred to the Company due to disposal of the invalid equity under the ESOP (Phase III).

Decrease in the current period is mainly about the following items: The difference between the subscription funds of the employees under the Company's ESOP (Phase V) and the Company's repurchase obligation was adjusted to the amount of treasury stock, reducing the capital reserve by RMB 38,237,760.42.

(2) Other capital reserves

Increase in the current period is mainly about the following items: a) The share-based payment by the associate Anhui Anwa New Energy Technology Co., Ltd. increased its capital reserve, resulting in an increase of the identifiable net assets entitled to the Company in the amount of RMB 230,105.60; b) The total amount of the stock option expenses (equity attributable to owners of the parent company) of the 2022 Stock Option Incentive Plan, the ESOP (Phase III), ESOP (Phase IV) and ESOP (Phase V) was RMB 98,572,738.66.

Decrease in the current period is mainly about the following items: RMB 33,630,830.51 was carried forward to other capital surplus due to the exercise of share options or unlocking of shares under the ESOP (Phase III), the ESOP (Phase IV) and the 2022 Stock Option Incentive Plan during each exercise period.

43. Treasury stock

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Formation of repurchased shares	356,148,473.59		237,138,412.93	119,010,060.66
Restrictive Stock Incentive Plan	105,898,026.20	198,900,652.51	41,721,749.50	263,076,929.21
Equity of the parent company held by subsidiaries	59,000,000.00			59,000,000.00
Total	521,046,499.79	198,900,652.51	278,860,162.43	441,086,989.87

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

(1) Formation of repurchased shares

The decrease in the current period is due to the write-off of amount under the ESOP (Phase V).

(2) Restricted stock incentive plan

The increase in the current period is due to the confirmation of corresponding repurchase obligations under the ESOP (Phase V).

The decrease in the current period is due to the adjustment and offset of the end of repurchase obligations corresponding to the unlocked part under the ESOP (Phase III) and ESOP (Phase IV), with the amount adjusted.

44. Other comprehensive income

Monetary Unit: RMB

Item	Beginning balance	Amount incurred in the current period						Closing balance
		Amount incurred before income tax in the current period	Less: amount included in other comprehensive income previously and then transferred into current profits and losses	Less: amount recorded in other comprehensive incomes in the prior period and converted into retained earnings in the current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive incomes that cannot be reclassified into profit or loss	- 717,606.69	- 170,415.00 0.01			973,100.22	- 171,388.10 0.23		- 888,994.79 7.02
Including: amount of changes in the defined benefit plan due to re-measurement	20,153,266.49	2,967,116.59			973,100.22	1,994,016.37		22,147,282.86
Changes in fair value of the other equity instrument investments	- 737,759.96 3.28	- 173,382.11 6.60				- 173,382.11 6.60		- 911,142.07 9.88
II. Other comprehensive income that will be reclassified to profit or loss	- 35,963,943.91	- 54,230,669.87				- 28,792,002.99	- 25,438,666.88	- 64,755,946.90
Including: Other comprehensive income that can be transferred	- 32,989,216.18	- 7,037,917.36				- 8,094,819.35	1,056,901.99	- 41,084,035.53

to profit or loss under the equity method								
Changes in fair value of other debt investments	17,456,896.56	222,543,103.44				222,543,103.44		240,000,000.00
Provision for credit impairment of other debt investments	15,000,000.00	225,000,000.00				225,000,000.00		240,000,000.00
Translation differences of financial statements denominated in foreign currencies	517,831.17	49,649,649.07				23,154,080.20	26,495,568.87	23,671,911.37
Total other comprehensive income	753,570,640.70	224,645,669.88			973,100.22	200,180,103.22	25,438,666.88	953,750,743.92

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):

45. Special reserves

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Safety production fee	3,936,388.37	9,355,465.44	5,829,318.35	7,462,535.46
Total	3,936,388.37	9,355,465.44	5,829,318.35	7,462,535.46

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

46. Surplus reserves

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserves	222,075,738.50	21,104,417.60		243,180,156.10
Total	222,075,738.50	21,104,417.60		243,180,156.10

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

47. Undistributed profit

Monetary Unit: RMB

Item	Current period	Previous period
Undistributed profit at the end of the previous period before adjustment	5,470,626,456.84	4,473,001,832.26
Undistributed profit at the beginning of current period after adjustment	5,470,626,456.84	4,473,001,832.26
Plus: net profit attributable to the owner of the parent company in the current period	2,383,271,938.21	1,206,790,129.59
Less: withdrawal of statutory surplus reserves	21,104,417.60	22,321,066.12
Dividends payable on ordinary shares	179,127,994.60	176,940,041.41
Proceeds from disposal of other equity instrument investments		-9,904,397.48
Undistributed profit at the end of the period	7,653,665,982.85	5,470,626,456.84

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

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

Details of covering losses with capital reserves:

48. Operating income and operating cost

Monetary Unit: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	43,563,011,183.95	36,704,911,886.10	33,936,636,781.73	28,260,599,920.09
Other business	1,507,450,638.92	1,075,457,351.52	1,455,180,313.71	759,531,432.75
Total	45,070,461,822.87	37,780,369,237.62	35,391,817,095.44	29,020,131,352.84

The Company's audited total profit, net profit and net profit after deducting the non-recurring profit and loss (whichever is the lowest) during the reporting period is negative

Yes No

49. Taxes and surcharges

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Urban maintenance and construction tax	15,106,246.32	11,656,474.24
Educational surcharges	11,814,591.75	8,975,066.19
Property taxes	113,177,453.93	116,579,414.86

Land use tax	38,183,153.01	39,887,423.48
Stamp tax	86,554,192.58	57,260,123.66
Others	50,548,420.38	41,208,062.18
Total	315,384,057.97	275,566,564.61

Other remarks:

50. General and administrative expenses

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee remuneration	993,144,942.45	845,920,435.07
Depreciation and amortization expenses	428,350,882.28	395,499,226.45
Stock option expenses	62,476,026.29	139,764,732.51
Office operating expenses	547,308,275.73	547,007,449.49
Total	2,031,280,126.75	1,928,191,843.52

Other remarks:

51. Selling expenses

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee remuneration	205,524,571.98	157,300,933.51
Operating expenses of sales department	145,649,028.45	147,088,179.87
Total	351,173,600.43	304,389,113.38

Other remarks:

52. R&D expenditures

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
R&D materials and power expenses	806,806,580.87	734,997,236.92
Employee remuneration	1,024,383,978.47	850,876,786.01
Stock option expenses	38,263,088.64	77,328,770.95
Testing, trial production and others	560,927,969.03	485,014,840.53
Total	2,430,381,617.01	2,148,217,634.41

Other remarks:

53. Financial expenses

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expense	1,469,283,851.18	1,400,880,768.69
Less: Interest income	-333,055,984.95	-447,466,832.59
Plus: Exchange losses (less: gains)	276,652,324.36	-173,024,979.15
Plus: Bank handling fee and others	29,885,101.17	62,261,293.43
Total	1,442,765,291.76	842,650,250.38

Other remarks:

54. Other incomes

Monetary Unit: RMB

Sources of other incomes	Amount incurred in the current period	Amount incurred in the previous period
Government grant	617,663,001.57	990,000,989.16
VAT additional deductions	241,475,554.97	353,283,639.80
Others	1,890,860.10	450,387.99
Total	861,029,416.64	1,343,735,016.95

55. Gains from changes in fair value

Monetary Unit: RMB

Sources of the gains from changes in fair value	Amount incurred in the current period	Amount incurred in the previous period
Held-for-trading financial assets	362,999,093.78	110,388,745.98
Derivative financial assets	-111,219,828.05	85,801,650.51
Derivative financial liabilities	-122,575,667.51	
Other non-current financial assets	1,792,962,392.90	
Total	1,922,165,991.12	196,190,396.49

Other remarks:

56. Investment income

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investments accounted by equity method	-66,408,494.06	-85,205,914.36
Income from disposal of long-term equity investments	-8,784.36	51,633,432.25
Investment income from held-for-trading financial assets during the holding period	68,540,187.33	56,679,614.31
Dividend income from other equity instrument investments during the holding period	2,624,025.10	
Investment income from the derivative financial assets	95,363,228.91	28,957,250.00
Dividend income from other non-current financial assets during the holding period	30,946,965.92	
Others	14,731,644.33	-4,869,972.71
Total	145,788,773.17	47,194,409.49

Other remarks:

57. Losses from credit impairment

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
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Losses from bad debt in notes receivable	-150,573,818.09	-13,201,254.55
Losses from bad debt in accounts receivable	-518,121,597.73	-633,050,020.19
Losses from bad debt in other receivables	275,480.29	-88,856,303.80
Losses from impairment of other debt investments	-225,000,000.00	-15,000,000.00
Provision for impairment of non-current assets maturing within one year	-1,864,394.84	-16,198,475.01
Losses from guarantee for estimated liabilities	-128,964,080.00	
Total	-1,024,248,410.37	-766,306,053.55

Other remarks:

58. Losses from asset impairment

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Loss from depreciation of inventory and impairment of contract performance cost	-270,689,597.38	-221,937,544.61
II. Loss from impairment of long-term equity investment		-71,735,712.03
III. Loss from impairment of goodwill	-10,710,503.61	-105,336,733.17
IV. Others	-2,123,850.00	
Total	-283,523,950.99	-399,009,989.81

Other remarks:

59. Gains from disposal of assets

Monetary Unit: RMB

Sources of the gains from disposal of assets	Amount incurred in the current period	Amount incurred in the previous period
Gains or losses from disposal of fixed assets	4,790,852.79	-11,024,418.46

60. Non-operating income

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in the current non-recurring gains and losses
Net income from operating fines and breach of contract	18,106,409.28	13,732,491.99	18,106,409.28
Gains from scrapping of other non-current assets	363,106.18		363,106.18
Write-off of intercourse funds and others	3,993,291.65	7,087,009.03	3,993,291.65
Fire compensation from property insurance companies		2,820,000.00	
Total	22,462,807.11	23,639,501.02	22,462,807.11

Other remarks:

61. Non-operating expense

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in the current non-recurring gains and losses
Donations	4,220,924.00	26,481,422.84	4,220,924.00
Net loss from scrapping of other non-current assets	39,199,263.81	3,386,725.68	39,199,263.81
Compensation and penalties paid	56,855,569.45	12,240,792.41	56,855,569.45
Others	13,971,428.19	1,870,525.52	13,971,428.19
Total	114,247,185.45	43,979,466.45	114,247,185.45

Other remarks:

62. Income tax expense**(1) Statement of income tax expense**

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Current income tax expense	102,807,440.95	293,409,517.42
Deferred income tax expense	-137,900,142.35	-184,433,997.83
Total	-35,092,701.40	108,975,519.59

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

Monetary Unit: RMB

Item	Amount incurred in the current period
Total profit	2,253,326,185.35
Income tax expense calculated according to statutory/applicable tax rate	563,331,546.34
Impact from applying different tax rates to subsidiaries	-225,332,618.54
Impact from non-deductible costs, expenses and losses	46,239,790.36
Impact from deductible temporary differences or deductible losses of unrecognized deferred income tax assets in the current period	-86,716,184.27
The impact number of research and development expenses plus and deduction	-332,615,235.29
Income tax expense	-35,092,701.40

Other remarks:

63. Other comprehensive income

See Note 44.

64. Items in cash flow statement**(1) Cash related to operating activities**

Other cash received from operating activities

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Government grant	799,141,524.06	1,032,774,417.83
Intercourse funds and others	599,358,963.37	929,112,876.53
Total	1,398,500,487.43	1,961,887,294.36

Remarks on other cash received from operating activities

Other cash paid for operating activities:

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Selling expenses	138,970,551.65	138,741,815.65
General and administrative expenses	566,111,536.27	561,305,940.19
R&D expenditures	405,797,739.07	335,562,686.08
Intercourse funds and others	775,428,242.25	984,628,728.03
Total	1,886,308,069.24	2,020,239,169.95

Remarks on other cash paid for operating activities:

(2) Cash related to investing activities

Other cash received from investing activities

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period

Remarks on other cash received from investing activities:

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period

Remarks on other cash received from investing activities:

Other cash paid for investing activities:

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash held on the date of disposal of subsidiaries in the current period		18,910.12
Security deposit for financial derivatives	331,271,576.14	146,356,952.91
Others	61,759,476.33	
Total	393,031,052.47	146,375,863.03

Remarks on major cash paid for investing activities:

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
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Remarks on other cash paid for investing activities:

(3) Cash related to financing activities

Other cash received from financing activities

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Subscription funds under the ESOP	198,900,652.51	93,090,000.00
Payment for disposal of invalid equity under the ESOP	1,667,180.51	65,504,033.35
Recovery of security deposit for leased assets		4,230,779.78
Recovery of the amount on deposit pledged to the bank to apply for a loan		556,557,108.88
Borrowings from non-financial institutions	85,376,106.87	
Others	113,837,670.26	
Total	399,781,610.15	719,381,922.01

Remarks on other cash received from financing activities:

Other cash paid for financing activities

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Expenses of private placement	377,358.49	18,427,701.80
Notes submitted deposit		1,221,817,930.96
Payment for share repurchase	1,874,532.70	300,039,302.01
Payment for acquisition of minority shareholders' equity	40,000,000.01	5,000,000.00
Others	30,074,858.62	
Total	72,326,749.82	1,545,284,934.77

Remarks on other cash paid for financing activities:

