Contemporary Amperex Technology Co., Limited
寧德時代新能源科技股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3750)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board of directors (the "**Board**") of Contemporary Amperex Technology Co., Limited (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries for the six months ended June 30, 2026. This announcement, containing the full text of the 2026 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement will be published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (www.catl.com).

The 2026 interim report will be published on the aforesaid websites of The Stock Exchange of Hong Kong Limited and the Company and will be despatched to the shareholders of the Company who have indicated their wish to receive a printed copy in due course.

2026 INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Company will distribute the interim dividend in cash to its shareholders in the amount of RMB14.11 (tax included) per 10 shares of the Company (the "**Shares**") based on the distributable share capital of the Company of 4,598,335,875 Shares (being the Company's total share capital of 4,626,654,919 Shares excluding 28,319,044 Shares held in the dedicated repurchase account). The interim dividend is denominated and declared in Renminbi, with dividends for A Shares being paid in RMB, and dividends for H Shares in HK$. H Share dividends shall be converted based on the central parity rate of RMB against HK$ (HK$1 against RMB0.86616) published by the People's Bank of China on the trading day immediately preceding the date on which the Board considers the 2026 interim dividend distribution plan (23 July 2026). Based on the aforementioned dividend distribution plan, the Board resolved to distribute the interim dividend in cash to holders of H Shares whose names appear on the register of members of the Company at the close of business on August 13, 2026 in the amount of HK$16.29 (tax included) per 10 H Shares on September 3, 2026.

In order to determine the entitlement of holders of H Shares to the interim dividend, the register of members of H Shares of the Company will be closed from Monday, August 10, 2026 to Thursday, August 13, 2026 (both days inclusive), during which period no registration of H Shares of the Company will be effected. Shareholders whose names appear on the register of members of H Shares of the Company on Thursday, August 13, 2026 shall be entitled to the interim dividend. Where the holders holding H Shares who have not registered with the Company intend to receive the interim dividend, all share certificates and transfer documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, August 7, 2026.

By order of the Board
Contemporary Amperex Technology Co., Limited
Mr. Zeng Yuqun
Chairman of the Board, Executive Director and General Manager

Ningde, the PRC, July 24, 2026

As at the date of this announcement, the Board comprises Mr. Zeng Yuqun as chairman and executive Director; Mr. Pan Jian, Mr. Li Ping, Mr. Zhou Jia, Dr. Ouyang Chuying and Mr. Wu Yingming as executive Directors; and Dr. Wu Yuhui, Mr. Lin Xiaoxiong and Dr. Zhao Bei as independent non-executive Directors.

Contents

Definitions

Item	Definition
Company, the Company, CATL	Contemporary Amperex Technology Co., Limited
the Group	Contemporary Amperex Technology Co., Limited and its subsidiaries
CSRC	China Securities Regulatory Commission (中國證券監督管理委員會)
Shenzhen Stock Exchange	Shenzhen Stock Exchange
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
EV batteries	cells, modules, battery boxes and battery packs within EV batteries
ESS batteries	cells, modules, battery boxes and battery cabinets within ESS batteries
MWh	Megawatt-hours, a unit of electric energy, 1MWh=1 million Wh
GWh	Gigawatt-hours, a unit of electric energy, 1GWh=1 billion Wh
TWh	Terawatt-hours, a unit of electric energy, 1TWh =1 billion kWh
BEV	battery electric vehicle
REV	range-extended electric vehicle
PHEV	Plug-in hybrid electric vehicle
HEV	hybrid electric vehicle
CTC	cell-to-chassis, a technology that integrates battery cells directly into the vehicle chassis without modules nor packs
CTP	cell-to-pack, a technology that integrates battery cells directly into the battery pack without modules
DPPB	defective parts per billion, a quality control measurement in manufacturing
IEA	International Energy Agency, an authoritative international institution focusing on global energy supply and demand, clean energy transitions, and policies and market data research in the energy storage and power battery industry
VTC	Validated Type Certificate, an official type design validation document issued by the civil aviation authority of the importing country after it has reviewed and approved an aeronautical product that has obtained a type certificate from its country of origin.
SMM	Shanghai Metals Market, a comprehensive service portal for the non-ferrous metals industry
Shanghai Ganglian E-Commerce Holdings Co., Ltd.	Shanghai Ganglian E-Commerce Holdings Co., Ltd. (上海鋼聯電子商務股份有限公司, Stock Code: 300226), one of the world's leading providers of data services for commodities and related industries

Definitions

2021 Share Incentive Plan	the 2021 stock option and restricted stock incentive plan approved and adopted by Shareholders of the Company on 12 November 2021
2022 Share Incentive Plan	the 2022 stock option and restricted stock incentive plan approved and adopted by Shareholders of the Company on 5 September 2022
2023 Share Incentive Plan	the 2023 restricted stock incentive plan approved and adopted by Shareholders of the Company on 24 August 2023
2026 Employee Stock Ownership Plan	the 2026 A Share employee stock ownership plan approved and adopted by Shareholders of the Company on 3 April 2026
Articles of Association	the articles of association of Contemporary Amperex Technology Co., Limited
Prospectus	the prospectus issued by the Company on 12 May 2025
Hong Kong Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
Corporate Governance Code	the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
Securities and Futures Ordinance or SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
A Share(s)	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are listed on the ChiNext of the Shenzhen Stock Exchange and traded in RMB
H Share(s)	foreign share(s) issued by the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange and traded in HK$
RMB, RMB1,000, RMB10,000 and RMB100 million	Renminbi 1 Yuan, Renminbi 1,000 Yuan, Renminbi 10,000 Yuan, Renminbi 100 million Yuan, the lawful currency in circulation in the PRC. Unless otherwise specified, amounts stated in this report are denominated in RMB
Reporting Period	the period from 1 January 2026 to 30 June 2026

Special notes:

(1) In this report, any discrepancies between totals and sums of amounts listed are due to rounding.

(2) This report is prepared in Chinese and with an English translation attached. In the event of any discrepancies between the Chinese and English versions, the Chinese version shall prevail.

Section I Company Profile

I. COMPANY PROFILE

Chinese name of the Company	寧德時代新能源科技股份有限公司
Abbreviation of the Chinese name	寧德時代
English name of the Company	Contemporary Amperex Technology Co., Limited
Abbreviation of the English name	CATL
Legal representative	Zeng Yuqun
Registered address	No. 2, Xingang Road, Zhangwan Town, Jiaocheng District, Ningde City, Fujian Province, the PRC
Postal code of the registered address	352100
Website	https://www.catl.com
Email	CATL-IR@catl.com
Principal Place of Business in Hong Kong	13/F, LKF29, 29 Wyndham Street, Central, Hong Kong

II. COMPANY STOCK OVERVIEW

Stock class	Stock exchange	Stock abbreviation	Stock code
A Share	Shenzhen Stock Exchange	寧德時代	300750
H Share	The Stock Exchange of Hong Kong Limited	CATL	03750

III. INFORMATION DISCLOSURE AND PREPARATION LOCATION

Stock class	Media for disclosure of information
A Share	Websites: CNINFO Network (http://www.cninfo.com.cn) Shenzhen Stock Exchange (https://www.szse.cn) Newspapers: China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily
H Share	Websites: HKEXnews website of Hong Kong Stock Exchange (https://www.hkexnews.hk) the Company's official website (https://www.catl.com)

IV. CONTACT PERSON AND CONTACT INFORMATION

	Board Secretary and Joint Company Secretary	Securities affairs representative
Name	Jiang Li (蔣理)	Chen Jin (陳津)
Address	No. 2, Xingang Road, Zhangwan Town, Jiaocheng District, Ningde City, Fujian Province, the PRC	No. 2, Xingang Road, Zhangwan Town, Jiaocheng District, Ningde City, Fujian Province, the PRC
Telephone	0593-8901666	0593-8901666
Fax	0593-8901999	0593-8901999
E-mail	CATL-IR@catl.com	CATL-IR@catl.com

V. OTHER RELATED INFORMATION

Serial number	Category	Details
1	Executive Directors	Mr. Zeng Yuqun Mr. Pan Jian Mr. Li Ping Mr. Zhou Jia Dr. Ouyang Chuying (Employee representative Director) Mr. Wu Yingming
2	Independent Non-executive Directors	Dr. Wu Yuhui Mr. Lin Xiaoxiong Dr. Zhao Bei
3	Strategy Committee	Mr. Zeng Yuqun (Chairperson) Mr. Pan Jian Mr. Li Ping Mr. Zhou Jia Dr. Ouyang Chuying Mr. Wu Yingming
4	Audit Committee	Dr. Wu Yuhui (Chairperson) Mr. Lin Xiaoxiong Dr. Zhao Bei
5	Nomination Committee	Mr. Lin Xiaoxiong (Chairperson) Mr. Zeng Yuqun Dr. Zhao Bei
6	Remuneration and Appraisal Committee	Dr. Zhao Bei (Chairperson) Mr. Lin Xiaoxiong Mr. Li Ping
7	Joint Company Secretaries	Mr. Jiang Li Ms. Jian Xuegen
8	Authorized Representatives	Mr. Pan Jian Mr. Jiang Li
9	Auditor	Grant Thornton Certified Public Accountants (Special General Partnership) 5F, Scitech Place, 22 Jianguomen Wai Avenue, Chaoyang District, Beijing, China
10	Legal Advisors as to Laws of Hong Kong, China	Linklaters 11/F, Alexandra House, Chater Road, Central, Hong Kong
11	PRC Legal Advisors	Llinks Law Offices 19/F, One Lujiazui, 68 Yin Cheng Road Middle, Shanghai, PRC
12	Compliance Advisor	China Securities (International) Corporate Finance Company Limited 18/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong
13	Custodian of A shares	China Securities Depository and Clearing Corporation Limited Shenzhen Branch 25th Floor, Shenzhen Stock Exchange Plaza, No. 2012, Shennan Avenue, Lianhua Street, Futian District, Shenzhen, China
14	H Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong

Section II Financial Highlights

I. KEY FINANCIAL PERFORMANCE AND ACCOUNTING DATA

Retrospective adjustment to or restatement of the accounting data for prior years by the Company

☐Yes ☑No

Item	This Reporting Period	Same Period of Last Year	Increase/Decrease in This Reporting Period over the Same Period of Last Year
Operating revenue (RMB'000)	**276,916,580**	178,886,253	54.80%
Net profit attributable to shareholders of the listed company (RMB'000)	**43,284,002**	30,485,139	41.98%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains/losses (RMB'000)	**39,013,300**	27,197,468	43.44%
Net cash flows from operating activities (RMB'000)	**60,216,851**	58,687,066	2.61%
Basic earnings per share (RMB per share)	**9.51**	6.92	37.43%
Diluted earnings per share (RMB per share)	**9.51**	6.92	37.43%
Weighted average return on net assets	**12.08%**	11.63%	0.45%

Item	At the End of This Reporting Period	At the End of Last Year	Increase/Decrease at the End of This Reporting Period over the End of Last Year
Total assets (RMB'000)	**1,138,880,789**	974,827,544	16.83%
Net assets attributable to shareholders of the listed company (RMB'000)	**379,353,710**	337,107,747	12.53%

II. DIFFERENCES IN ACCOUNTING DATA UNDER DOMESTIC AND INTERNATIONAL ACCOUNTING STANDARDS

1. Differences in net profits and net assets in the financial report disclosed simultaneously according to the international accounting standards and PRC accounting standards

☐Applicable ☑Not applicable

During the Reporting Period, there is no difference in net profits and net assets in the financial report disclosed by the Company according to the international accounting standards and PRC accounting standards.

2. Differences in net profits and net assets in the financial report disclosed simultaneously according to foreign accounting standards and PRC accounting standards

☐Applicable ☑Not applicable

During the Reporting Period, there is no difference in net profits and net assets in the financial report disclosed by the Company according to foreign accounting standards and PRC accounting standards.

3. Description of differences in accounting data under domestic and international accounting standards

☐Applicable ☑Not applicable

III. NON-RECURRING GAIN/LOSS ITEMS AND AMOUNTS

☑Applicable ☐Not applicable

Unit: RMB'000

Item	Amount	Explanations
Gain/loss from disposal of non-current assets, including the portion offset from the provision for impairment of assets	228,681	/
Gain/loss arising from changes in fair value of the financial assets and financial liabilities held by non-financial enterprises; and gain/loss arising from the disposal of financial assets and financial liabilities; except for those arising from the effective hedging business related to the Company's normal operation	1,536,019	/
Reversal of impairment provision for receivables tested individually	1,590	/
Other non-operating income and expenses other than the above items	102,100	/
Other gain/loss items meeting the definition of non-recurring gain/loss	4,540,958	/
Less: Income tax impact	1,476,303	/
Minority interest impact (after tax)	662,343	/
Total	4,270,703	/

Details of other profit or loss items that meet the definition of non-recurring profit or loss:

☑Applicable ☐Not applicable

Mainly other income.

Explanation on defining the non-recurring profit or loss items listed in the "Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss" (《公開發行證券的公司信息披露解釋性公告第 1 號 — 非經常性損益》) as recurring profit or loss items

☐Applicable ☑Not applicable

The Company has not defined the non-recurring profit or loss items listed in the "Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss" (《公開發行證券的公司信息披露解釋性公告第 1 號 — 非經常性損益》) as recurring profit or loss items.

I. INDUSTRY OVERVIEW DURING THE REPORTING PERIOD

1. Industry Development and Outlook

In order to address the global challenge of climate change and promote sustainable development, many countries have introduced strategies to advance clean energy transition and build a green, low-carbon economy. According to the State of Energy Policy 2026 released by the International Energy Agency (IEA), as of 27 March 2026, over 130 countries have submitted their latest round of Nationally Determined Contributions (NDCs), aimed at curbing global temperature rise, advancing low-carbon transition, and jointly building climate governance system.

To advance the implementation of China's NDC goals, the State Council, the National Development and Reform Commission, the National Energy Administration and other relevant authorities have issued a series of policies since the beginning of 2026, including the Action Plan for Carbon Peaking during the "15th Five-Year" Plan Period, the "15th Five-Year" Plan for Building a New Energy System, and the Comprehensive Evaluation and Assessment Measures for Carbon Peaking and Carbon Neutrality. These policies are designed to facilitate the transition from a dual control system over energy consumption to one over total carbon emissions and carbon intensity, accelerate the establishment of a carbon emission dual control institutional framework, and chart clear decarbonization pathways and assessment mechanisms for key sectors such as electric power and industry, thereby steering the energy mix toward a non-fossil-fuel-dominant direction.

(1) EV Battery Industry

According to SNE Research, global NEVs deliveries recorded 7.754 million units, from January to May 2026, representing a year-on-year increase of 3.5%. For the domestic market, according to the China Association of Automobile Manufacturers (CAAM), NEVs deliveries were 5.090 million units from January to June 2026, which comprised passenger NEVs deliveries 4.594 million units, a penetration rate of 55.4%; and commercial NEVs deliveries of 0.496 million units, representing a year-on-year increase of 40.2% and a penetration rate of 30.4%. For the overseas markets, according to the European Automobile Manufacturers' Association (ACEA), the number of passenger NEVs registrations in European countries reached 2.351 million from January to June 2026, representing a year-on-year increase of 31.7% and penetration rate increasing to 32.5%. According to SNE Research, from January to May 2026, NEV deliveries in other markets (excluding China, Europe, and North America) reached 1.086 million units, a year-on-year increase of 91.2%. In response to the growth in global new energy vehicle sales and the increase in battery capacity per vehicle in China, global demand for EV batteries continued to rise, with global EV battery installations reaching 469.2GWh, up 16.3% year on year.

(2) **Energy Storage Industry**

According to the Global Energy Review 2026 released by IEA, global electricity demand continues to grow, driven by rising electrification across industry, transport and buildings, as well as by emerging demand from sectors such as artificial intelligence (AI) and data centers. At the same time, the global power supply mix is transitioning toward a low-carbon structure.Driven by factors such as the with growing global electricity demand, rising share of renewable energy in the power mix, higher requirements for grid reliability, supportive policies introduced by various countries, and continued advances in energy storage technologies, the global energy storage demand experienced rapid growth during the Reporting Period. According to Ember, a UK-based climate and energy think tank, global electricity generation from January to May 2026 reached 12.7 trillion kWh, a year-on-year increase of 3.3%. Over the same period, the combined share of wind and solar in global electricity generation stood at 19.4%, up by 1.5 percentage points year on year. The high-penetration grid integration of new energy has continuously unleashed the rigid demand for energy storage in peak shaving, frequency regulation and capacity support. In the first half of 2026, various provinces in China successively rolled out capacity tariff policies and accelerated the development of electricity spot markets, thereby optimizing the economic viability of energy storage projects. According to SMM, global energy storage battery shipments in the first half of 2026 reached approximately 486GWh, representing a year-on-year increase of 93%. In addition, driven by the rapid advancement of AI, the construction and operation of AI data centers has increased significantly, opening up new application scenarios for the energy storage products.

(3) **Battery Materials and Recycling Industry**

As the markets for EV batteries and energy storage batteries continue to grow, demand for battery materials has also increased accordingly. According to SMM, China's total production of ternary and lithium iron phosphate cathode materials reached 3.122 million tons from January to June 2026, representing a year-on-year increase of 62.4%. As lithium batteries deployed in earlier years gradually enter the retirement phase, the demand for recycling retired batteries has been steadily rising. According to the data from Shanghai Ganglian, the volume of retired lithium-ion batteries in China reached 472,000 tons from January to June 2026, representing a year-on-year increase of 21.6%. During the Reporting Period, the National Development and Reform Commission issued the "15th Five-Year" Plan for the Development of the Circular Economy, which explicitly identifies the recycling and utilization of waste EV batteries and other solid waste from the "new trio" sectors as a key priority. The Plan sets out measures to improve the level of standardized recycling and utilization, including enhancing end-of-life management, clarifying disposal responsibilities, and strengthening the recycling network.

2. The Company's Industry Position

The Company is a global leader in both the EV battery and ESS battery. In the EV battery sector, the EV battery usage of the Company achieved a global market share of 40.2% from January to May 2026 according to SNE Research, representing year-on-year increase of 2.2 percentage points. In the energy storage sector, the Company maintained its global No. 1 position in terms of ESS battery shipment for the period from January to June 2026 according to ICCSINO.

II. THE COMPANY'S MAIN BUSINESS DURING THE REPORTING PERIOD

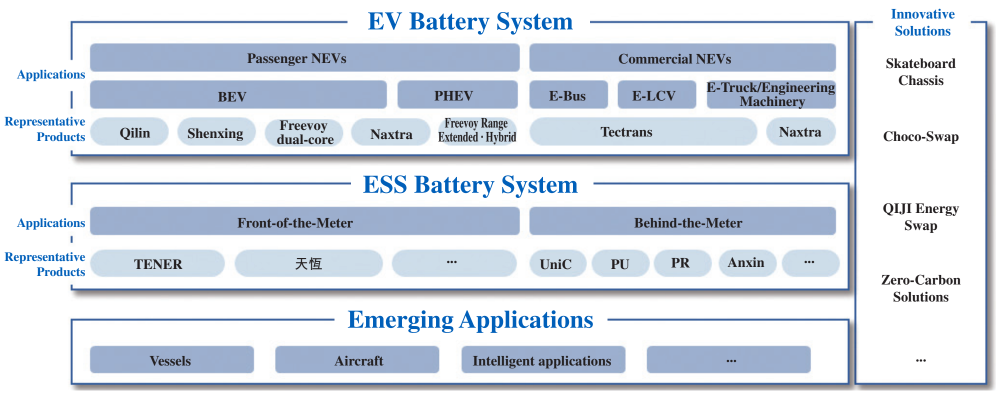
1. Main Business

The Company, as a global leader in zero-carbon new energy technologies, is mainly engaged in the R&D, production, and sales of EV batteries and ESS batteries. The Company aims to promote the replacement of stationary fossil energy and mobile fossil energy, while achieving integrated innovation in market applications through electrification and intelligentization.

