Ningbo Shanshan Co., Ltd.

Interim Report 2023

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The Company mainly adopts the production model of “basing production on sales prospects” and manufactures products according to the customer demand. After receiving customer demand, we will make sales forecast and analysis, and comprehensively develop the production plan according to capacity status, long-term cooperation with customers, material supply, product production cycle status and other aspects. We will stock up in small quantity according to the product sales history and the specific demands of customers.

relationship with domestic leading raw material suppliers, and the two sides have carried out all-round cooperation in the fields of needle coke, petroleum coke, calcined coke to ensure the stability and safety of the Company's raw material supply.

In terms of downstream industry chain, the Company continues to comprehensively deepen the cooperation relationship with power, digital and energy storage customers, and has established a good cooperation system of joint development and mutual promotion with customers, while maintaining long-

has been shipped; the Company will continue its efforts on the R&D of thin, high-contrast and low-power-consumption OLED products as well as optimization of their performance;; the independent development of the VR display polarizer has been completed, and customer certification and mass production are accelerated; technology and patent reserve for automotive polarizer has been completed, and product development is being accelerated.

As of 30 June 2023, the Company has applied for more than 1,000 LCD polarizer related patents in South Korea, China, Japan, the United States and other countries around the world, among which 1017 patents have been authorized (including 796 overseas patents), covering 944 invention patents, 65 utility model patents, and 8 appearance patents.

2. Boasting ultra-

2. Overseas assets

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(1) Asset size

Among which, overseas assets were 298,975,14(U.78 Yuan Currency: RMB), accounting for 0.63%of the total assets.

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

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

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As of the end of the Reporting Period, the assets whose ownership or use is restricted are referred to “62. Assets with restricted ownership or use right” in note “VII. Notes to Consolidated Financial Statement Items”

(IV) Analysis of investment

1. Overall analysis of external equity investments

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During the Reporting Period, the Company's foreign investment was RMB 2,129.15 million, a year-on-year decrease of RMB 1,868.45 million or 46.74%. The investment projects are as follows:

Invested company name	Invested amount during the reporting period (RMB0’000)	Main business	Equity ratio (%)	Remarks
Yunnan Shanshan New Material Co., Ltd.	174,000.00	Anode	87.0770	Capital paid in
Ningbo Shanshan Silicon-based Materials Co., LTD	3,865.00	Anode	87.0770	Capital paid in
ShanJin Optoelectronics (Zhangjiagang) Co., Ltd.	30,000.00	Polarizer	100.0000	Capital paid in
Ningbo YunlingZhichuang Park Operation Management Co., Ltd	50.00	Management	100.0000	Capital Increase
Ningbo Ziheng Trading Co., Ltd. (–# Ø > Ch C 9L ( )	5,000.00	Management	100.0000	Investment in new subsidiaries

(1) Significant equity investments

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(2) Major Non-equity Investment

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Project name	Project amount (RMB0’000)	Investment in the year (RMB0’000)	Total investment (RMB0’000)	Source of funds	Progress of project
The lithium ion battery anode material integration base project with the annual output of	800,000.00	57,276.35	369,811.64	Self-owned funds + financing	The graphitization production line has been put into operation,

Shanshan Brand, which was no longer included in the Company's consolidated statements from July 2020. As of the date of this report, the Company has received a total equity transfer payment of RMB121.113 million, and will continue to follow up and urge the counterparty to pay the remaining equity transfer payment.

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

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Unit: Yuan Currency: RMB

Holding subsidiary	Main operations	Registered capital	Equity ratio (%)	Total ending assets	Ending net assets	Operating revenue during the Reporting Period	Profit during the Reporting Period
Shanjin Optoelectronics (Suzhou) Co., Ltd.	Production processing and R&D of LCD polarizers	USD 1.1 billion	100.00	878,175.17	713,905.17	3,600.00	452.76
Shanjin Optoelectronics (Guangzhou) Co., Ltd		170,000.00	100.00	584,665.19	273,222.44	234,481.30	9,094.16
Shanjin Optoelectronics (Nanjing) Co., Ltd.		380,000.00	100.00	762,126.10	619,471.29	343,538.50	45,149.91
Shanjin Optoelectronics (Beijing) Co., Ltd.		9,072.61	100.00	37,070.05	27,193.71	24,082.23	620.52
Shanjin Optoelectronics Technology (Zhangjiagang) Co., Ltd.		90,000.00	100.00	189,576.23	88,452.34	29.07	-643.25
Shanjin Optoelectronics (Mianyang) Co., Ltd.		100,000.00	100.00	26,616.38	25,460.81		20.88
Shanjin Optoelectronics		NTD 1,500 million	100.00	22,292.06	14,902.15	8,975.52	-36.27

Shanghai Shanshan

On 23 March 2023, the Company held the first extraordinary general meeting in 2023 and elected Mr. Zheng Ju as a director of the tenth Board of Directors of the Company.

On 23 March 2023, the Company held the 40th meeting of the tenth Board of Directors and elected Mr. Zheng Ju as a chairman of the tenth Board of Directors of the Company.

On 10 May 2023, the Company held its 2022 Annual General Meeting. The proposals on the re-election of the members of the 11th Board of Directors (Mr. Zheng Ju, Mr. Zhuang Wei, Mr. Li Zhihua, Ms. Li Fengfeng, Mr. Zhu Zhiyong, Mr. Li Keqin, Ms. Zhou Ting, Mr. Zhang Chunyi, Mr. Xu Yanxiu, Mr. Zhang Yunfeng, Mr. Zhu Jingtao) and the re-election of the members of the 11th Supervisory Committee (Ms. Hong Zhibo, Ms. Xu Chao) were deliberated and approved. Before that, the Company's employee representatives elected Mr. Huang Xiaohui as the employee representative supervisor the 11th Supervisory Committee.

On 10 May 2023, the Company held the first meeting of the 11th Board of Directors, elected Mr. Zheng Ju as the chairman of the Company, elected Mr. Zhuang Wei as the vice chairman of the Company, hired Mr. Li Zhihua as the general manager of the Company, appointed Ms. Li Fengfeng, Mr. Zhu Zhiyong, Mr. Gao Ming, Mr. Zhao Zhigang as the deputy general managers of the Company, appointed Mr. Li Keqin as the chief financial Officer of the Company, and appointed Ms. Chen Ying as the secretary of the Board of Directors of the Company.

On 10 May 2023, the Company held the first meeting of the 11th Supervisory Committee and elected Mr. Huang Xiaohui as the convenor of the 11th Supervisory Committee of the Company.

III. Plan of Profit Distribution or Capitalisation of Surplus Reserve

The interim plan for profit distribution and capitalisation of capital reserves

Whether distributed or capitalised

Section V Environmental and Social Responsibility

I. Environmental Protection Information

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

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1. Pollutant discharge

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Company name	Pollutant category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)	Excess Discharge	Discharge Method	Number and Distribution of Discharge Outlets

Company name	Pollutant category	Name of the Major Pollutants and Specific Pollutants	Concentration of Discharge	Total Discharge (t/a)	Total Discharge Approved (t/a)

Section VII mportant Matters

I. Performance of Commitments

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

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Background	Type	Party(ies)	Details	Effective time and validity period	Whether the commitments have a performance deadline	Whether the commitments have been strictly performed in a timely manner
Commitments made in the report or acquisition or the report on the change in shareholding	Others	Shanshan Group, Peng Trading (; # - C h), C Yinzhou Jielun (G N § V), Shanshan Holding and Mr. Zheng Yonggang	Commitments on the truthfulness, accuracy and completen the information provided, commitments on maintaining independence of the listed company, commitments on avo horizontal competition, commitments on reducing and regul related transactions, commitments on the absence o circumstances stipulated in Article 6 of the Measures for th Administration of Acquisition of Listed Companies a compliance with Article 50 of the Measures for Administration of Acquisition of Listed Companies	For details, please refer to the relevant announcer of the Company released on the designated journ and media and the website of the SSE on 1 Ja 2022and 23 September 2022.	No	Yes
Commitments in relation to majo asset restructuring	Others	Directors, supervisors a senior management Shanshan	Commitments on the truthfulness, accuracy and completenes the information provided; commitments on penalties, litiga arbitration and integrity in the last three years; commitmen the absence of insider trading and compliance with regu requirements; commitments on affiliation; commitments on sh reduction plan.	For details, please refer to the relevant announcer of the Company released on the designated jou and media and the website of the SSE on 15 Sept 2020.	No	Yes
	Others	Directors and senio management of Shanshan	Commitments on taking mitigation and remediation measure the immediate return dilution resulting from this major a restructuring.	For details, please refer to the relevant announcer of the Company released on the designated journa and media and the website of the SSE on 15 Sept 2020.	No	Yes
	Others	Shanshan Group, Shansl Holdings, and Mr. Zhen Yonggang	Commitments on the truthfulness, accuracy and completen the information provided; commitments on penalties, litigation arbitration and integrity in the last three years; commitmen the absence of insider trading and compliance with regu	For details, please refer to the relevant announcer of the Company released on the designated jou and media and the website of the SSE on 15 Sept 2020.	No	Yes

X. Major Related Transactions

(I) Related transactions related to daily operations

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

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2. Matters disclosed in extraordinary announcements with progress or change in the follow-up implementation

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(1) Deposit in related bank

On 18 April 2023, the 41st Meeting of the tenth Session of the Board of Directors of the Company considered and approved the "Proposal on the Estimated Amount of Daily Related Transactions of the Company for 2023"(For details, please refer to the relevant announcement issued by the Company on 20 April 2023)

During the period, the Company's maximum deposit balance with Chouzhou Bank was RMB 490.3232 million and interest income was RMB 13187million.

(2) Provision of guarantee to related parties

The Company held the 41st meeting of the tenth board of directors on 18 April 2023, on which the Proposal on the Limit of Related-party Guarantee Provided by the Company in 2023 was considered and approved. (For details, please refer to the relevant announcements of the Company released on 20 April 2023)

As of the end of the period, the amount of related-party guarantees provided by the Company for BASF Shanshan and its wholly-owned subsidiaries was RMB 430 million; The amount of related-party guarantee provided by the Company for Quzhou Shanshan was RMB213 million.

3. Matters undisclosed in extraordinary announcements

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(II) Related transactions in relation to acquisition and disposal of assets or equity interests

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

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2. Matters disclosed in extraordinary announcements with progress or change in the follow-up implementation

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3. Matters undisclosed in extraordinary announcements

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4. Discloseable performance for the Reporting Period of related transactions with agreed-upon performance targets

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Guarantees provided by the Company (excluding the guarantees to subsidiaries)													
Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement dateof guarantee	Expiry date of guarantee	Type of guarantee	Whether the guarantee has been fulfilled	Guarantee overdue	Overdue amount	Counter guarantee available	Guarantee provided to related parties	Related relationship
		Material Technology (Quzhou) Co., Ltd.				2024	several liability guarantee						
Shanshan	The Company	Ningbo Shanneng Photovoltaic Power Generation Co., Ltd.	1,900.00	19 September 2017	19 September 2017	24 July 2023	Joint and several liability guarantee	No	No	0	None	No	
Shanshan	The Company	Ningbo Shanneng Photovoltaic Power Generation Co., Ltd.	2,700.00	19 September 2017	19 September 2017	24 July 2023	Joint and several liability guarantee	No	No	0	None	No	
Shanshan	The Company	Wuyi Shansheng Photovoltaic Co., Ltd.	10,500.00	19 December 2017	19 December 2017	24 July 2023	Joint and several liability guarantee	No	No	0	None	No	

Guarantees provided by the Company (excluding the guarantees to subsidiaries)													
Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement dateof guarantee	Expiry date of guarantee	Type of guarantee	Whether the guarantee has been fulfilled	Guarantee overdue	Overdue amount	Counter guarantee available	Guarantee provided to related parties	Related relationship
		Power Generation Co., Ltd.					guarantee						
Shanshan	The Company	Shaoxing Shansheng Photovoltaic Power Generation Co., Ltd.	1,294.48	15 October 2019	15 October 2019	13 July 2023	Joint and several liability guarantee	No	No	0	None	No	
Shanshan	The Company	Quzhou Shanyu New Energy Development Co., Ltd.	1,990.80	7 July 2020	7 July 2020	4 August 2023	Joint and several liability guarantee	No	No	0	None	No	
Shanshan	The Company	Hangzhou Shanqiu Photovoltaic Power Generation Co., Ltd.	1,935.90	3 July 2020	3 July 2020	31 July 2023	Joint and several liability guarantee	No	No	0	None	No	