Changes in liabilities arising from financing activities

Applicable Not applicable

65. Supplementary information to the cash flow statement

(1) Details of supplementary information to the cash slow statement

Monetary Unit: RMB

Supplementary information	Amount of this period	Amount in the previous period
1. Reconciliation of net profit to cash flows from operating activities		
Net profit	2,288,418,886.75	1,154,134,212.39
Plus: provision for asset impairment	1,307,772,361.36	1,165,316,043.36
Credit impairment loss	2,949,235,133.46	2,005,938,991.14
Depreciation of fixed assets, oil	67,247,265.18	39,552,672.68

and gas assets and productive biological assets		
Amortization of intangible assets	460,600,438.95	365,200,442.97
Amortization of long-term deferred expenses	67,627,815.61	43,970,777.75
Loss from disposal of fixed assets, intangible assets and other long-term assets (“-” for gains)	-4,790,852.79	11,024,418.46
Loss from scrapping of fixed assets (“-” for gains)	38,836,157.63	3,386,725.68
Loss on changes in fair value (“-” for gains)	-1,922,165,991.12	-196,190,396.49
Financial expenses (“-” for gains)	1,745,936,175.54	1,227,855,789.54
Investment loss (“-” for gains)	-145,788,773.17	-47,194,409.49
Decrease in deferred income tax assets (“-” for increase)	-515,618,274.92	-250,276,388.20
Increase in deferred income tax liabilities (“-” for decrease)	372,084,011.38	65,844,932.27
Decrease in inventories (“-” for increase)	-2,519,368,638.19	-1,650,951,971.23
Decrease in operating receivable (“-” for increase)	-6,664,092,787.07	-7,722,629,701.16
Increase in operating payable (“-” for decrease)	6,391,312,199.42	6,735,026,503.39
Others	-292,830,161.32	-244,436,914.05
Net cash flow from operating activities	3,624,414,966.70	2,705,571,729.01
2. Major investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds maturing within 1 year		
Fixed assets acquired under financing leases		
3. Net changes in cash and cash equivalents:		
Ending balance of cash	12,805,985,566.18	12,556,337,255.65
Less: beginning balance of cash	12,556,337,255.65	11,328,205,559.31
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	249,648,310.53	1,228,131,696.34

(2) Net cash paid for acquisition of subsidiaries in the current period

Monetary Unit: RMB

	Amount
Cash or cash equivalents paid in the current period for business combination	4,736,880.00
Including:	

Anhui Gotion Green Energy Power Engineering Co., Ltd.	370,000.00
Novagrid Pte Ltd	4,366,880.00
Less: Cash and cash equivalents held by the subsidiaries on the acquisition date	414,196.33
Including:	
Novagrid Pte Ltd	414,196.33
Including:	
Net cash received from subsidiaries	4,322,683.67

Other remarks:

(3) Composition of cash and cash equivalents

Monetary Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	12,805,985,566.18	12,556,337,255.65
Including: cash in hand	251,417.48	186,807.62
Unrestricted bank deposit available for payment	12,766,180,616.70	12,428,271,396.53
Other cash and cash equivalents available for payment at any time	39,553,532.00	127,879,051.50
II. Ending balance of cash and cash equivalents	12,805,985,566.18	12,556,337,255.65

66. Monetary items in foreign currency

(1) Monetary items in foreign currency

Monetary Unit: RMB

Item	Ending balance in foreign currency	Conversion rate	Ending balance translated in RMB
Cash and cash equivalents			
Including: USD	1,012,043,329.85	7.0288	7,113,450,156.85
EUR	45,556,493.27	8.2355	375,180,500.33
HKD	20,554,995.64	0.9032	18,565,272.06
JPY	4,318,339,241.00	0.0448	193,461,598.00
MAD	29,425,650.83	0.7709	22,684,234.22
SGD	2,569,118.00	5.4586	14,023,787.51
ARS	63,137,725.26	0.0048	303,061.08
IDR	88,204,588,769.74	0.0004	35,281,835.51
CHF	978,836.65	8.8510	8,663,683.19
AUD	37,731.75	4.6892	176,931.72
TRY	163,619.53	0.1631	26,686.35
ZAR	1,228.27	0.4224	518.82
SAR	9,682,890.63	1.8680	18,087,639.70
Accounts receivable			
Including: USD	399,279,865.06	7.0288	2,806,458,315.53
EUR	44,846,246.69	8.2355	369,331,264.62
HKD			
JPY	4,936,060,450.79	0.0448	221,135,508.20
SGD	11,237.26	5.4586	61,339.71

IDR	106,420,930,462.00	0.0004	42,568,372.18
Long-term borrowings			
Including: USD	78,750,000.00	7.0288	553,518,000.00
EUR			
HKD			
Other receivable			
Including: USD	2,559,958.05	7.0288	17,993,433.14
JPY	2,100,683.00	0.0448	94,110.60
MAD	101,715,741.24	0.7709	78,412,664.92
EUR	509,861.62	8.2355	4,198,965.37
SGD	727,769.39	5.4586	3,972,601.99
ARS	41,595,977.44	0.0048	199,660.69
IDR	61,305,107,860.08	0.0004	24,522,043.14
SAR	2,407,961.75	1.8680	4,498,072.55
Short-term borrowings			
Including: IDR	33,225,870.00	0.0004	13,290.35
Account payable			
Including: USD	132,488,552.95	7.0288	931,235,540.97
JPY	80,203,379.00	0.0448	3,593,111.38
EUR	12,709,358.04	8.2355	104,667,918.14
ARS	3,097,561.80	0.0048	14,868.30
IDR	17,207,754,214.32	0.0004	6,883,101.69
MAD	68,869,194.98	0.7709	53,091,262.41
Other payable			
Including: USD	122,415,274.46	7.0288	860,432,481.12
JPY	39,274,166.00	0.0448	1,759,482.64
EUR	3,680,076.82	8.2355	30,307,272.65
SGD	811,926.34	5.4586	4,431,981.12
ARS	5,285,073.96	0.0048	25,368.36
IDR	43,020,042,390.70	0.0004	17,208,016.96
AUD	15,357.00	4.6892	72,012.04
TRY	279,784.58	0.1631	45,632.87

Other remarks:

67. Lease

(1) The Company is the lessee

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

Item	Current amount (RMB)
Expense on short-term leases with simplified treatment included in related asset cost or current profit or loss	145,745,877.29
Total cash outflow related to lease	189,040,785.46

Circumstances involving after-sale leaseback transactions

None

(2) The Company is the lessor

Operating lease as lessor

Applicable Not applicable

Monetary Unit: RMB

Item	Rental income	Including: Income related to variable lease payments not included in lease receipts
Rental of houses and equipment	41,074,395.97	
Total	41,074,395.97	

Finance lease as lessor

Applicable Not applicable

Undiscounted lease receipts in each of the next five years

Applicable Not applicable

Reconciliation statement of undiscounted lease receipts and net lease investments: No

VIII. R&D expenditures

Monetary Unit: RMB

Item	Amount in the current period	Amount in the previous period
R&D material costs	1,225,983,293.77	987,102,784.38
Employee remuneration	1,382,878,811.03	1,241,008,320.43
Stock option expenses	38,263,088.64	77,328,770.95
Testing, trial production and others	717,395,810.69	623,862,380.88
Total	3,364,521,004.13	2,929,302,256.64
Including: Expensed R&D expenditure	2,430,381,617.01	2,148,217,634.41
Capitalized R&D expenditure	934,139,387.12	781,084,622.23

1. R&D projects eligible for capitalization

Monetary Unit: RMB

Project	Beginning balance	Increase in the current period			Decrease in the current period			Ending balance
		Internal development expenditure	Other		Recognized as intangible assets	Transfer to profit or loss in the current period		
DX-006	70,836,528.76	21,392,869.82			92,229,398.58			
DX-007	43,941,521.14	11,591,559.85			55,533,080.99			
DX-008	50,183,781.94	17,121,168.13			67,304,950.07			
DX-009	48,208,806.40	28,517,346.96						76,726,153.36
CP-008	31,291,375.39	35,253,089.63			66,544,465.02			
DX-010	23,140,018.47	43,457,481.05						66,597,499.52

CP-010	20,130,061.85	3,431,289.49			23,561,351.34			
CP-011	23,550,788.99	42,761,388.33			66,312,177.32			
DX-012		29,975,012.80						29,975,012.80
DX-013		49,563,571.56				23,181,929.90		26,381,641.66
DX-014		45,944,209.57				21,985,527.69		23,958,681.88
CP-015		59,967,717.69				12,012,575.57		47,955,142.12
CP-016		58,948,469.75				16,683,500.95		42,264,968.80
Others	108,357,924.46	1,050,737,149.11			496,728,487.40	490,659,402.51		171,707,183.66
Total	419,640,807.40	1,498,662,323.74			868,213,910.72	564,522,936.62		485,566,283.80

Major capitalized R&D projects

Project	R&D progress	Expected time of completion	Expected manner of generation of economic benefits	Time of commencement of capitalization	Specific basis for commencement of capitalization
DX-009	At G5 mass production approval node	June 30, 2026	Develop large-sized cells with long cycle and fast charging capabilities and apply them in the heavy truck sector to achieve revenue generation	April 1, 2024	The development and validation tests of sample B have been completed, and the conditions for the release of the plan have been met
CP-015	At G4 project approval node	July 31, 2026	Obtain orders from customers	May 1, 2025	The core design has been completed, the sample has passed the basic function and performance tests, and there is sufficient technical and financial support for the project research and development
DX-010	At G4 project approval node	June 30, 2026	Reduce costs and increase efficiency based on the accumulation of existing technologies and through the optimization of the chemical system	October 1, 2024	Sample B trial production, validation, and mandatory inspection of cells have been completed, and the plan freeze review has been finished ahead of schedule
DX-012	At G4 project approval node	December 31, 2026	Develop brand-new G-class battery cells, 5C	January 1, 2025	Sample B trial production and validation have

			supercharging cells, and the first L200 supercharging cell mass production project		been completed, and the short-term electrical performance meets the specification requirements
DX-013	At G4 project approval node	December 31, 2026	Develop a new type of microvan platform for commercial vehicles with high energy density and long cycle cells to lay out the market in advance	February 1, 2025	The trial production of sample B system has been completed, and the design freezing of the chemical system has been finished
DX-014	At G4 project approval node	March 31, 2026	The 120Ah battery cell can enhance the energy density and capacity of the battery cell and is applied to domestic and international A-class sedans, B-class sedans and SUV models	March 1, 2025	Sample B trial production and validation have been completed, and the short-term electrical performance meets the specification requirements
CP-016	At G3 design freeze node	June 30, 2027	Obtain orders from customers	July 1, 2025	The core process design plan has been approved, the sample has passed the basic verification, and there is sufficient technical and financial support for the project research and development

Provision for impairment of development expenditure

Monetary Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Impairment test
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IX. Changes in consolidation scope

1. Business combination not under common control

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

Monetary Unit: RMB

Name of the acquiree	Time of equity acquisition	Cost of equity acquisition	Ratio of equity acquisition	Method of equity acquisition	Acquisition date	Basis for determining the	Income of the acquiree	Net profit of the acquiree	Cash flow of the acquiree
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	n	n	n	n		acquisition date	from the acquisition date to the end of the period	from the acquisition date to the end of the period	from the acquisition date to the end of the period
Anhui Gotion Green Energy Power Engineering Co., Ltd.	December 12, 2025	370,000.00	100.00%	Purchase	December 12, 2025	Change in control		-6,727.27	
Novagrid Pte Ltd	December 30, 2025	4,366,880.00	100.00%	Purchase	December 30, 2025	Change in control			

Other remarks:

(2) Combined cost and goodwill

Monetary Unit: RMB

Combined cost	Anhui Gotion Green Energy	Novagrid
--Cash	370,000.00	4,366,880.00
--Fair value of non-cash assets		
--Fair value of the debt issued or assumed		
--Fair value of the equity securities issued		
-- Fair value of contingent consideration		
-- Fair value of the equity on the acquisition date that was held before the acquisition date		
--Others		
Total combined cost	370,000.00	4,366,880.00
Less: Share of the fair value of identifiable net assets obtained	370,000.00	4,160,945.48
Amount by which goodwill/combined cost is less than the share of the fair value of identifiable net assets obtained		205,934.52

Method for determining the fair value of combined cost:

Explanation of the contingent consideration and its changes

Main reasons for the formation of large amounts of goodwill:

Other remarks:

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

Monetary Unit: RMB

	Anhui Gotion Green Energy		Novagrid	
	Fair value on the acquisition date	Book value on the acquisition date	Fair value on the acquisition date	Book value on the acquisition date

Assets:				
Cash and cash equivalents			414,196.33	414,196.33
Accounts receivable			23,386.61	23,386.61
Inventory				
Fixed assets				
Intangible assets				
Other receivables			3,578,642.82	3,578,642.82
Other current assets			146,845.84	146,845.84
Intangible assets	370,000.00			
Liabilities:				
Borrowings				
Accounts payable				
Deferred income tax liability				
Other payables			2,126.12	2,126.12
Net assets	370,000.00		4,160,945.48	4,160,945.48
Less: Minority equity				
Net assets obtained	370,000.00		4,160,945.48	4,160,945.48

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

Contingent liabilities of the acquiree assumed in business combination:

Other remarks:

(4) Other remarks

(1) In November 2025, the subsidiary Anhui Gotion New Energy Co., Ltd. signed a *Equity Transfer Agreement* with Anhui Yutong Construction Engineering Co., Ltd. Anhui Gotion New Energy Co., Ltd. acquired 100% of the equity of Anhui Yushu Construction Engineering Co., Ltd. (later renamed Anhui Gotion Green Energy Power Engineering Co., Ltd.) at a price of RMB 370,000. By December 2025, the company had completed the corresponding equity change registration procedures. As the company has no production and operation assets, this acquisition is not regarded as a business combination.

(2) In December 2025, GOTION SINGAPORE PTE LTD signed a *Equity Transfer Agreement* with ASTRIA INVESTMENT PTE. LTD. to acquire 100.00% of the equity of Novagrid Pte Ltd held by it at a price of SGD 640,000 (equivalent to RMB 4,366,880), and the corresponding property rights transfer was completed on the same day.