With years of expertise in the lithium-ion battery industry, the Company has developed a highly efficient, proprietary, and full-chain R&D capability. It possesses core technological advantages and forward-looking research and development deployment across the industrial chain, including battery materials, battery systems and battery recycling. Through innovations in various aspects such as material and electrochemistry system, system structure, green extreme manufacturing and business models, the Company provides world-class solutions and services for global new energy applications. The Company extends its deep expertise in lithium batteries to other chemistries such as sodium batteries, thereby establishing a comprehensive and advanced product matrix, which can be applied to various fields such as passenger NEVs, commercial NEVs, front-of-the-meter (FTM) energy storage systems, behind-the-meter (BTM) energy storage systems, as well as emerging applications in vessels, and aircraft and data centers. The Company also offers innovative solutions for various application scenarios, including battery swapping services that promote full electrification, and zero-carbon ecosystem development that improves the industrial ecosystem and extends the value chain. These enable the Company to comprehensively meet the diversified and cross-scenario needs of various customers, thus leading the development of the global zero-carbon new economy.

2. Main Products and Applications

The Company is dedicated to providing world-class EV and ESS battery products and related innovative solutions for global new energy applications. Specifically:



(1) EV Battery System

The Company's EV batteries include cells, modules/enclosures and packs. The Company provides a variety of chemical systems covering a broad range of energy density, such as LFP batteries, high-voltage mid-nickel ternary batteries, high-nickel ternary batteries, super hybrid batteries, sodium-ion batteries and condensed batteries, which feature fast charging, long life cycle, long range, high level of safety, and wide operating temperature range. The Company is also able to integrate multiple chemical systems within a single battery pack by adopting dual-core/multi-core architectures, thereby fully leveraging the performance merits of each chemical system. The Company provides tailored solutions through customization or joint R&D as required by the application and customers to meet varied customer demands for product performance.

In terms of applications in passenger NEVs, the Company's products can be applied in different market segments such as BEVs, REVs, PHEVs and HEVs, and are widely used in private cars and vehicles for business operations. For commercial applications, our products can be applied in commercial NEVs for road passenger transportation, urban freight distribution, heavy-duty transportation, road cleaning, as well as mining and construction machinery.

Our products can also be utilized in vessels, aircraft, electric tools and electric two-wheelers etc..

(2) ESS Battery System

The Company provides battery cells, battery cabinets, energy storage containers, system integration and other solutions for energy storage. Its ESS battery products are widely applied in both FTM and BTM energy storage systems, including utility energy storage, industrial and commercial energy storage, and data center energy storage.

The Company has developed cells of various specifications suitable for multiple scenarios and operating conditions in both front-of-the-meter and behind-the-meter markets, characterized by ultra-long life, zero degradation, high safety, and wide temperature adaptability. In the front-of-the-meter segment, leveraging technologies such as high-integration CTP no-thermal propagation and intelligent liquid-cooling temperature control, the Company has launched outdoor liquid-cooled battery cabinets including EnerOne and EnerOne Plus, containerized liquid-cooled battery cabinets designed for all-climate scenarios including EnerD, EnerS, EnerH, and EnerX, as well as the 6.25MWh TENER energy storage system and TENER Stack, TENER sodium-ion energy storage system and TENER sodium-ion whole-station platform matched with a PCS bidirectional voltage control system, which is the world's first nearly 9MWh ultra-large-capacity energy storage system solution. The Company becomes capable of providing turnkey station solutions covering multiple voltage levels. In the behind-the-meter segment, the Company's products have achieved full-scenario coverage from low-voltage to medium-voltage and high-voltage platforms.

In addition, the Company is capable to provide full-scenario energy and power supply solutions for AI data centers, covering scenarios ranging from the power generation side, medium-voltage and distribution side to applications within AI data center facilities. These solutions ensure reliable power supply under the challenges of compute-intensive workloads, high power consumption and significant load fluctuations faced by AI data centers.

(3) Battery Materials, Recycling and Mineral Resources

The Company’s battery materials mainly include lithium salts, precursors, and cathodes. By recycling metals such as nickel, cobalt, manganese, lithium, phosphorus, iron, aluminum and copper in battery waste for processing, purification and synthesis, the Company is able to produce cathode materials, NCM precursors, LFP precursors and lithium salts, which are used for manufacturing lithium-ion batteries. It also recycles metals such as copper and aluminum through third parties, ultimately promoting effective recycling of all critical metals required for battery manufacturing.

To safeguard the security and stability of upstream raw material supply, the Company has progressively positioned itself in key new energy mineral resources, including lithium, nickel and phosphorus, and has established a specialized platform for investment, operation and management in the new energy minerals sector, with a view to consolidating relevant assets and pursuing high-quality project opportunities.

3. Business Model

The Company operates independent R&D, procurement, production and sales systems. The Company primarily engages in sales of EV batteries, ESS batteries, battery materials and other related products and solutions to achieve profitability. In terms of R&D, the Company has established a comprehensive R&D system, alongside an R&D model based on independent R&D and supplemented by collaboration with external partners. Through digitalization and intelligentization, the Company carries out innovation in material and electrochemistry systems, system structures, green extreme manufacturing and business models, so as to lead the development of industry technologies. In terms of procurement, the Company selects qualified global suppliers through stringent evaluation and assessment procedures, and works closely with suppliers through long-term agreements, joint ventures and other forms of partnerships to ensure continuous technology advancement, product reliability and cost competitiveness of raw materials and equipment. In terms of production and sales, the Company arranges production based on market situation and customer demand. It primarily relies on self-built manufacturing bases, while also expanding capacity through joint ventures and technology licensing to meet the needs of global customers. In addition, the Company extends its electrification solutions into broader areas such as low-altitude applications and vessels, while advancing the development of battery-swapping networks and zero-carbon ecosystems.

4. Major Business Performance Drivers

Against the backdrop of global energy transition and sustained industry growth, the Company has a strong legacy of continuous innovation, profound industry insights and efficient operational management, and we have further improved our competitive advantages in technological R&D, product innovation, extreme manufacturing, supply chain management and sustainable development. In the EV battery sector, according to SNE Research, the Company's global market share of EV battery usage reached 40.2% from January to May 2026, up by 2.2 percentage points year-on-year. In the energy storage sector, according to ICCSINO, the Company ranked first globally in energy storage battery shipments from January to June 2026. The Company continues to lead industry development and achieve steady business growth, thus creating greater value for shareholders.

III. CORE COMPETITIVENESS ANALYSIS

Adhering to the business philosophy of technology leadership, premium service, and operational excellence, the Company remains steadfastly committed to providing first-class solutions and services for global new energy applications, while continuously strengthening its core competitiveness.

In terms of technology leadership, the Company possesses independent R&D capabilities across the entire value chain covering materials, cells, systems and recycling, and has integrated AI into its R&D and manufacturing processes. As of the end of the Reporting Period, the Company held or pending for a total of 60,319 patents both domestically and internationally. During the Reporting Period, the Company hosted its Super Technology Day and unveiled achievements including the third-generation Shenxing Superfast Charging Battery, the third-generation Qilin Battery, the Qilin Condensed Battery, the second-generation Freevoy Super Hybrid Battery, and the Naxtra Sodium-ion Battery, thereby further diversifying the multi-chemical-system product portfolio.

In terms of premium service, the Company's comprehensive advanced product portfolio has gained wide recognition from customers. It has ranked first globally in EV battery usage for nine consecutive years and has ranked first globally in energy storage battery shipments for five consecutive years. The Company continues to promote and apply prismatic super line technology, while steadily advancing the construction of projects including the Jining base, Zhongzhou base, Liyang base, Yibin base, Indonesia plant, Hungary plant and the Spain joint-venture plant, thereby continuously improving delivery quality and capacity.

In terms of operational excellence, the Company extends its electrification solutions into broader areas such as low-altitude applications and marine vessels. It continuously advances both the Choco-Swap and Qiji Energy Swap networks. The Company is collaborating with the city of Xiamen to promote the planning and development of a zero-carbon technology city at a high standard, aiming to establish a national benchmark for zero-carbon industries. Several of the industrial parks in which the Company participated in the development have been included in the first national-level zero-carbon park construction projects, and the CATL Virtual Power Plant project has been selected as a pilot project by the National Energy Administration. Through the concept of "zero carbon," the Company is fundamentally reshaping the industrial ecosystem, thereby uncovering and unlocking the green value of the entire industrial chain.

IV. BUSINESS ANALYSIS

During the Reporting Period, the Company achieved a net profit attributable to shareholders of the listed company of RMB43.284 billion, representing a year-on-year increase of 41.98%. The key operating results are as follows:

(1) EV battery business

Larger share in domestic market. According to China Automotive Battery Innovation Alliance, the Company's share of passenger NEV battery installations in the domestic market reached 46.7% from January to June 2026, representing a year-on-year increase of 5.6 percentage points. The Company's share of domestic ternary EV battery installations reached 75.2%, representing a year-on-year increase of 4.3 percentage points. During the Reporting Period, the Company gained customer recognition through advanced performance and premium service. Its Qilin Battery, leveraging comprehensive strengths in high energy density, ultra-fast charging, and high safety, has become the preferred choice for premium battery electric vehicle (BEV) models. The Freevoy Super Hybrid Battery has enabled customers to launch best-selling extended-range and hybrid models featuring large battery capacity and long all-electric range.

Steady progress in overseas markets. According to SNE Research, from January to May 2026, the Company's overseas market share stood at 33.7%, up by 3.7 percentage points year-on-year. As the construction and operation of the Company's overseas bases mature, the Company continues to leverage its leading products and quality services to help overseas customers such as VW, Stellantis, BMW, DMG, Volvo and Toyota achieve strong market performance. In addition, the Company has been steadily advancing the development of its overseas service network and capabilities. During the Reporting Period, professional service stations expanded coverage to include eight additional countries in Eastern Europe, Africa and South Asia, while the Company also launched NING Service overseas experience centers in Saudi Arabia and Uzbekistan.

Continued leadership in product technology. In the passenger NEV segment, the Company launched new products including the world-leading third-generation Shenxing Superfast Charging Battery, the third-generation Qilin Battery, the Qilin Condensed Battery, the second-generation Freevoy Super Hybrid Battery, and the Naxtra Sodium-ion Battery, meeting performance requirements such as ultra-fast charging, high specific energy, wide temperature range and high safety. Both the third-generation Shenxing and Qilin batteries are capable of attaining a peak charging rate of 15C, thus facilitating a significant improvement in recharging efficiency. In the commercial NEV segment, the Company released the Tianxing II customized full-scenario series solutions for light commercial NEVs, offering differentiated products targeting core applications such as urban delivery, intercity transport, last-mile delivery and cold-zone operations, so as to meet diverse operational needs.

(2) Energy storage business

Industrial synergy advancing open-up and win-win cooperation. The Company adheres to an "open and win-win" cooperation philosophy, and works with customers and partners including global system integrators, investors, developers, grid operators, EPC contractors and core supply chain enterprises to promote ecosystem co-development and mutually beneficial collaboration. In the domestic market, the Company signed a three-year strategic cooperation agreement with HyperStrong for sodium-ion battery energy storage with a total scale of 60GWh, marking an inflection point toward industrialization for sodium-ion batteries. The Company also joined forces with supply chain partners to implement a 2GWh single large-scale independent energy storage project, setting a benchmark grid-side project. In overseas markets, the Company has won bids for multiple energy storage system integration projects in countries including Germany, Spain, Chile, Malaysia and Australia. Among these, the European projects cover black-start application scenarios, supporting local grid security through the deployment of large-scale integrated energy storage systems.

Consistently launching and delivering innovative products. The Company unveiled the world's first field-proven station-level sodium-ion battery energy storage solution featuring wide-temperature-range adaptability and modular design — the TENER sodium-ion battery energy storage system — which can substantially enhance overall station availability and significantly optimize operation and maintenance costs. In the domestic market, the Company has continued mass production and delivery of the world-leading TENER 6.25MWh containerized liquid-cooled battery enclosure, with its 587 Ah large-capacity dedicated energy storage cells also achieving scaled deliveries. In overseas markets, the Company has commenced mass production and delivery of the world's first 9MWh ultra-large-capacity energy storage system solution, TENER Stack as well as the TENER H containerized system featuring high-temperature battery technology tailored for high-temperature scenarios. In addition, the Company has been continuously enhancing its energy storage system solution capabilities through R&D collaboration, strategic investments, and recruitment of professional talent. According to data released by Wood Mackenzie during the Reporting Period, the Company ranked among the top three in the Global Energy Storage System Integrator Grade A Ranking 2025, establishing itself as an industry benchmark for bankability, and was listed among the top 10 in integrated product shipments across multiple market rankings, including global, Europe, and Asia-Pacific (including China).

(3) Other businesses

In addition to the above-mentioned businesses, the Company has continued to extend electrification into broader sectors such as low-altitude and vessel applications, deepened the deployment of its battery swap network, actively pursued the development of a zero-carbon ecosystem, and further improved its industrial ecosystem while extending the value chain.

Further expanding into emerging application scenarios. In the vessel sector, the Company has promoted and validated the efficiency, applicability and replicability of the battery-swapping business model in inland waterway freight operations. At the same time, its battery systems have also been delivered to overseas customers, facilitating the zero-carbon transition of inland waterway shipping and passenger shipping abroad.

In the low-altitude economy sector, AutoFlight, a member of the Company, completed the transition flight of the world's first 5-ton-class eVTOL aircraft, the Matrix, formally entering the airworthiness certification phase. Its 2-ton-class cargo model, the CarryALL, obtained the Type Validation Certificate (VTC) issued by the Directorate General of Civil Aviation of Indonesia, becoming the world's first eVTOL model to receive VTC. In the AI data center sector, the Company offers comprehensive all-scenario solutions for energy and power supply. Through investment and collaboration, the Company has also integrated advanced power electronics, computing-power synergy technologies and related resources, thereby enhancing the competitiveness and delivery efficiency of its overall solutions.

Deepening battery-swapping network. In the passenger NEVs segment, as of the date of this report, approximately 2,000 Choco-Swap stations had been cumulatively built across China, covering 180 cities in 31 provinces. With the gradual improvement of the swapping network, the Company has jointly launched over 20 swapping-compatible passenger NEVs models with multiple automakers and passenger NEVs brands. At the same time, the Company has unveiled the Choco-Swap 26# Battery, which is fully compatible with B- to C-segment 800V high-voltage models. In the commercial NEV segment, the Company has continued to deepen cooperation with leading OEMs including FAW Jiefang, Shaanxi Automobile Group, and Sinotruk, driving the upgrade of battery-swap vehicle models. The Qiji Energy Swap has established a 1.5-hour battery-swapping coverage network along trunk lines in key regions such as Shandong and Shanxi, facilitated the inclusion of five battery-swap trunk lines into the national zero-carbon freight corridor initiative, and achieved large-scale deployment in long-haul expressway trunk-line scenarios. Overseas, the Company and Octopus Energy, a UK-based new energy technology company, have announced the establishment of a joint venture to jointly build a heavy-duty truck battery-swapping network in Europe, facilitating the electrification transformation of European road freight transport. In addition, the Company is upgrading its swap stations into integrated ultra-fast charging and swapping stations, gradually building an integrated supercharging and battery-swapping network that enables true charge -swap synergy.

Proactive efforts in developing zero-carbon ecosystem. Together with Xiamen City, the Company is advancing the planning and construction of the Zero-Carbon Technology City to high standards, and further deepen cooperation in areas such as R&D innovation, industrial clustering, scenario demonstration and international cooperation, aiming at jointly creating a national benchmark for zero-carbon industries. The Company has established CATL Zero-Carbon (時代零碳) in Xiamen, focusing on zero-carbon technology R&D and integrated energy services, which has delivered a zero-carbon microgrid demonstration station in Hainan Province that integrates photovoltaic power generation, energy storage and ultra-fast charging.

(4) Supply chain and production capacity

To further secure the supply of upstream critical resources and materials required for battery production, the Company has proactively deployed proprietary and cooperative mineral resource projects. During the Reporting Period, it established CATL Resources Group (時代資源集團) as a specialized investment, operation and management platform in the new energy mineral sector, focusing on key resources such as lithium, nickel, and phosphorus to integrate existing mining assets and expand high-quality projects both domestically and internationally, thereby continuously strengthening its integrated competitive advantage across the industrial chain.

To meet market and customer demand, the Company increased its investment in the lithium-ion battery production bases both domestically and overseas during the Reporting Period, continuously enhancing its delivery capabilities. The Company has steadily advanced the construction of projects including the Jining base, Zhongzhou base, Liyang base and Yibin bases, as well as the Indonesia plant, the Hungary plant and the Spain joint-venture plant.

(5) Sustainable development

The Company places strong emphasis on sustainable development and the fulfillment of its social responsibilities. During the Reporting Period, its ESG governance performance continued to gain recognition as it was named to the 2026 Fortune China ESG Impact List and featured in the SZSE Listed Company ESG Practices Collection for its circular economy initiatives in the new energy sector. The Company is systematically advancing its zero-carbon strategy. Building on the achievement of carbon neutrality in its core operations in 2025, it continues to deepen plant-level energy conservation, emission reduction, and electrification retrofits, while simultaneously enhancing the quality management of carbon emissions data across its supply chain and driving supply chain decarbonization, with the goal of achieving value-chain carbon neutrality.

V. FINANCIAL REVIEW

1. Revenue Analysis

During the Reporting Period, the Group's revenue primarily derived from EV batteries and ESS batteries. During the Reporting Period, the Group generated revenue of RMB276,916,580 thousand, representing an increase of 54.80% compared to RMB178,886,253 thousand for the same period in 2025, mainly due to the continued growth in market demand for new energy power and energy storage during the Reporting Period.

The following table sets forth the Group's revenue analysis by industry, product, and sales region:

Unit: RMB'000

	Current Reporting Period		Same Period Last Year		
Item	**Amount**	**Percentage of Revenue**	Amount	Percentage of Revenue	Year-on-year change
Total Revenue	**276,916,580**	**100.00%**	178,886,253	100.00%	54.80%
By Industry					
Electrical Machinery and Equipment Manufacturing	**276,916,580**	**100.00%**	178,886,253	100.00%	54.80%
By Product					
EV Battery Systems	**192,124,890**	**69.38%**	131,572,512	73.55%	46.02%
ESS Battery Systems	**53,260,967**	**19.23%**	28,400,044	15.88%	87.54%
Battery Materials and Recycling and Mineral Resources	**18,811,078**	**6.79%**	11,248,618	6.29%	67.23%
By Region					
Domestic	**189,787,392**	**68.54%**	117,677,899	65.78%	61.28%
Overseas	**87,129,188**	**31.46%**	61,208,354	34.22%	42.35%

2. Gross Profit and Gross Profit Margin

During the Reporting Period, the Group recorded a gross profit of RMB66,261,690 thousand, representing an increase of 48.03% compared to RMB44,762,650 thousand for the same period in 2025; and the overall gross profit margin was 23.93%, representing a decrease of 1.09 percentage points compared to 25.02% for the same period in 2025, remaining generally stable.