Guarantees provided by the Company (excluding the guarantees to subsidiaries)													
Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement dateof guarantee	Expiry date of guarantee	Type of guarantee	Whether the guarantee has been fulfilled	Guarantee overdue	Overdue amount	Counter guarantee available	Guarantee provided to related parties	Related relationship
	subsidiary	Photovoltaic Power Generation Co., Ltd.					liability guarantee						
Total amount of guarantees incurred during the Reporting Period (excluding the guarantees provided to subsidiaries)													119,146.14
Total balance of guarantee as at the end of the reporting period (A) (excluding the guarantees provided for subsidiaries)													54,204.04
Guarantees provided by the Company and its subsidiaries to its subsidiaries													
Total amount of guarantees provided to subsidiaries during the Reporting Period													1,568,419.57
Total balance of guarantee to subsidiaries as at the end of the reporting period (B)													955,404.99
Total amount of guarantees provided by the Company (including the guarantees for subsidiaries)													
Total amount of guarantees (A+B)													1,009,609.03
Percentage of total guarantees over the net assets of the Group (%)													43.43
Among which:													
Amount of guarantees provided to shareholders, de facto controller and their related parties (C)													0
Amount of debt guarantees directly or indirectly provided to the parties with the gearing ratio exceeding 70% (D)													203,150.70
Total amount of guarantees exceeding 50% of net assets (E)													0
Total amount of the above three types of guarantees (C+D+E)													203,150.70
Statement on the contingent joint and several liability in connection with unexpired guarantee													None

Guarantees provided by the Company (excluding the guarantees to subsidiaries)													
Guarantor	Relationship between guarantor and the listed company	Secured party	Guarantee amount	Commencement date of guarantee (date of the agreement)	Commencement dateof guarantee	Expiry date of guarantee	Type of guarantee	Whether the guarantee has been fulfilled	Guarantee overdue	Overdue amount	Counter guarantee available	Guarantee provided to related parties	Related relationship
Explanations on guarantees							The statistics on "Guarantees by the Company and its subsidiaries to subsidiarie include mutual guarantees within the scope of consolidation. As of the disclosure date of this report, the Company's guarantees for the abovementioned photovoltaic companies have been discharged.						

3 Other major contracts

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XII. Explanation for Other Major Events

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Section VII Changes in Shares and Particulars of Shareholders

I. Changes in Share Capital

(I) Changes in shares

1. Changes in shares

During the reporting period, the total number of shares and the share capital structure of the Company did not change.

2. Explanations on changes in shares

‘ $ S S O L F D N Not Applicable

3. The impact of changes in shares on earnings per share, net asset value per share and other financial indicators at the end of Reporting Period to the date of interim report (if any)

‘ $ S S O L F D N Not Applicable

4. Other disclosures the Company deems necessary or required by securities regulators

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(II) Changes in restricted shares

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II. Controlling Shareholder

(I) Total number of shareholders:

Total number of ordinary shareholders as of the end o Reporting Period (shareholder)	191,366

(II) Top ten shareholders and top ten circulating shareholders (or shareholders not subject to trading restrictions) as of the end of the Reporting Period

Unit: share

Shareholdings of the top ten shareholders		
Name of shareholders (Full name)	Changes during the Reporting Period	The number of

and pledged 553,043,870 shares in total. Both the shares held and the shares pledged include a total of 392,880,000 shares transferred to the pledge special account by Shanshan Group due to the non-public offering of exchangeable corporate bonds.

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

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

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Unit: share

No.	Name of shareholders subjec trading restrictions	Number of shares held subject to trading restrictions	Listing and trading of shares subject to tradin restrictions		trading restriction conditions
			Date eligible for listing and trading	Number of shares new eligible for listing and trading	
1	Shanshan Group Co., Ltd.	205,264,75	31 December 2024	205,264,75	Not transferable within 3 months commencing fro the listing date.
2	Ningbo Pengze Trading Co., Ltd. (–# ;#-Ch C 9L ( )	205,264,756	31 December 2024	205,264,756	
3	Ningbo Yinzhou Jielun Investment Co., Ltd. -(# 2GN § V ¯Ct 9L ( )	77,873,254	31 December 2024	77,873,254	
			Proposed for repurchas and cancellation	112,500	
4	Li Fengfeng	450,000			

			and cancellation		
			6 June 2024	67,500	
			6 June 2025	67,500	
			6 June 2026	67,500	
			Proposed for repurchas and cancellation	60,000	
10	Zhang Hua	240,000	6 June 2024		

Section VIII Information regarding Preference Shares

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Section IXInformation regarding Bonds

I. Enterprise Bonds, Corporate Bonds and Debt Financing Instruments of Non-financial Enterprises

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II. Convertible Corporate Bonds

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Oil and gas assets Right-of			

Balance Sheet of Parent Company

30 June 2023

Prepared by: Ningbo Shanshan Co., Ltd.

Unit: Yuan Currency: RMB

Item	Note	30 June 2023	31 December 2022
Current assets:			
Cash at bank and on hand		828,543,319.9	1,476,613,738.5
Held-for-trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable			

Accounts receivable6ning(l)-6(e)]TJ ET Q q80.88 597.36 19.92 10.32 re 0.74 0.91 0.49 85.6 5999.52 Tm ( )Tj ET EMC /P

Accounts payable		32,021,877.5	28,352,872.8
Advances from customers		212,028.01	157,689.4
Contract liabilities			
Employee benefits payable			11,505,506.7
Tax payable		3,986,892.3	9,503,110.8
Other payables		1,746,009,175.8	2,069,234,913.7
Including: Interest payable			
Dividend payable		701,360.00	701,360.00
Liabilities held for sale			
Non-currentliabilities due within one year		1,051,885,684.8	1,021,620,149.8
Other current liabilities			
Total current liabilities		4,479,115,658.5	4,241,586,687.9
Non-current liabilities:			
Long-term borrowings		2,885,000,000.0	2,963,340,000.0
Bondspayable			
Of which: Preferred shares			
Perpetual bonds			
Lease liabilities		44,739,479.0	43,291,543.6
Long-term payables		1,450,494,103.5	1,369,305,861.9
Long-term payroll payable			
Estimated liabilities			
Deferred revenue			
Deferredincome tax liabilities			
Other non-current liabilities			
Total non-current liabilities		4,380,233,582.5	4,375,937,405.5
Total liabilities		8,859,349,241.1	8,617,524,093.5

Consolidated Income Statement

January-June 2023

Unit: Yuan Currency: RMB

Item	Note	Half year of 2023	Half year of 2022
I. Total operating revenue		9,467,775,923.8	10,771,934,205.1
Including: Operating income	VII (45)	9,467,775,923.8	10,771,934,205.1
Interest income			
Earned premium			
Fee and commission incomes			
II. Total operating cost		8,769,362,809.3	9,401,006,807.7
Including: Operating cost	VII (45)	7,733,118,698.6	8,040,184,170.7
Interest expenses			
Fee and commissions expenses			
Cash surrender amount			

1. Other comprehensive income that can be reclas into profit or loss under the equity method		157,144.6	-303,377.6
2. Changes in fair value of other debt investments			
3. Amount of the financial asset reclassified into c comprehensive income			
4. Provision for credit impairment of other d investment			
5. Cash flow hedging reserve			
6. Exchange differences from translations of statement denominated in foreign currencies			
7. Others			
VI. Total comprehensive income		36,154,775.0	-174,228,745.7
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.019	-0.081
(II) Diluted earnings per share (RMB/share)		0.019	-0.081

Person in charge of the Compa Person in charge of accounting: Person in charge of the account
Zheng Ju Keqin authority: Xu Lie

Consolidated Cash Flow Statement

January-June 2023

Unit: Yuan Currency: RMB

Item	Note	Half year of 2023	Half year of 2022
I. Cash flows from operating activities:			
Cash received from sales of goods rendering of services		8,059,700,800.3	9,295,922,303.6
Net increase in deposits from customers placements from corporations in the sam industry			
Net increase in borrowings from the cen bank			
Net increase in placements from ot financial institutions			
Cash received for receiving premium original insurance contract			
Net cash received from reinsurance busine			
Net increase in deposits of the insured investment			
Cash received from interests, fees commissions			
Net increase in placements from banks other financial institutions			
Net increase in repurchasing			
Net cash received from acting sale o securities			

Cash Flow Statement of Parent Company

January-June 2023

Unit: Yuan Currency: RMB

Item	Note	Half year of 2023	Half year of 2022
I. Cash flows from operating activities:			
Cash received from sales of goods or renderir services		25,264,933.8	22,903,772.4
Tax refunds received			55,290,225.9
Other cash receipts related to operating activities		32,633,676.6	67,803,782.5
Subtotal of cash inflows from operating activiti		57,898,610.5	145,997,780.9
Cash paid for goods purchased and ser received		6,013,171.11	
Cash paid to and for employees		25,630,592.2	15,766,067.8
Payments of all types of taxes		10,087,769.0	9,767,150.6
Other cash paid relating to operating activities		101,582,382.8	89,641,355.1
Subtotal of cash outflows from operat activities		143,313,915.2	115,174,573.6
Net cash flow from operating activities		-85,415,304.7	30,823,207.2
II. Cash flows from investment activities:			
Cash received from the recovery of investments			5,000,000.0
Cash received from acquisition of investm income		178,644,212.50	
Net amount of cash received from disposal of f assets, intangible assets and other long-term assets			29,000.00
Net cash received from disposal of subsidiaries other business units		11,142,218.9	10,054,253.6
Other cash received relating to investme activities		26,225,956.9	39,613,844.3
Subtotal of cash inflows from investi activities		2168 369 275.	

Consolidated Statement of Changes in Owners' Equity

January–June 2023

Unit: Yuan Currency: RMB

Half year of 2023										
Owner's equity attributable to parent company									Minority interests	Total owners' equity
Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	General risk provision	Retained earnings	Others	Subtotal		
9,131,320,581.3	514,721,346.7	-150,819,889.2	2,140,946.8	292,801,918.5		12,028,646,332.0		23,053,341,900.8	1,076,772,643.1	24,130,114,543.9
9,131,320,581.3	514,721,346.7	-150,819,889.2	2,140,946.8	292,801,918.5		12,028,646,332.0		23,053,341,900.8	1,076,772,643.1	24,130,114,543.9
2,625,719.7	230,705,880.2	80,223,045.2	-89,442.6			341,737,169.3		193,790,611.4	-95,448,128.1	98,342,483.3

Item	Half year of 2022							
	Owner's equity attributable to parent company						Minority interests	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves		

1. Transfer of capital reserve to capital (or share capital)															
2. Transfer of surplus reserve to capital (or share capital)															
3. Coveringloss with surplus reserve															
4. Change of defined benefit plan carried forward to retained earning															
5. Other comprehensive income carried forward to retained earnings							-38,712,171.0				38,712,171.0				
6. Others															
(V) Special reserves								5,763.23					5,763.23	24,964.85	30,728.08
1. Provision for the period															

Statement of Changes in Owners' Equity of Parent Company

January–June 2023

Unit: Yuan Currency: RMB

Item	Half year of 2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings	Total owners' equity
		Preferred shares	Perpetual bonds	Others							
1. Ending balance of the previous year	2,263,973,358.0				7,822,416,931.1	514,721,346.7	-28,025,733.6		294,927,373.1	3,450,687,783.5	13,289,258,365.3
Add: Changes in accounting policies											
Correction of errors in the prior period											
Others											

Item	Half year of 2022							
	Paid-in capital (or share capital)	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserves	Surplus reserves	Retained earnings

III. Company Profile

1. Company profile

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

As of 30 June 2023, the Company has accumulatively issued a total of 2,263,973,358 shares with its registered capital of RMB2,263,973,358. Its registered address is Room 801, ShanShan Plaza, No. 777 Rili Middle Road, Shounan Street, Yinzhou District, Ningbo, Zhejiang, PRC, and headquarter address is: 28th Floor, ShanShan Plaza, No. 777 Rili Middle Road, Yinzhou District, Ningbo, Zhejiang, PRC. Scope of business of the Company: General items: sales of special electronic materials; sales of optoelectronic devices; sales of graphite and carbon products; investment activities with own funds; non-residential real estate leasing; intellectual property services (except patent agency services); retail sales and wholesale of clothing and apparel; technology import and export; import and export of gooTho(pt)

2. Going concern

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The financial statements are prepared on a going concern basis.

V. Significant Accounting Policies and Estimates

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and related items in the comparative statements are adjusted as if the combined reporting entity had been in existence since the time point at which control by the ultimate controlling party began.