2. Change in consolidation scope for other reasons

Explain the change in consolidation scope for other reasons (such as the establishment of new subsidiaries, liquidation of subsidiaries, etc.) and related information

(1) Scope of consolidation attributable to increase in newly established companies

Name of company	Date of establishment	Currency	Registered capital	Remarks
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			(RMB '0,000)	
Gotion Battery Sales (Inner Mongolia) Co., Ltd.	2025-12-19	RMB	2,000.00	Western Gotion (Inner Mongolia) Technology Co., Ltd. holds 100% equity
Liuzhou Gotion New Energy Battery Co., Ltd.	2025-01-09	RMB	115,916.05	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 86.27% equity
Bozhou Gotion New Energy Co., Ltd.	2025-03-10	RMB	30,000.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Anhui Gotion Electric Power Co., Ltd.	2025-02-18	RMB	500.00	Anhui Gotion New Energy Co., Ltd. holds 85% equity
Tongcheng Xuanneng Wind Power Generation Co., Ltd.	2025-02-25	RMB	100.00	Anhui Gotion Electric Power Co., Ltd. holds 100% equity
Tongcheng Lvting Gotion Wind Power Generation Co., Ltd.	2025-02-27	RMB	100.00	Tongcheng Xuanneng Wind Power Generation Co., Ltd. holds 100% equity
Lujiang Luxuan Photovoltaic Power Generation Co., Ltd.	2025-03-06	RMB	100.00	Anhui Gotion New Energy Co., Ltd. holds 100% equity
Lujiang Gotion Photovoltaic Power Generation Co., Ltd.	2025-02-20	RMB	100.00	Lujiang Luxuan Photovoltaic Power Generation Co., Ltd. holds 100% equity
Wuhu Gotion Green Energy Co., Ltd.	2025-07-22	RMB	100,000.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Hefei Gotion Jitaimei Battery Technology Co., Ltd.	2025-08-07	RMB	10,000.00	Gotion New Energy (Lujiang) Co., Ltd. holds 65% equity
Wuhu Gotion Power Technology Co., Ltd.	2025-10-21	RMB	100,000.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Hefei Gotion Green Energy Co., Ltd.	2025-11-17	RMB	100,000.00	Hefei Gotion Battery Technology Co., Ltd. holds 100% equity
Saudi Arabia Gotion New Energy Co., Ltd.	2025-1-6	SAR	50.00	Hefei Gotion High-Tech Power Energy Co., Ltd. holds 100% equity
Gotion Technology Mobility Co., Ltd.	2025-8-4	TRY	25.00	GOTION SINGAPORE PTE. Ltd. holds 100% equity
G-Volt Africa Limited	2025-5-20	USD	0.01	GOTION SINGAPORE PTE. Ltd. holds 100% equity
Gotion Spain Green Energy Co., Ltd.	2025-2-20	EUR	10.00	Gotion GmbH holds 100% equity
FORTUNE POWER B.V	2025-3-21	EUR	0.01	Gotion GmbH holds 100% equity

(2) Deregistration of unconsolidated subsidiaries

Name of deregistered company	Deregistration date	Remarks
Weihai Gotion New Energy Technology Co., Ltd.	2025-2-12	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself

		as a legal person.
Huaibei Gotion Xiangfeng New Energy Co., Ltd.	2025-3-26	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Suixi Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-5-14	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Bozhou Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-4-24	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Guzhen Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-2-6	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Hefei Gotion Zhonghong New Energy Co., Ltd.	2025-3-27	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Hefei Gotion Zhonghong New Energy Technology Development Co., Ltd.	2025-2-27	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Tongcheng Kongcheng Gotion Wind Power Generation Co., Ltd.	2025-1-23	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Chuzhou Gotion Xiangfeng New Energy Co., Ltd.	2025-4-2	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Tongling Gotion Source-Grid-Load-Storage New Energy Co., Ltd.	2025-12-18	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.
Gotion Luxembourg Technology Co., Ltd.	2025-10-31	The company applied for cancellation of its business qualification through statutory procedures to disqualify itself as a legal person.

X. Equity in other entities

1. Equity in subsidiaries

(1) Main structure of the enterprise group

Monetary Unit: RMB

Name of subsidiary	Registered capital	Principal place of business	Registered address	Nature of business	Shareholding percentage		Method of acquisition
					Direct	Indirect	
Jiangsu Dongyuan Electrical Group Co., Ltd.	550,000,000.00	Nantong, Jiangsu	Nantong, Jiangsu	Industrial production	99.82%	0.18%	Direct investment
Nantong Gotion New	573,600,000.00	Nantong, Jiangsu	Nantong, Jiangsu	Industrial production	0.00%	100.00%	Direct investment

Energy Technology Co., Ltd.							
Hefei Gotion High-Tech Power Energy Co., Ltd.	10,000,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	100.00%	0.00%	Reverse purchase
Nanjing Gotion Battery Co., Ltd.	500,000,000.00	Nanjing, Jiangsu	Nanjing, Jiangsu	Industrial production	0.00%	100.00%	Reverse purchase
Nanjing Gotion New Energy Co., Ltd.	1,320,361,083.25	Nanjing, Jiangsu	Nanjing, Jiangsu	Industrial production	0.00%	90.88%	Direct investment
Anhui Gotion New Energy Automobile Technology Co., Ltd.	200,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	100.00%	Reverse purchase
Shanghai Xuanyi New Energy Development Co., Ltd.	1,500,000,000.00	Shanghai	Shanghai	R&D	0.00%	100.00%	Reverse purchase
Hefei Gotion Battery Material Co., Ltd.	1,155,147,058.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	95.92%	Reverse purchase
Gotion New Energy (Lujiang) Co., Ltd.	1,000,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	100.00%	Direct investment
Hefei Gotion Kehong New Energy Technology Co., Ltd.	1,097,222,223.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	82.03%	Direct investment
Hefei Jiachi Technology Co., Ltd.	100,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	90.00%	Direct investment
Qingdao Gotion Battery Co., Ltd.	541,976,000.00	Qingdao, Shandong	Qingdao, Shandong	Industrial production	0.00%	92.25%	Direct investment
Tangshan Gotion Battery Co., Ltd.	1,426,136,944.56	Tangshan, Hebei	Tangshan, Hebei	Industrial production	0.00%	70.12%	Direct investment
Hefei Gotion Battery Co., Ltd.	1,000,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	100.00%	Direct investment
Liuzhou Gotion Battery Co., Ltd.	774,589,957.00	Liuzhou, Guangxi	Liuzhou, Guangxi	Industrial production	0.00%	42.96%	Direct investment

Ltd.							
Tongcheng Gotion New Energy Co., Ltd.	2,725,016,600.00	Anqing, Anhui	Anqing, Anhui	Industrial production	0.00%	73.39%	Direct investment
Jiangsu Gotion New Energy Technology Co., Ltd.	1,800,000,000.00	Nanjing, Jiangsu	Nanjing, Jiangsu	Industrial production	100.00%	0.00%	Direct investment
Hefei Gotion Battery Technology Co., Ltd.	1,000,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	100.00%	Direct investment
Hefei Gotion Battery Technology Co., Ltd.	800,000,000.00	Hefei, Anhui	Hefei, Anhui	Industrial production	0.00%	100.00%	Direct investment
Jiangxi Gotion New Energy Technology Co., Ltd.	500,000,000.00	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production	100.00%	0.00%	Direct investment
Yichun Gotion Battery Co., Ltd.	2,712,204,504.18	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production	0.00%	76.91%	Direct investment
Yichun Gotion Lithium Co., Ltd.	285,000,000.00	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining	0.00%	42.32%	Direct investment
Yifeng Gotion Lithium Industry Co., Ltd.	600,000,000.00	Yichun, Jiangxi	Yichun, Jiangxi	Mineral mining	0.00%	42.32%	Direct investment
Tongcheng Gotion Battery Technology Co., Ltd.	2,000,000,000.00	Anqing, Anhui	Anqing, Anhui	Industrial production	0.00%	73.39%	Direct investment
Jinzhai Gotion New Energy Co., Ltd.	1,574,160,024.85	Liu'an, Anhui	Liu'an, Anhui	Industrial production	0.00%	63.53%	Direct investment
Chuzhou Gotion New Energy Power Co., Ltd.	1,111,111,111.11	Chuzhou, Anhui	Chuzhou, Anhui	Industrial production	0.00%	90.00%	Direct investment
Gotion High-Tech (USA) Co., Ltd.		USA	California, USA	Industrial production	0.00%	100.00%	Reverse purchase
GOTION SINGAPORE PTE. Ltd. ¹	73,426,941.97	Singapore	Singapore	Sale	0.00%	59.05%	Direct investment

Remark: 1. The registered capital of GOTION SINGAPORE PTE. Ltd. is SGD 13,451,607.00, which is equivalent to RMB 73,426,941.97 at the closing exchange rate;

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

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

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

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

Other remarks:

(2) Major non-wholly owned subsidiaries

Monetary Unit: RMB

Subsidiary's name	Ownership ratio of minority shareholders	Profit and loss attributable to minority shareholders in the current period	Dividend declared to minority shareholders in the current period	Ending balance of minority equity
Liuzhou Gotion Battery Co., Ltd.	57.04%	-5,974,119.97		1,474,768,678.50
Nanjing Gotion New Energy Co., Ltd.	9.12%	13,278,043.78	12,000,039.12	189,770,701.64
Tongcheng Gotion New Energy Co., Ltd.	26.61%	16,780,509.76	11,800,000.00	929,145,243.69
Yichun Gotion Battery Co., Ltd.	23.09%	18,620,559.66		749,117,490.11
Hefei Gotion Kehong New Energy Technology Co., Ltd.	17.97%	10,308,306.69		190,307,848.62
Jinzhai Gotion New Energy Co., Ltd.	36.47%	16,894,337.41	21,000,000.00	712,980,641.16

Remarks on the subsidiaries in which the minority shareholder's ownership ratio is different from its voting right ratio:

Other remarks:

(3) Main financial information of major non-wholly owned subsidiaries

Monetary Unit: RMB

Subsidiary's name	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Liuzhou Gotion Battery Co., Ltd.	7,717,599,476.38	3,334,851,764.48	11,052,451,240.86	6,576,635,922.67	1,888,911,105.91	8,465,547,028.58	6,037,190,611.86	3,434,412,166.24	9,471,602,778.10	5,376,254,572.73	2,097,353,138.07	7,473,607,710.80
Nanjing Gotion New	3,853,830,100.97	1,132,330,132.55	4,986,160,233.52	2,787,152,865.22	117,229,557.90	2,904,382,423.12	4,022,575,312.76	1,199,137,766.40	5,221,713,079.16	2,937,930,410.18	216,181,607.09	3,154,112,017.27

Energy Co., Ltd.												
Tongcheng Gotion New Energy Co., Ltd.	5,341,529,366.28	5,469,638,744.53	10,811,168,110.81	4,935,727,170.14	2,350,192,187.11	7,285,919,357.25	4,808,552,134.76	4,776,045,219.65	9,584,597,354.41	4,734,466,136.63	2,093,251,790.10	6,827,717,926.73
Yichun Gotion Battery Co., Ltd.	4,087,536,121.53	3,595,162,083.40	7,682,698,204.93	2,688,765,164.03	1,736,022,933.95	4,424,788,097.98	2,969,989,262.96	2,508,530,803.59	5,478,520,066.55	1,698,806,402.11	1,330,634,943.34	3,029,441,345.45
Hefei Gotion Kehong New Energy Technology Co., Ltd.	3,077,006,891.50	2,312,415,539.44	5,389,422,430.94	2,777,573,004.73	1,105,497,829.07	3,883,070,833.80	1,583,321,109.50	2,386,278,931.74	3,969,600,041.24	1,898,998,910.68	1,017,582,647.35	2,916,581,558.03
Jinzhai Gotion New Energy Co., Ltd.	3,567,308,446.36	1,794,143,140.63	5,361,451,586.99	2,288,804,704.83	1,117,888,187.19	3,406,692,892.02	2,114,024,186.04	1,868,518,096.45	3,982,542,282.49	1,559,804,463.03	1,203,565,516.09	2,763,369,979.12

Monetary Unit: RMB

Subsidiary's name	Amount incurred in the current period				Amount incurred in the previous period			
	Operating income	Net profit	Total comprehensive incomes	Cash flows from operating activities	Operating income	Net profit	Total comprehensive incomes	Cash flows from operating activities
Liuzhou Gotion Battery Co., Ltd.	9,702,983,080.93	-12,234,527.90	-12,767,258.10		6,408,992,157.31	8,915,079.68	9,471,127.58	
Nanjing Gotion New Energy Co., Ltd.	5,606,328,468.21	145,659,665.44	145,659,665.44		3,846,693,589.50	101,311,472.62	101,311,472.62	
Tongcheng Gotion New Energy Co., Ltd.	6,791,131,402.27	224,939,809.11	224,939,809.11		6,072,807,489.38	228,671,319.13	228,671,319.13	
Yichun Gotion Battery Co., Ltd.	4,148,060,929.77	207,911,563.89	207,911,563.89		3,235,556,285.94	202,116,951.07	202,116,951.07	
Hefei	7,753,748,4	103,083,06	103,083,06		5,385,097,3	91,147,652.	91,147,652.	

Gotion Kehong New Energy Technology Co., Ltd.	58.75	6.91	6.91		60.19	41	41	
Jinzhai Gotion New Energy Co., Ltd.	6,686,813,839.84	92,637,446.36	92,637,446.36		1,997,234,205.09	69,195,169.89	69,195,169.89	

Other remarks:

2. Transactions which results in changes in owner's equity in a subsidiary and remain in control of the subsidiary

(1) Remarks on the changes in owner's equity in the subsidiary

In August 2025, Hefei Gotion High-Tech Power Energy Co., Ltd., the controlling shareholder of the Company's subsidiary Hefei Gotion Battery Materials Co., Ltd., and Anhui Jintong New Energy Vehicle Phase I Fund Partnership (Limited Partnership) signed an equity transfer agreement. Anhui Jintong New Energy Vehicle Phase I Fund Partnership (Limited Partnership) planned to transfer 55,147,058 shares (accounting for 4.7740% of the share capital) it held in Hefei Gotion Battery Materials Co., Ltd. to Hefei Gotion High-Tech Power Energy Co., Ltd. at a price of RMB 239,342,462. Among them, a consideration of RMB 35 million was paid this year to acquire 0.698% of the equity it held. Following this change, the equity interests held by Hefei Gotion High-Tech Power Energy Co., Ltd. in its subsidiary Hefei Gotion Battery Materials Co., Ltd. increased from 95.226% to 95.924%.