The following table sets forth the analysis over the Group's gross profit and gross profit margin by industry, product, and sales region:

Unit: RMB '000

Item	Current Reporting Period		Same Period Last Year	
	Gross Profit	**Gross Profit Margin**	Gross Profit	Gross Profit Margin
Total Gross Profit	**66,261,690**	**23.93%**	44,762,650	25.02%
By Industry				
Electrical Machinery and Equipment Manufacturing	**66,261,690**	**23.93%**	44,762,650	25.02%
By Product				
EV Battery Systems	**39,632,780**	**20.63%**	29,487,257	22.41%
ESS Battery Systems	**12,760,115**	**23.96%**	7,246,775	25.52%
Battery Materials and Recycling and Mineral Resources	**5,087,196**	**27.04%**	2,388,197	21.23%
By Region				
Domestic	**40,150,862**	**21.16%**	26,997,093	22.94%
Overseas	**26,110,828**	**29.97%**	17,765,556	29.02%

3. Cost Expenses

Unit: RMB '000

Items	Current Reporting Period	Same Period Last Year	Year-on-year Change	Change Explanation
Selling and distribution expenses	**2,163,577**	1,621,425	33.44%	Increase in line with the growth of business scale
General and administrative expenses	**6,019,599**	5,127,530	17.40%	
Financial expenses	**-630,793**	-5,821,810	89.17%	Primarily exchange losses arising from the impact of exchange rate fluctuations on foreign currency monetary items held
Research and development expenses	**11,376,545**	10,094,566	12.70%	

4. Assets and liabilities

(1) Explanation on balance sheet items

Unit: RMB '000

Items	As at end of the Reporting Period		As at end of previous year		Percentage Change	Material Change
	Amount	Percentage of Total Assets	Amount	Percentage of Total Assets		
Bank balances, deposits and cash	**372,053,275**	**32.67%**	333,512,927	34.21%	-1.54%	No material change
Trade receivable	**88,417,984**	**7.76%**	76,403,264	7.84%	-0.08%	No material change
Contract assets	**338,742**	**0.03%**	375,468	0.04%	-0.01%	No material change
Inventories	**130,819,205**	**11.49%**	94,526,239	9.70%	1.79%	No material change
Long-term equity investment	**70,254,796**	**6.17%**	64,884,321	6.66%	-0.49%	No material change
Fixed assets	**169,381,820**	**14.87%**	146,400,592	15.02%	-0.15%	No material change
Construction in progress	**33,025,296**	**2.90%**	29,733,108	3.05%	-0.15%	No material change
Right-of-use assets	**3,900,575**	**0.34%**	3,268,966	0.34%	0.00%	No material change
Short-term borrowings	**20,885,906**	**1.83%**	12,935,498	1.33%	0.50%	No material change
Contract liabilities	**36,482,664**	**3.20%**	49,233,377	5.05%	-1.85%	No material change
Long-term borrowings	**74,262,746**	**6.52%**	78,234,935	8.03%	-1.51%	No material change
Lease liabilities	**3,357,630**	**0.29%**	2,805,081	0.29%	0.00%	No material change

(2) Debt-to-asset ratio

As at 30 June 2026, the Group's debt-to-asset ratio was 63.65% (31 December 2025: 61.94%). The increase in the debt-to-asset ratio was primarily due to the corresponding increase in liabilities from the Company's bond issuance during the Reporting Period. The table below sets out the Group's position as at 30 June 2026 and 31 December 2025 in respect of its absolute amounts of total assets and total liabilities, debt-to-asset ratio (defined as total liabilities as a percentage of total assets) and debt-to-equity ratio (defined as total liabilities as a percentage of net assets):

Items	As at 30 June 2026	As at 31 December 2025
Total assets	**1,138,880,789**	974,827,544
Total liabilities	**724,925,558**	603,801,220
Debt-to-asset ratio	**63.65%**	61.94%
Debt-to-equity ratio	**1.75**	1.63

(3) Mortgage/pledge of assets

As at 30 June 2026, the mortgaged/pledged assets of the Group used for the issuance of bank acceptance bills and obtaining bank borrowings, etc. had a net book value of RMB16,543,800 thousand (as at 31 December 2025: RMB26,918,971 thousand). Such assets mainly included cash, property, plant and equipment, etc..

5. Cash flow

Unit: RMB '000

Item	Current Reporting Period	Same Period Last Year	Year-on-year Change
Subtotal of cash inflows from operating activities	**278,491,344**	238,437,020	16.80%
Subtotal of cash outflows from operating activities	**218,274,494**	179,749,954	21.43%
Net cash flows from operating activities	**60,216,851**	58,687,066	2.61%
Subtotal of cash inflows from investing activities	**18,894,160**	3,875,825	387.49%
Subtotal of cash outflows from investing activities	**55,823,251**	30,145,345	85.18%
Net cash flows from investing activities	**-36,929,091**	-26,269,519	40.58%
Subtotal of cash inflows from financing activities	**83,426,607**	64,659,939	29.02%
Subtotal of cash outflows from financing activities	**59,116,346**	44,052,368	34.20%
Net cash flows from financing activities	**24,310,261**	20,607,571	17.97%
Net increase in cash and cash equivalents	**40,656,475**	53,625,499	-24.18%

During the Reporting Period, the net cash flow from the Company's operating activities increased by RMB1.5 billion as compared to the previous year, representing a rise of 2.61%, which was primarily due to the growth in sales scale and an increase in sales collections; the net cash outflow from the Company's investing activities increased by RMB10.7 billion as compared to the previous year, representing a rise of 40.58%, which was primarily due to an increase in the amount of wealth management products purchased; and the net cash flow from the Company's financing activities increased by RMB3.7 billion as compared to the previous year, representing a rise of 17.97%, which was primarily due to the H-share placement and bond issuance.

6. Liquidity, Financial Resources and Capital Structure

As at 30 June 2026, the Group's cash and cash equivalents amounted to RMB340,586,216 thousand (as at 31 December 2025: RMB299,929,741 thousand), primarily comprising deposits in RMB, USD and EUR.

As at 30 June 2026, the Group's total borrowings amounted to RMB146,535,368 thousand (31 December 2025: RMB117,850,621 thousand), of which RMB42,254,827 thousand was repayable within one year. As at 30 June 2026, the Group's outstanding loans mainly comprised RMB loans and USD loans. Most of the Group's borrowings were at floating rates.

The Group primarily funded its development needs through cash generated from operating activities, as well as through financing activities such as share issuances and external borrowings.

The Group has sufficient liquidity to meet its daily liquidity management, repay its debts as and when they become due and satisfy its capital expenditure needs.

7. Foreign Exchange Fluctuation Risks and Any Related Hedging

A substantial portion of the Group's revenue and cost of sales is denominated in RMB. However, as the Group also operates a part of its business in certain countries and regions outside of Chinese Mainland, and has certain debts and assets denominated in foreign currencies, the Group is exposed to risks associated with foreign currency exchange fluctuations. Foreign currencies that lead to such risks are primarily the USD and EUR.

In managing the foreign exchange risks, the Group implements natural hedges and certain hedging instruments (such as derivatives, mainly including forward, option and swap contracts). The Group decides to utilize certain hedging instruments, depending on the nature of the transaction and financial market conditions, after conducting a detailed assessment. These combined measures are intended to reduce foreign exchange exposure and mitigate the impact of exchange rate fluctuations on the Group's operating results.

8. Material Investments, Major Acquisitions and Disposals

As of 30 June 2026, the Group did not hold any material investment, which refer to an investment with investment amounts in an investee company that accounted for 5% or more of the Group's total assets.

During the Reporting Period, the Group did not undertake any material acquisitions or disposals of subsidiaries, associates, and joint ventures.

As of 30 June 2026, the Group had no other plans for material investments or acquisitions of capital assets.

9. Contingent Liabilities

For details regarding contingent liabilities, please refer to "2. Contingencies" of "XV. Commitments and Contingencies" under "Section V. Financial Report" of this report.

VI. THE COMPANY'S FUTURE OUTLOOK

1. Industry Landscape and Trends

Amid the increasingly intensified challenges posed by global climate change and the rising uncertainties in traditional energy supply, there is a growing attention among governments to carbon reduction and energy transition. As the electrification transformation in the transportation sector continues to unfold and the clean energy penetration in the power generation sector continues to increase across the globe, energy transition in the industrial, construction, and other sectors has also been gradually advancing. The global market is transitioning from the industrialization phase of new energy to a phase where various industries are becoming new-energy-centric, presenting vast opportunities for technological innovation and market application in the new energy industry. In addition, with the rapid development and wide adoption of intelligent technologies accelerating innovation and transformation across various sectors, NEVs have further gained traction in the market, facilitating the electrification of the transportation sector, while boosting the demands for energy storage installations and applications in data centers and similar facilities.

2. Corporate Development Strategy

The Company drives its business development guided by the three strategic directions and four innovative systems. The Company is committed to revolutionary battery technology innovation and the realization of large-scale commercialization, continuously expanding the applications of EV and ESS batteries. Through integrated innovation and zero-carbon solutions, the Company aims to reduce society's dependence on fossil fuels and contribute to global sustainable development.

(1) The Company's Three Strategic Directions

The Company adopts three strategic directions: centering around Electrochemical Energy Storage + Renewable Energy Generation, the Company focuses on replacing stationary application of fossil fuels and reducing reliance on thermal power generation; centering around EV Battery + NEV, the Company aims to facilitate the replacement of mobile fossil energy, thereby eliminating dependence on petroleum in the transportation sector. Centering around Electrification + Intelligentization, the Company promotes integrated innovation for new energy applications, providing sustainable, accessible, and reliable energy sources for various industries, and fostering regional zero-carbon ecosystem and green low-carbon transformations across multiple fields.

(2) The Company's Four Innovative Systems

Innovation is in the DNA of the Company and serves as the driving force behind its sustainable development. Guided by the Company's three strategic directions, the Company has established four innovative systems: "Innovation in Material and Electrochemistry System", "System Structure Innovation", "Green Extreme Manufacturing Innovation", and "Business Model Innovation" to support its business development. The Company promotes the four innovative systems through "open innovation". The Company will implement digitalization and intelligent technologies across all stages including R&D, manufacturing, sales, and management, while enhancing the efficiencies in battery material system innovation, cell development and design, and manufacturing process design. This will facilitate the efficient crystallization of scientific advancements into technology, products, and ultimately, successful commercialization and high-quality mass production, ensuring the Company's continued market leadership.

Innovation in Material and Electrochemistry System: the Company will continue to enhance intelligent development platforms, such as the high-throughput materials integration computing platform. Leveraging advanced algorithms and computing power, the Company utilizes validated platform technologies to conduct atomic-level simulations and design modeling of materials. By identifying fundamental characteristics of key materials and efficiently screening promising material systems, the Company drives comprehensive innovation in materials and electrochemistry system. This accelerates battery design and ensures that the Company maintains foresight and leadership in the development of new products and technologies.

System Structure Innovation: the Company will optimize the system structure design of battery packs and chassis integration by leveraging digitized design tools and methodologies, while continuing to iterate and upgrade its existing CTP and CTC technologies. This will improve the integration of its battery systems and its skateboard chassis products, resulting in more efficient, safer, and cost-effective products. These innovations will improve the key performance of NEVs and ESS batteries, and effectively support the development of NEVs and the application of ESS batteries.

Green Extreme Manufacturing Innovation: the Company is dedicated to establishing a green and extreme manufacturing system with high efficiency to ensure the safety and reliability of battery products throughout their life cycle. Through continuous R&D investment and experience accumulation, the Company has developed and implemented the prismatic super line across its manufacturing bases, achieving an industry-leading single-unit cell failure rate at the DPPB level. Looking ahead, the Company will continue to leverage technologies such as big data, cloud computing, digital twins, and 3D printing to enhance its industrial digitalization capabilities, optimize production processes, improve product quality and productivity, and create high-quality delivery capabilities at the "TWh" scale.

Business Model Innovation: the Company will fully leverage the advantages of its existing business, and continue to expand into new application scenarios, including machinery, vessels, aircraft and others. The Company successfully launched Choco-Swap, QIJI Energy Swap and various other innovative solutions. At the same time, leveraging its extensive experience in carbon reduction across operations and the value chain, the Company will use regional pilot projects as entry points to actively promote the implementation of zero-carbon technology products and solutions. This will support the development of regional zero-carbon ecosystems and drive green, low-carbon transitions across various sectors.

Achieving a global green and low-carbon transition requires concerted efforts of the entire society. The Company will continue to uphold the spirit of open innovation and implement the four innovative systems complementing the strengths of internal and external innovation capabilities. By doing so, the Company will help achieve the efficient allocation of innovation resources across society, drive technological advancement together with other forces, and ultimately yield shared benefits and common success for all.

3. Business Operation Plan

By seizing opportunities arising from the global energy revolution and technological revolution and advancements under the philosophy of "innovation-driven, green development, open cooperation, and shared benefits", the Company will advance digital intelligent and globalization operations, thereby propelling high-quality development. The Company will implement digital and intelligent processes across all operational aspects, including research and development, procurement, production, sales, and management. In addition, the Company will upgrade the intelligent materials R&D platform, accelerate the intelligent design of manufacturing processes and battery cell development, and realize efficient conversion of science and technology into products and merchandize, and high-quality mass production. The Company will continue to advance its globalization, including the construction and operation of overseas production facilities, strategic establishment of the overseas supply chain, and the layout of resources and recycling presence overseas. Furthermore, the Company will also actively recruit international talent to build an efficient multinational operational system. In addition, the Company will closely follow the "15th Five-Year" Plan for Building a New Energy System. While steadfastly advancing its zero-carbon strategy and continuously reducing the carbon intensity of its core operations and related value chain, it will further explore pathways to support zero-carbon development in energy-intensive industries, steadily promote regional zero-carbon ecosystem development, and thereby contribute to the establishment of a clean, low-carbon, safe, and efficient new energy system, while also securing the Company's long-term sustainable development.

VII. SUBSEQUENT EVENTS

For details, please see "XVI. Events after the Reporting Period" under "Section V Financial Report" in this report.

Section IV Significant Events

I. CORPORATE GOVERNANCE

1. Compliance with Corporate Governance Code

The Board is of the view that during the Reporting Period, the Company has implemented corporate governance practices to comply with all the provisions and most of the recommended best practices of the Corporate Governance Code as set out in Appendix C1 of the Hong Kong Listing Rules. Save for Code Provision C.2.1 of Part 2 of the Corporate Governance Code (as described below), the Company has complied with the applicable code provisions of the Corporate Governance Code. The Board will continue to review and monitor its code of corporate governance practices of the Company with an aim of maintaining a high standard of corporate governance.

Requirements of the Code	Description
Code provision C.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.	The roles of chairman of the Board and general manager of the Company are currently performed by Mr. Zeng Yuqun. In view of Mr. Zeng Yuqun's substantial contribution to our Group since our establishment and his extensive experience, the Group considers that having Mr. Zeng Yuqun acting as both our chairman of the Board and general manager will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. The Company considers it appropriate and beneficial to its business development and prospects that Mr. Zeng Yuqun continues to act as both our chairman of the Board and general manager after the Listing, and therefore currently does not propose to separate the functions of chairman of the Board and general manager. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, the Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (a) there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non–executive Directors, which is in compliance with the requirement under the Hong Kong Listing Rules; (b) Mr. Zeng Yuqun and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of the Company and will make decisions for our Group accordingly; and (c) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman of the Board and general manager is necessary.

2. Changes of Directors and Chief Executives and Changes in Their Information

☐Applicable ☑Not applicable

During the Reporting Period, there were no changes in Directors or chief executives of the Company and their information.

3. Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, each of the Directors has confirmed compliance with the required standard set out in the Model Code during the Reporting Period.

II. SHARE CAPITAL AND SHAREHOLDERS

1. Shares in Issue

As at 30 June 2026, the Company issued a total of 4,626,650,861 ordinary shares. During the Reporting Period, details of changes in the Company's share capital are set out below:

Unit: Share

		Changes during the Reporting Period			
Item	**Number of shares as at 1 January 2026**	**Issue of new shares**	**Cancellation of repurchased shares**	**Subtotal**	**Number of shares as at 30 June 2026**
A Shares	4,407,888,188	462,373	0	462,373	4,408,350,561
H Shares	155,915,300	62,385,000	0	62,385,000	218,300,300
Total	4,563,803,488	62,847,373	0	62,847,373	4,626,650,861

2. Shareholding of the Top Ten Shareholders

As at 30 June 2026, the total number of Shareholders of the Company was 270,033, including 54 H Shareholders and 269,979 A Shareholders. Based on the percentage of shareholding in the Company's share capital, the top ten Shareholders of the Company are as follows:

No.	Name of Shareholders	Class of shares	Number of shares (share)	Approximate percentage of shareholding in the relevant class of shares	Approximate percentage of shareholding in the Company's issued shares
1	Xiamen Ruiting Investment Co., Ltd. (廈門瑞庭投資有限公司)	A Shares	1,019,704,949	23.13%	22.04%
2	Hong Kong Securities Clearing Company Limited	A Shares	894,158,187	20.28%	19.33%
3	Huang Shilin	A Shares	420,388,947	9.54%	9.09%
4	Ningbo United Innovation of New Energy Investment Management Partnership (Limited Partnership) (寧波聯合創新新能源投資管理合夥企業(有限合夥))	A Shares	226,220,608	5.13%	4.89%
5	HKSCC NOMINEES LIMITED	H Shares	218,291,507	99.996%	4.72%
6	Li Ping	A Shares	197,460,277	4.48%	4.27%
7	Futaihua Industrial (Shenzhen) Co., Ltd. (富泰華工業(深圳)有限公司)	A Shares	28,707,235	0.65%	0.62%
8	UBS AG	A Shares	27,366,628	0.62%	0.59%
9	Beijing Huading New Power Equity Investment Fund (Limited Partnership) (北京華鼎新動力股權投資基金(有限合夥))	A Shares	23,892,840	0.54%	0.52%
10	Zhao Hui	A Shares	21,211,532	0.48%	0.46%

Notes:

(1) The Company lists the top ten shareholders at the end of the Reporting Period based on the register of shareholders of A Shares issued by China Securities Depository and Clearing Corporation Limited Shenzhen Branch and the register of shareholders of H Shares provided by the H Share Registrar, respectively. The number of shares held by Mr. Huang Shilin in the table above represents those he directly held.

(2) As at the end of the Reporting Period, the dedicated securities account for share repurchase of Contemporary Amperex Technology Co., Limited held 28,319,044 Shares of the Company, representing 0.61% of the Company's total share capital, making it the Company's eighth largest shareholder. Such shares are not included in the list of the top ten shareholders above.

3. Public Float

As at the end of the Reporting Period, based on the available information and to the best knowledge of the Directors, the Company's public float complies with the minimum public float requirements for the relevant class of shares as set forth in Rule 19A.28B(2) of the Hong Kong Listing Rules.

III. INTERESTS DISCLOSURE

1. Substantial Shareholders' Interests in Shares and Underlying Shares of the Company

As at 30 June 2026, to the knowledge of the Directors of the Company, the following Shareholders had interests in A Shares and H Shares which were required to be disclosed to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded into the register kept by the Company under section 336 of the SFO:

Unit: share

Shareholder	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares [4]	Approximate percentage of shareholding in the Company's issued share capital [4]
Xiamen Ruiting Investment Co., Ltd. ("Xiamen Ruiting") [1]	Beneficial owner	A Shares	Long position	1,019,704,949	23.13%	22.04%
Ruihua Investment (Hong Kong) Company Limited ("Ruihua Investment") [1]	Interest in a controlled corporation	A Shares	Long position	1,019,704,949	23.13%	22.04%
Zeng Yuqun [1]	Interest in a controlled corporation	A Shares	Long position	1,019,704,949	23.13%	22.04%
Huang Shilin [2]	Beneficial owner/Interest in a controlled corporation	A Shares	Long position	423,988,946	9.62%	9.16%
Ningbo United Innovation of New Energy Investment Management Partnership (Limited Partnership) ("Ningbo United Innovation") [3]	Beneficial owner	A Shares	Long position	226,220,608	5.13%	4.89%
Zhejiang University United Innovation Investment Management Partnership (Limited Partnership) (浙江浙大聯合創新投資管理合夥企業(有限合夥)) ("ZJU United Innovation") [3]	Interest in a controlled corporation	A Shares	Long position	226,220,608	5.13%	4.89%
Ningbo Meishan Free Trade Zone Port Area Shengshi Venture Capital Partnership (Limited Partnership) (寧波梅山保稅港區晟視創業投資合夥企業(有限合夥)) ("Ningbo Shengshi") [3]	Interest in a controlled corporation	A Shares	Long position	226,220,608	5.13%	4.89%
Hangzhou Yilu Investment Management Partnership (Limited Partnership) (杭州一爐投資管理合夥企業(有限合夥)) ("Hangzhou Yilu") [3]	Interest in a controlled corporation	A Shares	Long position	226,220,608	5.13%	4.89%
Hangzhou Agan Investment Management Co., Ltd. (杭州阿甘投資管理有限公司) ("Hangzhou Agan") [3]	Interest in a controlled corporation	A Shares	Long position	226,220,608	5.13%	4.89%

Shareholder	Nature of interest	Class of shares	Long position/ Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares [(4)]	Approximate percentage of shareholding in the Company's issued share capital [(4)]
Lin Guang[(3)]	Interest in a controlled corporation	A Shares	Long position	226,220,608	5.13%	4.89%
Pei Zhenhua[(3)]	Interest in a controlled corporation	A Shares	Long position	226,220,608	5.13%	4.89%
J.P. MORGAN SECURITIES PLC	Beneficial owner	H Shares	Long position	16,300,400	7.47%	0.35%
	Beneficial owner	H Shares	Short position	2,966,075	1.36%	0.06%
	Holder of a secured interest in shares	H Shares	Long position	133,927	0.06%	0.00%
Kuwait investment authority	Beneficial owner	H Shares	Long position	14,736,800	6.75%	0.32%
The Bank of New York Mellon Corporation	Interest in a controlled corporation	H Shares	Long position	13,453,845	6.16%	0.29%
	Interest in a controlled corporation	H Shares	Short position	3,396,767	1.56%	0.07%
	/	H Shares	/	9,709,488	4.45%	0.21%
BlackRock, Inc.	Interest in a controlled corporation	H Shares	Long position	13,436,299	6.15%	0.29%
	Interest in a controlled corporation	H Shares	Short position	744,200	0.34%	0.02%
JPMorgan Chase & Co.	Beneficial owner	H Shares	Long position	5,668,322	2.60%	0.12%
	Beneficial owner	H Shares	Short position	6,310,179	2.89%	0.14%
	Investment manager	H Shares	Long position	1,973,288	0.90%	0.04%
	Holder of a secured interest in shares	H Shares	Long position	629,900	0.29%	0.01%
	Trustee	H Shares	Long position	1,840	0.00%	0.00%
	Approved Lending Agent	H Shares	Long position	4,030,566	1.85%	0.09%

Notes:

(1) As at 30 June 2026, Xiamen Ruiting was owned as to 55% by Mr. Zeng Yuqun and 45% by Ruihua Investment, which was in turn wholly owned by Mr. Zeng Yuqun. Therefore, each of Mr. Zeng Yuqun and Ruihua Investment is deemed to be interested in the Shares held by Xiamen Ruiting under the SFO.