Where the investee under common control can be controlled due to additional investment or other reasons, for the equity investment held prior to obtaining control over the combined party, the relevant profit and loss, other comprehensive income and other changes to net assets recognized in the period from the date of acquiring the original equity or the date when the combing party and the combined party are under common control, whichever is later, to the date of combination, shall be covered by writing down the opening retained earnings or current profit and loss of the comparison period.

During the Reporting Period, the addition of a subsidiary or business as a result of a business combination not under common control is included in the consolidated financial statements from the date of purchase based on the fair value of each of the identifiable assets, liabilities and contingent liabilities determined at the date of purchase.

Where the investee under common control can be controlled due to additional investment or other reasons, the equity interest held by the acquiree prior to the acquisition date is measured according to its fair value on the acquiso addie

(5) Recognizes the expenses incurred separately, and recognize the expenses incurred jointly according to its proportion.

The Company accounts for its investment in joint ventures using the equity method, as described in "V. 14. Long-term equity investments" in this note.

8. Determination standards for cash and cash equivalents

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

9. Foreign currency business and foreign currency statement translation

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É Contractual cash flows only pay for the principal and the interest based on the outstanding principal amount.

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

É A business model with the objective of both collecting the contractual cash flows and selling the financial assets;

É Contractual cash flows only pay for the principal and the interest based on the outstanding principal amount.

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

Except for the aforementioned financial assets at amortized cost and at fair value through other

profit or loss for the current period.

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

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

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

When the derecognition is implemented, the accumulated gains or losses previously included in other comprehensive income shall be transferred from other comprehensive income and included in the current profit and loss.

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

Financial assets at fair value through other comprehensive income (equity instruments), including investments in other equity instruments, are initially measured at fair value, with related transaction costs included in the initial recognition amount. The financial assets are subsequently measured at fair value, with changes in fair value included in other comprehensive income. Dividends 5.3(a)0T Td [(cx5

other comprehensiherncesh alomfuden trfey9i .4>BDC5.1(mi3.4(e)7d [(it ov-3.-1(o.-1(n)2.4) 186133.5(a1(que)6(5

initially measured at fair value, with related transaction costs included in the initial recognition amount.

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

When the derecognition is implemented, the difference between the consideration paid and the book value of the financial liabilities are included in the profit or loss for the current period.

(3). Derecognition of financial assets and transfer of financial assets

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

É The contractual right to receive cash flows from the financial asset terminates;

É

(4). Derecognition of financial liabilities

When the prevailing obligations of a financial liability are relieved in whole or in part, the financial liability can be derecognized in whole or in part. Where the Company signs an agreement with the creditor to rep

Company measures its allowance for loss at an amount equal to the expected credit loss over the entire life of the financial instruments. Otherwise, the Company measures its allowance for loss at an amount equal to the expected credit loss of the financial instruments over the coming 12 months. The resulting incr

(2). Method of determining expected credit losses on contract assets and accounting treatment

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The method of determining expected credit losses on contract assets and the accounting treatment are described in “V. 10. (6) Test methods and accounting treatment for impairment of financial assets” in this note.

13. Assets held for sales

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

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

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

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

For non-current assets classified as held for sale (excluding financial assets, deferred income tax assets, investment real estate that is subsequently measured using the fair value model and assets arising from employee compensation) or disposal groups, if the book value is higher than the net amount of fair value minus selling expenses, the book value shall be written down to the net amount of fair value minus selling expenses. The amount written down shall be recognized as an asset impairment loss and included in the profit and loss for the current period, and the impairment provisions for assets held for sale shall be made.

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

The Company shall recognize the investment income and other comprehensive income according to the share of the realized net profit or loss and other comprehensive income of the investee attributable to the Company, and adjust the book value of the long-term equity investment. The Company shall write down the book value of the long-term equity investment according to share of the profit or dividend declared by the investee attributable to the Company. Other changes to the owner's equity of the investee, other than the net profit or loss, other comprehensive income and profit distribution (hereinafter referred to as “Other Changes in Owner's Equity”) shall be used to adjust the book value of the long-term equity investment and included in the owners’ equity.

When recognizing its share in the net profit or loss, other comprehensive income and Other Changes in Owner's Equity of the investee, the Company shall recognize it on the basis of the fair value of the identifiable net assets of the investee when acquiring the investment and after adjusting the net profit and other comprehensive income, in accordance with the Company’s accounting policies and accounting period.

The portion of the unrealized profit or loss on internal transactions between the Company and its associates plus joint ventures that is attributable to the Company in accordance with its proportionate share shall be offset, based on which the investment income shall be recognized, except when the assets invested or sold constitute a business. The unrealized internal transaction loss with the investee, which belongs to the impairment loss of assets, shall be recognized in full.

For the net loss incurred by joint ventures or associates, the Company, except for the obligation to assume additional losses, is subject to a write-down to zero of the book value of the long-term equity investment and other long-term interests that substantially constitute the net investment in joint ventures or associates. Where joint ventures or associates later realize a net profit, the Company shall resume the recognition of the revenue sharing amount after the revenue sharing amount has made up for the unrecognized loss sharing amount.

(3) Disposal of long-term equity investment

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

If a long-term equity investment accounted for under the equity method is partially disposed of and the remaining equity interest is still accounted for under the equity method, other comprehensive income recognized under the equity method shall be carried forward in corresponding proportion using the same basis as adopted by the investee to directly dispose of the relevant assets or liabilities, and Other Changes in Owners’ Equity shall be carried forward to the profit or loss for the current period in

proportion.

Where the Company loses common control or significant influence over the investee due to the disposal of the equity investment or other reasons, other comprehensive income recognized due to the accounting of the original equity investment with the equity method shall be subject to accounting treatment using the same basis as adopted by the investee to directly dispose of the relevant assets or liabilities when the equity method is no longer adopted for accounting, and Other Changes in Owners' Equity are carried forward to the profit or loss for the current period when the equity method is no longer adopted for accounting.

Where the Company loses its control over the investee due to the disposal of part of the equity investment and other reasons, the remaining equity allows the Company to implement common control or apply significant influence over the investee when the individual financial statements are prepared, the equity method shall be adopted for accounting and the remaining equity shall be adjusted as if it had been accounted for under the equity method from the time of acquisition. Other comprehensive income recognized prior to the acquisition of control over the investee shall be carried forward in proportion using the same basis as adopted by the investee to directly dispose of the relevant assets or liabilities, and Other Changes in Owners' Equity accounted for using the equity method shall be carried forward to the profit or loss for the current period in proportion. Where the remaining equity cannot allow the Company to implement common control or apply significant influence over the

Company and their costs can be reliably measured; otherwise, the expenditures are recognized in the prof

conditions are met, and those that fail to meet the following conditions are included in the profit or loss for the current period:

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

(b) Have the intent to complete the intangible assets and use or sell them;

(c) The manner in which the intangible assets generate economic benefit, including the ability to demonstrate the existence of a market for the products produced using the intangible assets or the existence of a market for the intangible assets themselves, and the ability to demonstrate the usefulness of the intangible assets if they will be used internally;

(d) Have sufficient technical, financial and other resources to support the completion of the development of the intangible assets and the ability to use or sell the intangible assets;

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

Where it is not possible to distinguish the expenditures in the research phase from those in the development phase, all R&D expenditures incurred are included in the profit or loss for the current period.

20. Impairment of long-term assets

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an impairment test on the asset group or asset group portfolio containing no goodwill, calculate the recoverable amount, compare it with the relevant book value, and recognize the corresponding impairment loss. Then, the Company will perform an impairment test on the asset group or asset group portfolio containing goodwill and compare its book value with the recoverable amount. If the recoverable amount is lower than the book value, the impairment loss is first deducted from the book value of goodwill that is apportioned to the asset group or asset group portfolio, and then deducted from the book values of other assets within the asset group or asset group portfolio in proportion to the book values of assets other than goodwill.

Once the above asset impairment loss is recognized, it shall not be reversed in subsequent accounting periods.

21. Long-term deferred expense

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Long-term deferred expenses are incurred but shall be amortized in the current and future periods with the amortisation period of more than one year.

The amortisation period and amortisation method for each expense are: The long-term deferred expense is amortized equally over the benefit period.

22. Contract liabilities

Method of recognition of contract liabilities

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

23. Employee benefit

(1). Accounting for short-term compensation

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

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

Employee benefits incurred by the Company are included in the profit or loss for the current period

(1). Accounting policies used for revenue recognition and measurement

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

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

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

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

• The customer acquires and consumes the economic benefits resulting from the Company's performance at the same time as the Company's performance.

• The customer is able to control the goods under construction in the course of the Company's performance.

• The goods produced in the course of the Company's performance are of irreplaceable use and the Company is entitled to receive payment for the cumulative portion of performance completed to date throughout the contract period.

For performance obligations to be performed within a certain period of time, the Company recognizes the revenue in accordance with the progress of performance during that period, except when the progress of performance cannot be reasonably determined. The Company uses the output method or input method to determine the performance schedule considering the nature of the goods or services. When the performance schedule is not reasonably determinable, the Company recognizes the revenue at

the amount of costs already incurred until the performance schedule can be reasonably determined if the costs are expected to be reimbursed.

For performance obligations performed at a point in time, the Company recognizes the revenue at the point in time when the customer obtains or service control of the relevant goods. In determining whether a customer has acquired control of goods or services, the Company will consider the following indications:

• The Company has a present right to receive payment for the goods or services, i.e. the customer has a present obligation to pay for the goods or services.

• The Company has transferred legal ownership of the goods to the customer, i.e. the customer has legal ownership of the goods;

• The Company has physically transferred the goods to the customer, i.e. the customer has taken physical possession of the goods;

• The Company has transferred to the customer the principal risks and rewards of ownership of the goods, i.e., the customer has acquired the principal risks and rewards of ownership of the goods.

• The customer has accepted the goods or services, etc.

(2). Differences in accounting policies for revenue recognition due to different operating models for the same type of business

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There are no such cases in the Company.

28. Contract costs

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The contract cost includes contract performance cost and contract acquisition cost.

Costs incurred by the Company to perform a contract that are not regulated by relevant standards such as inventories, fixed assets or intangible assets are recognized as an asset of contract fulfillment cost when the following conditions are met:

• The costs are directly related to a current or anticipated contract.

• The costs increase the resources available to the Company to meet its performance obligations in the future.

• The costs are expected to be recovered.

Incremental costs incurred by the Company to acquire a contract that are expected to be recovered

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

- Initial recognition of goodwill;
- A transaction or event that is neither a business combination nor, when it occurs, affects accounting profit and taxable income (or deductible loss).

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

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

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

Current income tax assets and current income tax liabilities are offset and presented on a net basis if the Company has a legally enforceable right to set off them on a net basis and the entity intends either to settle on a net basis or to realize assets, settle the liabilities simultaneously.

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

- The taxable entity has the legal right to settle current income tax assets and current income tax liabilisr>v(o)-5(n)-2(a)-4.2(n)-5(e)-4.2(t b)-.15(a)-4.2(s)-2.3(is)-2.4;e
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The Company uses the implicit rate of the lease as the discount rate, but if the implicit rate of the

adjusted for the circumstances of the contract.

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

If a lease change results in a reduction in the scope of the lease or a shortening of the lease term, the Company reduces the book value of the right-of-use asset accordingly and recognizes the gain or loss related to partial or complete termination of the lease in profit or loss for the current period. If other (y)21.8(an)-1(d(t)5.3(ir)3fm)153(i5.3(ng of)-38(r)1d.l)5.3(os)2.6(s) (ok)11.1(v)11.4(a)021.8(5(r)14)the ances

conditions and which has been disposed of by the Company or classified by the Company as held for sale:

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

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

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

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

(2) Hedge accounting

(1) Classification of hedging

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

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

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

(2) Designation of hedging relationship and determination of hedgin

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

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

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

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

(3) Hedge accounting treatment method

(a) Fair value hedging

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

For fair value hedges related to financial instruments measured at amortized cost, adjustments made to the book value of the hedged item are amortized over the remaining period from (d ov)11.4(e)0edjustmen to the maturity date and included in the current profit and loss. Amortization using the effective interest rate method can begin immediately after the book value adjustment and no later than the termination of the hedged item's0edjustment for changes in fair value resulting from the hedging risks.

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

If the hedged item is an unrecognized confirmed commitment, the cumulative change in fair value of the confirmed commitment due to the hedged risk is recognized0es an esset or liability, and0the relevant gains or losses are included in the current profit or loss. Changes in the fair value of hedging derivative instruments0ere included in the current profit and loss.