In October 2025, the Company's subsidiary Hefei Gotion Kehong New Energy Technology Co., Ltd. signed a capital increase agreement with Hefei Gotion High-Tech Power Energy Co., Ltd., Hefei Yaoke Equity Investment Partnership (Limited Partnership) and China Orient Asset Management Co., Ltd., pursuant to which China Orient Asset Management Co., Ltd. contributed additional capital of RMB 350 million. Of this amount, RMB 97,222,223 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Following this change, the registered capital of Hefei Gotion Kehong New Energy Technology Co., Ltd. was changed from RMB 1,000,000,000 to RMB 1,097,222,223, and the equity interests held by the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd. in the company decreased from 90.00% to 82.03%.

In June 2025, the Company's subsidiary Tangshan Gotion Battery Co., Ltd. signed a capital increase agreement with Hefei Gotion High-Tech Power Energy Co., Ltd. and Chongqing International Trust Co., Ltd. pursuant to which Chongqing International Trust Co., Ltd. contributed additional capital of RMB 495 million. Of this amount, RMB 211,997,776.44 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Following this change, the registered capital of Tangshan Gotion Battery

Co., Ltd. was changed from RMB 1,000,000,000 to RMB 1,211,997,776.44, and the equity interests held by the subsidiary Hefei Gotionn High-Tech Power Energy Co., Ltd. in the company decreased from 100.00% to 82.5084%. In December 2025, the company and the aforementioned shareholders signed a capital increase agreement with Xingyin Financial Asset Investment Co., Ltd., pursuant to which Xingyin Financial Asset Investment Co., Ltd. contributed additional capital of RMB 500,000,000. Of this amount, RMB 214,139,168.12 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Following this change, the registered capital of Tangshan Gotion Battery Co., Ltd. was changed from RMB 1,211,997,776.44 to RMB 1,426,136,944.56, and the equity interests held by the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd. in the company decreased from 82.5084% to 70.1195%.

In December 2025, Hefei Gotion High-Tech Power Energy Co., Ltd., the original shareholder of the Company's subsidiary Liuzhou Gotion Battery Co., Ltd., Guangxi Guangtou Dongcheng Lithium Industry Fund Partnership (Limited Partnership), Guangxi Liuzhou Dongcheng Investment Development Group Co., Ltd., and Wuhu Liuxuan Equity Investment Partnership (Limited Partnership) entered into a *Capital Increase Agreement*, pursuant to which Wuhu Liuxuan Equity Investment Partnership (Limited Partnership) contributed additional capital of RMB 600 million. Meanwhile, the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd., recovered partnership units valued at RMB 5 million from Bohai International Trust Co., Ltd. and Yunnan International Trust Co., Ltd., respectively, at a purchase price of RMB 5 million, pursuant to the Forward Transfer Agreement for Trust Beneficial Rights entered into with each of the said entities. Following this change, the equity interests held by the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd., in the partnership decreased from 51.17% to 42.96%.

In September 2025, the Company's subsidiary Tongcheng Gotion New Energy Co., Ltd. signed a capital increase agreement with Hefei Gotion High-Tech Power Energy Co., Ltd., Gotion High-Tech Co., Ltd., ICBC Financial Asset Investment Co., Ltd., and BOCOM Financial Asset Investment Co., Ltd., pursuant to which ICBC Financial Asset Investment Co., Ltd. and BOCOM Financial Asset Investment Co., Ltd. respectively contributed additional capital of RMB 500 million and RMB 200 million, totaling RMB 700 million. Of this amount, RMB 563,901,800 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Following this change, the registered capital of Tongcheng Gotion New Energy Co., Ltd. was changed from RMB 2,161,114,800 to RMB 2,725,016,600, and the equity interests held by the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd., in the company decreased from 92.5448% to 73.394%.

In December 2025, the subsidiary Yichun Gotion Battery Co., Ltd. signed a capital increase agreement with the actual controller Gotion High-Tech Co., Ltd., the controlling shareholder Jiangxi Gotion New Energy Technology Co., Ltd., BOCOM Financial Assets Investment Co., Ltd., BOC Financial Assets Investment Co., Ltd., Jianxin Financial Assets Investment Co., Ltd., and Baowu Green Carbon Private Equity Investment Fund (Shanghai) Partnership (Limited Partnership), pursuant to which BOCOM Financial Assets Investment Co., Ltd. contributed additional capital of RMB 200 million. Of this amount, RMB 171,821,634.73 was recorded as

registered capital, and the remaining part was recorded as capital reserve (capital premium). BOC Financial Asset Investment Co., Ltd. contributed additional capital of RMB 300 million. Of this amount, RMB 257,732,452.09 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Jiangxi Gotion New Energy Technology Co., Ltd. contributed additional capital of RMB 100 million. Of this amount, RMB 85,910,817.36 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Following this change, the registered capital of Yichun Gotion Battery Co., Ltd. was changed from RMB 2,196,739,600 to RMB 2,712,204,504.18, and the equity interests held by the subsidiary Jiangxi Gotion New Energy Technology Co., Ltd. in the company decreased from 91.04% to 76.9083%.

In June 2025, the Company's subsidiary Jinzhai Gotion New Energy Co., Ltd. signed a capital increase agreement with Hefei Gotion High-Tech Power Energy Co., Ltd. and China CITIC Financial Asset Management Co., Ltd., pursuant to which China CITIC Financial Asset Management Co., Ltd. contributed additional capital of RMB 700 million. Of this amount, RMB 574,160,024.85 was recorded as registered capital, and the remaining part was recorded as capital reserve (capital premium). Following this change, the registered capital of Jinzhai Gotion New Energy Co., Ltd. was changed from RMB 1,000,000,000 to RMB 1,574,160,024.85, and the equity interests held by the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd., in the company decreased from 100.00% to 63.5295%.

In December 2025, the Company's subsidiary Liuzhou Gotion New Energy Battery Co., Ltd. signed a capital increase agreement with Hefei Gotion High-Tech Power Energy Co., Ltd. and Wuhu Liuxuan Equity Investment Partnership (Limited Partnership), pursuant to which Wuhu Liuxuan Equity Investment Partnership (Limited Partnership) contributed additional capital of RMB 401 million. Of this amount, RMB 159,160,458 was recorded as registered capital, and the remaining portion was recorded as capital reserve (capital premium). Following this change, the registered capital of Liuzhou Gotion New Energy Battery Co., Ltd. was changed from RMB 1,000,000,000 to RMB 1,159,160,458, and the equity interests held by the subsidiary Hefei Gotion High-Tech Power Energy Co., Ltd., in the company decreased from 100.00% to 86.27%.

3. Equity in joint ventures or associates

(1) Major joint ventures or associates

Name of joint venture or associate	Principal place of business	Registration place	Business nature	Ownership ratio		Accounting treatment method for investment in joint ventures or associates
				Direct	Indirect	
Hefei Senior New Energy Materials Co., Ltd.	Lujiang, Anhui	Lujiang, Anhui	Industrial production		27.69%	Equity method
MCC Ramu New Energy Technology	Tangshan, Hebei	Tangshan, Hebei	Industrial production		30.00%	Equity method

Co., Ltd.						
Beijing Full-Service Oil & Gas Technology Co., Ltd.	Beijing	Beijing	Industrial production		40.00%	Equity method
Jiangxi Ewinway New Materials Co., Ltd.	Yichun, Jiangxi	Yichun, Jiangxi	Industrial production		22.00%	Equity method
North China Aluminum New Material Technology Co., Ltd.	Baoding, Hebei	Baoding, Hebei	Industrial production		10.00%	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	Technical services	5.90%		Equity method
Zhong'an Energy (Anhui) Co., Ltd.	Hefei, Anhui	Hefei, Anhui	Wholesale	19.25%		
V-G High-Tech Energy Solutions	Ha Tinh, Vietnam	Ha Tinh, Vietnam	Industrial production		51.00%	Equity method
Tata AutoComp Gotion Green Energy Solutions Private Limited	Pune India	Pune India	Industrial production		40.00%	Equity method
Tongling Anxuanda New Energy Technology Co., Ltd.	Tongling, Anhui	Tongling, Anhui	Industrial production		35.00%	Equity method
Sakura-Takasaki Energy Storage Station	Chiba, Japan	Chiba, Japan	Industrial production		30.00%	Equity method
NV Gotion Co., Ltd.	Bangkok, Thailand	Bangkok, Thailand	Industrial production		49.00%	Equity method
Alarko Gotion Green Energy Co., Ltd.	Istanbul, Turkey	Istanbul, Turkey	Industrial production		40.00%	Equity method
InoBat AS ¹	Oslo, Norway	Oslo, Norway	Industrial production		10.27%	Equity method
ELECTRIC MOBILITY TECHNOLOGY PTE. LTD.	Singapore	Singapore	Industrial production		18.18%	Equity method
PT Gotion Green Energy Trading Indonesia	West Java, Indonesia	West Java, Indonesia	Trade		45.00%	Equity method

Remark: 1. In the current period, the Company acquired the equity of InoBat AS by contributing fixed assets.

Remarks on the circumstance where ownership ratio in joint ventures or associates are different from the voting right ratio:

Although the Company's shareholding ratio in the above-mentioned companies is less than 20%, each company has an appointed director with voting rights, who can have a significant impact on the Company's production and operation decisions. Therefore, the equity method is used for accounting.

Basis for determining the voting rights below 20% but with significant influence, or the voting rights over 20% (inclusive) without significant influence:

XI. Government grants

1. Government grants recognized at amounts receivable at the end of the reporting period

Applicable Not applicable

Reasons for not receiving the expected amount of government grants at the expected time point

Applicable Not applicable

2. Liability items involving government grants

Applicable Not applicable

Monetary Unit: RMB

Accounting item	Beginning balance	The amount of grants added in the current period	Amount included in non-operating income in the current period	Amount of other income transferred to the current period	Other changes in current period	Ending balance	Relating to assets/earnings
Deferred income	283,780,676.50	248,269,403.47		68,681,741.08	1,596,000.00 ¹	461,772,338.89	Relating to assets

Note 1: Other changes are caused by exchange rate fluctuations.

3. Government grants recognized in current period profit or loss

Applicable Not applicable

Monetary Unit: RMB

Accounting item	Current amount incurred	Prior period occurrence
Other income	617,663,001.57	990,000,989.16

Other remarks:

XII. Risks associated with financial instruments

1. Various risks arising from 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 receivable, long-term receivable, etc. The credit risk of these financial assets arises from the default of counter parties, 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 receivable and long-term receivable, 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 receivable 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, euros, Singapore dollars or other currencies, 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.

XIII. Disclosure of fair value

1. Ending fair value of the assets and liabilities measured at fair value

Monetary Unit: RMB

Item	Ending fair value			
	First level of fair value measurement	Second level of fair value measurement	Third level of fair value measurement	Total
I. Continuous fair value measurement	--	--	--	--
(I) Trading Financial Assets	1,000,361,831.23		1,150,527,545.16	2,150,889,376.39
1. Financial assets measured at fair value with its changes included in current profits and losses	1,000,361,831.23		1,149,613,027.65	2,149,974,858.88
(1) Debt instrument investment			958,595,277.53	958,595,277.53
(2) Equity instrument investment	1,000,361,831.23		191,017,750.12	1,191,379,581.35
2. Financial assets that are designated to be measured at fair value through profit or loss in this period			914,517.51	914,517.51
(1) Debt instrument investment			914,517.51	914,517.51
(II) Other debt investments			60,000,000.00	60,000,000.00
(III) Other equity instrument investments	1,127,594,975.10		375,620,912.65	1,503,215,887.75
(IV) Accounts receivable financing			1,375,348,839.80	1,375,348,839.80

(V) Other non-current financial assets	1,263,138,726.34		2,095,747,666.56	3,358,886,392.90
Total assets measured continuously at fair value	3,391,095,532.67		5,057,244,964.17	8,448,340,496.84
Derivative financial liabilities			147,993,845.05	147,993,845.05
Total liabilities measured continuously at fair value			147,993,845.05	147,993,845.05
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 (RMB)	Active market quotation			
		Main market (most favorable market)	Transaction price	History	Information
				Trading volume	Source
Continuous fair value measurement					
Financial assets held for trading:					
Anhui Tongguan Copper Foil Group Co., Ltd.	648,960,096.24	Domestic share market	A-		Cninfo
Zotye Automobile Co., Ltd.	18,495,667.98	Domestic share market	A-		Cninfo
Seres Group Co., Ltd.	271,908,887.04	Domestic share market	A-		Cninfo
Shenzhen Munster Technology Co., Ltd.	23,695,312.50	Domestic share market	A-		Cninfo
Wuhan Yifei laser Co., Ltd.	37,301,867.47	Domestic share market	A-		Cninfo
Other equity investments:					
Vinfast Auto PTE. Ltd.	459,861,646.94	Overseas stock market	US		Eastmoney
TUHU Car Inc.	122,548,253.73	Overseas Kong market	Hong stock		Eastmoney
CHENQI TECHNOLOGY LIMITED	43,225,183.10	Overseas Kong market	Hong stock		Eastmoney
Caocao Inc.	105,836,609.92	Overseas Kong market	Hong stock		Eastmoney
Chery Automobile Co., Ltd.	345,983,769.87	Overseas Kong market	Hong stock		Eastmoney
Anhui Conch Material Technology Co., Ltd.	26,936,820.42	Overseas Kong market	Hong stock		Eastmoney
Ebusco Holding N.V.	23,202,691.12	Overseas EuroNext Amsterdam			Investing.com

Other non-current financial assets					
Chery Automobile Co., Ltd.	1,263,138,726.34	Overseas Kong market	Hong stock		Eastmoney
Total assets measured at fair value on a continuous basis.	3,391,095,532.67				

3. Qualitative and quantitative information of the valuation technology and important parameters adopted for the items subject to continuous and non-continuous third level of fair value measurement

Assets or liabilities use any input values that are not based on observable market data (unobservable input values).