(2) As at 30 June 2026, Mr. Huang Shilin (i) directly held 420,388,947 A Shares of the Company; and (ii) indirectly interested in a total of 3,599,999 A Shares of the Company through Tongyi Jingyun No. 5 Private Securities Investment Fund, Tong Yi Chunxiao No. 3 Private Securities Investment Fund, Tong Yi Chunxiao No. 5 Private Securities Investment Fund, Tongyi Xiangyang No. 7 Private Securities Investment Fund, Tongyi Xiangyang No. 8 Private Securities Investment Fund and Tongyi Xiangyang No. 9 Private Securities Investment Fund where he acted as the single investor. Therefore, Mr. Huang Shilin is deemed to be interested in the Shares held by Tongyi Jingyun No. 5 Private Securities Investment Fund, Tong Yi Chunxiao No. 3 Private Securities Investment Fund, Tong Yi Chunxiao No. 5 Private Securities Investment Fund, Tong Yi Xiangyang No. 7 Private Securities Investment Fund, Tongyi Xiangyang No. 8 Private Securities Investment Fund and Tongyi Xiangyang No. 9 Private Securities Investment Fund under the SFO.

(3) As at 30 June 2026, (i) Mr. Pei Zhenhua contributed approximately 84.11% of the capital as a limited partner in Ningbo United Innovation, and ZJU United Innovation contributed approximately 0.12% as a general partner; (ii) Ningbo Shengshi contributed 40% of the capital as a limited partner in ZJU United Innovation, and Hangzhou Yilu contributed 20% as a general partner. None of the other limited partners held one third of the partnership interest in ZJU United Innovation; (iii) Mr. Lin Guang contributed approximately 60.07% of the capital as a general partner in Ningbo Shengshi. None of the limited partners held over one third of the partnership interest in Ningbo Shengshi; (iv) Ningbo Shengshi contributed approximately 99.01% of the capital as a limited partner in Hangzhou Yilu, and Hangzhou Agan contributed approximately 0.50% as a general partner; and (v) Hangzhou Agan was held as to approximately 59.59% by Mr. Lin Guang. None of the other shareholders held over one third of the equity interest in Hangzhou Agan. Therefore, each of Mr. Pei Zhenhua, ZJU United Innovation, Ningbo Shengshi, Hangzhou Yilu, Mr. Lin Guang and Hangzhou Agan was deemed to be interested in the Shares held by Ningbo United Innovation under the SFO.

(4) The calculation is based on the total issued Shares of 4,626,650,861 shares as at 30 June 2026 (including 4,408,350,561 A Shares and 218,300,300 H Shares).

Save as disclosed above, as at 30 June 2026, to the knowledge of the Directors of the Company, none of persons (other than Directors or chief executives of the Company) had any interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company and the Hong Kong Stock Exchange under Divisions 2 and 3 of Part XV of the SFO or which were required to be entered in the register referred to therein pursuant to section 336 of the SFO.

2. Interests of Directors and Chief Executives

As of 30 June 2026, to the knowledge of the Directors of the Company, the interests and short positions of our Directors and chief executives in the share capital and underlying shares of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code, were set out as follows:

Interests in Shares of the Company:

Unit: share

Name	Position	Nature of interest	Class of shares	Long position /Short position	Number of shares directly or indirectly held	Approximate percentage of shareholding in the relevant class of shares [4]	Approximate percentage of shareholding in the Company's issued share capital [4]
Zeng Yuqun [1]	Chairman of the Board, executive Director and general manager	Interest in a controlled corporation	A Shares	Long position	1,019,704,949	23.13%	22.04%
Pan Jian	Co-chairman of the Board and executive Director	Interest in a controlled corporation	A Shares	Long position	17,826,700	0.40%	0.39%
Li Ping [2]	Vice chairman of the Board and executive Director	Beneficial owner	A Shares	Long position	197,460,277	4.48%	4.27%
Zhou Jia [3]	Vice chairman of the Board and executive Director	Beneficial owner	A Shares	Long position	249,200	0.01%	0.01%

Notes:

(1) As at 30 June 2026, Xiamen Ruiting was owned as to 55% by Mr. Zeng Yuqun and 45% by Ruihua Investment, which was in turn wholly owned by Mr. Zeng Yuqun. Therefore, each of Mr. Zeng Yuqun and Ruihua Investment is deemed to be interested in the Shares held by Xiamen Ruiting under the SFO.

(2) As at 30 June 2026, 20,420,000 A Shares held by Mr. Li Ping have been pledged.

(3) As at 30 June 2026, Mr. Zhou Jia is entitled to subscribe for 249,200 A Shares pursuant to the stock options granted to him under the 2022 Share Incentive Plan.

(4) The calculation is based on the total issued Shares of 4,626,650,861 shares as at 30 June 2026 (including 4,408,350,561 A Shares and 218,300,300 H Shares).

Interests in the Shares of the Company's associated corporations:

Name	Position	Nature of interest	Name of associated corporation	Long position /Short position	Number of shares directly or indirectly held [3]	Percentage of shareholding (%)
Zeng Yuqun [1]	Chairman of the Board, executive Director and general manager	Interest in a controlled corporation	Ningbo Contemporary Brunp Lygend Co., Ltd.	Long position	660,095,300	9.90
Li Ping [2]	Vice chairman of the Board and executive Director	Interest in a controlled corporation	Suzhou Contemporary Synland Technology Co., Ltd.	Long position	250,000,000	10.00

Notes:

(1) As at 30 June 2026, (i) Xiamen Ruiting was owned as to 55% by Mr. Zeng Yuqun and as to 45% by Ruihua Investment, which in turn is wholly owned by Mr. Zeng Yuqun; and (ii) Ningbo Contemporary Brunp Lygend Co., Ltd. was owned as to 9.90% by Xiamen Ruiting. Therefore, Mr. Zeng Yuqun is deemed to be interested in the equity interest in Ningbo Contemporary Brunp Lygend Co., Ltd. held by Xiamen Ruiting under the SFO.

(2) As at 30 June 2026, (i) Mr. Li Ping owned 90% of the equity interests in Shanghai Shida Investment Management Co., Ltd. ("Shanghai Shida"); and (ii) Shanghai Shida owned 10% of the equity interests in Suzhou Contemporary Synland Technology Co., Ltd. Therefore, Mr. Li Ping is deemed to be interested in the equity interest in Suzhou Contemporary Synland Technology Co., Ltd. held by Shanghai Shida under the SFO.

(3) The above two associated corporations have not issued any shares as they are not joint stock companies. The number of shares directly or indirectly held as set out in the table above represents the equivalent amount of registered capital in RMB.

Save as disclosed above, as at 30 June 2026, to the knowledge of the Directors of the Company, none of the Directors or chief executives of the Company had any interests or short positions or interest in debentures in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

IV. ISSUANCE OF SECURITIES AND PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

(I) Issuance of Securities and Use of Net Proceeds

1. Issuance of H-Share Securities

(1) H-Share IPO

To further advance the Company's globalization, build an international capital operation platform, and enhance our comprehensive competitiveness, the Company issued 135,578,600 H shares (before the exercise of the over-allotment option) on the Main Board of the Hong Kong Stock Exchange on 20 May 2025 for listing and trading, following the approval of the Hong Kong Stock Exchange. On the same day, the Company agreed for the Overall Coordinators (on behalf of the international underwriters) to fully exercise the over-allotment option, and completed the issuance of 20,336,700 H shares on 23 May 2025. Following the full exercise of the aforementioned over-allotment option, a total of 155,915,300 H shares were issued at an Offer Price of HK$263.00 per share, and gross proceeds of HK$41,005,724 thousand were raised with net proceeds of HK$40,627,103 thousand (with net proceeds per share of approximately HK$260.57), after deducting underwriting commissions, fees and other expenses related to the Global Offering.

During the Reporting Period, the Company has utilized the net proceeds from the issuance of H Shares in the manner, purposes and proportions as described in the Prospectus. Details of the utilization of proceeds as of 30 June 2026 are as follows:

Unit: HK$ '000

Item	Percentage of net proceeds	Planned use of net proceeds	Remaining balance as at 1 January 2026	Amount utilized during the Reporting Period	Amount utilized as at 30 June 2026	Remaining balance as at 30 June 2026	Expected timeline for utilization of unutilized net proceeds [1]
(i) being used to advance the construction of Phase I and II of our Hungary project	90%	36,564,393	35,471,703	1,262,998	2,355,688	34,208,705	By 31 December 2030
(ii) being used for working capital and other general corporate purposes	10%	4,062,710	4,062,710	91,898	91,898	3,970,812	By 31 December 2027
Total	**100%**	**40,627,103**	**39,534,413**	**1,354,896**	**2,447,586**	**38,179,517**	**-**

Note:

(1) The expected timeline for the utilization of unutilized net proceeds set out in the table above represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

(2) Placing of H Shares

To seize the opportunities presented by the energy transition, and further consolidate the Company's industry leadership, the Company must accelerate the implementation of the global zero-carbon strategy, expand the overseas business presence, step up investment in cutting-edge technology R&D and innovation, and build long-term sustainable growth drivers. The Company completed a placement of an aggregate of 62,385,000 H Shares with an aggregate nominal value of RMB62,385,000 on 30 April 2026, which had been successfully allotted and issued at the placing price of HK$628.20 per placing share to not less than six placees (professional, institutional or other investors, and their ultimate beneficial owners being independent third parties). As at 28 April 2026 (i.e. the date of H Share Placing Agreement), the closing price of H Shares was HK$629. The aggregate proceeds from the placing were approximately HK$39,190,257 thousand, and the net proceeds were of H Shares HK$39,123,267 thousand after deduction of the placing commission and other relevant costs and expenses of the Placing (with net proceeds per Share of approximately HK$627.13).

Details of the utilization of proceeds as of 30 June 2026 are as follows:

Unit: HK$ '000

Item	Percentage of net proceeds	Planned use of net proceeds	Remaining balance as at 1 January 2026	Amount utilized during the Reporting Period	Amount utilized as at 30 June 2026	Remaining balance as at 30 June 2026	Expected timeline for utilization of unutilized net proceeds[1]
Global new energy project construction and zero-carbon business deployment, replenishment of daily working capital and for other general corporate purposes	100.00%	39,123,267	/	0	0	39,123,267	31 December 2028

Note:

(1) The expected timeline for the utilization of unutilized net proceeds set out in the table above represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

2. Issuance of A-Share Securities

To implement the Company's overall development strategy, capture industry development opportunities, strengthen and expand the Company's flagship business operations, and further consolidate and enhance its competitive advantages, the Company, following the approval by the China Securities Regulatory Commission of "Reply on Approving the Registration of Issuance of Shares to Specific Targets by Contemporary Amperex Technology Co., Limited" (CSRC License [2022] No. 901), issued 109,756,097 A Shares to specific targets on 4 July 2022 at an Offer Price of RMB410.00 per share, and gross proceeds of RMB45,000,000 thousand were raised with net proceeds of approximately RMB44,870,113 thousand (net proceeds per share of approximately RMB408.82), after deducting relevant issuance costs.

During the Reporting Period, the Company has used the net proceeds from the issuance of A Shares as stipulated in the "Offering Memorandum for the Issuance of Shares to Specific Targets and Listing on the ChiNext" and in the manner, purposes and proportions of the use of proceeds considered and approved by the Company's general meeting. Details of the utilization of proceeds as of 30 June 2026 are as follows:

Unit: RMB '000

Item	Percentage of net proceeds	Planned use of net proceeds	Remaining balance as of 1 January 2026	Amount utilized during the Reporting Period	Amount utilized as at 30 June 2026[2]	Remaining balance as at 30 June 2026	Expected timeline for utilization of unutilized net proceeds[3]
(i) CATL-FD Lithium-ion Battery Production Base Project	33.88%	15,200,000	3	/	15,397,434	3	The project investment has been fully completed, and the remaining balance will be settled subsequently
(ii) CATL-RQ Lithium-ion Battery Production Project Phase I [1]	15.38%	6,900,000	5,292,549	179,305	7,237,246	402,215	31 December 2026
(iii) CATL-JS EV and ESS Lithium-ion Battery R&D and Production Project (Phase IV)	14.49%	6,500,000	6	/	6,731,234	6	The project investment has been fully completed, and the remaining balance will be settled subsequently

Item	Percentage of net proceeds	Planned use of net proceeds	Remaining balance as of 1 January 2026	Amount utilized during the Reporting Period	Amount utilized as at 30 June 2026[2]	Remaining balance as at 30 June 2026	Expected timeline for utilization of unutilized net proceeds[3]
(iv) CATL-JC Lithium-ion EV Battery Production Base Project (Cheliwan Project)	10.25%	4,600,000	/		4,607,773	/	Fully utilized
(v) CATL New Energy Advanced Technology R&D and Application Project	15.31%	6,870,113	1,839,397	1,110,296	6,388,550	772,365	1 July 2026
(vi) CATL New Energy Xiamen Battery Industrial Base Project (時代新能廈門電池產業基地項目) [1]	10.70%	4,800,000	/	235,021	235,021	4,501,738	31 December 2027
Total	**100.00%**	**44,870,113**	**7,131,955**	**1,524,622**	**40,597,258**	**5,676,326**	

Notes:

(1) On 9 March 2026 and 3 April 2026, the Company's 14th meeting of the 4th Session of the Board of Directors and the 2025 Annual General Meeting, respectively, considered and approved the Proposal on Changing the Use of Part of the Proceeds from A Share Offering. In accordance with the Company's long-term strategic plan and current stage development needs, and to further promote business development, meet market demand, enhance product competitiveness, and improve the efficiency of the use of proceeds, after careful research and analysis, the Company will use the uninvested proceeds of RMB4,800,000 thousand (including all interest income) from the "CATL-RQ Lithium-ion Battery Production Project Phase I" as of 28 February 2026 for the "CATL New Energy Xiamen Battery Industrial Base Project".

(2) The excess of the amount utilized as of 30 June 2026 listed in the table above over the planned use of net proceeds and the excess of the amount utilized during the Reporting Period over the unutilized as of 1 January 2026 is attributable to interest income generated from the proceeds.

(3) The expected timeline for the utilization of unutilized net proceeds set out in the table above represents the Group's best estimates based on the anticipated market conditions, which may be subject to change in response to current and future market developments.

(II) Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the treasury shares) during the Reporting Period.

As at 30 June 2026, the Company's repurchase special account held 28,319,044 A Shares, which will be used for the implementation of equity incentive plan or employee stock ownership plan.

V. SHARE INCENTIVE PLANS AND EMPLOYEE STOCK OWNERSHIP PLAN

During the Reporting Period, the Company had three Share Incentive Plans and one Employee Stock Ownership Plan in effect, including the 2021 Share Incentive Plan, the 2022 Share Incentive Plan, the 2023 Share Incentive Plan and the 2026 Employee Stock Ownership Plan.

1. Summary of the key terms of the Share Incentive Plans

The following is a summary of the key terms of the Share Incentive Plans currently being implemented by the Company. The terms of Share Incentive Plans do not involve any grant of Share Incentives by the Company upon the Listing of H Shares and are not subject to the provisions of Chapter 17 of the Hong Kong Listing Rules. The terms of each of Share Incentive Plans are summarized as follows.

A. Purposes

The purposes of the Share Incentive Plans are to further establish and improve the Group's long-term incentive mechanism, attract and retain outstanding talents, and fully motivate their enthusiasm and innovation to enhance cohesion and core competitiveness of the Company. The Share Incentive Plans are implemented to align the interests of our Shareholders, the Company and our core team members, which is beneficial to the sustainable development of our Group and ensures the realization of the Group's development strategy and business objectives.

B. Type of Share Incentive

The Share Incentives are granted in two forms: (i) Type II restricted share(s) (hereinafter referred to as "Restricted Share(s)") and (ii) stock options. Under the 2021 Share Incentive Plan and the 2022 Share Incentive Plan, the Company may grant both restricted stocks and stock options to eligible participants. Under the 2023 Share Incentive Plan, the Company may grant restricted stocks to eligible participants only.

The major difference between the Restricted Shares and the stock option of the Company is that (i) the initial grant price of the restricted stock is the higher of 50% of the average trading price of the A Shares over the following periods prior to the announcement of the draft Share Incentive Plans: (A) one trading day or (B) 60 or 120 trading days; while (ii) the initial exercise price of the stock option is the higher of the average trading price of the A Shares over the following periods prior to the announcement of the draft Share Incentive Plans: (A) one trading day or (B) 60 or 120 trading days.

The A Shares underlying the Restricted Shares or the stock options under the Share Incentive Plans can only be issued after the vesting or exercise thereof.

C. Administration

Each of the Share Incentive Plans is subject to the approval of the Company's general meeting, administration of the Board and the supervision of the Board of Supervisors (the Company considered and approved new Articles of Association on 25 December 2025, which abolished the Board of Supervisors and provided for the Audit Committee of the Board of the Company to exercise the powers and functions of the Board of Supervisors as prescribed under the Company Law of the People's Republic of China) and the independent non-executive Directors.

D. Participants

Participants under the Share Incentive Plans include (as the case may be), (i) directors and senior management, (ii) mid-level management, and (iii) core key employees of the Company (including its subsidiaries), but exclude (i) independent non-executive directors, (ii) supervisors, and (iii) Shareholders who, individually or in aggregate, hold 5% or more of the Shares of the Company, or actual controller(s) and their respective spouse, parents and children.

E. Source and Maximum Number of Shares

The underlying Shares for the Share Incentives are new A Shares to be issued by the Company. The number of Shares granted to any individual grantee under all the share incentive plans of the Company currently in effect shall not exceed 1% of the Company's total share capital.

Subject to the adjustment mechanisms set out in paragraph K below, the maximum number of Share Incentives initially available to be granted under each of Share Incentive Plans is as follows:

Share Incentive Plan	Class of Shares	Maximum number of Shares corresponding to initial Share Incentives that may be granted
2021 Share Incentive Plan	A Shares	5,161,040 Shares
2022 Share Incentive Plan	A Shares	5,134,064 Shares
2023 Share Incentive Plan	A Shares	12,595,589 Shares

As at the beginning and end of the Reporting Period, save for the Share Incentives that have already been granted under the Share Incentive Plans and disclosed in this report, there are no additional Share Incentives available for grant under the Share Incentive Plans.

F. Date of Grant and Term of the Plans

The grant date of Share Incentives shall be determined by the Board after the approval of the Share Incentive Plans by the Shareholders at a general meeting. Unless otherwise stipulated by laws and regulations, the grant date must be a trading day of the Shenzhen Stock Exchange. The grant of Share Incentives is subject to the approval of the Board and shall be registered and announced within 60 days after the approval of the Share Incentive Plans at a general meeting. The reserved portion must be granted within 12 months after the Share Incentive Plans is approved at a general meeting of the Company.

The term of the Share Incentive Plans shall commence from the date of the completion of the first tranche of the grant of Share Incentives under the relevant plans and continue until the Share Incentives are fully exercised, canceled, vested, or lapsed, whichever is earlier. This term shall not exceed 72 months, 75 months, or 84 months, as applicable.

G. Conditions to the Grant of Share Incentives

Share Incentives will only be granted to eligible participants if the following conditions are fulfilled:

(i) With respect to the Company, none of the following circumstances having occurred: (A) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to our accountant's report for the most recent fiscal year; (B) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to the internal control report contained in accountant's report for the most recent fiscal year; (C) the Company has failed to distributed profits in accordance with the laws and regulations, our Articles of Association or our public commitment within the last 36 months after its listing on the Shenzhen Stock Exchange; (D) implementation of any share incentive plan is prohibited under applicable laws and regulations; or (E) any other circumstances determined by the CSRC.