(b) Cash flow hedging

The portion of the gains or losses on hedging instruments that belong to effective hedging is directly recognized0es other comprehensive income, and the portion that belongs0to ineffective hedging is included in the current profit and loss.

If the hedged transaction affects the current profit and loss, such as when the hedged financial revenue or financial expenses0ere recognized or expected sales0occur, the amount recognized in other comprehensive income is transferred0to the current profit and loss. If the hedged item is the cost of a non-financial asset or non-financial liability, the amount originally recognized in other comprehensive income is transferred out and included in the initial recognition amount of the non-financial asset or non-financial liability (or, if the amount originally recognized0in other comprehensive income, it shall be transferred out during the same period during which the non-financial asset or non-financial liability

affects profit or loss and included in the current profit or loss).

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

(c) Hedge of net investment in overseas operations

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

(3) Repurchase of shares of the company

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

(4) Segment reporting

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

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

33. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

¶Applicable Note applicable

(2) Changes in significant accounting estimates

¶Applicable Note applicable

(3) In 2023, new accounting standards or interpretations that require adjustments to the financial statements at the beginning of the year are implemented for the first time.

¶Applicable Note applicable

VI. TAXES

1. Main tax categories and tax rates

Status of main tax categories and tax rates

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

If there are taxable entities with different corporate income tax rates, disclose the description of the situation

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Name of taxable entity	Income tax rate (%)
Shanghai Shanshan Technology Co., Ltd.	15
Ningbo Shanshan New Material Technology Co., Ltd.	15
Chenzhou Shanshan New Material Co., Ltd.	15
Huzhou Shanshan New Energy Technology Co., Ltd.	15
Inner Mongolia Shanshan Technology Co., Ltd.	15
Inner Mongolia Shanshan New Material Co., Ltd.	15
Fujian Shanshan Technology Co., Ltd.	15
Ningbo Ulica Solar Energy Technology Development Co., Ltd.	15
Shanghai Zhanxiao New Energy Technology Co., Ltd.	15
Dongguan Shanshan Battery Material Co., Ltd.	15
Xinya Shanshan New Material Technology (Quzhou) Co., Ltd. Note	15
Taiwan Shanjin Optoelectronics Co., Ltd.	20
ShanJin Tokyo Co., Ltd. (Legal Person Tax)	23.2

Note: Xinya Shanshan New Material Technology (Quzhou) Co., Ltd., formerly known as Shanshan

	is the second year of halving the corporate income
Sanmen Shangang Photovoltaic Power Generation Co., Ltd.	The operating income was obtained in 2019, and is the second year of halving the corporate income
Jinhua Puzhong Photovoltaic Power Generation Co., Ltd.	The operating income was obtained in 2019, and is the second year of halving the corporate income
Taizhou Shanxian Photovoltaic Power Generation Co., Ltd.	The operating income was obtained in 2020, and is the first year of halving the corporate income tax
Ningbo Taihui Photovoltaic Technology Co., Ltd.	The operating income was obtained in 2020, and is the first year of halving the corporate income tax
Xinchang Juheng New Energy Development Co., Ltd.	The operating income was obtained in 2020, and is the first year of halving the corporate income tax
Zhejiang Guangliang New Energy Technology Co., Ltd.	The operating income was obtained in 2021, and is the third year of exemption from the corpo income tax
Quzhou Shantao Photovoltaic Power Generation Co., Ltd.	The operating income was obtained in 2021, and is the third year of exemption from the corpo income tax

Note: The companies set out in the abovementioned table are Shanxin Photovoltaic and its subsidiaries, which completed the equity transfer in April 2023 and finally seceded from the scope of consolidated financial statements.

(3) According to the Notice on Enterprise Income Tax Policies for Key Industries in the New

Item	Ending balance

Account age	Book balance at the end of the period
Within 1 year	
Of which: subitem within 1 year	
Within 1 year	4,635,053,672.0
Subtotal within 1 year	4,635,053,672.0
1-2 years	4,759,842.4
2-3 years	4,635,421.6
3-4 years	9,019,132.3
4-5 years	9,462,882.5
Above 5 years	59,010,395.3
Subtotal	4,721,941,346.3
Less: provision for bad debt	200,718,344.5
Total	4,521,223,001.8

(2). Disclosed by bad debt provision method

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Unit: Yuan Currency: RMB

Category	Ending balance						Opening balance			
	Book balance		Bad debt provision		Book value		Book balance		Bad debt provision	Book value
	Amount	Proportion (%)	Amount	Withdrawal ratio (%)		Amount	Proportion (%)	Amount	Withdrawal ratio (%)	
Provision for bad debts made on an individual basis										

YB Auto Co., Ltd.	8,520,000.00	8,520,000.00	100.00	Winning the case, b unable to execute
KNNew Energy Co., Ltd.	3,500,000.0	3,500,000.0	100.00	Significant increase i payment collection risk
Other sporadic customers	4,412,196.0	3,615,505.0	81.94	Significant increase i payment collection risk
Total	65,899,746.7	65,103,055.7	98.79	/

Provision for bad debts is made on a portfolio basis:

Customer B	Non-related party	666,278,967.9	Within 1 year (inclusive of 1 year)		14.11	33,313,948.4
Customer C	Non-related party	505,598,048.1	Within 1 year (inclusive of 1 year)			

Interest receivable

Classification of interest receivable

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Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Fixed deposit	265,139.59	7,195.74
Subtotal	265,139.59	7,195.74
Less: Bad debt provision		
Total	265,139.59	7,195.74

Portfolio of security deposit and deposit	14,962,363.2	748,118.1	5.00
Portfolio of advances	10,452,853.6	308,956.9	2.96
Of which: Individual social security of settlement collection and payment every other month	4,273,715.69		

Products in progress	1,369,635,798.53	61,127,124.40	1,308,508,674.13	1,534,076,816.47	60,260,903.72	1,473,815,912.75

uan Currency: RMB

	Opening balance
7	46,632,199.7
7	46,632,199.7

Yuan Currency: RMB

sion	Book value
2	46,632,199.70

Investment Management Co., Ltd.												
Shanshan Brand Management Co., Ltd.	44,067,823.68				1,459,695.87						45,527,519.55	
Anhui Shanyue Technology Co., Ltd.	4,156,627.26				-146,502.10						4,010,125.16	
Inner Mongolia Mengji New Carbon Material Co., Ltd.	93,011,322.95				1,534,811.72						94,546,134.67	
BASF Shanshan Battery Materials Co., Ltd.	3,986,324,989.13				-99,165,757.69						3,887,159,231.44	
Jiangxi Zhanxiao New Energy Technology Co., Ltd.	16,633,698.51				-1,387,912.46						15,245,786.05	
Xinya Shanshan New Materials (Quzhou) Co., Ltd			299,000,000.00		-7,309,617.55						291,690,382.45	
Subtotal	6,771,308,800.7		299,000,000.0		-30,704,636.3	157,144.62					7,039,761,309.0	137,050,000.0
Total	6,917,108,693.6		299,000,000.0		-29,895,584.9	157,144.62					7,186,370,253.2	137,050,000.0

III. Provision for impairment						
1.Opening balance		226,661,575.7	6,462,072.1	50,217,736.7		283,341,384.6
2. Amount increased in the current period		1,653,842.08				1,653,842.08
(1) Provision		1,653,842.0				1,653,842.0
3. Amount decreased in the current period		21,534,341.99				21,534,341.99
(1) Disposal or scrapping		21,534,341.99				21,534,341.99
(2) Withdrawal from the consolidation						
4.Ending balance		206,781,075.7	6,462,072.1	50,217,736.7		263,460,884.7
IV. Book value						

Liquidation of fixed assets

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Fixed assets	3,529,343.9	843,089.0

15. Construction in progress

Presentation of items

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Construction in progress	7,304,350,974.1	4,878,742,289.7
Engineering materials	11,468,733.1	68,445,118.0
Total	7,315,819,707.2	4,947,187,407.8

Construction in progress

(1). Construction in progress

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance
	Book balance	Provision for impairment	Book value	Book balance

Anode material capacity expansion supporting project	102,763,261.51		102,763,261.51	88,700,117.32		88,700,117.32
Yunnan Anning annual production of 300,000 tons of lithium-ion battery negative electrode materials integrated base project	772,115,071.25		772,115,071.25	7,425,752.12		7,425,752.12
Project of integrated bas for producing 40,000 tons of silicon-based negative electrode materials for lithium-ion batteries annually	67,773,708.80		67,773,708.80	2,801,980.64		2,801,980.64
Distributed solar PV power plant				197,262.96		197,262.96
Solar module production line project	147,345.13		147,345.13			
Others	593,282.61		593,282.61	322,908.6		322,908.6
Total	7,304,350,974.14		7,304,350,974.1	4,878,742,289.7		[redacted]

Shanghai												
Sichuan Meishan integrated base project for 200,000 tons of lithium-ion battery negative electrode materials	RMB 8 billion	2,511,943,977.57	972,330,089.37	203,374,871.75	1,327,323.80	3,279,571,871.39		The production capacity of Phase I is climbing				Financed funds+Self-financing+borrowing
Project name	Budget amount	Opening balance	Amount increased in the current period	Amount transferred to fixed assets in the current period	Other amount decreased in the current period	Ending balance	Proportion of cumulative project investment in budget (%)		Cumulative amount of interest capitalization	Of which: Amount of interest capitalized during the period	Capitalization rate of interest in the current period (%)	Source of funds
Inner Mongolia Baotou lithium-ion battery negative electrode materials integrated base project (phase ii)	RMB 1.535 billion	33,408,600.80	38,162,130.92	9,273,714.92	-	62,297,016.80		The project has been put into production				Financed funds+Self-financing+borrowing
Negative electrode materials Fujian Phase II project	RMB 0.526 billion	247,646,552.35	124,726,901.29	11,054,654.79	3,056,667.69	[illegible]	67.8	215(.)19.2(5)0.6(2)15 q 489.48 186.84 41.88 Tw -0.03 -04 108.o2.28 r45.96 k2.28 s-1.9]TJ E6.o23 -1.p49				

battery negative electrode materials integrated base project	3.7 billion)											
Project of integrated base for producing 40000 tons of silicon-based negative electrode materials for lithium-ion	RMB3.75 billion	2,801,980.64	64,971,728.16			67,773,708.80		Piling work is currently underway				Self-financing
Distributed solar PV power plant	11.8 MW	197,262.96	0.00		197,262.96	0.00						Self-financing
Solar module production line project			349,180.00		201,834.87	147,345.13						Self-financing
Others		322,908.61	270,373.98			593,282.61						Self-financing
Total		4,878,742,289.72	2,802,684,254.48	371,200,074.25	5,875,495.80	7,304,350,974.13	/				/	

Engineering materials

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Materials for power station project				9,562,019.2		9,562,019.2
Materials for graphitization furnace project	8,102,130.5		8,102,130.5	58,883,098.8		58,883,098.8
Cable materials	3,366,602.6		3,366,602.6			
Total	11,468,733.1		11,468,733.1	68,445,118.0		68,445,118.0

16. Right of use assets

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Houses and buildings	Machinery and equipment	Site	Transportation equipment	Others	Total
I. Original book value						
1. Opening balance	1,057,052,299.7	540,706,991.1	130,667,472.7	49,563,597.7	5,556,282.0	1,783,546,643.4
2. Amount increased in the current period	65,163,731.4			2,646.46		65,166,377.9
(1) New lease	65,163,731.4			2,646.46		65,166,377.9
3. Amountdecreased in the current period	161,100,358.7			744,970.50		161,845,329.2
(1) Disposal	42,405,738.9			744,970.50		43,150,709.4
(2) Decrease in consolidation scope	118,694,619.8					118,694,619.8
4. Ending balance	961,115,672.4	540,706,991.1	130,667,472.7	48,821,273.7	5,556,282.0	1,686,867,692.1
II. Accumulated depreciation						
1. Opening balance	100,788,784.3	13,604,113.9	20,561,977.0	20,809,306.6	2,927,909.8	158,692,091.8
2. Amount increased in the current period	44,020,206.6	26,780,385.6		801,291.72		