XIV. Related Parties and Related Transactions

1. Information of the parent company of the Company

Name of the parent company	Registration place	Business nature	Registered capital	Percentage of the Company's equities held by the parent company	Ratio of voting right of the parent company in the Company
Nanjing Gotion Holding Group Co., Ltd.	Nanjing, Jiangsu	Commercial wholesale, retail	RMB 19.83 million	10.59%	10.59%

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 192,125,405 shares of the Company through Nanjing Gotion Holding Group Co., Ltd. Li Zhen and the persons acting in concert hold 323,873,953 shares of the Company, accounting for 17.85% of the total shares of the Company. Therefore, Li Zhen is the actual controller of the Company.

The ultimate controller of the Company is Li Zhen.

Other remarks:

Volkswagen (China) Investment Co., Ltd. directly holds 440,630,983 shares of the Company, accounting for 24.29% of the total number of shares of the Company. 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 Hi-tech. In December 2024, Volkswagen (China) Investment Co., Ltd. signed a *Supplementary Agreement on the Shareholder Agreement of Gotion High-Tech Co., Ltd.* with Nanjing Gotion Holding Group Co., Ltd. (formerly known as Zhuhai Gotion Trading Co., Ltd.), Li Zhen, and Li Chen, extending the aforementioned commitment period to 72 months or a

longer period as determined by Volkswagen China.

2. Information of subsidiaries of the Company

Please refer to Note V.1 for the details of the subsidiaries of the Company.

3. Information of joint ventures and associates of the Company

Please refer to Note V.3 for the details of major joint ventures and associates of the Company.

Information of other joint ventures and associates that have related party transactions with the Company in the current period or had related party transactions with the Company in previous periods but generated balances in the current period:

Name of joint venture or associates	Relationship with the enterprise
Litong Energy Technology Co., Ltd.	The company held 20.00% of its equity in the past 12 months
Shanghai Moyo Marine Technology Co., Ltd.	The company held 17.24% of its equity in the past 12 months
Beijing Fuweisi Oil & Gas Technology Co., Ltd.	The company holds 40.00% of its equity.
Hefei Xingyuan New Energy Material Co., Ltd.	The company holds 27.69% of its equity.
North China Aluminium New Material Technology Co., Ltd.	The company holds 10.00% of its equity.
Jiangxi Ewinway New Material Co., Ltd.	The company holds 22.00% of its equity.
Shanghai Electric Gotion New Energy Technology Co., Ltd.	The company holds 45.40% of its shares.
MCC Ramu New Energy Technology Co., Ltd.	The company holds 30.00% of its equity.
V-G High Tech Energy Solutions Co., Ltd.	The company holds 51.00% of its equity.
Tata Components Gotion Green Energy Application Co., Ltd.	The company holds 40.00% of its equity.
Tongling Anxuanda New Energy Technology Co.	The company holds 35.00% of its equity.
PT Gotion Green Energy Trading Indonesia	The company holds 45.00% of its equity.
Sakura Takasaki Substation	The company holds 30.00% of its shares.
NV Gotion Co., Ltd.	The company holds 49.00% of its shares.

Other remarks:

4. Other related parties

Name of other related parties	Relationship between other related parties and the Company
Nascent Investment. LLC	Li, Chen's Holding Company, the son of the actual controller.
Volkswagen AG	Controlling shareholder of Volkswagen (China) Investment Co., Ltd.
PowerCo SE	A subsidiary controlled by Volkswagen AG
Skoda Auto A.S.	A subsidiary controlled by Volkswagen AG
Volkswagen Hannover GmbH	A subsidiary controlled by Volkswagen AG
Scania AB	A subsidiary controlled by Volkswagen AG
Volkswagen (China) Investment Co., Ltd.	The largest shareholder of the company
Ainuowei (Suzhou) New Energy Technology Co., Ltd.	Joint venture of Volkswagen (China) Investment Co., Ltd.
Volkswagen Automatic Transmission (Tianjin) Co., Ltd.	A company controlled by Volkswagen (China), of which Olaf Korzinovski, a director of the company, is also a director
Volkswagen (Anhui) Parts Co., Ltd.	A company controlled by Volkswagen (China)
Volkswagen Automatic Transmission (Dalian) Co., Ltd.	A company controlled by Volkswagen (China)
Volkswagen (China) Technology Co., Ltd.	A company controlled by Volkswagen (China)
Volkswagen Faw Platform Parts Co., Ltd.	A company controlled by Volkswagen (China) Investment Co., Ltd., and in which Olaf Korzinovski, a director of the Company, is also a director
Nanjing Gotion Holding group Co., Ltd.	One of the Company's controlling shareholders and a company

	controlled by the actual controller.
Hefei Deli New Material Technology Co., Ltd.	A company controlled by the actual controller
Anhui Chiyu New Material Technology Co., Ltd.	A company controlled by the actual controller
Anhui Gotion feidong New Energy Technology Co., Ltd.	A company controlled by the actual controller
Hefei Ganrui Technology Co., Ltd.	A company controlled by the actual controller
Hefei Yuanyuan Technology Co., Ltd.	A company controlled by the actual controller in the past 12 months
Hebei Xinxuan Transportation Co., Ltd.	A company controlled by the actual controller
Hebei Xinxuan Transportation Co., Ltd. Xinji Branch	A company controlled by the actual controller
Huangshan Boulevard New Energy Bus Co., Ltd.	A company controlled by the actual controller
Jingde County Boulevard New Energy Bus Co., Ltd.	A company controlled by the actual controller
Lixin County Electric Bus Co., Ltd.	A company controlled by the actual controller
Linlixin Boulevard Public Transportation Co., Ltd.	A company controlled by the actual controller in the past 12 months
Taihe County Boulevard New Energy Public Transportation Co., Ltd.	A company controlled by the actual controller
Tunchang Xinhai New Energy Bus Co., Ltd.	A company controlled by the actual controller
Wenchang Boulevard New Energy Public Transportation Co., Ltd.	A company controlled by the actual controller
Yingshang Boulevard New Energy Public Transportation Co., Ltd.	A company controlled by the actual controller
Chuzhou Guozhi New Energy Technology Co., Ltd.	A company controlled by the actual controller
Nanjing Shengshi Precision Industry Co., Ltd.	A company controlled by the actual controller
Anhui Gotion Xianglv Technology Co., Ltd.	A company controlled by the actual controller
Anhui Minsheng Property Management Co., Ltd.	A company controlled by the actual controller in the past 12 months
Anhui Tang Chi Movie and Television Cultural Industry Co., Ltd.	A company controlled by the actual controller
Hefei Dongyu Business Management Co., Ltd.	A company controlled by the actual controller in the past 12 months
Hefei Gotion hotel Management Management Co., Ltd.	A company controlled by the actual controller
Anhui Jincheng Energy Storage Technology Co., Ltd.	A company controlled by the actual controller
Hefei Tiansheng Lithium Industry Technology Co., Ltd.	A company controlled by the actual controller
Shanghai Gotion Digital Energy Technology Co., Ltd.	A company controlled by the actual controller
Bengbu Jinshi Technology Co., Ltd.	A company controlled by the actual controller
Hefei Aolai New Energy Vehicles Sales Co., Ltd.	A company controlled by the actual controller
Hefei Donghuan Real Estate Co., Ltd.	A company controlled by the actual controller
Hefei Gotion Cycle Technology Co., Ltd.	A company controlled by the actual controller
Hefei Zhuyin Catering Management Co., Ltd.	A company controlled by the actual controller in the past 12 months
Anhui Gotion New Energy Investment Co., Ltd.	A company controlled by the actual controller
Gotion Holding Group Co., Ltd.	A company controlled by the actual controller
Huaibei Gotion Energy Storage Technology Co., Ltd.	A company controlled by the actual controller
Xuanyang (Yangxin) New Energy Co., Ltd.	A company controlled by the actual controller
Hefei Gotion Yuan Digital Technology Co., Ltd.	A company controlled by the actual controller
PT Gotion Xianglv Technology Indonesia	A company controlled by the actual controller
Hefei Gotion Xuan Yi New Energy Co., Ltd.	A company controlled by the actual controller
Shanghai Electricity Gotion new Energy Science and Technology (Nantong) Co., Ltd.	Joint venture Shanghai electric Gotion subsidiary
Shanghai Electricity Gotion new Energy Science and Technology (Suzhou) Co., Ltd.	Joint venture Shanghai electric Gotion subsidiary
Beijing Gotion Weisi Light Storage and Charging Technology Co., Ltd.	Joint venture Beijing Full-Service subsidiary
Jiangsu Dianlala New Energy Technology Co., Ltd.	A company controlled by the actual controller in the past 12 months
Inner Mongolia Xuanhua New Energy Co., Ltd.	A company controlled by the actual controller
Wuhai Gotion Jindongli New Energy Co., Ltd.	A company controlled by the actual controller

Hefei Atomic Innovation Energy Co., Ltd.	A company controlled by the actual controller
Hefei Atomic Assembly New Energy Technology Co., Ltd.	A company controlled by the actual controller
Anhui Gotion Charity Foundation	Nanjing Gotion Holding Group supervisor Wu Wenqing serves as a director of the company
Jiangxi Lixing Technology Collaborative Innovation Co., Ltd.	A subsidiary in bankruptcy liquidation
Jiangxi Hzone Lithium Industry Technology Co., Ltd.	A subsidiary in bankruptcy liquidation
Ebusco Holding N.V.	A company in which Li Chen, the son of the actual controller, is the supervisor
Ebusco B.V.	A subsidiary of Ebusco Holding N.V.
Ebusco Energy B.V.	A subsidiary of Ebusco Holding N.V.

Other remarks:

5. Related-party transactions

(1) Related-party transactions for purchase/sale of goods or provision/receiving of labor services

Purchase of goods or receiving of labor services

Monetary Unit: RMB

Related party	Contents of related-party transaction	Amount incurred in the current period	Amount incurred in the previous period
Anhui Gotion Xianglv Technology Co., Ltd.	Battery module accessories	311,650,214.88	844,954,482.45
Anhui Gotion Feidong New Energy Technology Co., Ltd.	Battery accessories	250,578,979.12	
Volkswagen Automatic Transmission (Dalian) Co., Ltd.	Raw materials and battery accessories	366,933,879.40	
Huabei Gotion Energy Storage Technology Co., Ltd.	Energy storage accessories	201,107,500.06	
Anhui Minsheng Property Management Co., Ltd.	Property service	112,826,768.17	61,418,732.55
Anhui Tangchi Film and Television Cultural Industry Co., Ltd.	Conference reception	2,663,318.99	281,877.73
Shanghai Electronic Gotion New Energy Technology (Suzhou) Co., Ltd.	Battery accessories, and labor dispatch	251,060.38	660,612.07
Hefei Xingyuan New Energy Materials Co., Ltd.	Raw materials	348,349,889.78	336,512,761.60
MCC Ramu New Energy Technology Co., Ltd.	Raw materials	170,581,038.58	45,328,899.30
Hefei Qianrui Technology Co., Ltd.	Raw materials	565,796,081.95	382,686,783.04
Huabei Aluminum New Material Technology Co., Ltd.	Raw materials	120,177.59	2,016,973.72
Shanghai Electric Gotion New Energy Technology (Nantong) Co., Ltd.	Battery module and accessories	62,929,645.95	281,612,727.16
Hefei Dongyu Business Management Co., Ltd.	Catering services, etc.	27,894,684.44	54,253,663.72
Hebei Xinxuan Transportation Co., Ltd.	After-sales, and car rental services	36,237.62	121,200.50
Anhui Chiyu New Material Technology Co., Ltd.	Battery module accessories	268,719,262.86	524,568,674.54

PT Gotion Xianglv Technology Co., Ltd.	Battery module accessories	3,365,783.08	
Hefei Yuanyuan Technology Co., Ltd.	Raw materials	796,426,763.67	496,462,584.61
Jiangxi Yunwei New Material Co., Ltd.	Raw materials	21,142,253.20	72,297,075.40
Linlixin Boulevard Public Transportation Co., Ltd.	After-sales service	12,260.18	6,867.26
Volkswagen AG	Accepting labor service	1,158,747.66	3,926,433.46
Anhui Jincheng Energy Storage Technology Co., Ltd.	Payment of electricity bills on behalf of others	2,622,589.72	85,198,188.21
Bengbu Jinshi Technology Co., Ltd.	Battery accessories	223,129,273.56	126,293,183.20
Chuzhou Guozhi New Energy Technology Co., Ltd.	Payment of electricity bills on behalf of others	11,490,832.60	38,885,078.02
Hefei Zhuyin Catering Management Co., Ltd.	Catering expenses		162,735.00
Jingde Dadao New Energy Bus Co., Ltd.	After-sales service	32,324.47	28,920.36
Lixin Electric Bus Co., Ltd.	After-sales service		7,026.55
Nanjing Shengshi Precision Industry Co., Ltd.	Battery accessories	1,402,048,634.90	1,060,495,686.14
Shanghai Electric Gotion New Energy Technology Co., Ltd.	Battery cell, etc.	6,651,488.88	148,124,129.54
Taihe Dadao New Energy Bus Co., Ltd.	After-sales service	6,318.58	145,345.11
Yingshang Dadao New Energy Bus Co., Ltd.	After-sales service		80,176.99
Hefei Deli New Materials Technology Co., Ltd.	Raw materials		19,744,999.00
Tongling Anxuanda New Energy Technology Co., Ltd.	Raw materials	264,020,813.18	175,493,582.15
Shanghai Gotion Digital Energy Technology Co., Ltd	Energy storage accessories	17,822,570.03	68,893,672.77
V_G HIGH-TECH Energy Solutions Co., Ltd.	Battery cell	115,592,234.59	21,674,347.50
Thailand New Gotion Co., Ltd.	Battery and accepting labor service	15,670.80	242,242.87
Hefei Gotion Cycle Technology Co., Ltd	Equipment goods		489,186.13
Hefei Atomic Innovation Energy Co., Ltd.	Equipment goods	170,313,380.51	17,018,495.56
Wuhai Gotion Jindongli New Energy Co., Ltd.	Entrusted processing and labor dispatch	49,691.96	628,182.00
Anhui Gotion New Energy Investment Co., Ltd.	Payment of utility bills on behalf of others	59,831,243.04	
Volkswagen Hannover GmbH	Raw materials	11,212.99	
Volkswagen (China) Investment Co., Ltd.	Consulting service, etc.	358,490.54	275,943.42