(ii) With respect to a grantee, none of the following circumstances having occurred: (A) he or she has been regarded as an inappropriate participant by Shenzhen Stock Exchange within the last 12 months; (B) he or she has been regarded as an inappropriate participant by the CSRC or its local office within the last 12 months; (C) he or she has been punished or prohibited from entering into the securities market by the CSRC or its local office due to material non-compliance of laws and regulations within the last 12 months; (D) he or she is not qualified to serve as a director or senior management according to the PRC Company Law; (E) he or she is prohibited from participating in any share incentive plans of listed companies according to applicable laws and regulations; or (F) any other circumstances determined by the CSRC.

H. Lock-up Arrangements

The lock-up arrangements under the Share Incentive Plans are determined according to the Articles of Association and applicable PRC laws and regulations:

(i) if the grantee is a Director or a senior management of the Company, the Shares to be transferred each year during his or her tenure shall not exceed 25% of the total Shares he or she holds. No Shares held by such Director or senior management may be transferred within six months after termination of his or her employment; and

(ii) if the grantee is a Director or senior management of the Company and their respective spouse, parents and child(ren), income gained through sale of Shares of the Company within six months of the purchase or repurchase of Shares of the Company within six months of the sale, shall belong to the Company and be reclaimed by the Board; and

(iii) if there is any change in the applicable laws and regulations or the relevant provisions of the Articles of Association on the foregoing lock-up requirements within the term of the Share Incentive Plans, the grantee shall comply with the amended laws and regulations and the Articles of Association.

I. Vesting (Exercise) of Share Incentives

The Share Incentives will be vested or exercised when (i) the conditions set out under paragraph G above are fulfilled; and (ii) the performance targets of the Company and the grantees as set out under the relevant plans are achieved. The granted Share Incentives will be vested (exercised) in accordance with the schedules under the relevant plans after the lock-up period as follows:

Share Incentive Plan	Type of Share Incentives	Vesting schedule (for restricted stock) and exercise schedule (for stock options)
2021 Share Incentive Plan	Restricted stocks and stock options	(i) The restricted stocks may be vested and the stock options may be exercised in three tranches of 20%, 30% and 50% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 48 months of the date of grant; or (ii) The restricted stocks may be vested and the stock options may be exercised in four tranches of 20%, 25%, 25% and 30% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 60 months of the date of grant.
2022 Share Incentive Plan	Restricted stocks and stock options	(i) The restricted stocks may be vested and the stock options may be exercised in three tranches of 20%, 30% and 50% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 48 months of the date of grant; (ii) The restricted stocks may be vested and the stock options may be exercised in four tranches of 20%, 25%, 25% and 30% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 60 months of the date of grant; or (iii) The restricted stocks may be vested and the stock options may be exercised in five tranches of 15%, 15%, 20%, 20% and 30% during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 72 months of the date of grant.

Share Incentive Plan	Type of Share Incentives	Vesting schedule (for restricted stock) and exercise schedule (for stock options)
2023 Share Incentive Plan	Restricted stocks	(i) The restricted stocks may be vested in two equal tranches of 50% each during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 36 months of the date of grant; or (ii) The restricted stocks may be vested in five equal tranches of 20% each during the respective 12-month periods between the first trading date after the 12 months from the date of grant and the last trading day within the 72 months of the date of grant.

Stock options are exercised under a voluntary exercise model. According to the actual operation of voluntary exercise procedures, the actual exercisable period shall be from the date when the voluntary exercise procedures are completed by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the last trading day within 12 months from the date when the exercise conditions are fulfilled.

The vesting (exercise) of the Share Incentives granted shall be on a trading day, which shall not fall within any prohibited period stipulated by the CSRC and the Shenzhen Stock Exchange.

J. Exercise Price

The exercise price of each Share Incentives shall not be lower than the nominal value of each A Share and, in principle, shall not be lower than (as the case may be stipulated in the relevant Share Incentive Plans):

Share Incentive Plan	Type of Share Incentives	Pricing Mechanism
2021 Share Incentive Plan	Restricted stocks	The higher of (i) 50% of the average trading price of A Shares on the trading day immediately preceding the announcement of the 2021 Share Incentive Plan; and (ii) 50% of the average trading price of A Shares during the 120 trading days immediately preceding the announcement of the 2021 Share Incentive Plan.
	Stock options	The higher of (i) the average trading price of A Shares on the trading day immediately preceding the announcement of the 2021 Share Incentive Plan; and (ii) the average trading price of A Shares during the 120 trading days immediately preceding the announcement of the 2021 Share Incentive Plan.

Share Incentive Plan	Type of Share Incentives	Pricing Mechanism
2022 Share Incentive Plan	Restricted stocks	The higher of (i) 50% of the average trading price of A Shares on the trading day immediately preceding the announcement of the 2022 Share Incentive Plan; and (ii) 50% of the average trading price of A Shares during the 60 trading days immediately preceding the announcement of the 2022 Share Incentive Plan.
	Stock options	The higher of (i) the average trading price of the A Shares on the trading day immediately preceding the announcement of the 2022 Share Incentive Plan; and (ii) the average trading price of the A Shares during the 60 trading days immediately preceding the announcement of the 2022 Share Incentive Plan.
2023 Share Incentive Plan	Restricted stocks	The higher of (i) 50% of the average trading price of A Shares on the trading day immediately preceding the announcement of the 2023 Share Incentive Plan; and (ii) 50% of the average trading price of A Shares during the 60 trading days immediately preceding the announcement of the 2023 Share Incentive Plan.

K. Adjustment

Subject to the other terms and conditions contained in the Share Incentive Plans, the number and/or exercise price of granted Share Incentives may be adjusted upon the occurrence of certain events from the date of the announcement of the relevant Share Incentive Plan to the completion of relevant registration or exercise by the grantee. These events include, as the case may be, (i) capitalization of reserves, (ii) distribution of stock dividends, (iii) distribution of cash dividends, (iv) share subdivision, and (v) share issuance or share consolidation.

L. Dividend and Voting Rights

Upon the vesting (exercise) of Share Incentives in accordance with the relevant Share Incentive Plans, the grantees will be entitled to exercise the right of Shareholders, including but not limited to the right to receive dividends and right to vote at the general meeting.

2. Summary of the key terms of the 2026 Employee Stock Ownership Plan

The following is a summary of the key terms of the 2026 Employee Stock Ownership Plan being implemented by the Company:

A. Purposes

The purpose for establishing the Employee Stock Ownership Plan is to further improve the Company's corporate governance structure, establish and improve the Company's long-term incentive and restraint mechanism, attract and retain outstanding talent, fully mobilizing their enthusiasm and creativity, effectively enhance the cohesion of the core team and the core competitiveness of the Company, and align the interests of Shareholders, the Company and the core team, so that all parties will jointly focus on the long-term development of the Company, thus ensuring the realization of the Company's development strategy and business goals.

B. Management Model

This Stock Ownership Plan shall be managed by the Company itself, and the highest internal management authority is the Holders' Meeting. The Holders' Meeting shall establish a Management Committee and authorize it as the management body of this Stock Ownership Plan to supervise the daily management of the Employee Stock Ownership Plan and to exercise shareholder rights on behalf of the holders, other than voting rights.

C. Participants

The participants of this Stock Ownership Plan are the mid-level management personnel and core backbone personnel (including foreign employees, but excluding Directors, senior management of the Company, and Shareholders who individually or collectively hold 5% or more of the Shares or actual controllers, and their spouses, parents, and children) of the Company (including subsidiaries within the scope of consolidated financial statements).

D. Source of Shares and Size

The source of Shares for this Stock Ownership Plan will be the ordinary A Shares of the Company repurchased in the Company's dedicated securities account for repurchases.

The number of Shares to be granted under this Stock Ownership Plan shall not exceed 4,046,802 Shares as follows:

Type of grant	**Number of Shares (0,000 Shares)**	**Percentage of the Stock Ownership Plan**
Initial grant	354.6802	87.64%
Reserved grant	50.0000	12.36%
Total	**404.6802**	**100.00%**

To meet the needs of the Company's sustainable development and to continuously attract and retain outstanding talent, this Stock Ownership Plan is proposed to set aside 500,000 reserved Shares, representing 12.36% of the total number of Shares under this Stock Ownership Plan. The reserved portion shall be transferred after the holders of the reserved portion are determined. Prior to allocation, the reserved portion shall not be subject to calculation at Holders' Meeting.

The allocation plan of the reserved portion (including but not limited to the participants, subscription quantities, subscription prices, timing, requirements of assessment, and unlocking percentage) shall be determined by the Remuneration and Appraisal Committee, as authorized by the Board, during the term of this plan. If the remaining reserved portion are not fully granted during the term of this Stock Ownership Plan, such remaining reserved portion shall become null and void.

E. Transfer Price and Source of Funds

The transfer price under this Stock Ownership Plan (including for the reserved portion) is RMB183.64/Share (initial price).

The transfer price under this Stock Ownership Plan shall not be lower than the par value of the Shares, and shall not be lower than the higher of the following:

1. 50% of the average trading price of the Company's Shares on the trading day immediately preceding the announcement of the draft of this Stock Ownership Plan (total trading value on the preceding trading day/total trading volume on the preceding trading day);

2. 50% of the average trading price of the Company's Shares for the 20 trading days preceding the announcement of the draft of this Stock Ownership Plan (total trading value for the preceding 20 trading days/total trading volume for the preceding 20 trading days).

In the event of any capitalization of capital reserve, distribution of stock or cash dividends, share subdivision, share consolidation, or other similar matters affecting the Company prior to the completion of the non-trade transfer of Shares under this Stock Ownership Plan, the Company will make corresponding adjustments to the price of the underlying Shares.

The funds for employee contributions under this Stock Ownership Plan shall be sourced from the employees' legal remuneration, self-raised funds, and other methods permitted by laws and regulations. The Company has not provided any financial assistance or guarantees to the employees.

F. Duration, Lock-up Period and Performance Assessment

Duration: The duration of this Stock Ownership Plan is 60 months, commencing from the date on which the draft of this Stock Ownership Plan is approved at the Company's general meeting and the Company announces the transfer of the last tranche of the Company's Shares to this Stock Ownership Plan. The duration may be terminated early or extended upon completion of the procedures stipulated in the draft. This Stock Ownership Plan shall terminate automatically upon the expiry of its duration if it is not extended.

Within one month prior to the expiration of the duration of this Stock Ownership Plan, if the Company's shares held by this Stock Ownership Plan have not been fully sold or transferred to the holders of the Employee Stock Ownership Plan, the duration of this Stock Ownership Plan may be extended with the consent of the holders of more than 2/3 (inclusive) portions in this Stock Ownership Plan who attend the Holders' Meeting and the consideration and approval of the Board of the Company.

Where the shares in the Company held under this Stock Ownership Plan cannot be fully disposed of before the expiration of the duration due to the suspension of trading of shares of the Company or a short window period, the duration of this Stock Ownership Plan may be extended with the consent of the holders of more than 2/3 (inclusive) portions in this Stock Ownership Plan who attend the Holders' Meeting and the consideration and approval of the Board of the Company.

Lock-up Period: The underlying Shares under the initial grant under this Stock Ownership Plan shall be unlocked in three tranches. Each tranche is subject to a 12-month lock-up period, for a total lock-up period of 36 months, commencing from the date on which the Company announces the completion of the transfer of the last tranche of underlying Shares related to the initial grant to this Stock Ownership Plan. The proportions of the underlying Shares to be unlocked in each tranche are 30%, 30%, and 40%, respectively.

First tranche of unlocking: On the first trading day after the 12-month anniversary of the date on which the Company announces the transfer of the last tranche of underlying Shares under the initial grant to this Stock Ownership Plan, 30% of the total number of underlying Shares held under this Stock Ownership Plan shall be unlocked.

Second tranche of unlocking: On the first trading day after the 24-month anniversary of the date on which the Company announces the transfer of the last tranche of underlying Shares under the initial grant to this Stock Ownership Plan, 30% of the total number of underlying Shares held under this Stock Ownership Plan shall be unlocked.

Third tranche of unlocking: On the first trading day after the 36-month anniversary of the date on which the Company announces the transfer of the last tranche of underlying Shares under the initial grant to this Stock Ownership Plan, 40% of the total number of underlying shares held under this Stock Ownership Plan shall be unlocked.

Performance Assessment: The assessment of holders at individual level shall be organized and implemented in accordance with the Company's prevailing regulations on remuneration and assessment. The individual-level unlocking percentage shall be determined based on the assessment results in the table below:

Holder's Assessment Result for the Preceding Year	**A/B+/B/B-**	**C/D**
Holder's unlocking percentage (N)	100%	0%

Within each unlocking period of this Stock Ownership Plan, the actual number of interests of underlying Share to be unlocked by a holder for the current period = the planned number of interests of underlying Share to be unlocked by the holder for the current period × the unlocking percentage corresponding to the holder's annual assessment result.

G. Arrangement of Interests

The holders of the Stock Ownership Plan are entitled to the asset income rights of the Shares held by the Employee Stock Ownership Plan according to the actual capital contribution. The Stock Ownership Plan voluntarily waives the voting rights of the Shares it held. The holders of the Stock Ownership Plan will also waive the voting rights of the Company's Shares they indirectly held through their participation in this Stock Ownership Plan. The corresponding Shares obtained by the holders through the Employee Stock Ownership Plan shall be entitled to shareholders' rights other than the voting rights at the general meeting of the listed company (including dividend rights, rights to rights issue, conversion of Shares and other asset income rights).

3. Movements of the Share Incentive Plans and the Employee Stock Ownership Plan during the Reporting Period

As at 30 June 2026, the number of the outstanding Share Incentives granted under the Share Incentive Plans and the Employee Stock Ownership Plan was 10,339,838 Shares, representing 0.24% of the Company's issued A Shares (excluding treasury shares) as of the same date. The following table sets forth the details of Share Incentives granted to all grantees (including directors, senior management members, other connected persons and employees of the Company) under the Share Incentive Plans and the Employee Stock Ownership Plan as at 30 June 2026.

Restricted stocks

Unit: Share

			Number of restricted stocks [1]							
Name of participant /Category	Position of participant	Grant price per share (RMB)	Unvested as at 1 January 2026	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Adjusted during the Reporting Period	Unvested as at 30 June 2026	Weighted average closing price immediately before the vesting date (RMB)	Date of grant
Directors or senior management members										
Mr. Tan Libin	Vice general manager	125.70	17,910					17,910	/	8 September 2022
		93.93	145,571					145,571	/	8 September 2023
Mr. Jiang Li	Vice general manager and Board secretary and joint company secretary	125.70	8,294					8,294	/	8 September 2022
		93.93	111,130					111,130	/	8 September 2023

Name of participant /Category	Position of participant	Grant price per share (RMB)	Number of restricted stocks (1) Unvested as at 1 January 2026	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Adjusted during the Reporting Period	Unvested as at 30 June 2026	Weighted average closing price immediately before the vesting date (RMB)	Date of grant
Mr. Zheng Shu	Chief financial officer	125.70	8,293					8,293	/	8 September 2022
		93.93	113,631					113,631	/	8 September 2023
Connected persons										
Other connected persons (2)	Middle-level management personnels	125.70	36,817					36,817	/	8 September 2022
		93.93	717,012					717,012	/	8 September 2023
Other grantees										
Employee (3)	Middle-level management personnels or core employees	125.70	501,971					501,971	/	8 September 2022
		93.93	4,112,204					4,112,204	/	8 September 2023
Total	2022 Share Incentive Plan	125.70	573,285					573,285	/	8 September 2022
	2023 Share Incentive Plan	93.93	5,199,548					5,199,548	/	8 September 2023

Notes:

(1) Individual grantees may be granted restricted stocks and/or stock options under one or more Share Incentive Plans.

(2) The connected persons set out in the table above include associates of a Director or substantial Shareholder of the Company, as well as connected persons at subsidiary level of the Company.

(3) No employee grantees have been granted Share Incentives in excess of 1% of the issued Shares of the Company on a standalone basis.

(4) During the Reporting Period, certain incentive recipients under the relevant Share Incentive Plans resigned, failed to meet their individual performance appraisal requirements or the Company did not meet its corporate performance appraisal requirements. In accordance with the rules of the relevant Share Incentive Plans, the Company is required to cancel 1,939,584 restricted stocks. However, such matters are still subject to approval by the Board and subsequent disclosure, and therefore, the number of restricted stocks set out in the table above has not excluded those to be cancelled as described above.

Stock options

Unit: Share

Name of participant /Category	Position of participant	Exercise price per share (RMB)	Number of stock options [1]: Outstanding as at 1 January 2026	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Adjusted during the Reporting Period	Outstanding as at 30 June 2026	Weighted average closing price immediately before the exercise date (RMB)	Date of grant
Director or senior management member										
Mr. Zhou Jia	Vice chairman of the Board and executive Director	271.94	249,200		–			249,200	/	8 September 2022
Connected persons										
Other connected persons [2]	Middle-level management personnels	319.50	7,442		7,019			423	413.49	19 November 2021
		271.94	53,728		–			53,728	/	8 September 2022
Other grantees										
Employee [3]	Middle-level management personnels or core employees	319.50	517,977		344,084			173,893	395.26	19 November 2021
		271.94	537,769		111,270			426,499	413.32	8 September 2022
Total	2021 Share Incentive Plan	319.50	525,419		351,103			174,316	395.40	19 November 2021
	2022 Share Incentive Plan	271.94	840,697		111,270			729,427	413.32	8 September 2022

Notes:

(1) Individual grantees may be granted restricted stocks and/or stock options under one or more Share Incentive Plans.

(2) The connected persons set out in the table above include associates of a Director or substantial Shareholder of the Company, as well as connected persons at subsidiary level of the Company.

(3) No employee grantees have been granted Share Incentives in excess of 1% of the issued Shares of the Company on a standalone basis.

(4) During the Reporting Period, certain incentive recipients under the relevant Share Incentive Plans resigned or failed to meet their individual performance appraisal requirements. In accordance with the rules of the relevant Share Incentive Plans, the Company is required to cancel 35,736 share options. However, such matters are still subject to approval by the Board and subsequent disclosure, and therefore, the number of share options set out in the table above has to be cancelled as described above.

2026 Employee Stock Ownership Plan

Unit: Share

Name of participant /Category	Position of participant	Grant price per share (RMB)	Number of shares (1) Locked as at 1 January 2026	Granted during the Reporting Period	Unlocked during the Reporting Period	Repurchased during the Reporting Period	Adjusted during the Reporting Period	Locked as at 30 June 2026	Weighted average closing price immediately before the unlocking date (RMB)	Date of grant
Connected persons										
Other connected persons (1)	Middle-level management personnels	176.68	0	70,444				70,444	/	22 April 2026
Other grantees										
Employee(2)	Middle-level management personnels or core employees	176.68	0	3,592,818				3,592,818	/	3 April 2026 22 April 2026
Total	2026 Employee Stock Ownership Plan	176.68	0	3,663,262				3,663,262	/	3 April 2026 22 April 2026

Notes:

(1) The connected persons set out in the table above include associates of a Director or substantial Shareholder of the Company, as well as connected persons at subsidiary level of the Company.

(2) No employee grantees have been granted Share Incentives in excess of 1% of the issued Shares of the Company on a standalone basis.

(3) During the Reporting Period, certain participants who participated in the 2026 Employee Stock Ownership Plan ceased to participate in this Stock Ownership Plan prior to non-trade transfer due to reasons such as waiving, demotion, or resignation. Pursuant to the relevant provisions of the Company's 2026 Employee Stock Ownership Plan (Draft), the Management Committee revoked the qualification of relevant holders to participate in the Employee Stock Ownership Plan, and the 178,474 shares granted to them have been forfeited and invalidated.

VI. INFORMATION ON BONDS

1. Enterprise Bonds

During the Reporting Period, the Company had no enterprise bonds.