New lease	44,020,206.6	26,780,385.6		801,291.7		71,601,884.0
3. Amount decreased in the current period	27,118,269.4			446,982.3		27,565,251.7
(1) Disposal	13,014,914.1			446,982.3		13,461,896.4
(2) Decrease in consolidation scope	14,103,355.2					14,103,355.2
4. Ending balance	117,690,721.6	40,384,499.6	20,561,977.0	21,163,616.0	2,927,909.8	202,728,724.1
III. Impairment reserve						
1. Opening balance						
2. Amount increased in the current period						
(1) New lease						
3. Amount decreased in the current period						
(1) Disposal						
(2) Decrease in consolidation scope						
4. Ending balance						
IV. Book value						
1. Ending book value	843,424,950.7	500,322,491.5	110,105,495.7	27,657,657.6	2,628,372.2	1,484,138,967.9
2. Opening book value	956,263,515.3	527,102,877.1	110,105,495.7	28,754,291.1	2,628,372.2	1,624,854,551.6

17. Intangible assets

Applicable ‘ 1 R W D S S O L F D E O H

Unit: Yuan Currency: RMB

Item	Land-use right	Patent right	Software and others	Customer relationship	Total
I. Original book value					
1. Opening balance	1,140,842,135.5	672,231,171.0	100,286,028.0	153,000,000.0	2,066,359,334.6
2. Amount increased i the current period	275,281,885.22		1,447,538.25		276,729,423.47
(1) Purchase	275,281,885.2		1,447,538.2		276,729,423.4
3. Amount decreased the current period					
(1) Disposal					
(2) Withdrawal from the consolidation scope					
4. Ending balance	1,416,124,020.8	672,231,171.0	101,733,566.2	153,000,000.0	2,343,088,758.1
II. Accumulated amortisation					
1. Opening balance	88,885,582.5	146,154,794.8	43,672,631.1	29,325,000.0	308,038,008.5
2. Amount increased i the current period	12,844,241.1	32,769,982.5	3,989,454.6	7,650,000.0	57,253,678.4
(1) Accrual	12,844,241.1	32,769,982.5	3,989,454.6	7,650,000.0	57,253,678.4
3. Amount decreased the currenperiod					
(1) Disposal					
(2) Withdrawal from the consolidation scope					
4. Ending balance	101,729,823.6	178,924,777.3	47,662,085.8	36,975,000.0	365,291,686.9
III. Provision for impairment					
1. Opening balance			384,950.8		384,950.8
2. Amount increased i the current period					
(1) Provision					
3. Amount decreased the current period					
(1) Disposal					
(2) Withdrawal from the consolidation scope					

forming goodwill		period	period	
		Formed by business consolidation		

Item	Ending balance

engineering equipment						
Prepayments for equity investment	742,290.00		742,290.00	742,290.00		742,290.00
Total	467,304,865.1		467,304,865.1	161,095,381.5		161,095,381.5

22. Short-term borrowings

Classification of short-term borrowings

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Credit borrowings	1,683,370,373.50	

Accrued expenses	173,335,283.9	207,647,781.1
Deposit	51,361,545.2	67,895,424.8
Accounts payable	69,510,459.5	88,289,997.8

Item	Ending balance	Opening balance
Payable rent for leaseback	507,026,822.3	449,053,199.0
Payable investment funds for LG polarizer busi		878,041,051.1
Total	507,026,822.3	1,327,094,250.1

32. Other current liabilities

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Output tax to be transferred	3,683,905.5	3,282,653.6
Payable for short-term leaseback business	100,776,681.1	110,487,065.6
Total	104,460,586.6	113,769,719.2

33. Long-term borrowings

(1). Classification of long-term borrowings

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Ending balance	Opening balance
Credit borrowings	428,000,000.0	430,000,000.0
Guaranteed borrowings	2,078,236,619.0	1,161,815,013.6
Pledged borrowings	1,360,000,000.0	1,571,543,590.0
Mortgage borrowings	2,127,732,556.4	1,012,727,043.3
Total	5,993,969,175.5	4,176,085,647.0

Explanation on classification of long-term borrowings:

Unit: Yuan Currency: RMB

Item	Long-term borrowings due within one year	Long-term borrowings	Subtotal
Credit borrowings		428,000,000.0	428,000,000.0
Guaranteed borrowings	670,000,000.0	2,078,236,619.0	2,748,236,619.0
Pledged borrowings Note 1	267,340,000.0	1,360,000,000.0	1,627,340,000.0
Mortgage borrowings Note 2	91,594,095.1	2,127,732,556.4	2,219,326,651.6
Total	1,028,934,095.1	5,993,969,175.5	7,022,903,270.7

Note 1: Pledged borrowings

Unit: Yuan Currency: RMB

Nature of Borrowing	Pledge and mortgage projects	Pledge and mortgage	Balance of borrowings	
			Long-term borrowings due within one year	Long-term borrowings

41. Other comprehensive income

Applicable ¶ Not applicable

Unit: Yuan Currency: RMB

Item	Opening balance	Amount in the current period						Ending balance
		Amount before income tax in the current period	Less: The profit and loss transferred in the current period but previously included in other comprehensive income	Less: The retained earnings transferred in the current period but previously included in other comprehensive income	Less: income tax expenses	That attributable to the company after tax	That attributable to non-controlling interests after tax	
I. Other comprehensive incomes that will not reclassified into profit or loss	-154,856,686.63	106,633,092.42			29,250,000.00	77,383,092.42		-77,473,594.21
Of which: Remeasurement of changes in def benefit plans								
Other comprehensive income that cannot b transferred to profit and loss under equity meth	-15,232,635.23							-15,232,635.23
Changes in fair value of other equity instrum investments	-139,624,051.40	106,633,092.42			29,250,000.00	77,383,092.42		-62,240,958.98
Changes in fair value of enterprise's own cr risk								
II. Other comprehensive incomes to be reclass into profit and loss	4,036,797.42	2,839,952.80				2,839,952.80		6,876,750.22
Of which: Other comprehensive income that be transferred to profit and loss under equ method	3,752,581.19	157,144.62				157,144.62		3,909,725.81
Changes in fair value of other debt investme								
Amount of financial assets reclassified i other comprehensive income								
Provision for creditimpairment of other del investments								

s

applicable

Unit: Yuan Currency: RMB

ning balance	Increase in the current period	Decrease in the current period	Withdrawal from the consolidatio scope	Ending balance
,140,946.80	26,316.00		115,758.64	2,051,504.16
,140,946.8	26,316.00		115,758.64	2,051,504.1

s

applicable

Unit: Yuan Currency: RMB

Opening balance	Increase in the current period	Decrease in the current period	Ending balance
292,801,918.55			292,801,918.55

(2). Operating income generated from contracts

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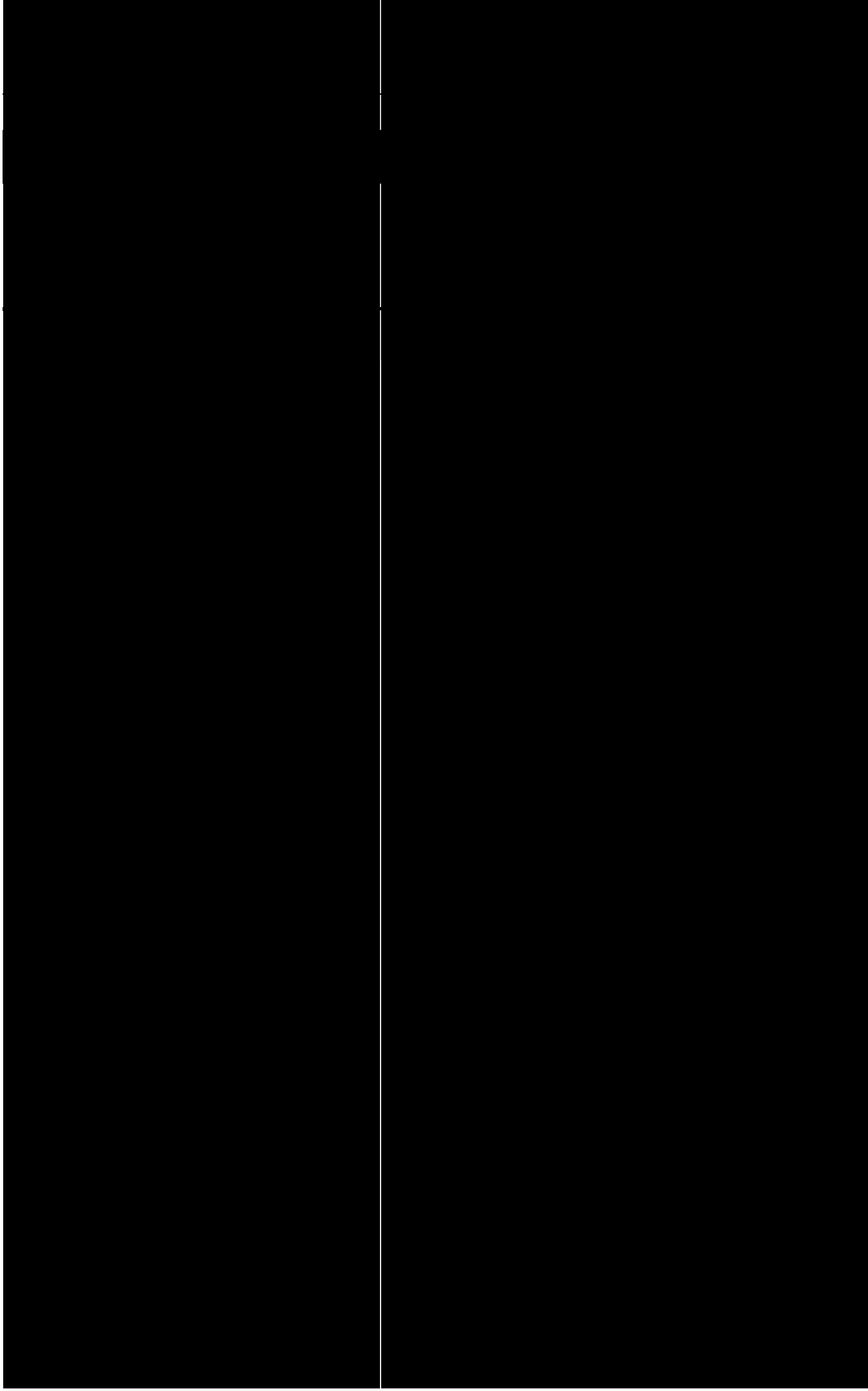
Unit: Yuan Currency: RMB

Contract classification	Polarizer Segment	Cathode Material Segment	Electrolyte Material Segment	New Energy Vehicle Segment	Energy Management Segment	Others	Inter-segment offset	Total
Commodity type								
Revenue from sales of goods	5,374,683,649.33	3,160,782,371.54	103,685,221.79	671,398.04	710,390,207.7	531,455.14		9,350,744,303.60
Revenue from photovoltaic power generation					50,246,205.4			50,246,205.41
Revenue from entrusted processing	21,207,238.19							21,207,238.19
Revenue from charging service								

Sales in mainland China	5,375,057,739.59	2,753,648,450.28	103,742,050.68	762,356.84	177,659,233.7	43,915,167.0	20,070,331.69	8,434,714,666.53
Taiwan China	37,108,568.66	2,237.93						37,110,806.5
Oversea s sales	2,322,835.86	410,519,287.18			583,108,327.6			995,950,450.70
Classification by timing of commodity transfer								
Confirm ation at a point of time	5,396,027,800.61	3,164,169,975.39	103,742,050.68	762,356.84	710,521,356.0	20,586,701.5	562,356.75	9,395,247,884.35
Confirm ation within a certain period of time	18,461,343.50				50,246,205.4	23,328,465.5	19,507,974.94	72,528,039.47
Total	5,414,489,144.1	3,164,169,975.3	103,742,050.6	762,356.8	760,767,561.4	43,915,167.0	20,070,331.6	9,467,775,923.8

amortisation		
Rent	4,257,128.7	7,362,459.5
Taxes	935,458.0	249,546.7
Transportation costs, vehicle costs others	2,925,866.3	2,204,323.8
Consulting fees and expenses external intermediary agencies	54,382,862.6	55,854,881.9
Conference fees and others	868,263.7	



Item	Amount incurred in the current period	Amount incurred in the previous period	Amounts included into the current nonrecurring profit and loss
Fixed assets	-6,367,937.2	4,082,280.2	-6,367,937.2
Total	-6,367,937.2	4,082,280.2	-6,367,937.2

56. Non-operating income

	period	period
Income tax expenses in the curr period	281,332,973.25	340,001,518.11
Deferred income tax expenses	20,805,814.1	-23,790,329.2
Total	302,138,787.4	316,211,188.8