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 previous period
Shanghai Electricity Gotion New Energy Science and Technology (Suzhou) Co., Ltd.	Battery cell	2,005,870.15	67,702,668.19
Shanghai Electricity Gotion New Energy Science and Technology (Nantong) Co., Ltd.	Battery cell, energy storage system, etc.	31,336,038.45	135,121,552.31
Shanghai Electricity Gotion New Energy Technology Co., Ltd.	Battery module, etc.	88,332,100.93	30,512,606.72
Ebusco B.V.	Battery cell and energy storage system, etc.	254,994.35	
Ebusco Energy B.V.	Energy storage system	97,852,381.59	
Ainuowei (Suzhou) New Energy Technology Co., Ltd.	Battery module		16,063,702.08
Anhui Gotion Xiang LV Technology Co., Ltd.	Battery cell, and battery module	20,414,581.68	1,171,199.90
Volkswagen AG	Battery cell, development costs, etc.	18,469,925.77	55,008,168.72
Hefei Xingyuan New Energy Materials Co., Ltd	Battery cell, and labor dispatch	12,721.40	256,170.00
Shanghai Gotion Digital Energy Technology Co., Ltd	Energy storage and battery cell, etc.	214,143,123.84	179,891,352.19
Thailand New Gotion Co., Ltd.	Battery cell and its accessories, etc.	21,191,925.10	227,021,015.74
PowerCo SE	Development costs, battery cell, etc.	563,030,431.24	417,803,950.02
Tata AutoComp Gotion Green Energy Application Co., Ltd.	Battery cell and its accessories, etc.	1,743,641,263.74	1,403,087,008.98
Anhui Chiyu New Material Technology Co., Ltd.	Battery cell accessories, etc.	2,732,712.04	362,764.82
Xuanyang (Yangxin) New Energy Co., Ltd.	Energy storage and battery cell, etc.	122,982,500.05	
Volkswagen (Anhui) Parts Co., Ltd.	Battery cell and its accessories, etc.	27,208,186.01	31,279,230.88
Volkswagen Automatic Transmission (Dalian) Co., Ltd	Battery cell and its accessories, etc.		13,355,380.00
Hefei Deli New Materials Technology Co., Ltd.	Battery module, etc.	898,533.62	8,940,986.99
Hefei Qianrui Technology Co., Ltd.	Equipment and goods, etc.	458,655.66	658,571.68
Hefei Yuanyuan Technology Co., Ltd.	Raw materials, etc.	203,226.43	2,160,072.03
V_G HIGH-TECH Energy Solutions Co., Ltd.	Battery cell accessories, etc.	336,864,255.29	245,243,411.75
Volkswagen (China) Technology Co., Ltd.	Battery module and development costs	2,822,079.16	131,000.00
Volkswagen (China) Technology Co., Ltd. Tianjin Branch	Battery cell	2,400,582.55	
Jiangsu Dianlala New Energy Technology Co., Ltd.	Battery module	237,923,758.43	190,640.71

Wuhai Gotion Jindongli New Energy Co., Ltd.	Energy storage system	46,546,822.99	2,353,982.30
MCC Ramu New Energy Technology Co., Ltd.	Labor dispatch	754,716.98	754,716.98
Huaibei Gotion Energy Storage Technology Co., Ltd.	Battery cell accessories	3,264,396.90	
Nanjing Shengshi Precision Industry Co., Ltd.	Power transmission and distribution equipment, etc.	320,019.60	3,092,587.59
Inner Mongolia Xuanhua New Energy Co., Ltd.	Power transmission and distribution equipment	22,145,132.74	3,907,964.60
Jingde Dadao New Energy Bus Co., Ltd.	Battery core accessories	366,725.66	419,115.04
Anhui Gotion Charity Foundation	Charger	530,973.45	265,486.73
Anhui Gotion Feidong New Energy Technology Co., Ltd.	Battery cell and waster materials, etc.	1,087,736,014.36	
PT Gotion Green Battery Trading Indonesia	Energy storage and battery cell, etc.	11,463,793.14	
Skoda Auto A.S,	Battery module	112,482,130.83	
Scania AB	Battery cell and development costs	11,226,819.71	
Hefei Atomic Assembly New Energy Technology Co., Ltd.	Labor cost	113,276.39	
Hefei Gotion Cycle Technology Co., Ltd	Battery waste, etc.	23,520,176.32	169,091,375.58

Remarks on the related party transactions for purchase/sale of goods or provision/receiving of labor services

(2) Related-party leasing

Where the Company is the lessor:

Monetary Unit: RMB

Name of lessor	Type of assets leased	Rental income recognized in the current period	Rental income recognized in the previous period
PowerCo SE	Production line leasing		114,305,478.00
Anhui Chiyu New Material Technology Co., Ltd.	Workshop leasing	3,146,326.61	
Hefei Deli New Material Technology Co., Ltd.	Workshop leasing	10,732,477.07	
Hefei Gotion CycleTechnology Co., Ltd.	Workshop leasing	3,949,908.26	
Hefei Yuanyuan Technology Co., Ltd.	Dormitory leasing	706,788.99	
Anhui Gotion Xianglv Technology Co., Ltd.	Equipment leasing	623,893.81	

Where the Company is the lessee:

Monetary Unit: RMB

Name of lessor	Type of assets leased	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
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		Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period
Nascent Investment. LLC	House property	11,195,651.25	10,699,050.00			11,070,360.00	10,699,050.00				
Anhui Jincheng Energy Storage Technology Co., Ltd.	Workshop leasing					5,018,632.75	9,878,399.00		6,058,285.63		129,667,680.19
Anhui Gotion New Energy Investment Co., Ltd.	Lease of factories	38,820,770.66	30,770,642.19			88,236,713.39	43,680,000.00	3,475,816.72		163,946,533.95	
Chuzhou Guozhi New Energy Technology Co., Ltd.	Lease of factories						24,027,840.00		1,939,648.32		62,467,917.50
Jiangxi Hzon Lithium Industry Technology Co., Ltd.	Warehousing leasing	148,261.19				148,261.19					

Remarks on related-party leasing

(3) Related-party guarantee

Where the Company is the guarantor:

Monetary Unit: RMB

Guaranteed party	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Guarantee fulfilled or not
Hefei Gotion High-Tech Power Energy Co., Ltd. and its	27,164,053,948.24	June 29, 2021 to December 3, 2025	January 1, 2025 to December 31, 2025	Yes

subsidiaries				
Hefei Gotion High-Tech Power Energy Co., Ltd. and its subsidiaries	42,489,340,632.34	December 31, 2019 to December 31, 2025	January 1, 2029 to November 20, 2035	No
Anhui Gotion New Energy Co., Ltd. and its subsidiaries	47,000,000.00	August 29, 2025	August 15, 2043	No
Feidong Gotion New Material Co., Ltd. and its subsidiaries	50,000,000.00	March 10, 2023	March 7, 2025	Yes
Feidong Gotion New Material Co., Ltd. and its subsidiaries	882,645,774.34	April 2, 2022 to November 2, 2025	January 22, 2029 to June 21, 2035	No
Jiangsu Dongyuan Electric Appliance Group Co., Ltd. and its subsidiaries	878,999,002.00	January 15, 2024 to June 27, 2025	January 4, 2025 to December 31, 2025	Yes
Jiangsu Dongyuan Electric Appliance Group Co., Ltd. and its subsidiaries	905,680,000.00	January 9, 2025 to December 17, 2025	January 9, 2029 to December 15, 2029	No
Jiangsu Gotion new energy technology co., Ltd.	744,000,000.00	February 28, 2024 to June 23, 2025	January 4, 2025 to December 23, 2025	Yes
Jiangsu Gotion New Energy Technology Co., Ltd.	2,690,071,152.99	September 28, 2022 to December 23, 2025	January 7, 2029 to September 20, 2033	No
Jiangxi Gotion New Energy Technology Co., Ltd. and its subsidiaries	1,257,600,000.00	June 14, 2022 to July 28, 2025	January 17, 2025 to December 29, 2025	Yes
Jiangxi Gotion New Energy Technology Co., Ltd. and its subsidiaries	2,979,731,541.19	January 21, 2022 to December 12, 2025	January 11, 2029 to November 17, 2037	No
Shanghai Electric Gotion New Energy Technology (Nantong) Co., Ltd.	12,670,900.00	November 22, 2018	November 14, 2025	Yes
Shanghai Electric Gotion New Energy Technology Co., Ltd.	322,410,200.00	May 9, 2020	May 9, 2030	No
Hefei Xingyuan new energy material co., Ltd.	93,839,200.00	January 14, 2022 to July 5, 2022	January 14, 2028 to July 5, 2031	No

Where the Company is the guarantor

Monetary Unit: RMB

Guaranteed party	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Guarantee fulfilled or not
Gotion New Energy (Lujiang) Co., Ltd.	50,000,000.00	March 29, 2024	March 28, 2025	Yes
Gotion New Energy (Lujiang) Co., Ltd.	50,000,000.00	February 7, 2025 to February 11, 2025	February 6, 2029 to February 10, 2029	No

Where the Company is the guaranteed party:

Monetary Unit: RMB

Guarantor	Amount of guarantee	Starting date of guarantee	Maturity date of guarantee	Guarantee fulfilled or not
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Guangxi Liuzhou Dongcheng Investment Development Group Co., Ltd.	98,583,096.00	March 30, 2022 to November 21, 2024	March 18, 2025 to November 21, 2025	Yes
Guangxi Liuzhou Dongcheng Investment Development Group Co., Ltd.	323,465,390.00	September 14, 2021 to March 13, 2025	March 13, 2029 to January 1, 2033	No
Yichun Mining Co., Ltd.	45,080,000.00	November 17, 2025	November 17, 2037	No
Li Zhen	12,670,900.00	November 22, 2018	November 14, 2025	Yes
Shanghai Electric Gotion New Energy Technology (Nantong) Co., Ltd.	322,410,200.00	May 9, 2020	May 9, 2030	No
Hefei Xingyuan New Energy Material co., Ltd.	93,839,200.00	January 14, 2022 to July 5, 2022	January 14, 2028 to July 5, 2031	No

Remarks on the related party guarantee

(4) Lending and borrowing of related parties

Monetary Unit: RMB

Related party	Amount	Starting date	Maturity date	Remark
Borrowing				
Lending				
V_G HIGH-TECH Energy Solutions Co., Ltd.	518,307,181.35	June 2, 2025	January 30, 2031	

(5) Remuneration of key management personnel

Monetary Unit: 0'000 RMB

Project	Current amount	Amount incurred in the previous period
Remuneration of key management personnel	1,506.38	1,656.87

6. Accounts receivable and payable of related parties

(1) Accounts receivable

Monetary Unit: RMB

Item name	Related party	Ending balance		Beginning balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Accounts receivable	Shanghai Electricity Gotion New Energy Science And Technology (Suzhou) Co., Ltd.	77,619,409.86	31,047,763.94	78,238,490.57	3,998,648.30
Accounts receivable	Hebei Xinxuan Transportation Co., Ltd. Xinji	1,200,000.00	1,200,000.00	1,200,000.00	960,000.00

	Branch				
Accounts receivable	Huangshan Boulevard New Energy Bus Co., Ltd.	280,000.00	280,000.00	280,000.00	280,000.00
Accounts receivable	Jingde County Boulevard New Energy Bus Co., Ltd.	497,940.00	33,484.00	478,500.00	28,580.00
Accounts receivable	Lixin County Electric Bus Co., Ltd.	300,000.00	300,000.00	300,000.00	240,000.00
Accounts receivable	Shanghai Electric Gotion New Energy Technology Co., Ltd.	147,218,396.96	59,011,385.35	175,230,307.96	15,806,644.33
Accounts receivable	Taihe Dadao New Energy Bus Co., Ltd.	5,250,000.00	5,250,000.00	5,250,000.00	4,260,000.00
Accounts receivable	Tunchang Xinhai New Energy Bus Co., Ltd.	140,122.00	140,122.00	140,122.00	140,122.00
Accounts receivable	Wenchang Dadao New Energy Bus Co., Ltd.	49,980.00	49,980.00	49,980.00	39,984.00
Accounts receivable	Yingshang Dadao New Energy Bus Co., Ltd.	3,420,000.00	3,420,000.00	3,420,000.00	2,820,000.00
Accounts receivable	Innovative (Suzhou) New Energy Technology Co., Ltd.	32,948,057.33	23,063,640.13	32,948,057.33	23,063,640.13
Accounts receivable	Shanghai Wuyang Ship Technology Co., Ltd.			2,352,152.00	2,352,152.00
Accounts receivable	Shanghai Gotion Digital Energy Technology Co., Ltd.	177,846,169.16	8,892,308.46	418,877,669.32	31,723,950.31
Accounts receivable	NV Gotion Co., Ltd.	94,646,133.18	7,839,159.93	80,891,824.15	4,044,591.21
Accounts receivable	Tata AutoComp Gotion Green Energy Application Co., Ltd.	554,511,395.08	30,356,644.66	734,659,321.01	36,935,705.10
Accounts receivable	Volkswagen (Anhui) Parts Co., Ltd.			8,115,618.96	405,780.95
Accounts receivable	Hefei Deli New Materials Technology Co., Ltd.	1,880,107.09	94,005.35		
Accounts receivable	Shanghai Electric Gotion New	174,233,173.66	69,543,529.66	161,325,721.10	9,768,287.08