2. Corporate Bonds

Unit: RMB'000

Bond Name	Bond Abbreviation	Bond Code	Issue Date	Value Date	Maturity Date	Currency	Total Proceeds	Bond Balance	Interest Rate	Method of Principal and Interest Repayment	Trading Venue
Contemporary Ruiding Development Limited[1] USD500 Million Bonds	–	40382	10 September 2020	17 September 2020	17 September 2030	USD	500,000	500,000	2.625%	Interest is payable semi-annually. The principal is repayable in a single installment upon maturity.	The Stock Exchange of Hong Kong Limited
Contemporary Ruiding Development Limited USD500 Million Bonds	–	40833	2 September 2021	9 September 2021	9 September 2026	USD	500,000	500,000	1.50%		
Contemporary Amperex Technology Co., Limited 2026 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors (First Tranche)[2]	26CATLK1	524672. SZ	12 February 2026	12 February 2026	12 February 2031	RMB	3,000,000	3,000,000	1.69%	Interest is payable annually. The principal is repayable in a single installment upon maturity.	Shenzhen Stock Exchange
Contemporary Amperex Technology Co., Limited 2026 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors (Second Tranche)[2]	26CATLK2	524857. SZ	18 June 2026	18 June 2026	18 June 2031	RMB	2,000,000	2,000,000	1.49%	Interest is payable annually. The principal is repayable in a single installment upon maturity.	Shenzhen Stock Exchange

Notes:

(1) Contemporary Ruiding Development Limited is a wholly-owned subsidiary of the Company and is included within the scope of its consolidated financial statements.

(2) The bond term of "524672.SZ" and "524857.SZ" is 3+2 years, with an option for the issuer to adjust the coupon rate and an option for investors to sell back at the end of the 3rd year.

3. Debt Financing Instruments of Non-financial Enterprises

Unit: RMB'000

Bond Name	Bond Abbreviation	Bond Code	Issue Date	Value Date	Maturity Date	Total Proceeds	Bond Balance	Interest Rate	Method of Principal and Interest Repayment	Trading Venue
Contemporary Amperex Technology Co., Limited 2022 First Tranche Green Medium-Term Notes(1)	22 CATL GN001	132280119	12 December 2022	14 December 2022	14 December 2027	5,000,000	10,000	2.90% for the first three years, 1.83% for the last two years	Interest is payable annually and the principal is repayable in a single installment upon maturity	China Interbank Bond Market
Contemporary Amperex Technology Co., Limited 2026 First Tranche Green Technology Innovation Bonds(1)	26 CATL MTN001 (Technology Innovation Bonds)	102680526	6 February 2026	9 February 2026	9 February 2031	5,000,000	5,000,000	1.70%	Interest is payable annually and the principal is repayable in a single installment upon maturity	China Interbank Bond Market
Contemporary Amperex Technology Co., Limited 2026 Second Tranche Green Technology Innovation Bonds(1)	26 CATL MTN002 (Technology Innovation Bonds)	102681778	29 April 2026	30 April 2026	30 April 2031	5,000,000	5,000,000	1.57%	Interest is payable annually and the principal is repayable in a single installment upon maturity	China Interbank Bond Market
Contemporary Amperex Technology Co., Limited 2026 Third Tranche Green Technology Innovation Bonds(1)	26 CATL MTN003 (Technology Innovation Bonds)	102681979	28 May 2026	29 May 2026	29 May 2031	5,000,000	5,000,000	1.50%	Interest is payable annually and the principal is repayable in a single installment upon maturity	China Interbank Bond Market
Contemporary Amperex Technology Co., Limited 2026 Fourth Tranche Green Technology Innovation Bonds (Type 1)(1)	26 CATL MTN004A (Technology Innovation Bonds)	102682369	25 June 2026	26 June 2026	26 June 2031	4,500,000	4,500,000	1.48%	Interest is payable annually and the principal is repayable in a single installment upon maturity	China Interbank Bond Market
Contemporary Amperex Technology Co., Limited 2026 Fourth Tranche Green Technology Innovation Bonds (Type 2)	26 CATL MTN004B (Technology Innovation Bonds)	102682370	25 June 2026	26 June 2026	26 June 2031	1,000,000	1,000,000	1.60%	Interest is payable annually and the principal is repayable in a single installment upon maturity	China Interbank Bond Market

Note:

The bonds with codes "132280119", "102680526", "102681778", "102681979", and "102682369" have a maturity of 3+2 years, with an issuer's option to adjust the coupon rate and an investor's put option at the end of the third year.

4. Convertible Corporate Bonds

During the Reporting Period, the Company had no convertible corporate bonds.

VII. EMPLOYEES INFORMATION

As at 30 June 2026, the Group had approximately 213,226 employees, most of whom were based in China. During the Reporting Period, total employee remuneration cost amounted to RMB22,358,686 thousand, accounting for approximately 8.07% of the Group's revenue.

The remuneration packages of our employees include salary and bonuses, which are usually determined based on their seniority, performance appraisal and term of service. The Group also provides share incentives and promotion opportunities to motivate our employees.

The Group offers onboarding training and regular on-the-job training to our employees. Sharing success with employees and empowering them to grow is one of the core elements of the Group's corporate culture. The Group always strives to provide employees with comprehensive social benefits, a safe working environment and diverse career development opportunities. Meanwhile, the Group strictly abides by the laws, regulations and standards on workplace safety in relevant countries and regions, and is committed to fostering a safe and healthy working environment for employees, and ensuring the safety and physical and mental health of employees by implementing a highly efficient management system.

VIII. CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE HONG KONG LISTING RULES

1. Financial assistance and guarantees provided by the Company to affiliated companies

☐Applicable ☑ Not applicable

During the Reporting Period, the Group did not provide any financial assistance or guarantees to its affiliated companies in an amount exceeding 8% of the Group's total assets and there were no matters required to be disclosed under Rules 13.16 and 13.22 of the Hong Kong Listing Rules.

2. Loan to an entity

☐Applicable ☑ Not applicable

During the Reporting Period, the Group did not grant any loans to any entity in an amount exceeding 8% of the Group's total assets, and there were no loans required to be disclosed under Rules 13.13 and 13.20 of the Hong Kong Listing Rules.

3. Pledge of shares by controlling shareholder

☐Applicable ☑ Not applicable

During the Reporting Period, the controlling shareholder of the Company did not register any pledge over any shares of the Company held by it, and there were no circumstances where the shares held were used to secure the Company's debts or to provide support for the Company's guarantee obligations or other liabilities.

4. **Loan facility with covenants relating to specific performance of the controlling shareholder**

☐Applicable ☑ Not applicable

During the Reporting Period, none of the loan agreements entered into by the Group contained any specific performance obligations imposed on the controlling shareholder of the Company, and there were no loan agreements required to be disclosed under Rules 13.18 of the Hong Kong Listing Rules.

5. **Breach of loan agreements by the Company**

☐Applicable ☑ Not applicable

During the Reporting Period, there were no instances of loans involved in any breaches of loan agreements that had a material impact on the Group's business operations.

6. **Any guarantee information about the financial performance of the acquired company or business**

☐Applicable ☑ Not applicable

During the Reporting Period, no guarantee about the financial performance of the acquired company or business that shall be subject to the disclosure requirements under Rules 14.36B and/or 14A.63 of the Hong Kong Listing Rules.

IX. INTERIM DIVIDEND

1. **Distribution plan for interim dividend for 2026**

Pursuant to the authorization granted at the 2025 annual general meeting of the Company held on 3 April 2026, the Board of the Company has approved the distribution plan for interim dividend for 2026 (the "Interim Dividend"), with details as follows:

The Company intends to distribute a cash dividend of RMB6,492,600,307.64 equal to 15% of net profit attributable to shareholders of the listed company as set out in the 2026 interim consolidated financial statements of the Company as the distribution amount. Such dividend will be calculated based on the distributable share capital of 4,598,335,875 Shares (being the Company's total share capital of 4,626,654,919 shares excluding 28,319,044 shares held in the dedicated repurchase account), with a cash dividend of RMB14.11 (tax inclusive, rounded down to two decimal places without rounding up, "Distribution Ratio") for every 10 shares to all shareholders. The interim dividend will be denominated and declared in RMB, paid to A Shareholders in RMB and to H Shareholders in HK$. H Share dividends shall be converted based on the central parity rate of RMB against HK$ (HK$1 against RMB0.86616) published by the People's Bank of China on the trading day immediately preceding the date on which the Company's Board of Directors considers the 2026 interim dividend distribution plan (23 July 2026). After the conversion, the dividend payable for every 10 H Shares shall be HK$16.29 (tax inclusive). For the half year of 2026, the Company will neither implement capital reserve fund conversion into share capital nor will it distribute bonus shares.

From the date of disclosure of the 2026 interim dividend distribution plan until the record date for the equity distribution, if there is any change in the Company's total share capital or the treasury shares in the special account for share repurchase, the Company shall adjust the total cash dividend amount in accordance with the principle of "fixed distribution ratio", based on the Company's total share capital registered as at the record date for the equity distribution, after deducting the treasury shares in the special account for share repurchase.

2. Closure of register of members

In order to determine the entitlement of H Shareholders to the Interim Dividend, the H Share Registrar will be closed from Monday, 10 August 2026 to Thursday, 13 August 2026 (both days inclusive), during which period no registration of H Shares will be effected. Shareholders whose names appear on the register of members of H Shareholders of the Company on Thursday, 13 August 2026 shall be entitled to the Interim Dividend. In order to qualify for receiving the Interim Dividend, the holders of H Shares of the Company must lodge all transfer documents, accompanied by the relevant share certificates with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 7 August 2026.

3. Dividend payment arrangements

The Company expects to distribute the Interim Dividend to H Shareholders whose names appear on the Company's register of members of H Shareholders at the close of business on 13 August 2026 (the "Record Date") on Thursday, 3 September 2026. Investors should be aware that, in accordance with the relevant regulations of the Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited Shenzhen Branch, a separate dividend implementation announcement in respect of the distribution of the Interim Dividend to A Shareholders of the Company will be issued.

4. Tax relief and exemption of dividend

A Shareholders

A. Individual income tax

Pursuant to the provisions of the Notice on Issues Concerning the Implementation of Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2012] No. 85)《關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅 [2012]85號) and the Notice on Issues Concerning the Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2015] No. 101)《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101號), for dividends and bonuses received by individual investors from listed companies, from the date when the individual investors obtain the shares of the companies to the record date, if the holding period exceeds one year, the individual income tax shall be temporarily exempted. If the holding period does not exceed one year (including one year), the listed company will not withhold and remit individual income tax and the amount of tax payable will be calculated on the transfer of shares by an individual investor based on the period of holding the shares.

B. Enterprise income tax

As for Shareholders of resident enterprises, income tax of cash bonuses will be paid by themselves. Listed companies will withhold and remit enterprise income tax at the tax rate of 10% for qualified foreign institutional investors (QFII) in accordance with provisions of the "Notice on Relevant Issues Regarding the Withholding and Payment of Enterprise Income Tax Relating to the Payment of Dividends, Bonus and Interest by PRC Resident Enterprises to QFII" (Guo Shui Han [2009] No. 47)《關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函[2009]47號)). If the QFII shareholders intend to claim the preferential treatment as stipulated in tax treaties (arrangements) for their dividend and bonus incomes, they may by themselves, or may entrust a withholding agent on their behalf to, apply to the competent tax authority of the listed company for the treatment as stipulated in such tax treaties. Pursuant to the provisions under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No.127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends and bonus incomes received by investors (including enterprises and individuals) in the Hong Kong market from investing in A Shares listed on the SZSE, the implementation of differentiated tax policies based on period of shareholding is suspended before Hong Kong Securities Clearing Company Limited meets the conditions of providing identification, term of shareholding and other specific data of investors to China Securities Depository and Clearing Corporation Limited, and the income taxes thereof are withheld and paid by the listed company at the rate of 10%, which should be duly declared to the competent tax authority. For Hong Kong investors who are tax residents from another country and that country has entered into a tax treaty with the PRC stipulating a tax rate of lower than 10% for dividends and bonus, those enterprises or individuals may by themselves, or may entrust a withholding agent on their behalf to, apply to the competent tax authority of the listed company for the treatment as stipulated in such tax treaties.

H Shareholders

A. Individual income tax

In accordance with the provisions of the "Notice of the State Administration of Taxation on Individual Income Tax Collection Issues Following the Repeal of the Document with the Number of Guo Shui Fa [1993] No. 045" (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), withholding and remitting obligor will withhold and remit individual income tax as per item of "interest, dividends and bonus income" for dividends and bonuses income of overseas resident individual shareholders from the domestic non-foreign-funded enterprises by issuing shares in Hong Kong. When the domestic non-foreign-funded enterprise issues shares in Hong Kong, its overseas resident individual shareholders will enjoy relevant tax preference in accordance with the tax convention signed by China and the country stated in the residential identity and tax arrangement of Chinese Mainland and Hong Kong (Macau). In general, the tax rate for dividend is 10% in accordance with relevant tax convention and provisions on tax arrangement. To simplify tax collection and management, when a domestic non-foreign funded enterprise that has issued shares in Hong Kong distributes dividends and bonuses, individual income tax will be generally withheld and remitted at the tax rate of 10% and application is not necessary. If the tax rate for dividends is not fall within 10%, the following provisions shall apply: (1) for residents from countries which have entered into tax treaties with a tax rate of lower than 10%, the withholding agents will file applications on their behalf to seek entitlement of the relevant agreed preferential treatments, and upon approval by the competent tax authorities, the excess tax amounts withheld will be refunded; (2) for residents from countries which have entered into tax treaties with a tax rate of higher than 10% but lower than 20%, the withholding agents will withhold the individual income tax at the effective tax rate under the treaties when distributing dividends and bonuses without application; (3) for residents from countries without tax treaties or otherwise, the withholding agents will withhold the individual income tax at a tax rate of 20% when distributing dividends and bonuses.

B. Enterprise income tax

In accordance with the provisions of the "Notice on Relevant Issues that PRC Resident Enterprises Distribute Dividends to Overseas Non-resident Enterprise Shareholders of H shares and Withhold and Remit Enterprise Income Tax" (Guo Shui Han [2008] No. 897) (《關

於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), when PRC resident enterprises distribute dividends for 2008 and future years to overseas non-resident enterprise shareholders of H shares, they will withhold and remit enterprise income tax at the tax rate of 10%.

C. Shenzhen-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) who invest in the Company's H Shares through the Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited Shenzhen Branch, as the nominee of H Share investors through Shenzhen-Hong Kong Stock Connect, will receive the cash dividend distributed by the Company and distribute the cash dividend to the relevant H Share investors through Shenzhen-Hong Kong Stock Connect via its depositary and clearing system. The cash dividend for H Share investors through Shenzhen-Hong Kong Stock Connect will be paid in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) issued by the Ministry of Finance of the PRC, the State Administration of Taxation and the CSRC: (1) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H share company shall withhold individual income tax at the rate of 20% on their behalf; (2) for dividends received by mainland securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied by reference to the tax treatment for individual investors; (3) for dividends received by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H share company will not withhold any tax on dividend income and the enterprise investors shall file and pay the taxes by themselves. Among them, dividend income derived by mainland resident enterprises which have held H shares continuously for no less than 12 months shall be exempt from enterprise income tax in accordance with the law.

The Record Date, the date of distribution of cash dividend and other arrangements for the investors through Shenzhen-Hong Kong Stock Connect will be the same as those for the H Shareholders of the Company.

D. Shanghai-Hong Kong Stock Connect

For domestic investors (including enterprises and individuals) who invest in the Company's H Shares through the Shanghai Stock Exchange, China Securities Depository and Clearing Corporation Limited Shanghai Branch, as the nominee of H Share investors through Shanghai-Hong Kong Stock Connect, will receive the cash dividend distributed by the Company and distribute the cash dividend to the relevant H Share investors through Shanghai-Hong Kong Stock Connect via its depositary and clearing system. The cash dividend for H Share investors through Shanghai-Hong Kong Stock Connect will be paid in RMB. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81)《(關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) issued by the Ministry of Finance of the PRC, the State Administration of Taxation and the CSRC: (1) for dividends received by mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H share company shall withhold individual income tax at the rate of 20% on their behalf; (2) for dividends received by mainland securities investment funds from investing in shares listed on the Hong Kong

Stock Exchange through Shanghai-Hong Kong Stock Connect, individual income tax shall be levied by reference to the tax treatment for individual investors; (3) for dividends received by mainland enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H share company will not withhold any tax on dividend income and the enterprise investors shall file and pay the taxes by themselves. Among them, dividend income derived by mainland resident enterprises which have held H shares continuously for no less than 12 months shall be exempt from enterprise income tax in accordance with the law.

The Record Date, the date of distribution of cash dividend and other arrangements for the investors through Shanghai-Hong Kong Stock Connect will be the same as those for the H Shareholders of the Company.

E. Special announcement

The Company will withhold payment of the relevant income tax strictly in accordance with the relevant laws or requirements of the relevant government departments and strictly based on the Company's register of members of H Shares on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of withholding arrangement. The Company will not be liable for any claim arising from any delay in, or inaccurate determination of the status of the Shareholders or any disputes over the withholding mechanism.

5. Other description

For H Shareholders of the Company other than those through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the Company intends to appoint Bank of China (Hong Kong) Limited as the dividend payment agent (the "Dividend Payment Agent") for the H Shareholders and the declared Interim Dividend will be deposited into the relevant account of the Dividend Payment Agent, who will then pay to the relevant H Shareholders. The general manager or its duly authorized person is given by the Board of the Company the mandate to give instructions to the Dividend Payment Agent and to sign the documents to deal with the payment of the Interim Dividend. For H Shareholders of the Company through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the Company will pay the Interim Dividend to the Shareholders through the registration and settlement system of China Securities Depository and Clearing Corporation Limited. For H Shareholders of the Company other than those through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the dividend will be paid by the Dividend Payment Agent on or around Thursday, 3 September 2026 and the relevant cheques will be sent to the H Shareholders who are entitled to receive such dividend by ordinary post on the same date. The postal risk shall be borne by the recipient.

X. REVIEW OF THE INTERIM REPORT

The Audit Committee of the Board of Directors of the Company has reviewed the unaudited interim report of the Group for the six months ended 30 June 2026 and is of the opinion that the 2026 interim report complies with the applicable accounting standards and relevant laws and regulations, and contains adequate disclosures.

I. AUDIT REPORT

Whether the interim report has been audited

☐ Yes ☑ No

The interim financial report of the Company has not been audited.