(2) The reconciliation from total profit presented in the consolidated financial statements to the income tax expenses

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Unit: Yuan Currency: RMB

Item	Amount incurred in the current perioc
Total profit	1,372,968,569.9
Profit and loss of subsidiaries cannot be offset against other	132,132,848.18
Income tax expenses calculated at statutory/applicabl rate	376,275,354.54
Effect of different tax rates applied to subsidiaries	-61,368,916.8
Effect of adjustments to income taxes of prior periods	-3,535,201.1
Effect of non-taxable income	-29,895,584.9
Additional deductible expenses under the tax law	-20,971,556.3
Effect of non-deductible costs, expenses and losses	24,830,837.2
Eff of deductible losses on the use of defered tax asse not recognized in prior periods	-7,894,677.05
Effect of deductible temporary differences or deduc losses on deferred income tax assets not recognized current period	24,698,531.98

Non-operating income received rela to business activities	6,386,375.48	10,929,338.51
Others	1,912,193.5	1,370,737.3
Total	455,392,836.3	353,586,535.3

(2). Other cash paid related to operating activities

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Unit: Yuan Currency: RMB

Item	Amount incurred in the curre period	Amount incurred in the previous period
Operating-related expenses	386,645,727.2	435,915,551.5
Payment of various types business-related deposits and secu deposits	24,437,838.8	124,330,732.3
Payment of temporary borrowings	45,000.0	80,000.0
Non-operating expenses paid relate operating activities	4,588,786.0	2,918,383.0
Total	415,717,352.2	563,244,666.8

(3). Other cash received related to investing activities

‘$SSOLFDEOH ¥1RW DSSOLFDEOH

(4). Other cash received related to investing activities

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Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payment of the remaining portion of the principal an interest on the acquisition of the LCD polarizer busine		472,262,241.00
Payment of income tax expense on transfer of e interest in BASF Shanshan		372,513,659.04
Hunan Yongshan Lithium Industry Co., Ltd., Beij Shanshan Venture Capital Investment Co., Ltd. a Winsky business segments out of the statement to le decline in cash at bank and on hand		139,671,579.16
Payment of investment deposits		294,930,000.0
Total		1,279,377,479.2

(5). Other cash received related to financing activities

¥$SSOLF1DREVOHDSSOLFDEOH

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Current accounts received from Ningbo Shan Contract Energy Management Co., Ltd. before	10,000,000.0	

financial statements is released		
Payments received on banknotes from BYD and Fa Energy Zhenjiang	125,805,925.4	
Project payments from Industrial Bank Financial Lea	300,000,000.0	

Depreciation of right-to-use assets	71,601,884.0	41,806,882.2
Amortisation of intangible assets	57,253,678.4	52,244,761.4

Plus: Cash or cash equivalents received in the current period from disp subsidiaries during the previous periods	
Net cash received from disposal of subsidiaries	496,876,004.2

(3)

HKD	17,762,647.2	0.9220	16,376,805.5
Euro	4,427,902.0	7.8771	34,879,027.2
Pound	26.04	9.1432	238.09
Japanese yen			

	current period	transferred	previous period	against related costs and expenses losse
High-tech enterpris subsidy	399,999.98		681,720.02	Other income
Industrial suppor fund subsidy	288,354,562.36		35,974,868.52	Other income
Technology projec subsidy	4,637,963.04		4,552,689.42	Other income
Other subsidies	5,316,444.1		223,270.2	Other income
Total	298,708,969.4		41,432,548.1	

VIII. Change in Scope of Consolidation

1. Business combination not under the same control

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2. Business combination under the same control

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3. Reverse purchase

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4. Disposal of subsidiaries

Loss of control upon a single disposal of an investment in a subsidiary

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Unit: Yuan Currency: RMB

Name of subsidiary	Equity disposal price	Equity disposa ratio (%)	Equity disposa method	The time point of loss of control	Basis for determining the time point at which control is lost	The difference between the disposal price and the share of the net assets of the subsidiary at the consolidated financial statement level correspondin to the disposa of the investment	Ratio of the remaining equity at the date of loss of control (%)	Book value of the remaining equity at the date of loss o control	Fair value of the remaining equity at the date of loss o control	Gains or losses on re-measuremer of remaining equity at fair value	Methods and key assumption for determining the fair value of the remaining equity at the date of loss of control	Amount transferred from other comprehensiv income relate to equity investment in former subsidiaries t investment profit and loss
Xinya Shanshan New Material Technology (Quzhou) Co., Ltd. Note1	703,000,000.00	51.00	Transfe of shares	January 2023	Control of making business decisions has bee transferred	365,092,178.82	31.2534	207,564,137.61	299,000,000.00	91,435,862.39	Assessmer of fair value Note 2	
Ningbo Shanxin Photovoltaic Energy Managemer Co., Ltd.	50,194,512.50	100.00	Transfe of shares		[redacted]							

Other explanations:

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Note 1: Xinya Shanshan New Material Technology (Quzhou) Co., Ltd. is formerly known as Shanshan New Material (Quzhou) Co., Ltd.

Note 2: Based on the Kunyuan asset valuation report (2023) No. 238 issued by Kunyuan Asset Appraisal Co., Ltd., Ningbo Yongquan Investment Co., Ltd. intends to understand the valuation report of the long-term equity investment value assessment project held by it. On 31 January 2023, the fair value of the remaining equity of Xinya Shanshan New Material Technology (Quzhou) Co., Ltd., invested by Ningbo Yongquan Investment Co., Ltd., was RMB299 million.

5. Change in scope of consolidation for other reasons

Describe the change in scope of consolidation for other reasons (e.g. Establishing new subsidiaries, liquidating subsidiaries, etc.) and its details:

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(1)

IX. Interests in other Subjects

1. Interests in subsidiaries

(1). Composition of enterprise groups

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Name of subsidiary	Main business locations	Place of registration	Business nature	Shareholding ratio (%)		Acquisition method
				Direct	Indirect	
ShanJin Optoelectronics (Suzhou) Co., Ltd. Note 1	Suzhou, Jiangsu	Suzhou, Jiangsu	Industry	85		Newly established
ShanJin Optoelectronics (Guangzhou) Co., Ltd.	Guangzhou, Guangdong	Guangzhou, Guangdong	Industry		100	Newly established
ShanJin Optoelectronics (Nanjing) Co., Ltd.	Nanjing, Jaingsu	Nanjing, Jaingsu	Industry		100	Newly established
ShanJin Optoelectronics (Beijing) Co., Ltd.	Beijing	Beijing	Industry		100	Newly established
ShanJin Optoelectronics Technology(Zhangjiagang) Co., Ltd.	Zhangjiagang, Jiangsu	Zhangjiagang, Jiangsu	Industry		100	Newly established
ShanJin Optoelectronics (Mianyang) Co., Ltd.	Mianyang, Sichuan	Mianyang, Sichuan	Industry		100	Newly established
Taiwan Shanjin Optoelectronics Co., Ltd.	Taiwan, China	Taiwan, China	Industry		100	Consolidation not under same control
Shanjin Tokyo Co., Ltd.	Tokyo, Japan	Tokyo, Japan	Trade	100		Newly established
Ningbo Shanshan New Energy Technology Development Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Investment	98	2	Newly established
Shanghai Shanshan New Energy Technology Developemnt Co., Ltd.	Shanghai	Shanghai	Industry	100		Newly established
Shanghai Shanshan Lithiu Battery Material Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang				

Ningbo Ziheng Trading Co Ltd. (–# Ø Ch C 9L ( )	Ningbo, Zhejiang	Ningbo, Zhejiang	Industry	100		Newly established

Note 1: Description of the percentage of shareholding in subsidiaries different the percentage of voting rights:

Shanshan Co., Ltd. acquired 70% of Suzhou Shanjin's share equity on 1 February 2021. According to the agreement, Shanshan Co., Ltd. will continue to purchase the remaining 30% of Suzhou Shanjin's share equity held by LG Chem in stages over the next three years to achieve 100% control of Suzhou Shanjin. As of 30 June 2023, Shanshan Co., Ltd.'s shareholding ratio has increased to 85%. Due to the fact that all variable income from the polarizer business in the three years belongs to Shanshan Co., Ltd., the subsequent transaction price of LG Chem's equity has been determined and irrevocable. Therefore, 100% of the equity in the polarizer film business belongs to Shanshan Co., Ltd., and the equity held by LG Chem is reflected as liabilities.

Note 2: Holding half or less of the voting rights but still controlling the investee:

Baotou Graphene Material Research Institute Co., Ltd. is 50% owned by the Company, and the Company sends a majority of its directors and appoints all the management personnel.

(2). Significant non-wholly owned subsidiaries

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Unit: Yuan Currency: RMB

Name of subsidiary	Shareholding ratio of non-controlling interests (%)	Profit and loss attributable to non-controlling interests in the current period	Dividends declared to non-controlling interests in the current period	Balance of non-controlling interests' equity at the end of the period
Shanghai Shanshan Lithiu Battery Material Technolog Co., Ltd. (lithium anode material)	12.923	55,731,890.64	0.00	948,896,437.62

Inner Mongolia Mengji New Carbon Material Co., Ltd.	94,546,134.67	93,011,322.9
Jiangxi Zhanxiao New Energy Technology Co., L	15,245,786.0	16,633,698.5
Xinya Shanshan New Material Technology (Quzh Co., Ltd.	291,690,382.45	
Total book value of investments	1,735,288,706.8	1,444,287,218.3
Total of the following in proportion to shareholdings		
— Net profit	-7,998,511.5	-3,882,943.2
— Other comprehensive income		
— Total comprehensive income	-7,998,511.5	-3,882,943.2

(5). Excess losses incurred by joint ventures or associates

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Unit: Yuan Currency: RMB

Name ofjoint venture or associate	Accumulated losse in the previous periods that are accumulated and unrecognized	Unrecognized loss in the current period (or net profit shared in the current period)	Accumulated unrecognized losses at the end of the period
Winsky Gaoke Group Co Ltd.	-12,245,248.29	-3,003,402.97	-15,248,651.26

X. Risks Associated with Financial Instruments

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bank and on hand and receivables. In order to control the above related risks, the Company has taken the following measures respectively:

(1) Cash at bank and on hand

The Company places its bank deposits and other cash balances with financial institutions with high credit ratings, so its credit risk is low.

(2) Accounts receivable

It mainly refers to receivables resulting from credit sales by customers, and the main control measures adopted are as follows: Prepare and continuously revise and improve credit management systems and processes related to customer information collection, customer development, customer maintenance, customer credit investigation, credit assessment, credit limit management, customer blacklist management, bad debt assessment and recovery, customer file management, etc.; At the same time, the internal risk management mechanism of risk identification, response, tracking and control has been established with the risk asset management team as the responsible institution, which regularly organizes risk asset management meetings, evaluates the performance of credit customers, defines the risk level based on the credit information and statistical data analysis of customers, and takes risk control measures such as key monitoring, letter issuance, collection, control, stopping delivery, lawyer's letter, filing lawsuits, as well as adopts information notification mechanisms for customers with different risk levels.

On the basis of strengthening the above-mentioned internal management, the Company has prepared a sales and credit risk evaluation system around customer fundamentals and different risk levels for customer's accounts receivable management, while conducting biannual internal control evaluation activities and corresponding control measures rectification activities on a regular basis.

As of the end of the period, the book value of accounts receivable within the scope of consolidated statements was RMB 4,521,223,001.81, accounting for 9.58% of the total assets at the end of the period, representing a decrease of 3.70% year-over-year. The control of credit risk faces certain challenges, but under the implementation of the Company's strict risk management policy, the credit risk is still under control and the provision for impairment of accounts receivable already made is sufficient to cover its credit risks 521,2ID 6 >>BDC 0.037 Tw -11..3(s[(r)2.5(ep)-111.4(2ID 6 >>BDC 0.038 Tw -11./TT3 0.f005 Tw

2023, the Company and the consolidated subsidiaries had obtained bank credit facilities totaling RMB 27.819 billion, with RMB 13.895 billion in unused credit lines. Based on the Company's credit capacity and the bank's cooperative relationship, the Company can obtain bank financing in a short term. Second, the Company also has assets with good liquid such as the equity in Luoyang Molybdenum. Third, the Finance and Capital Department will make monthly statistics on the plan for the use of funds in the coming month and arrange a reasonable allocation of funds to improve the efficiency of the use of funds and reduce the flow risk.

3. Market risk

Market risk of financial instruments is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, including interest rate risk, exchange rate risk, and other price risks.