	Energy Technology (Nantong) Co., Ltd.				
Accounts receivable	PowerCo SE	258,559,796.05	14,364,219.65	47,671,429.40	2,670,017.81
Accounts receivable	Wuhai Gotion Jindongli New Energy Co., Ltd.	7,477,000.00	373,850.00	2,660,000.00	133,000.00
Accounts receivable	Inner Mongolia Xuanhua New Energy Co., Ltd.	17,640,000.00	882,000.00	4,416,000.00	220,800.00
Accounts receivable	Jiangsu Dianlala New Energy Technology Co., Ltd.			215,424.00	10,771.20
Accounts receivable	Hefei Gotion Cycle Technology Co., Ltd	9,673,641.74	517,664.41	107,669,509.63	5,383,475.48
Accounts receivable	Volkswagen (China) Technology Co., Ltd.	2,142,180.15	107,109.01	148,030.00	7,401.50
Accounts receivable	Anhui Gotion Xianglv Technology Co., Ltd.			168,957.19	8,447.86
Accounts receivable	Ebusco B. V.	1,619,043.00	161,904.30	1,619,043.00	80,952.15
Accounts receivable	Ebusco Energy B. V.	46,929,423.23	2,346,471.16		
Accounts receivable	PT Gotion Green Battery Trading Co., Ltd.	10,877,877.88	543,893.89		
Accounts receivable	Skoda Auto A.S.	84,882,580.75	4,244,129.04		
Accounts receivable	V-G HIGH-TECH Energy Solutions Co., Ltd.	14,553,999.65	727,699.98	176,869,743.47	8,843,487.17
Accounts receivable	Volkswagen AG	1,595,167.24	79,758.36		
Accounts receivable	Anhui Gotion Feidong New Energy Technology Co., Ltd.	148,938,038.76	7,446,901.94		
Accounts receivable	Huaibei Gotion Energy Storage Technology Co., Ltd.	79,419.39	3,970.97		
Accounts receivable	Xuanyang (Yangxin) New Energy Co., Ltd.	132,627,244.87	6,631,362.24		
Advance payments	Shanghai Electric Gotion New Energy Technology Co.,			394,893.31	

	Ltd.				
Advance payments	Shanghai Gotion Digital Energy Technology Co., Ltd			1,109,339.03	
Other accounts receivable	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 accounts receivable	V-G HIGH-TECH Energy Solutions Co., Ltd.	850,194.72	42,509.74		
Other accounts receivable	Hefei Gotion Cycle Technology Co., Ltd	11,506.48	575.32	243,869.37	12,193.47
Other accounts receivable	Jiangxi Hzone Lithium Industry Technology Co., Ltd.	57,752,383.96	57,752,383.96	57,900,645.15	57,900,645.15
Other accounts receivable	Hefei Atomic Assembly New Energy Technology Co., Ltd.	113,276.39	5,663.82		
Other non-current assets	V-G HIGH-TECH Energy Solutions Co., Ltd.	453,283,797.60			
Non-current assets maturing within one year	V-G HIGH-TECH Energy Solutions Co., Ltd.	62,369,658.27			
Total	/	2,588,464,994.45	341,201,971.27	2,109,292,527.95	216,587,157.20

(2) Accounts payable

Monetary Unit: RMB

Item name	Related party	Ending book balance	Opening book balance
Accounts Payable	Anhui Minsheng Property Management Co., Ltd.	41,595.00	924,308.00
Accounts Payable	Gotion Holding Group Co., Ltd.	2,699,646.41	
Accounts Payable	Volkswagen Automatic Transmission (Dalian) Co., Ltd.	406,570,300.56	
Accounts Payable	Beijing Fuweisi Petroleum Gas Technology Co., Ltd.	23,332.00	23,332.00
Accounts Payable	Hefei Xingyuan New Energy Materials Co., Ltd	224,459,255.05	252,650,606.07
Accounts Payable	PT Gotion Xianglv Technology Co., Ltd.	3,335,181.85	
Accounts Payable	Anhui Gotion Xianglv Technology Co., Ltd.	16,270,593.27	292,614,335.14
Accounts Payable	Huabei Aluminum New Material Technology Co., Ltd.		103,983.77
Accounts Payable	MCC Ramu New Energy Technology Co., Ltd.	62,342,958.00	9,787,983.30

Accounts Payable	Anhui Chiyu New Material Technology Co., Ltd.	9,707,642.81	254,814,040.05
Accounts Payable	Hefei Qianrui Technology Co., Ltd.	106,976,912.02	55,607,682.95
Accounts Payable	Hefei Tiansheng Lithium Technology Co., Ltd.	2,707,548.67	18,803,387.26
Accounts Payable	Jiangxi Yunwei New Material Co., Ltd.	6,305,679.54	18,144,444.80
Accounts Payable	Anhui Jincheng Energy Storage Technology Co., Ltd.		1,916,627.00
Accounts Payable	Bengbu Jinshi Technology Co., Ltd.	96,638,788.04	64,291,234.08
Accounts Payable	Hefei Dongyu Business Management Co., Ltd.		643,809.90
Accounts Payable	Hefei Yuanyuan Technology Co., Ltd.	144,638,776.90	243,807,009.83
Accounts Payable	Nanjing Shengshi Precision Industry Co., Ltd.	16,890,987.74	141,023,015.56
Accounts Payable	Hefei Deli New Materials Technology Co., Ltd.		18,612,415.15
Accounts Payable	Tongling Anxuanda New Energy Technology Co., Ltd.	56,830,941.61	114,557,707.84
Accounts Payable	Huaibei Gotion Energy Storage Technology Co., Ltd.	84,905,287.89	
Accounts Payable	Hefei Atomic Innovation Energy Co., Ltd.	34,023,308.48	
Contract liabilities	Beijing Gotion Fu Wei Si Guang Chu Chong Technology Co., Ltd.	480,979.11	480,979.11
Contract liabilities	Hefei Gotion Yuan Digital Technology Co., Ltd.	479,203.54	
Contract liabilities	Hefei Atomic Innovation Energy Co., Ltd.	39,203.54	
Contract liabilities	Hefei Atomic Assembly New Energy Technology Co., Ltd.	1,486,725.66	
Contract liabilities	Litong Energy Science and Technology Co., Ltd.		2,344,559.16
Contract liabilities	Ebusco B.V.	14,268.00	
Contract liabilities	Volkswagen AG		9,353,454.51
Contract liabilities	Anhui Gotion Xianglv Technology Co., Ltd.	13,643.97	18,307.43
Contract liabilities	Thailand New Gotion Co., Ltd.		233,292.33
Contract liabilities	Anhui Gotion Charity Foundation		530,973.45
Contract liabilities	Nanjing Shengshi Precision Industry Co., Ltd.		179,978.76
Other payable	Anhui Gotion New Energy Investment Co., Ltd.	23,524,774.03	8,129,981.96
Other payable	Anhui Minsheng Property Management Co., Ltd.	42,569,596.04	24,902,203.09
Other payable	Hefei Dongyu Business Management Co., Ltd.	6,998,091.22	12,928,372.18
Other payable	Anhui Gotion Feidong New Energy Technology Co., Ltd.		1,856,858.24
Other payable	Nanjing Gotion Holding Group Co., Ltd.		1,800,000.00

Other payable	Anhui Jincheng Energy Storage Technology Co., Ltd.	8,536,800.25	21,274,094.71
Other payable	Volkswagen AG		302.73
Other payable	Chuzhou Guozhi New Energy Technology Co., Ltd.	400.00	1,449,407.43
Other payable	Hefei Atomic Innovation Energy Co., Ltd.	900.00	
Other payable	Hefei Xuanyi Equity Investment Co., Ltd.	2,699,800.00	2,699,800.00
Other payable	Anhui Tangchi Film and Television Cultural Industry Co., Ltd.	107,062.00	106,342.00
Other payable	Jiangxi Lixing Technology Collaborative Innovation Co., Ltd.	656,036.98	
Other payable	Linlixin Boulevard Public Transportation Co., Ltd.	10,000.00	
Total		1,362,986,220.18	1,576,614,829.79

XV. Share-based payment

1. Overall situation of share-based payment

Applicable Not applicable

Monetary Unit: RMB

Grant object category	Grant in this period		Exercise in this period		Vesting in this period		Failure in current period	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Company staff	9,439,993.00	198,900,652.51	14,242,665.00	251,145,862.29	12,935,545.00	215,718,015.10	10,988,530.00	357,949,384.10
Total	9,439,993.00	198,900,652.51	14,242,665.00	251,145,862.29	12,935,545.00	215,718,015.10	10,988,530.00	357,949,384.10

Stock options or other equity instruments issued at the end of the period.

Applicable Not applicable

Other remarks:

Grant object category	Stock options issued at the end of the period		Other equity instruments issued at the end of the period	
	Range of exercise price	Remaining term of contract	Range of exercise price	Remaining term of contract
Company staff	18.47	7 months	11.6-21.07	36-48 months

Other remarks:

2. Equity-settled share payment

Applicable Not applicable

Monetary Unit: RMB

Determination method of fair value of equity instruments on grant date	Black-Scholes model
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Important parameters of fair value of equity instruments on grant date	Stock closing price, exercise price, annualized volatility, annualized risk-free interest rate, expiration date, etc.
Basis for determining the number of feasible rights and interests instruments	Estimated number of eligible vesting rights on the balance sheet date.
Reasons for the significant difference between the current estimate and the previous estimate	without
Cumulative amount of equity-settled share-based payment included in capital reserve.	1,539,658,527.62
Total expenses confirmed by equity-settled share payment in this period.	100,739,114.95

Other remarks:

3. Share-based payment fees in this period

Applicable Not applicable

Monetary Unit: RMB

Grant object category	Equity-settled share-based payment fees	Cash-settled share-based payment fees
Management personnel	62,476,026.29	
R&D personnel	38,263,088.64	
Total	100,739,114.93	

Other remarks:

4. Others

According to the *Proposal on the Company's Employee Stock Ownership Plan (Phase V) (Draft) and Its Summary* discussed and adopted at the first extraordinary general meeting of shareholders in 2025, the resolution of the 13th meeting of the ninth Board of Directors of the Company, and the Employee Stock Ownership Plan under which 700 participants, including Steven Cai, Zhang Hongli, Wang Qisui, and Wang Qiang, will be granted up to 1,120,253.9 shares, 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 21.07 per share. The duration of this Employee Stock Ownership Plan is 60 months. The shares acquired by the first batch of participants in the Employee Stock Ownership Plan will be released in three distinct batches, with respective lock-up periods of 24 months, 36 months, and 48 months. Similarly, the shares obtained by the second batch of participants will also be released in three batches, with lock-up periods of 12 months, 24 months, and 36 months, respectively. All 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 9,439,993 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 "Employee Stock Ownership Plan (Phase V) of Gotion High-Tech Co., Ltd." in the form of non-transaction transfer on January 7, 2026) 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 four batches at the rate of 40%:30%:30% per year according to the company performance goal and their individual performance assessment results in the current year and following years. The performance assessment target at the company level is based on the operating income or net profit during the assessment period. Among them: During the first unlocking period in 2025, the operating income should not be less than RMB 45 billion or the net profit should not be less than RMB 400 million. During the second unlocking period from 2025 to 2026, the cumulative operating income shall not be less than RMB 100 billion or the cumulative net profit should not be less than RMB 1 billion. During the second unlocking period from 2025 to 2027, the cumulative operating income should not be less than RMB 165 billion or the cumulative net profit should not be less than RMB 1.8 billion.

XVI. Commitments and contingencies

1. Important commitments

Important commitment on the balance sheet date

(1) In February 2016, Hefei City Construction Investment Holding Co., Ltd. invested in Hefei Gotion with currency funds of RMB179.10 million for the construction of production base for Hefei Gotion's 600 million AH lithium battery project, with an investment period of 11 years, an average annualized investment yield of 1.29% during the investment period, and the shareholding of Hefei Gotion repurchased by Hefei Gotion in accordance with the agreed repurchase plan at the expiry of the investment period.

(2) In April 2023, Anhui Hefei Circular Economy Demonstration Park Construction and Investment Co., Ltd. agreed to invest in Feidong Gotion New Material Co., Ltd. with currency funds of RMB 300 million (RMB 100 million actually arrived on May 4, 2023 and RMB 200 million actually arrived on May 16, 2023), which is used for the construction of the production base of the power battery supporting material project of the company. Until no later than January 29, 2027, at a fixed annualized rate of return of 5.58%, Gotion High-Tech Company Limited will repurchase the equity in accordance with the agreed repurchase plan.

Except for the above, as of December 31, 2025, the Company has no other important commitments that need to be disclosed.

2. Contingencies

(1) Important contingencies on the balance sheet date

As of December 31, 2025, the Company has no other material contingencies to disclose.

(2) Even if the Company does not have important contingencies to be disclosed, it shall also state

There are no important contingencies to be disclosed in the Company.