II. FINANCIAL STATEMENTS

The units of measurement in the notes of financial statements are: thousand

1. Consolidated Balance Sheet

Prepared by: Contemporary Amperex Technology Co., Limited

As at 30 June 2026

Unit: RMB'000

Item	Closing balance	Opening balance
Current assets:		
Bank balances, deposits and cash	**372,053,275**	333,512,927
Provision of settlement fund		
Funds lent		
Financial assets held for trading	**68,158,325**	58,993,528
Derivative financial assets	**2,657,905**	1,133,502
Notes receivable	**779,835**	1,380,016
Trade receivables	**88,417,984**	76,403,264
Receivable financing	**51,923,468**	43,205,292
Prepayments	**22,793,180**	14,282,335
Insurance premiums receivable		
Cession premiums receivable		
Provision of cession receivable		
Other receivables	**2,618,732**	2,119,770
Including: Interests receivable		
Dividends receivable	**114,195**	77,327
Buying back the sale of financial assets		
Inventories	**130,819,205**	94,526,239
Including: data source		
Contract assets	**338,742**	375,468
Assets held for sale		
Non-current assets due within one year	**158,436**	169,898
Other current assets	**18,160,453**	12,379,304
Total current assets	**758,879,539**	638,481,543

II. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated Balance Sheet (Continued)

Unit: RMB'000

Item	**Closing balance**	Opening balance
Non-current assets:		
Loans and payments		
Debt investments		
Other debt investments		
Long-term receivables	**408,706**	386,180
Long-term equity investments	**70,254,796**	64,884,321
Other equity instruments investments	**15,354,665**	16,296,853
Other non-current financial assets	**7,689,022**	2,882,264
Investment properties		
Fixed assets	**169,381,820**	146,400,592
Construction in progress	**33,025,296**	29,733,108
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**3,900,575**	3,268,966
Intangible assets	**15,378,514**	15,263,875
Including: data source		
Development costs		
Including: data source		
Goodwill	**826,988**	837,328
Long-term deferred expenses	**4,741,001**	4,960,638
Deferred tax assets	**30,494,902**	28,170,283
Other non-current assets	**28,544,967**	23,261,595
Total non-current assets	**380,001,250**	336,346,001
Total assets	**1,138,880,789**	974,827,544

II. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated Balance Sheet (Continued)

Unit: RMB'000

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	**20,885,906**	12,935,498
Borrowings from central bank		
Deposit funds		
Financial liabilities held for trading		
Derivative financial liabilities	**688,861**	393,224
Notes payable	**152,977,931**	103,276,999
Trade payables	**202,508,781**	160,328,962
Advances from customers		
Contract liabilities	**36,482,664**	49,233,377
Funds from sales of financial assets with repurchase agreement		
Deposits from customers and interbank		
Funds received as agent of stock exchange		
Funds received as stock underwrite		
Employee benefits payables	**23,099,804**	23,110,912
Taxes payable	**9,502,483**	11,775,019
Other payables	**9,598,945**	10,504,098
Including: Interest payable		
Dividend payable		
Handling charges and commissions payable		
Cession insurance premiums payable		
Liabilities held for sale		
Non-current liabilities due within one year	**22,010,724**	22,237,540
Other current liabilities	**8,850,903**	5,830,358
Total current liabilities	**486,607,002**	399,625,988

II. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated Balance Sheet (Continued)

Unit: RMB'000

Item	Closing balance	Opening balance
Non-current liabilities:		
Insurance Contract Reserves		
Long-term borrowings	**74,262,746**	78,234,935
Bonds payable	**28,512,039**	3,443,434
Including: Preference shares		
Perpetual debts		
Lease liabilities	**3,357,630**	2,805,081
Long-term payables	**1,632,319**	1,639,608
Long-term employee benefits payable		
Provisions	**98,607,243**	85,324,358
Deferred income	**27,433,641**	27,321,553
Deferred tax liabilities	**299,567**	922,254
Other non-current liabilities	**4,213,371**	4,484,010
Total non-current liabilities	**238,318,556**	204,175,232
Total liabilities	**724,925,558**	603,801,220

II. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated Balance Sheet (Continued)

Unit: RMB'000

Item	Closing balance	Opening balance
Shareholders' equity:		
Share capital	**4,626,651**	4,563,803
Other equity instruments		
Including: Preference shares		
Perpetual debts		
Capital reserve	**190,262,233**	156,248,214
Less: treasury shares	**6,932,212**	7,097,993
Other comprehensive income	**2,051,130**	6,454,423
Special reserves	**50,903**	35,515
Surplus reserves	**2,306,371**	2,274,947
General risk reserve		
Retained earnings	**186,988,633**	174,628,837
Total equity attributable to shareholders of the Company	**379,353,710**	337,107,747
Non-controlling interests	**34,601,522**	33,918,577
Total shareholders' equity	**413,955,232**	371,026,324
Total liabilities and shareholders' equity	**1,138,880,789**	974,827,544

Legal representative: Zeng Yuqun

The person in charge of accounting: Zheng Shu

The head of the accounting department: Zheng Shu

II. FINANCIAL STATEMENTS (CONTINUED)

2. Parent Company Balance Sheet

Unit: RMB'000

Item	Closing balance	Opening balance
Current assets:		
Bank balances, deposits and cash	**215,376,839**	177,687,854
Financial assets held for trading	**33,938,367**	44,974,875
Derivative financial assets	**2,528,654**	978,371
Notes receivable		
Trade receivables	**92,497,438**	84,277,741
Receivable financing	**42,907,479**	37,246,924
Prepayments	**16,290,223**	11,434,740
Other receivables	**133,473,131**	98,022,722
Including: Interests receivable		
Dividends receivable	**8,228**	
Inventories	**40,721,334**	45,233,246
Including: data source		
Contract assets	**319,427**	350,770
Assets held for sale		
Non-current assets due within one year	**20,473**	15,653
Other current assets	**4,375,431**	2,938,871
Total current assets	**582,448,795**	503,161,768

II. FINANCIAL STATEMENTS (CONTINUED)

2. Parent Company Balance Sheet (Continued)

Unit: RMB'000

Item	Closing balance	Opening balance
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	**256,135**	266,473
Long-term equity investments	**114,767,813**	105,129,933
Other equity instruments investments	**6,544,228**	5,764,516
Other non-current financial assets	**1,945,880**	1,308,093
Investment properties		
Fixed assets	**4,101,709**	3,805,999
Construction in progress	**1,886,104**	1,626,442
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**113,996**	129,986
Intangible assets	**353,903**	365,180
Including: data source		
Development costs		
Including: data source		
Goodwill		
Long-term deferred expenses	**118,606**	140,685
Deferred tax assets	**17,690,472**	15,734,083
Other non-current assets	**6,553,606**	5,773,715
Total non-current assets	**154,332,450**	140,045,104
Total assets	**736,781,245**	643,206,871

II. FINANCIAL STATEMENTS (CONTINUED)

2. Parent Company Balance Sheet (Continued)

Unit: RMB'000

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	**111,894,883**	75,928,514
Trade payables	**95,461,195**	101,045,861
Advances from customers		
Contract liabilities	**25,076,368**	39,679,974
Employee benefits payables	**17,413,133**	16,791,273
Taxes payable	**4,188,606**	6,145,376
Other payables	**19,591,337**	12,967,074
Including: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	**8,498,162**	9,302,930
Other current liabilities	**8,019,965**	5,124,193
Total current liabilities	**290,143,650**	266,985,195
Non-current liabilities:		
Long-term borrowings	**16,218,395**	19,706,957
Bonds payable	**25,183,294**	9,732
Including: Preference shares		
Perpetual debts		
Lease liabilities	**96,025**	112,849
Long-term payables		
Long-term employee benefits payable		
Provisions	**89,378,122**	76,911,865
Deferred income	**647,298**	741,964
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	**131,523,135**	97,483,367
Total liabilities	**421,666,784**	364,468,562

II. FINANCIAL STATEMENTS (CONTINUED)

2. Parent Company Balance Sheet (Continued)

Unit: RMB'000

Item	Closing balance	Opening balance
Shareholders' equity:		
Share capital	**4,626,651**	4,563,803
Other equity instruments		
Including: Preference shares		
Perpetual debts		
Capital reserve	**166,987,461**	132,644,612
Less: treasury shares	**6,932,212**	7,097,993
Other comprehensive income	**2,678,544**	3,734,297
Specific reserve		
Surplus reserve	**2,313,325**	2,281,902
Retained earnings	**145,440,692**	142,611,687
Total shareholders' equity	**315,114,461**	278,738,309
Total liabilities and shareholders' equity	**736,781,245**	643,206,871

II. FINANCIAL STATEMENTS (CONTINUED)

3. Consolidated Income Statements

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
I. Operating income	**276,916,580**	178,886,253
Including: Operating income	**276,916,580**	178,886,253
Interest Income		
Earned Premiums		
Fees and Commissions		
II. Operating cost	**230,908,757**	146,391,166
Including: Cost of operations	**210,654,890**	134,123,603
Interest expense		
Fees and commissions paid		
Surrender value		
Net claims paid		
Net provision for insurance liabilities		
Policy dividends paid		
Reinsurance expenses		
Taxes and surcharges	**1,324,939**	1,245,850
Selling and distribution expenses	**2,163,577**	1,621,425
General and administrative expenses	**6,019,599**	5,127,530
Research and development expenses	**11,376,545**	10,094,566
Financial expenses	**-630,793**	-5,821,810
Including: Interest expenses	**1,392,225**	1,557,999
Interest income	**4,887,257**	5,125,146
Add: Other income	**4,589,631**	6,059,485
Investment income ("-" for losses)	**6,152,679**	2,875,693
Including: Income from investment in associates and joint ventures	**5,722,218**	2,981,557
Gain from derecognition of financial assets measured at amortized cost	**-26,249**	-239,570
Gains from foreign exchange ("-" for losses)		
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)	**1,240,685**	178,363
Credit impairment losses ("-" for losses)	**-464,365**	-351,323
Assets Impairment losses ("-" for losses)	**-1,883,748**	-2,498,964
Gains from assets disposal ("-" for losses)	**22,053**	62,178

II. FINANCIAL STATEMENTS (CONTINUED)

3. Consolidated Income Statements (Continued)

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
III. Operating profit ("-" for losses)	**55,664,757**	38,820,520
Add: Non-operating income	**200,160**	168,476
Less: Non-operating expenses	**98,060**	176,496
IV. Profit before income tax ("-" for losses)	**55,766,857**	38,812,500
Less: Income tax expenses	**8,736,218**	6,447,053
V. Net profit for the period ("-" for net losses)	**47,030,638**	32,365,447
(1) Classification according to operation continuity		
Including:		
Net profit from continuing operations ("-" for net loss)	**47,030,638**	32,365,447
Net profit from discontinued operations ("-" for net loss)		
(2) Classification according to attribute		
Including:		
Net profit attributable to Shareholders of the Company ("-" for net loss)	**43,284,002**	30,485,139
Non-controlling interests ("-" for net loss)	**3,746,636**	1,880,308
VI. Other comprehensive income, net of tax	**-4,303,636**	1,376,911
Other comprehensive income (net of tax) attributable to shareholders of the company	**-3,766,273**	1,319,025
A. Items that will not be reclassified to profit or loss	**-62,051**	-136,048
a. Remeasurement of defined benefit plan liability or asset		
b. Share of other comprehensive income of the equity method investments	**-31,128**	114,517
c. Changes in fair value of other equity instrument investments	**-30,923**	-250,565
d. Changes in fair value of enterprise's own credit risk		
e. Others		
B. Items that may be reclassified to profit or loss	**-3,704,222**	1,455,073
a. Share of other comprehensive income of the equity method investments	**-460,748**	262,147
b. Changes in fair value of other debt investments		
c. Amount of changes in fair value of trade receivables financing credited into other comprehensive income	**-8,618**	-3,143
d. Provision for credit impairment of other debt investments		

II. FINANCIAL STATEMENTS (CONTINUED)

3. Consolidated Income Statements (Continued)

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
e. Cash flow hedging reserves (effective part of profit and loss of cash flow hedging)	**-377,737**	1,153,909
f. Translation differences arising from translation of foreign currency financial statements	**-2,857,119**	42,161
g. Others		
Other comprehensive income (net of tax) attributable to non-controlling interests	**-537,363**	57,886
VII. Total comprehensive income for the period	**42,727,002**	33,742,358
Attributable to: Shareholders of the company	**39,517,729**	31,804,164
Non-controlling interests	**3,209,273**	1,938,194
VIII. Earnings per share		
(1) Basic earnings per share	**9.51**	6.92
(2) Diluted earnings per share	**9.51**	6.92

Legal representative: Zeng Yuqun   The person in charge of accounting: Zheng Shu   The head of the accounting department: Zheng Shu

II. FINANCIAL STATEMENTS (CONTINUED)

4. Parent Company Income Statements

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
I. Operating income	**164,051,571**	115,831,053
Less: Operating cost	**129,250,678**	82,996,077
Taxes and surcharges	**218,650**	415,224
Selling and distribution expenses	**1,485,030**	1,160,477
General and administrative expenses	**2,192,811**	2,233,916
Research and development expenses	**4,746,113**	5,621,735
Financial expenses	**-805,320**	-5,539,893
Including: Interest expenses	**503,586**	489,760
Interest income	**3,490,069**	3,973,379
Add: Other income	**1,529,140**	2,039,758
Investment income ("-" for losses)	**8,810,074**	13,250,268
Including: Income from investment in associates and joint ventures	**326,684**	-11,156
Gain from derecognition of financial assets measured at amortized cost		-77,005
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)	**593,710**	125,998
Credit impairment losses ("-" for losses)	**-258,616**	-339,062
Assets Impairment losses ("-" for losses)	**251,021**	-1,378,501
Gains from assets disposal ("-" for losses)	**-734**	634
II. Operating profit ("-" for losses)	**37,888,205**	42,642,613
Add: Non-operating income	**26,109**	64,766
Less: Non-operating expenses	**20,950**	45,008
III. Profit before income tax ("-" for losses)	**37,893,364**	42,662,371
Less: Income tax expenses	**3,998,519**	4,549,562

II. FINANCIAL STATEMENTS (CONTINUED)

4. Parent Company Income Statements (Continued)

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
IV. Net profit for the period ("-" for net losses)	**33,894,845**	38,112,809
1. Net profit from continuing operations ("-" for net loss)	**33,894,845**	38,112,809
2. Net profit from discontinued operations ("-" for net loss)		
V. Other comprehensive income, net of tax	**-560,369**	610,057
A. Items that will not be reclassified to profit or loss	**1,141,610**	-691,570
a. Remeasurement of defined benefit plan liability or asset		
b. Share of other comprehensive income of the equity method investments	**-31,128**	114,517
c. Changes in fair value of other equity instrument investments	**1,172,738**	-806,086
d. Changes in fair value of enterprise's own credit risk		
e. Others		
B. Items that may be reclassified to profit or loss	**-1,701,979**	1,301,627
a. Share of other comprehensive income of the equity method investments		194
b. Changes in fair value of other debt investments		
c. Amount of changes in fair value of trade receivables financing credited into other comprehensive income	**815**	5,387
d. Provision for credit impairment of other debt investments		
e. Cash flow hedging reserves (effective part of profit and loss of cash flow hedging)		1,296,047
f. Translation differences arising from translation of foreign currency financial statements	**-1,702,794**	
g. Others		
VI. Total comprehensive income for the period	**33,334,477**	38,722,866
VII. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

II. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated Cash Flow Statement

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
I. Cash flows from operating activities		
Proceeds from sales of goods and rendering of services	**262,430,339**	222,932,355
Net increase in customer deposits and interbank placements		
Net increase in borrowings from the central bank		
Net increase in funds borrowed from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance operations		
Net increase in policyholder deposits and investments		
Cash received from interest, fees, and commissions		
Net increase in borrowed funds		
Net increase in repurchase agreement funds		
Net cash received from securities brokerage activities		
Refund of taxes	**4,011,541**	3,345,011
Proceeds from other operating activities	**12,049,464**	12,159,654
Sub-total of cash inflows	**278,491,344**	238,437,020
Payment for goods and services	**169,400,015**	139,969,893
Net increase in customer loans and advances		
Net increase in deposits with central banks and other financial institutions		
Cash paid for claims under original insurance contracts		
Net increase in funds placed with others		
Cash paid for interest, fees, and commissions		
Cash paid for policy dividends		
Payment to and for employees	**22,339,805**	16,407,674
Payments of various taxes	**21,601,057**	18,804,676
Payment for other operating activities	**4,933,617**	4,567,711
Sub-total of cash outflows	**218,274,494**	179,749,954
Net cash flows from operating activities	**60,216,851**	58,687,066

II. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated Cash Flow Statement (Continued)

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
II. Cash flows from investing activities		
Proceeds from disposal of investments	**13,836,775**	2,026,104
Investment income received	**2,545,271**	1,797,958
Net proceeds from disposal of fixed assets, intangible assets and other non-current assets	**187,534**	51,763
Net proceeds from disposal of subsidiaries and other business units	**1,587,175**	
Proceeds from other investing activities	**737,406**	
Sub-total of cash in flows	**18,894,160**	3,875,825
Payment for acquisition of fixed assets, intangible assets and other non-current assets	**25,072,772**	20,212,919
Payment for acquisition of investments	**30,651,198**	9,817,644
Net increase in pledged loans		
Net payment for acquisition of subsidiaries and other business units		
Payment for other investing activities	**99,281**	114,782
Sub-total of cash outflows	**55,823,251**	30,145,345
Net cash flows from investing activities	**-36,929,091**	-26,269,519

II. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated Cash Flow Statement (Continued)

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
III. Cash flows from financing activities		
Proceeds from investors	**36,912,433**	40,470,315
Including: Proceeds from non-controlling shareholders of subsidiaries	**1,515,200**	2,781,185
Proceeds from borrowings	**20,962,758**	24,037,000
Proceeds from issue of bonds	**25,493,630**	
Proceeds from other financing activities	**57,786**	152,625
Sub-total of cash inflows	**83,426,607**	64,659,939
Repayments of borrowings	**21,321,303**	15,113,934
Payment for dividends, profit distributions or interest	**35,302,748**	27,220,080
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries	**2,650,683**	606,327
Payment for other financing activities	**2,492,295**	1,718,354
Sub-total of cash outflows	**59,116,346**	44,052,368
Net cash flows from financing activities	**24,310,261**	20,607,571
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**-6,941,546**	600,381
V. Net increase in cash and cash equivalents	**40,656,475**	53,625,499
Add: Cash and cash equivalents at the beginning of the period	**299,929,741**	270,159,734
VI. Cash and cash equivalents at the end of the period	**340,586,216**	323,785,232

II. FINANCIAL STATEMENTS (CONTINUED)

6. Parent Company Cash Flow Statement

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
I. Cash flows from operating activities		
Proceeds from sales of goods and rendering of services	**157,885,212**	159,553,006
Refund of taxes	**2,620,391**	2,593,648
Proceeds from other operating activities	**4,561,102**	4,853,715
Sub-total of cash inflows	**165,066,705**	167,000,369
Payment for goods and services	**113,362,910**	117,357,494
Payment to and for employees	**4,667,843**	4,283,687
Payments of various taxes	**8,527,874**	8,743,749
Payment for other operating activities	**2,769,445**	2,406,173
Sub-total of cash outflows	**129,328,072**	132,791,103
Net cash flows from operating activities	**35,738,633**	34,209,267
II. Cash flows from investing activities		
Proceeds from disposal of investments	**8,758,059**	1,868,248
Investment income received	**8,819,634**	8,727,817
Net proceeds from disposal of fixed assets, intangible assets and other non-current assets	**559**	5,048
Net proceeds from disposal of subsidiaries and other business units		
Proceeds from other investing activities		
Sub-total of cash inflows	**17,578,252**	10,601,113
Payment for acquisition of fixed assets, intangible assets and other non-current assets	**1,124,792**	1,323,005
Payment for acquisition of investments	**9,654,277**	11,820,477
Net payment for acquisition of subsidiaries and other business units		
Payment for other investing activities	**19,169,984**	13,402,379
Sub-total of cash outflows	**29,949,053**	26,545,861
Net cash flows from investing activities	**-12,370,801**	-15,944,748

II. FINANCIAL STATEMENTS (CONTINUED)

6. Parent Company Cash Flow Statement (Continued)

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
III. Cash flows from financing activities		
Proceeds from investors	**35,397,233**	37,689,130
Proceeds from borrowings		2,250,000
Proceeds from issue of bonds	**25,493,630**	
Proceeds from other financing activities	**2,527,517**	1,453,117
Sub-total of cash inflows	**63,418,380**	41,392,247
Repayments of borrowings	**4,361,029**	1,690,901
Payment for dividends, profit distributions or interest	**31,798,779**	25,647,037
Payment for other financing activities	**70,438**	1,575,695
Sub-total of cash outflows	**36,230,246**	28,913,632
Net cash flows from financing activities	**27,188,134**	12,478,614
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**-4,193,358**	143,176
V. Net increase in cash and cash equivalents	**46,362,607**	30,886,308
Add: Cash and cash equivalents at the beginning of the period	**163,168,374**	189,311,347
VI. Cash and cash equivalents at the end of the period	**209,530,981**	220,197,655

II. FINANCIAL STATEMENTS (CONTINUED)

7. Consolidated Statement of Changes in Shareholders' Equity

Amount in current period

Unit: RMB'000

Item	Share capital	Other equity instruments: Preferred Stock	Other equity instruments: Perpetual Bonds	Other equity instruments: Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Others	Subtotal	Non-controlling interests	Total Shareholders' Equity
	Six months ended 30 June 2026 — Equity attributable to shareholders of the parent company														
I. Balance at the end of last period	4,563,803				156,248,214	7,097,993	6,454,423	35,515	2,274,947		174,628,837		337,107,747	33,918,577	371,026,324
Add: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Balance at the beginning of the period	4,563,803				156,248,214	7,097,993	6,454,423	35,515	2,274,947		174,628,837		337,107,747	33,918,577	371,026,324
III. Changes in equity during the period (“- “for decrease)	62,847				34,014,019	-165,781	-4,403,293	15,388	31,424		12,359,796		42,245,963	682,945	42,928,908
(I) Total comprehensive income							-3,766,273				43,284,002		39,517,729	3,209,273	42,727,002
(II) Shareholders' contributions and decrease of capital	62,847				34,014,019	-165,781							34,242,648	124,653	34,367,301
1. Contribution by ordinary shareholders	62,847				34,180,278	-165,781							34,408,906	2,139,882	36,548,788
2. Contribution by other equity instrument investors															
3. Amount of share-based payments recognised in shareholders' equity					174,867								174,867	9,950	184,816
4. Others					-341,125								-341,125	-2,025,179	-2,366,304
(III) Appropriation of profits									31,424		-31,561,226		-31,529,802	-2,650,683	-34,180,485
1. Appropriation for surplus reserves									31,424		-31,424				
2. Appropriation for general risk reserves															
3. Distributions to owners or shareholders											-31,529,802		-31,529,802	-2,650,683	-34,180,485
4. Others															