(1) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises mainly from interest-bearing liabilities such as bank borrowings. As of 30 June 2023, the Company's bank borrowings totaled approximately RMB 13.266 billion, mainly bank borrowings with the Loan Prime Rate (LPR) denominated in RMB floating up and down by a certain percentage; The Company has obtained 3.892 billion of medium-and long-term bank borrowings, and the maturity and interest rate structure of the financing is reasonable overall.

The Company's Finance and Capital Department continuously monitors interest rate levels. An increase in interest rates will increase the cost of new interest-bearing debt and interest expense on the Company's outstanding interest-bearing debt with floating interest rates and adversely affect the Company's financial results. The Management Layer will make timely adjustments based on the latest market conditions, such as appropriate arrangements to increase the fixed interest rate ratio to address the risks associated with financial instruments.

(2) Exchange rate risk

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to exchange rate changes is mainly related to the Company's foreign currency monetary assets and liabilities. For foreign currency assets and liabilities, if there is a short-term imbalance, the company will adopt various foreign exchange tools such as buying and selling foreign currencies at market rates to control the exchange rate risk when necessary to ensure that the net exposure is maintained at an acceptable level.

At present, the Company's main net exposure to US dollar liabilities is the payment of two subsequent equity acquisitions for the polarizer acquisitions. For details, please refer to this Note XIV 1 (5). Agreed expenditure.

3. Other price risk

The Company holds equity investments in other listed companies and the Management believes

(III) Investments in other equity instruments	819,131,219.67		36,916,462.76	856,047,682.43
(1) Investment in listed equity instruments	819,131,219.67			819,131,219.67
(2) Investment in unlisted equit instruments			36,916,462.76	36,916,462.76
(IV) Receivables financing			861,470,302.1	861,470,302.1
(V) Other				

The closing price of the company's shares held on the balance sheet date is used as the market price.

3. Continuing and discontinuing Level-2 fair value measurement items, qualitative and quantita

	Yinzhou District Ningbo City, Zhejian Province				

Controlling shareholders of the Company: Shanshan Holdings Co., Ltd. and Shanshan Group Co., Ltd. In addition to the shares of the Company held by Shanshan Group Co., Ltd., Shanshan Holdings Co., Ltd directly holds 72,212,200 shares of the Company, accounting for 3.19%. Ningbo Pengze Trading Co. Ltd. directly holds 205,264,800 shares of the Company, accounting for 9.07%. Ningbo Zhou Jielun Investment Co., Ltd., directly holds 77,873,300 shares of the Company, accounting for 3.44%.

2. Information about the subsidiaries of the Company

Ltd.	
Jiangsu Shanyuan Technology Co., Ltd.	Participating company
Jiangxi Zhanxiao New Energy Technology C Ltd	Associate of subsidiaries
Jinzhou Jixiang Molybdenum Industry Co., L	Other enterprises controlled by the ultimate controlle
Ningbo Ligang Technology Service Co., Ltd.	Other enterprises controlled by the ultimate contro
Ningbo Shanju Industrial Co., Ltd.	Other enterprises controlled by the ultimate contro
Ningbo Shanshan Technology Venture Ser Co., Ltd.	Other enterprises controlled by the ultimate contro
Ningbo Shanshan Energy & Chemical Co., L	Other enterprises controlled by the ultimate contro
Ningbo Shanshan Senhuo Commer Management Co., Ltd.	Other enterprises controlled by the ultimate contro
Ningbo Shanshan Products Co., Ltd.	Other enterprises controlled by the ultimate contro
Ningbo Shanxin Commercial Real Est Management Co., Ltd	Other enterprises controlled by the ultimate contro
Ningbo Shunnuo Trading Co., Ltd.	Other enterprises controlled by the ultimate contro
Shanshan Group Co., Ltd.	Controller
Shanshan Holdings Co., Ltd.	Controller
Shanshan Products Group Co., Ltd.	Other enterprises controlled by the ultimate contro

Technology (Quzhou) Co., Ltd.			
Ningbo New Airport Internation Logistics Co., Ltd.	Transportation fee	188.76	632.31
Ningbo Ligang Technology Service Co., Ltd.	Utilities, property service fee	14.37	8.72
Ningbo Shanshan Technolo Venture Service Co., Ltd.	Property service fe	87.02	69.37
Jiangxi Zhanxiao New Ener Technology Co., Ltd.	Purchase of goods	0.37	
Jiangxi Zhanxiao New Ener Technology Co., Ltd.	Commissioned processing	37.17	

Information of commodities sold/labor services provided

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of labour services

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Note 1: The Company transferred the equity of Inner Mongolia Hengsheng New Energy Technology Co., Ltd. in May 2022, and it is no longer regarded as a related party for this reporti period.

(2). Related leases

The Company as the lessor:

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Unit: 0’000 Currency: RMB

Name of lessee	Types of leased assets	Rental income recogniz in the current period	Rental income recogniz in the previous period
Ningbo NewMingda Knitting Co., Ltd.	House buildings		98.18
Ningbo Shanjing Apparels Co., Ltd.	House buildings	1.26	1.37
Shanshan Brand Management Co., Ltc	House buildings	148.58	149.66
Evps Ningbo Energy Storage System Ltd.	House buildings	63.00	0.50
Ningbo Shanshan Resources Corporat	House buildings	43.66	34.39
Shanshan Resources Group Co., Ltd.	House buildings	56.14	14.77
NingboShanshanEnergyCo., Ltd	House buildings	88.21	45.48
Shanghai Shanshan Trading Co., Ltd.	House buildings		20.53
Shanghai Zhiwei Industry and Trade C Ltd.	House buildings		6.84
ShanghaiMingxu Import & ExportCo., Ltd.	House buildings	5.34	2.67
Jiangxi Zhanxiao New Energ Technology Co., Ltd.	House buildings	3.54	
Ningbo Shanju Industrial Co., Ltd.	Housebuildings	10.96	

The Company as the lessee:

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Explanation on related leases:

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The prices of related leases are consistent with those of other related parties in the same period.

(3). Related guarantees

The Company as the guarantor

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Unit: 0’000 Currency: RMB

Guaranteed party	Guarantee amount	Guarantee start date	Guarantee expiration date	Whether the guarantee ha been fulfilled

Related party	Contents of related transaction	Amount incurred in the current period	Amount incurred in the previous period
Jinzhou Jixiang Molybdenum Industry C Ltd.	Transfer of shares		48,000.00
Ningbo Shanshan Senhuo Commer Management Co,Ltd.	Transfer of shares		173.00

(6) Remuneration to key management personnel

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	Beiben Heavy Duty Automobile Gro Co., Ltd.	5,598.04	3,358.83	5,598.04	3,358.83
Other receivables	Jinzhou Jixiang Molybdenum Co., Ltd			13,000.0(	

XIII. Share-based Payment

1. Share payment in general

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2022 Share Option and Restricted Share Incentive Plan

The 2022 First Extraordinary General Meeting held on 14 March 2022 considered and approved the Proposal on the 2022 Share Option and Restricted Share Incentive Plan (Draft) of Ningbo Shanshan Co. Ltd. and Its Summary, and the Proposal on the 2022 Share Option and Restricted Share Incentive Plan Implementation Assessment Measures.

The 26th Meeting of the Tenth Board of Directors held on 18 March 2022 considered and approved the Proposal on Adjusting the List of Incentive Recipients of the Company's 2022 Share Option and Restricted Share Incentive Plan, and the Proposal on the First Grant of Share Options to Incentive Recipients under the Company's 2022 Share Option and Restricted Share Incentive Plan.

The 30th meeting of the Tenth Board of Directors held on 26 May 2022 reviewed and approved the Proposal on Adjustment of Exercise Price of Share Options and Restricted Share Incentive Plan of the Company in 2022 and Cancellation of Part of Share Options, the Proposal on the Adjustment of the List of Restricted Share Incentive Participants, Grant Price and Grant Quantity of the Company's 2022 Share Option and Restricted Share Incentive Plan, and the Proposal on the First Grant of Share Options to Incentive Targets under the Company's 2022 Share Option and Restricted Share Incentive Plan, and other related proposals.

1.Grant date: 18 March 2022(share options) 26 May 2022 (restricted shares).

2. Number of participants, number of share options granted: the number of participants is 435, and the number of share options granted: 45.01 million; number of participants of restricted shares: 417; number of share options granted of restricted shares: 18,334,100

3.Exercise price: The exercise price of share options granted for the first time under the Incentive Plan is RMB28.18 per share; the granting price of restricted shares is RMB14.09.

4. Stock source: The Company issued A-share common stock to the incentive participants.

5. Period of validity: The share options incentive plan shall be valid for a maximum of 72 months from the date of the share option grant to the date of exercise or cancellation of all share options granted to the incentive participants; The validity period of the Restricted Share Incentive Plan shall commence from the date of completion of registration of the first grant and end on the date when all the restricted shares granted to the incentive participants are fully unlocked, repurchased and deregistered, for a maximum of 72 months.

6. Waiting period, restricted share trade period: The share options granted for the first time are exercisable in four instalments, with waiting periods of 12 months, 24 months, 36 months and 48 months from the date of the first grant, respectively. Restricted shares granted for the first time will be released from sale in four instalments, with the corresponding restricted share trade periods of 12 months, 24 months, 36 months and 48 months from the date of registration of the first grant, respectively.

7. Exercise conditions:

The Company's performance conditions, departmental performance appraisals and individual

The performance evaluation results of each department level of the company and their corresponding department evaluation standard coefficients are divided into four levels according to the table below: A, B, C, and D. The required score (S) and the calculation method for score (S) for each level are as follows:

Score from operating income(S1)		S1=Min [0.5, (Actual completion growth rate of operating income ÷ expected growth rate of operating income)*0.5]		
Score from net income (S2)		S2=Min [0.5, (Actual completion growth rate of net income ÷ expec growth rate of net income)*0.5]		
Level Assessment	Level A	Level B	Level C	Level D
Total Scores (S=S1+S2)	0.9≤S≤1	0.8≤S<0.9	0.7≤S<0.8	S<0.7
Assessment standard coefficient of the department	100%	90%	80%	0

The recipients of this incentive are all from the polarizer business department or negative electrode material business department, and their corresponding annual expected growth rate of departmental performance are shown in the table below:

Exercise of rights/ Lifting restricted sales period	Expected growth rate of performance indicators for polarizer business department		Expected growth rate of performance indicators for negative electrode material business department	
First exercise/restriction release period the First Grant	Operating income	Based on the operating income the polarizer business in 2021, expected growth rate of t operating income of the polariz business in 2022 is 17%	Operating income	Based on the operating income of negative electrode material business 2021, the expected growth rate of operating income of the negat electrode material business in 2022 80%
	Net profit	Based on the net income of the polarizer business in 2021, t expected growth rate of the income of the polarizer business 2022 is 14%	Net profit	Based on the net income of the nega electrode material business in 2021, expected growth rate of the net income of the negative electrode mate business in 2022 is 65%
Second exercise/restriction release period the First Grant	Operating income	Based on the operating income the polarizer business in 2021, expected growth rate of t operating income of the polariz business in 2023 is 44%	Operating income	Based on the operating income of negative electrode material business 2021, the expected growth rate of t operating income of the negat electrode material business in 2023 170%
	Net profit	Based on the net income of polarizer business in 2021, t expected growth rate of the income of the polarizer business 2023 is 30%	Net profit	Based on the net income of the nega electrode material business in 2021, expected growth rate of the net incom of the negative electrode mate business in 2023 is 165%
Third exercise/restriction release period the First Grant	Operating income	Based on the operating income the polarizer business in 2021, expected growth rate of t operating income of the polariz business in 2024 is 72%	Operating income	Based on the operating income of negative electrode material business 2021, the expected growth rate of t operating income of the negat electrode material business in 2024 300%
	Net income	Based on the net income of polarizer business in 2021, t expected growth rate of the income of the polarizer business 2024 is 50%	Net income	Based on the net income of the nega electrode material business in 2021, expected growth rate of the net incom of the negative electrode mate business in 2024 is 300%
Fourth	Operating	Based on the operating income	Operating	Based on the operating income of