XVII. Post-balance sheet events

1. The profit distribution

Dividends to be distributed per 10 shares (RMB)	1
Dividend per 10 shares declared after consideration and approval (RMB)	1
The profit distribution plan	According to the profit distribution plan for 2025 discussed and adopted at the 2nd meeting of the tenth Board of Directors on April 27, 2026: The Company intends to distribute a cash dividend of RMB 1.00 (inclusive of tax) per ten shares to all shareholders on the basis of the total share capital registered on the date of registration of shareholdings for the implementation of the equity distribution, less the repurchased shares in the Company's special securities account for repurchase, with no bonus shares to be distributed and no increase of capital from

	reserved fund. The plan still needs to be deliberated by the general meeting of shareholders.
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XVIII. Other important matters

On April 16, 2021, a fire broke out during the construction and commissioning of the energy storage power station of Beijing Gotion Fowes Optical Storage Technology Co., Ltd. in No. 14 courtyard of No. 4, Ximafang, Yongwai Dahongmen, South Fourth Ring Road, Fengtai District, Beijing, resulting in certain casualties and property damage. Beijing Jimei Home Market Co., Ltd. filed a joint lawsuit against its subsidiary Hefei Gotion High-Tech Power Energy Co. Ltd. (hereinafter referred to as the “Hefei Power”, Beijing Jingfeng Guowei Integrated Energy Co., Ltd., Beijing Fuweisi Oil & Gas Technology Co., Ltd., Beijing Jingfeng Jiajing Landscaping Engineering Co., Ltd. and Beijing Ping HD Technology Development Co., Ltd. at the Beijing No. 2 Intermediate People’s Court. On November 21, 2022, Beijing No. 2 Intermediate People’s Court made a civil ruling No. (2022) Beijing 02 civil ruling No. 26, to implement freezing and preservation measures on the property value of the aforesaid company with a limit of RMB146,339,504.45. From August 29, 2023 until the end of the reporting period, the bank deposits in the account belonging to Hefei Power were frozen for RMB138,435,447.08.

According to the *Civil Judgment of the Second Intermediate People’s Court of Beijing* ([2022] Jing 02 Min Chu 26) issued on October 27, 2025, the court ruled that Hefei Power shall compensate Beijing Jimei Home Market Co., Ltd. for losses of RMB 6,197,910.00 within seven days from the date of the judgment taking effect. As Beijing Jimei Home Market Co., Ltd. was dissatisfied with the first-instance judgment, it filed a civil appeal on November 20, 2025. Hefei Power, also dissatisfied with the first-instance judgment, filed a separate civil appeal. The above-mentioned case is still under second instance trial at present.

As of December 31, 2025, other than the above, the Company has no other material matters to disclose.

XIX. Notes to main items in the financial statements of the parent company

1. Accounts receivable

(1) Accounts receivable disclosed by aging

Monetary Unit: RMB

Aging	Ending book balance	Beginning book balance
1 year or less	0.00	600,000.00
	0.00	600,000.00
Total	0.00	600,000.00

(2) Accounts receivable disclosed by the method for making provision for bad debt

Monetary Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Provision for bad debt		Book value	Book balance		Provision for bad debt		Book value
	Amount	Proportion	Amount	Proportion of provision		Amount	Proportion	Amount	Proportion of provision	
Including:										
Accounts receivable with provision for bad debt made by portfolio						600,000.00	100.00%	30,000.00	5.00%	570,000.00
Including:										
Portfolio 1						600,000.00	100.00%	30,000.00	5.00%	570,000.00
Total	0.00				0.00	600,000.00	100.00%	30,000.00	5.00%	570,000.00

Where the provision for bad debt is made with respect to accounts receivable according to the general model of expected credit loss:

Applicable Not applicable

(3) Provision, recovery or return of bad debt reserve in current period

Provision for bad debt made in the current period:

Monetary Unit: RMB

Category	Beginning balance	Amount of change in the current period				Ending balance
		Provision	Withdrawal or write-back	Write off	Others	
Category 1	30,000.00		30,000.00			0.00
Total	30,000.00		30,000.00			0.00

Among them, significant amount of bad-debt provision withdrawn or written back in the current period:

Monetary Unit: RMB

Entity Name	Amount recovered or reversed	Reason for reversal	Recovery method	Basis and reasonableness of the original bad debt provision ratio

2. Other receivable

Monetary Unit: RMB

Item	Ending balance	Beginning balance
Dividends receivable	420,000,000.00	530,000,000.00
Other receivable	1,009,664,285.20	875,868,559.19
Total	1,429,664,285.20	1,405,868,559.19

(1) Dividends receivable**1) Classification of dividends receivable**

Monetary Unit: RMB

Project (or invested unit)	Ending balance	Beginning balance
Hefei Gotion High-Tech Power Energy Co., Ltd.	420,000,000.00	530,000,000.00
Total	420,000,000.00	530,000,000.00

(2) Other receivable**1) Classification of other receivable by nature of funds**

Monetary Unit: RMB

Nature of funds	Ending book balance	Beginning book balance
Receivable and payable	1,008,040,842.55	872,168,289.57
Security deposit	1,501,625.00	3,701,625.00
Others	715,077.06	709,347.62
Total	1,010,257,544.61	876,579,262.19

2) Other receivable disclosed by aging

Monetary Unit: RMB

Aging	Ending book balance	Beginning book balance
1 year or less	205,032,468.41	84,847,209.57
1 to 2 years	54,372,601.42	35,285,783.62
2 to 3 years	11,189,741.78	755,946,269.00
Above 3 years	739,662,733.00	500,000.00
3-4 years	739,162,733.00	
Above 5 years	500,000.00	500,000.00
Total	1,010,257,544.61	876,579,262.19

3) Other receivable disclosed by the method for making provision for bad debt

Monetary Unit: RMB

Category	Ending balance					Beginning balance					
	Book balance		Provision for bad debt			Book balance		Provision for bad debt			Book value
	Amount	Proportion	Amount	Proportion of provision	Book value	Amount	Proportion	Amount	Proportion of provision		

Including:										
Provision for bad debts made by portfolio	1,010,257,544.61	100.00%	593,259.41	0.06%	1,009,664,285.20	876,579,262.19	100.00%	710,703.00	0.08%	875,868,559.19
Including:										
Portfolio 1	8,899,640.73	0.88%	593,259.41	6.67%	8,306,381.32	12,698,681.18	1.45%	710,703.00	5.60%	11,987,978.18
Portfolio 2	1,001,357,903.88	99.12%			1,001,357,903.88	863,880,581.01	98.55%	0.00		863,880,581.01
Total	1,010,257,544.61	100.00%	593,259.41	0.06%	1,009,664,285.20	876,579,262.19	100.00%	710,703.00	0.08%	875,868,559.19

Provision for bad debt made by portfolio: RMB 593,259.41

Monetary Unit: RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Provision made
Portfolio 1	8,899,640.73	593,259.41	6.67%
Total	8,899,640.73	593,259.41	

Basis for determining the portfolio:

Provision for bad debt made by portfolio: RMB 0

Monetary Unit: RMB

Name	Ending balance		
	Book balance	Provision for bad debt	Provision made
Portfolio 2	1,001,357,903.88	0.00	0.00%
Total	1,001,357,903.88	0.00	

Basis for determining the portfolio:

Provision for bad debts made based on the general model of expected credit losses:

Monetary Unit: RMB

Provision for bad debt	Phase I	Phase II	Phase III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire existence (without credit impairment)	Expected credit loss over the entire existence (with credit impairment)	
Balance as at January 1, 2025	710,703.00			710,703.00
Balance as at January 1, 2025 in the current period				
Provisions in the current period	-117,443.59			-117,443.59
Balance at December 31, 2025	593,259.41			593,259.41

Basis for determining the phases and the ratio of provision for bad debt

Changes in book balance with major amount changes in provision for loss in the current period

Applicable Not applicable

4) 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	Beginning balance	Amount of change in the current period				Ending balance
		Provision	Recovered or reversed	Written-off	Others	
Provision for bad debt	710,703.00	-117,443.59				593,259.41
Total	710,703.00	-117,443.59				593,259.41

Of which, the important amount of bad debt provision reversed or recovered in this period is:

Monetary Unit: RMB

Entity name	Amount to be recovered or reversed	Reason for reversal	Method of recovery	Basis for determining the original bad debt provision ratio and its reasonableness

5) Top 5 other receivable in terms of ending balance grouped by debtor

Monetary Unit: RMB

Entity name	Nature of funds	Ending balance	Aging	Proportion in the total ending balance of other receivable	Ending balance of provision for bad debt
Gotion High-Tech (Hong Kong) Limited	Receivable and payable	739,148,608.00	3-4 years	73.16%	
Anhui Gotion New Energy Co., Ltd.	Receivable and payable	129,000,000.00	Within 1 year: RMB 125,000,000.00; 1-2 years: RMB 4,000,000.00	12.77%	
Hefei Gotion High-Tech Power Energy Co., Ltd.	Receivable and payable	61,086,020.88	Within 1 year: RMB 20,738,639.44; 1-2 years: RMB 33,490,272.95; 2-3 years: RMB 6,857,108.49	6.05%	
Shanghai Xuanyi New Energy Development Co., Ltd.	Receivable and payable	18,346,576.03	Within 1 year: RMB 8,430,870.86; 1-2 years: RMB 9,915,705.17	1.82%	
CITIC Securities Hefei Xiyou Road	Receivable and payable	6,682,938.67	Within 1 year	0.66%	

Branch					
Total		954,264,143.58		94.46%	

3. Long-term equity investment

Monetary Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	23,106,904,005.61		23,106,904,005.61	22,178,146,522.48		22,178,146,522.48
Investment in joint ventures and associates	286,086,866.77	68,246,928.73	217,839,938.04	290,377,684.78	68,246,928.73	222,130,756.05
Total	23,392,990,872.38	68,246,928.73	23,324,743,943.65	22,468,524,207.26	68,246,928.73	22,400,277,278.53

(1) Investment in subsidiaries

Monetary Unit: RMB

Investee	Beginning balance (book value)	Beginning balance of provision for impairment	Increase/decrease in the current period				Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Provision of the provision for impairment	Others		
Hefei Gotion High-Tech Power Energy Co., Ltd	18,229,745.62 0.25		640,258,839.0 0				18,870,004.45 9.25	
Jiangsu Dongyuan Electric Group Co., Ltd.	843,247,500.8 9		1,333,654.65				844,581,155.5 4	
Jiangxi Gotion New Energy Technology Co., Ltd.	524,388,361.4 2		1,353,213.39				525,741,574.8 1	
Jiangsu Gotion New Energy Technology Co., Ltd.	2,005,403,853.68		507,020.84				2,005,910,874.52	
Feidong Gotion New Material Co., Ltd.	522,761,186.2 4		723,963.89				523,485,150.1 3	
Gotion High-Tech (HK) Co., Ltd.	52,600,000.00		227,534,400.0 0				280,134,400.0 0	
Anhui Gotion New Energy Co.,			57,046,391.36				57,046,391.36	

Ltd.									
Total	22,178,146,522.48		928,757,483.13					23,106,904,005.61	

(2) Investment in joint ventures and associates

Monetary Unit: RMB

Investee	Beginning balance (book value)	Beginning balance of impairment provision	Increase/decrease in the current period							Ending balance (book value)	Ending balance of provision for impairment	
			Additional investment	Reduced investment	Profit and loss on investment recognized under the equity method	Adjustment of other comprehensive income	Other equity changes	Cash dividends or profits declared for distribution	Provision of the provision for impairment			Others
I. Joint Ventures												
II. Associates												
Shanghai Electric Gotion New Energy Technology Co., Ltd.		68,246,928.73									68,246,928.73	
Anhui Anwa New Energy Technology Co., Ltd.	67,990,284.22				-3,131,040.74			230,105.60			65,089,349.08	
Zhong'an Energy (Anhui) Co., Ltd.	154,140,471.83				-1,389,882.87						152,750,588.96	
Subtotal	222,130,756.05	68,246,928.73			-4,520,923.61			230,105.60			217,839,938.04	68,246,928.73
Total	222,130,756.05	68,246,928.73			-4,520,923.61			230,105.60			217,839,938.04	68,246,928.73

The recoverable amount is determined based on the net amount after deducting disposal expenses from fair value

Applicable Not applicable

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

Applicable Not applicable

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

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

4. Operating income and operating costs

Monetary Unit: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Costs	Revenue	Costs
Other business	25,789,545.27	25,615,296.24	16,934,615.62	11,960,541.93
Total	25,789,545.27	25,615,296.24	16,934,615.62	11,960,541.93

5. Investment income

Monetary Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income accounted by the cost method	420,000,000.00	300,000,000.00
Long-term equity investment income accounted by equity method	-4,520,923.61	-48,504,938.45
Investment income from the disposal of held-for-trading financial assets	57,978,361.55	
Others	2,877,342.72	4,668,502.85
Total	476,334,780.66	256,163,564.40

XX. Supplementary information

1. Details of non-recurring profits and losses in the current period

Applicable Not applicable

Monetary Unit: RMB

Item	Amount	Explanations
Profit and loss from disposal of non-current assets	-34,045,304.84	
Government grants included into the current profit or loss (excluding the government grants that are closely related to the Company's business, compliant to national policies and regulations, are granted in accordance with established criteria with ongoing effects on the Company's profits and losses)	617,663,001.57	
In addition to the effective hedging business related to the normal business of the Company, gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains or losses from the disposal of financial asset	2,109,769,373.64	

s and financial liabilities		
Funds occupation fee charged to non-financial enterprises and included in the current period's profit and loss	14,658,517.35	
Non-operating income and expenses other than the above items	-52,948,220.71	
Other profit and loss items that meet the definition of non-recurring gains and losses	-301,309,276.37	
Less: impact on income tax	394,265,496.45	
Impact on minority equity (after tax)	8,087,436.74	
Total	1,951,435,157.45	--

Details of other items of profit and loss complying with the definition of non-recurring profit and loss:

Applicable Not applicable

The Company does not have specific cases of other items of profit and loss complying with the definition of non-recurring profit and loss.

Remarks on define the non-recurring profit and loss items defined listed in Explanatory Announcement No. 1 on Information Disclosure for Companies' Offering Their Securities to the Public - Non-recurring Profits and Losses as recurring profit and loss items.

Applicable Not applicable

2. Return on equity and earnings per share

Profit in the reporting period	Weighted average return on equity	Earnings per share	
		Basic EPS (RMB/share)	Diluted EPS (RMB/share)
Net profit attributable to ordinary shareholders of the Company	8.65%	1.32	1.32
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profits and losses	1.57%	0.24	0.24