Exercise of rights/ Lifting restricted sales period

Exercise/ Restriction Release Arrangement	Exercise/ Restriction Release Time	Number of can be exercised rights/ lifted restricted for sale share quantity as a percentage of the number of interests granted
		-1 7[6

implemented on 25 May 2022, the Board of Directors of the Company agreed to adjust the exercise price of share options under the Incentive Plan from RMB28.18 per share to RMB27.85 per share, and to adjust the granting price of restricted shares under the Incentive Plan from RMB14.09 per share to RMB13.76 per share. In view of the fact that some of the participants of the Share Incentive Plan have left their jobs and some have voluntarily relinquished the relevant rights and interests, the Board of Directors of the Company has agreed to cancel the share options that have been granted but not yet exercised, and adjust the list of participants and the number of granted restricted shares for the first time accordingly. After this adjustment, the number of participants of share options under the Incentive Plan was adjusted from 435 to 430, and the number of share options granted but not yet exercised for the first time was adjusted from 45,010,000 to 44,520,000; the number of participants of granted restricted shares for the first time under the Incentive Plan was adjusted from 437 to 417; and the number of restricted shares granted for the first time was adjusted from 19,320,000 to 18,334,100;

On 2 August 2023, the Company held the second meeting of the eleventh Board of Directors and the second meeting of the eleventh Board of Supervisors reviewed and approved the Proposal on Adjustment of Relevant Equity Price, Cancellation of Part of Share Options, and Repurchase of Cancelled Restricted Shares under Share Options and Restricted Share Incentive Plan of the Company in 2022. In view of the fact that the equity distribution for 2022 was implemented on 2 June 2023, the Board of Directors of the Company agreed to adjust the exercise price of share option under the Incentive Plan to be RMB27.55 per share, and adjust the repurchase price of the restricted shares under the Incentive Plan to be RMB13.46 per share or the sum of RMB13.46 per share and interest on bank deposits for the same period. In view of the fact that the performance assessment indicators for the first exercise/restriction release period under the Share Incentive Plan have not been met and that some participants are no longer qualified as the participants of the Incentive Plan due to their departure or retirement, the Board of Directors of the Company has agreed to cancel a total of 12,436,200 share options granted but not yet exercised, and to repurchase and write off a total of 4,980,725 restricted shares granted but not yet released from restriction on sale. After the adjustment, the number of participants of share options under the Incentive Plan was adjusted from 430 to 410, and the number of share options granted but not yet exercised was adjusted from 44,520,000 to 32,083,800; the number of participants of restricted shares under the Incentive Plan was adjusted from 417 to 403, and the number of restricted shares granted but not yet released from restriction on sale was adjusted from 18,334,100 to 13,353,375.

XIV. Commitment and Contingencies

(All units are in RMB if not otherwise stated in this section)

1. Important commitments

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Significant external commitments existing at the balance sheet date, nature and amount

(1) Mortgaged and pledged assets:

Item	Original value of collateral	Net value of collateral	
Intangible assets — borrowings mortgage—borrowings pledge	701,633,388.27	659,446,701.12	Note 1
Fixed assets—borrowings mortgage	927,598,460.8	836,187,219.7	Note 1
Construction in progress—borrowings mortgage	302,928,103.17	302,928,103.17	Note 1
Fixed assets—leaseback	2,082,849,877.5	1,529,507,582.7	Note 2
Accounts receivable—pledge financing	105,706,665.7	52,501,870.8	
Total	4,120,716,495.5	3,380,571,477.6	

Note 1: The details of mortgage credit to banks with assets are as follows:

Item	Net value of collateral	Beneficiary banks	Credit terms	Credit limit	Short-term borrowing balance	Balance of long-term borrowings due within one year	Long-term borrowing balance	Total use amount of credit
Patent right		Huzhou Wuxing Rural Commercial Bank Co., Ltd.	Pledge	9,900,000.00	9,900,000.00			9,900,000.00
Land	283,850,382.44	Industrial Bank	Secured and guaranteed	5,700,000,000.00			190,435,793.46	190,435,793.46
House land	954,403,557.51	China Export-Import Bank	Mortgage	400,000,000.00		80,000,000.00	147,000,000.00	227,000,000.00
Land	47,712,609.97	Bank of Jiangsu	Secured and guaranteed	200,000,000.00			200,238,888.88	200,238,888.88
Land	71,451,610.50	Industrial Bank	Secured and guaranteed	2,200,000,000.00			1,278,676,467.11	1,278,676,467.11

Ltd.				
Sichuan Shanshan New Mate Technology Co., Ltd.	640,788,141.59		301,521,200.00	
Ningbo Shanshan New Mater Technology Co., Ltd.	88,629,717.47			100,776,681.18
ChenzhouShanshan New Materi Co., Ltd.	149,657,788.66	31,389,907.42	79,251,137.49	
Total	1,529,507,582.7	507,026,822.3	490,625,771.9	100,776,681.1

(2) Pledged assets

Pledged assets	Carrying amount	Contents of guaranteed debts
Other cash balances bank acceptance deposit	536,099,333.5	Bank acceptance bill issued
Other cash balances letter of credit deposit	317,964,782.7	Letter of credit issued
Other cash balances guarantee deposit	42,472,625.7	Guarantee issued
Othercash balances other deposits	2,201,721.34	Settlement of foreign exchan and procurement
Accounts receivable	52,501,870.8	Pledged borrowings

Litigation with the company as the plaintiff

Plaintiff	Defendant	Prosecution time	Amount of litigation	Book amount receivable at the end of the period	Proportion of accrued bad del reserves (%)	Case progress
Ningbo Ulica Solar Energy Co., Ltd.	ZJ Co., Ltd.	Year 2020	Pay for the balance payment of goo interest, guarantee fee and lawyer's fee, totaling RMB 1,106,974.02	995,490.63	100	Still in arbitration

Plaintiff	Defendant	Prosecution time	Amount of litigation	Book amount receivable at the end of the period	Case progress
Ningbo Ulica Solar Energy Co., Ltd.	SH New Materials Co., Ltd.	Year 2022	Pay for the balance payment of goo liquidated damages, guarantee fee lawyer's fee5(d)-4(5)9.7(ee 0.48 6 0415.2 6sew)1.6(a1.8(R12(4TD [(M)-B.6(e)-5		

the second defendant. The litigation amount far exceeds the actual unpaid engineering payment because it has not deducted the amount for the self-supplied parts of the engineering components.

(3) Significant litigation cases that have been closed or settled but not implemented

Plaintiff	Defendant	Amount of litigation	Carrying amount at the end of the period	Proportion of accrued provision for asset impairment (%)	Case progress
Shanghai Shanshan Technology Co., Ltd.	Customer ZX	10,938,575.00	4,627,840.70	100	Settlement reached but not repaid according to schedule

XV. Matters after the Balance Sheet Date

1. Important non-adjusting matters

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2. Profit distribution

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XVI. Other Important Matters

1. Correction of previous accounting errors

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2. Segment information

(1). Basis of determination of report segments and accounting policies

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Each of the Company’s report segments provides different products or services, or operates in different geographic areas. Because each segment requires a different technology or market strategy, the

(2). Financial information for report segments

¥ $ S S O L F1DREWO HD S S O L F D E O H

Unit: Yuan Currency: RMB

Item	Polarizer segmer	Anode material	Electrolyte material	New energy vehicle	Energy management	Investment	Others	Inter-segment offset	Total
I. Foreign transaction income	5,414,489,144.11	3,164,169,975.39	103,742,050.68	762,356.84	760,767,561.41		43,915,167.08		9,487,846,255.51
II. Operating income from inter-segment transactions								-20,070,331.69	-20,070,331.69
III. External transaction co	4,357,249,070.2	2,626,955,076.2	90,892,192.3	549,647.56	649,300,068.2		8,179,463.0		7,733,125,517.7
IV. Inter-segment transaction cost								-6,819.08	-6,819.08
V. Share of profit of associates and joint ventu		1,534,811.72	-7,309,617.55	-725,363.18		1,276,022.49	-24,671,438.43		-29,895,584.95
VI. Credit impairment loss	18,713,176.5	-4,277,781.2	3,229,709.0				-354,897.65		17,310,206.6

XVII. Notes to Major Items of Financial Statements of the Parent Company

1. Accounts receivable

(1). Disclosure by aging

¥ $ S S O L F1DREVO HD S S O L F D E O H

Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period
Within 1 year	11,335,354.5
Subtotal within one year	11,335,354.5
1-2 years	750,249.9
2-3 years	
3-4 years	71,285.2
4-5 years	
Over 5 years	578,643.9
Subtotal	12,735,533.6
Less:Bad debt provision	1,291,721.8
Total	11,443,811.8

(2). Disclosure by bad debt provision method

¥ $ S S O L F1DREVWO HD S S O L F D E O H

Unit: Yuan Currency: RMB

Category	Ending balance					Opening balance				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Withdrawal ratio (%)		Amount	Proportion (%)	Amount	Withdrawal ratio (%)	
Provision for bad debts is made on an individual basi										
Of which:										
Accounts receivable whose amounts are not considered individually significant but whose bad debt provision shall be withdrawn individually										
Provision for bad debts made on a portfolio basis	12,735,533.69	100.00	1,291,721.89	10.14	11,443,811.80	7,043,340.23	100.00	1,599,610.89	22.71	5,443,729.34
Of which:										
Combination of related parties	1,311,400.1	10.30	632,755.1	48.25	678,644.9	1,966,312.5	27.92	627,988.2	31.94	1,338,324.2
Account age portfolio	11,424,133.5	89.70	658,966.7	5.77	10,765,166.8	5,077,027.7	72.08	971,622.6	19.14	4,105,405.0
Total	12,735,533.6	/	1,291,721.8	/	11,443,811.8	7,043,340.2	/	1,599,610.8	/	5,443,729.3

Provision for bad debts is made on a portfolio basis:

¥ $ S S O L F1DREWO HD S S O L F D E O H

Combined provision items: account age portfolio

Unit: Yuan Currency: RMB

Name	Ending balance		
	Accounts receivable	Bad debt provision	Withdrawal ratio (%)

2. Other receivables

Presentation of items

¥ $ S S O L F1DREVO HD S S O L F D E O H

Unit: Yuan Currency: RMB

Item	Ending balance	Openingbalance
Interest receivable		
Dividend receivable	4,500,000.0	4,500,000.0
Other receivables	6,978,036,366.5	6,520,585,599.3
Total	6,982,536,366.5	6,525,085,599.3

(1) Dividend receivable

¥ $ S S O L F1DREVO HD S S O L F D E O H

(2) Unit: Yuan Currency: RMB

Item˜ or Invested unit¯	Ending balance	Opening balance
Suiyong Holdings Co., Ltd.	4,500,000.0	4,500,000.0
Total	4,500,000.0	4,500,000.0

(3) Classified disclosure

Unit: Yuan Currency: RMB

Type	Ending balance					Balance at the beginning of the year	
	Carryingamount	Percentage (%)	Bad debt provision	Percentage of provision (%)	Book value	Carrying amount	

Provision for bad debts is made on a portfolio basis:

Unit: Yuan Currency: RMB

Name	Ending balance		
	Other receivables	Provision for bad debts	Withdrawal ratio (%)

Shanghai Shanshan New Energy Technology Co., Ltd.		102,627,969.7	102,627,969.7

4. Operating income and operating cost

(1). Operating income and operating costs

¥ $ S S O L F1DREVO HD S S O L F D E O H

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Income	Cost	Income	Cost
Main business				
Other business	38,374,543.1	7,095,351.1	66,052,919.2	5,135,043.7
Total	38,374,543.1	7,095,351.1	66,052,919.2	5,135,043.7

Breakdown of operating income:

Unit: Yuan Currency: RMB

Main business income	Amount incurred in the curre period	Amount incurred in the previous period
Other operating income	38,374,543.1	66,052,919.2
Of which: Subsidiaries' financir services revenue		32,778,595.06
Housing rental income	27,106,844.2	21,532,340.1
Other income such as utiliti and property service fee	11,267,698.9	11,741,983.97
Total	38,374,543.1	66,052,919.2

5. Investment income

¥ $ S S O L F1DREVO HD S S O L F D E O H

Unit: Yuan Currency: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment incomes accounted the cost method	178,628,611.5	
Long-term equity investment incomes accounted the equity method	74,494,319.26	52,144,712.40
Investment incomesgenerated from disposal long-term equity investment	-35,536,375.18	
Investment income on trading financial assets		
Dividend income earned during the holding perio investments in other equity instruments	600,000.00	
Interest income earned during the holding period c debt investments		
Interest income earned during the holding perio other debt investments		
Investment income from disposal of trading finar assets		
Investment income from disposal of investment other equity instruments		

Investment income from disposal of other debt investments	
Supplementary Information6,5552(nf]TJ /TT1 5 Td (	
Total	52,144,712.4

XVIII.

[redacted]

Chairman: Zheng Ju