II. FINANCIAL STATEMENTS (CONTINUED)

7. Consolidated Statement of Changes in Shareholders' Equity (Continued)

Amount in current period (Continued)

Unit: RMB'000

Item	Six months ended 30 June 2026														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
	Share capital	Preferred Stock	Perpetual Bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Others	Subtotal	Non-controlling interests	Total Shareholders' Equity
(IV) Transfer within shareholders' equity							-637,020				637,020				
1. Share capital increased by capital reserves transfer															
2. Share capital increased by surplus reserves transfer															
3. Transfer of surplus reserve to offset losses															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings							-637,020				637,020				
6. Others															
(V) Specific Reserve								15,388					15,388	-298	15,091
1. Appropriation during the period								51,629					51,629		51,629
2. Utilisation during the period								-36,240					-36,240	-298	-36,538
(VI) Others															
IV. Balance at the end of the period	4,626,651				190,262,233	6,932,212	2,051,130	50,903	2,306,371		186,988,633		379,353,710	34,601,522	413,955,232

II. FINANCIAL STATEMENTS (CONTINUED)

7. Consolidated Statement of Changes in Shareholders' Equity (Continued)

Amount in previous period

Unit: RMB'000

	Six months ended 30 June 2025														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
Item	Share capital	Preferred Stock	Perpetual Bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Others	Subtotal	Non-controlling interests	Total Shareholders' Equity
I. Balance at the end of last period	4,403,466				116,756,136	2,712,804	-348,637	35,551	2,194,779		126,601,541		246,930,033	26,526,141	273,456,174
Add: Changes in accounting policies															
Correction of prior period errors															
Others															
II. Balance at the beginning of the period	4,403,466				116,756,136	2,712,804	-348,637	35,551	2,194,779		126,601,541		246,930,033	26,526,141	273,456,174
III. Changes in equity during the period ("- "for decrease)	155,844				37,558,208	1,549,785	1,208,608	-3,250	77,922		10,545,441		47,992,988	2,940,251	50,933,238
(I) Total comprehensive income							1,319,025				30,485,139		31,804,164	1,938,194	33,742,358
(II) Shareholders' contributions and decrease of capital	155,844				37,558,208	1,549,785							36,164,266	2,725,319	38,889,585
1. Contribution by ordinary shareholders	155,844				37,198,220	1,549,785							35,804,279	2,781,185	38,585,464
2. Contribution by other equity instrument investors															
3. Amount of share-based payments recognised in shareholders' equity					215,036								215,036	4,950	219,986
4. Others					144,952								144,952	-60,817	84,135
(III) Appropriation of profits									77,922		-20,050,115		-19,972,193	-1,714,326	-21,686,519
1. Appropriation for surplus reserves									77,922		-77,922				
2. Appropriation for general risk reserves															
3. Distributions to owners or shareholders											-19,972,193		-19,972,193	-1,714,326	-21,686,519
4. Others															

II. FINANCIAL STATEMENTS (CONTINUED)

7. Consolidated Statement of Changes in Shareholders' Equity (Continued)

Amount in previous period (Continued)

Unit: RMB'000

Item	Six months ended 30 June 2025														
	Equity attributable to shareholders of the parent company														
		Other equity instruments													
	Share capital	Preferred Stock	Perpetual Bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Retained earnings	Others	Subtotal	Non-controlling interests	Total Shareholders' Equity
(IV) Transfer within shareholders' equity							-110,417				110,417				
1. Share capital increased by capital reserves transfer															
2. Share capital increased by surplus reserves transfer															
3. Transfer of surplus reserve to offset losses															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive income carried forward to retained earnings							-110,417				110,417				
6. Others															
(V) Specific Reserve								-3,250					-3,250	-8,936	-12,186
1. Appropriation during the period								44,287					44,287	9,686	53,973
2. Utilisation during the period								-47,538					-47,538	-18,621	-66,159
(VI) Others															
IV. Balance at the end of the period	4,559,310				154,314,344	4,262,590	859,971	32,301	2,272,701		137,146,982		294,923,020	29,466,392	324,389,412

II. FINANCIAL STATEMENTS (CONTINUED)

8. Parent Company Statement of Changes in Shareholders' Equity

Amount in current period

Unit: RMB'000

Item	Six months ended 30 June 2026											
		Other equity instruments										
	Share capital	Preferred Stock	Perpetual Bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Others	Total Shareholders' Equity
I. Balance at the end of last period	4,563,803				132,644,612	7,097,993	3,734,297		2,281,902	142,611,687		278,738,309
Add: Changes in accounting policies												
Correction of prior period errors												
Others												
II. Balance at the beginning of the period	4,563,803				132,644,612	7,097,993	3,734,297		2,281,902	142,611,687		278,738,309
III. Changes in equity during the period (“- “for decrease)	62,847				34,342,849	-165,781	-1,055,753		31,424	2,829,004		36,376,152
(I) Total comprehensive income							-560,369			33,894,845		33,334,477
(II) Shareholders' contributions and decrease of capital	62,847				34,342,849	-165,781						34,571,477
1. Contribution by ordinary shareholders	62,847				34,180,278	-165,781						34,408,906
2. Contribution by other equity instrument investors												
3. Amount of share-based payments recognised in shareholders' equity					161,962							161,962
4. Others					609							609
(III) Appropriation of profits									31,424	-31,561,226		-31,529,802
1. Appropriation for surplus reserves									31,424	-31,424		
2. Distributions to owners or shareholders										-31,529,802		-31,529,802
3. Others												

II. FINANCIAL STATEMENTS (CONTINUED)

8. Parent Company Statement of Changes in Shareholders' Equity (Continued)

Amount in current period (Continued)

Unit: RMB'000

Item	Six months ended 30 June 2026											
	Share capital	Other equity instruments: Preferred Stock	Other equity instruments: Perpetual Bonds	Other equity instruments: Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Others	Total Shareholders' Equity
(IV) Transfer within shareholders' equity							-495,385			495,385		
1. Share capital increased by capital reserves transfer												
2. Share capital increased by surplus reserves transfer												
3. Transfer of surplus reserve to offset losses												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings							-495,385			495,385		
6. Others												
(V) Specific Reserve												
1. Appropriation during the period												
2. Utilisation during the period												
(VI) Others												
IV. Balance at the end of the period	4,626,651				166,987,461	6,932,212	2,678,544		2,313,325	145,440,692		315,114,461

II. FINANCIAL STATEMENTS (CONTINUED)

8. Parent Company Statement of Changes in Shareholders' Equity (Continued)

Amount in previous period

Unit: RMB'000

Item	Six months ended 30 June 2025											
		Other equity instruments										
	Share capital	Preferred Stock	Perpetual Bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Others	Total Shareholders' Equity
I. Balance at the end of last period	4,403,466				94,452,344	2,712,804	-448,715		2,201,733	96,650,076		194,546,100
Add: Changes in accounting policies												
Correction of prior period errors												
Others												
II. Balance at the beginning of the period	4,403,466				94,452,344	2,712,804	-448,715		2,201,733	96,650,076		194,546,100
III. Changes in equity during the period ("- "for decrease)	155,844				37,431,343	1,549,785	502,298		77,922	18,170,454		54,788,075
(I) Total comprehensive income							610,057			38,112,809		38,722,866
(II) Shareholders' contributions and decrease of capital	155,844				37,431,343	1,549,785						36,037,401
1. Contribution by ordinary shareholders	155,844				37,198,220	1,549,785						35,804,279
2. Contribution by other equity instrument investors												
3. Amount of share-based payments recognised in shareholders' equity					209,355							209,355
4. Others					23,767							23,767
(III) Appropriation of profits									77,922	-20,050,115		-19,972,193
1. Appropriation for surplus reserves									77,922	-77,922		
2. Distributions to owners or shareholders										-19,972,193		-19,972,193
3. Others												

II. FINANCIAL STATEMENTS (CONTINUED)

8. Parent Company Statement of Changes in Shareholders' Equity (Continued)

Amount in previous period (Continued)

Unit: RMB'000

	Six months ended 30 June 2025											
		Other equity instruments										
Item	Share capital	Preferred Stock	Perpetual Bonds	Others	Capital reserve	Less: treasury shares	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Others	Total Shareholders' Equity
(IV) Transfer within shareholders' equity							-107,759			107,759		
1. Share capital increased by capital reserves transfer												
2. Share capital increased by surplus reserves transfer												
3. Transfer of surplus reserve to offset losses												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive income carried forward to retained earnings							-107,759			107,759		
6. Others												
(V) Specific Reserve												
1. Appropriation during the period												
2. Utilisation during the period												
(VI) Others												
IV. Balance at the end of the period	4,559,310				131,883,687	4,262,590	53,583		2,279,655	114,820,530		249,334,175

III. GENERAL INFORMATION

Contemporary Amperex Technology Co., Limited (hereinafter referred to as "the Company" or "Company") was formerly known as Contemporary Amperex Technology Co., Ltd., which was incorporated in Ningde City, Fujian Province on December 16, 2011, and obtained the legal person business license number of 350902100027641 issued by the Ningde Administration for Industry and Commerce of Fujian Province. On 15 December 2015, Contemporary Amperex Technology Co., Ltd. changed to a joint stock company with October 31, 2015 as the base date, with a total share capital of RMB400,000 thousand. The Company obtained the legal person business license with the unified social credit code of 91350900587527783P issued by the Ningde Administration for Industry and Commerce of Fujian Province.

On 18 May 2018, the China Securities Regulatory Commission issued the "Reply of approval of the Initial Public Offering of Contemporary Amperex Technology Co., Limited" (Securities Regulatory Permit 2018 No. 829), and the Company publicly issued 217,244 thousand RMB ordinary shares (A shares). The A-shares of RMB common stock issued by the Company were listed on the Shenzhen Stock Exchange on 11 June 2018 (stock code: 300750). As of 24 June 2020, with the approval of the China Securities Regulatory Commission (CSRC) on the "Non-public offering of Contemporary Amperex Technology Co., Limited (No. 12682020 of the CSRC), the Company issued 122,360 thousand shares of RMB common shares (A shares), and went public on 4 August, 2020. On April 29, 2022, with the approval of the China Securities Regulatory Commission (CSRC) on Approving the Registration of Contemporary Amperex Technology Co., Limited to Issue Shares to Specific Objects (CSRC License 2022 No. 901), the Company issued 109,756 thousand RMB ordinary shares (A shares) to specific investors and was listed on July 4, 2022. As of April 25, 2023, the Company converted capital reserves into share capital and distribute it to all shareholders, with the increase of 8 shares for every 10 shares, and the total share capital increased from 2,442,385 thousand shares to 4,396,293 thousand shares. With the approval of The Stock Exchange of Hong Kong Limited, the Company issued 135,579 thousand H shares (before exercise of the over-allotment option) which were listed and commenced trading on the Main Board of The Stock Exchange of Hong Kong Limited on May 20, 2025. On the same day, the Company agreed to the full exercise of the over-allotment option by the Overall Coordinators (on behalf of the International Underwriters), and the issuance of 20,337 thousand H shares was completed on May 23, 2025. Following the full exercise of the aforementioned over-allotment option, a total of 155,915 thousand H shares were issued in this offering. On 30 April 2026, the Company completed the placing of 62,385 thousand H shares, resulting in an increase of 62,385 thousand shares in its total share capital.

As at 30 June 2026, the total share capital of the Company is RMB4,626,651 thousand, and its legal representative is Mr. Zeng Yuqun.

Address of the registration place and headquarters: 2, Xingang Road, Zhangwan Town, Jiaocheng District, Ningde City.

The main business scope of the Company and its subsidiaries is the development, production, sales and after-sales service of power battery systems, energy storage battery and battery materials by using battery-recycling technology.

The financial statements and the notes to the financial statements have been approved by 18th meeting of the fourth session of Board of Directors on 24 July, 2026.

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and guidelines, interpretations and other related provisions promulgated by the Ministry of Finance (collectively, "Accounting Standards for Business Enterprises "). In addition, the Company also discloses relevant financial information according to Information Disclosures Regulations for Companies that Offering Shares in Public No.15–General Provision of Preparing Financial Report (revised in 2023) issued by China Securities Regulatory Commission, and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company adopts the accrual basis of accounting. The financial statements are prepared under the historical cost convention except for certain financial instruments. In the event that impairment of assets occurs, a provision for impairment is made accordingly in accordance with the relevant regulations.

2. Going concern

The consolidated financial statements have been prepared on going concern basis.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates:

The Company determines fixed asset depreciation, intangible asset amortization and income recognition policies based on its own production and operation characteristics. For specific accounting policies, please refer to Section V Financial Report, V. Significant accounting policies and accounting estimates, 15. Fixed Assets, 17. Intangible Assets, and 24. Revenue.

1. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements have been prepared in compliance with the Accounting Standards for Business Enterprises and truly and completely present the Company's (and consolidated) financial position as at 30 June 2026 and the Company's (and consolidated) operating results and cash flows for the period ended 30 June 2026 and other relevant information.

2. Accounting period

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

3. Operating cycle

The Company's operating cycle is 12 months.

4. Functional currency

The Company and domestic subsidiaries use Renminbi ("RMB") as their functional currency. The Company's foreign subsidiaries and branches determine their functional currency according to the primary economic environment where they operate and their actual operating conditions. The financial statements of the Company have been prepared in RMB.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Determination method and selection basis of materiality

☑ Applicable ☐ Not applicable

Item	Materiality criteria
Important joint ventures or associates	The carrying amount of the long-term equity investment of the joint ventures or associates accounts for more than 5% of the net assets of the Company at the end of the period or the investment income under the long-term equity investment equity method accounts for more than 10% of the consolidated net profit of the Company
Important non-wholly-owned subsidiary	The total assets of the non-wholly-owned subsidiaries account for more than 10% of the total assets of the Company at the end of the period or the profit before income tax accounts for more than 10% of the profit before income tax of the Company
Important construction in progress	The budget amount of a single project accounts for more than 5% of the net assets at the end of the period and the closing balance accounts for more than 5% of the closing balance of construction in progress

6. Accounting treatments for business combinations involving enterprises under common control and business combinations not involving enterprises under common control

(1) Business combinations not involving enterprises under common control

For business combinations not involving enterprises under common control, the consideration costs include acquisition-date fair values of the assets transferred, liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control of the acquiree. At the acquisition date, the acquired assets, liabilities and contingent liabilities of the acquiree are measured at their fair value.

Where the combination cost exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill, and subsequently measured on the basis of its costs less accumulated impairment provisions. Where the combination cost is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period after reassessment.

(2) Accounting treatment of transaction costs for business combination

The overhead for the business combination, including the expenses for audit, legal services, valuation advisory, and other administrative expenses, are recorded in profit or loss for the current period when incurred. The costs of equity or debt securities as a part of the consideration for the business combination are included in the carrying amounts of these equity or debt securities upon initial recognition.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Judgemental standards of controls and basis of preparation of consolidated financial statements

(1) Judgemental standards of controls

The consolidated scope of the consolidated financial statements is determined on a control basis. Control means that the Company has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power of the investee to influence the amount of its return. The Company will reevaluate when changes in the relevant facts and circumstances lead to changes in the relevant elements involved in the control definition.

(2) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. When preparing consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with those established by the Company, and all significant intra-Company balances and transactions are eliminated.

Where a subsidiary or business has been acquired during the reporting period, through a business combination not involving enterprises under common control, the revenue, expenses and profit of the subsidiary or business after the acquisition date are included in the consolidated income statement, the cash flows after the acquisition date are included in consolidated cash flow statement.

The portion of a subsidiary's equity that is not attributable to the parent is treated as non-controlling interests and presented separately in the consolidated balance sheet within shareholders' equity. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented in the consolidated income statement below the "net profit" line item as "non-controlling interests". When the amount of loss for the current period attributable to non-controlling interests of the subsidiary exceeds the non-controlling interests' share of the opening equity of the subsidiary, the excess is still allocated against the non-controlling interests.

(3) Purchase of subsidiaries' non-controlling interests

The difference between the cost of long-term equity investment newly acquired due to the purchase of non-controlling interests and the share of net assets of the subsidiary continuously calculated from the purchase date or merger date according to the newly increased shareholding ratio, and the difference between the disposal price obtained as a result of partial disposal of the equity investment in the subsidiary without loss of control and the share of net assets continuously calculated since the purchase date or the merger date corresponding to the disposal of the long-term equity investment of the subsidiary, should be adjusted to the capital reserve (share premium) in the consolidated balance sheet, with any excess adjusted to retained earnings.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Judgemental standards of controls and basis of preparation of consolidated financial statements (Continued)

(4) Treatment for losing the control of the subsidiaries

If the control of the original subsidiary is lost due to the disposal of some equity investment or other reasons, the remaining equity shall be remeasured according to its fair value on the date of the loss of control. The sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, and minus the sum of goodwill and the share of the carrying amount of net asset of the original subsidiary that should have been continuously calculated from the purchase date based on the original shareholding ratio, and the difference shall be included in the investment income of the period of loss of control.

Other comprehensive income related to equity investments in the former subsidiaries should be accounted for on the same basis as the direct disposal of related assets or liabilities by the original subsidiary when control is lost. Other changes in equity related to the former subsidiary under the equity method should be transferred to profit or loss for the current period when the control is lost.

8. Joint arrangement classification and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Company classifies joint arrangements into joint operations and joint ventures.

A joint venture is a joint arrangement whereby the Company only has rights to the net assets of the arrangement.

The Company adopts equity method under long-term equity investment in accounting for its investment in joint venture.

9. Cash and cash equivalents

Cash comprises cash in hand and deposits that can be readily withdrawn on demand. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Company at the rates determined under a systematic and rational method that approximate the spot exchange rates at the transaction dates.

Monetary items denominated in foreign currencies are translated to RMB at the spot exchange rate on the closing date of the reporting period. The resulting exchange differences between the spot exchange rate on the closing date of the reporting period and the spot exchange rate on initial recognition or on the closing date of the previous reporting period are recognised in profit or loss for the current period. Non-monetary items that are measured at historical cost in foreign currencies are translated to RMB using the spot exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the spot exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss, or other comprehensive income for the current period.

(2) Translation of foreign currency financial statements

When translating the foreign currency financial statements of overseas subsidiaries, assets and liabilities of foreign operation are translated to RMB at the spot exchange rate on the closing date of the reporting period. Equity items, excluding “retained earnings”, are translated to RMB at the spot exchange rates at the transaction dates.

The revenues and expenses in the statement of income are translated to RMB at the rates determined under a systematic and rational method that approximate the spot exchange rates at the transaction dates.

Items of the cash flow statement are translated to RMB at the rates determined under a systematic and rational method that approximate the spot exchange rates at the cash flow occurrence dates. Effects arising from changes of exchange rates on cash and cash equivalents are presented separately as “Effect of changes in exchange rates on cash and cash equivalents” in the cash flow statement.

Differences arising from the translation of financial statements are separately presented as “other comprehensive income” in the shareholders’ equity of the balance sheet.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or an equity instrument of another enterprise.

(1) Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognised when the Company becomes a party to the contractual provisions of a financial instrument.

If one of the following criteria is met, a financial asset is derecognised:

① The contractual rights to the cash flows from the financial asset expire;

② The financial asset was transferred, and the transfer qualifies for derecognition in accordance with criteria for the transfer of financial assets as described below".

A financial liability (or part thereof) is derecognised when present obligation is discharged in full or in part. If the Company (as a debtor) makes an agreement with the creditor to replace the current financial liability with assuming a new financial liability, and contractual provisions are different in substance, the current financial liability is derecognised and a new financial liability is recognised.

If the financial assets are traded regularly, the financial assets are recognised and derecognised at the transaction date.

(2) Classification and measurement of financial assets

Upon initial recognition, the Company classifies the financial assets according to the business model for managing the financial assets and characteristics of the contractual cash flows as follows: financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss.

Financial assets are measured at fair value upon initial recognition. For financial assets measured at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss for the current period. For other categories of financial assets, relevant transaction costs are included in the amount initially recognised. Accounts receivable that generated from the sale of products and offering services without significant financing component are initially recognised based on the transaction price expected to be entitled by the Company.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

Financial assets measured at amortized cost

Financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as measured at fair value through profit or loss:

- The Company's business model for managing such financial assets is to collect contractual cash flows;

- The contractual terms of the financial asset stipulate that cash flows generated on specific dates are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, such financial assets are measured at amortised cost using the effective interest method. A gain or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship shall be recognised in profit or loss for the current period when the financial asset is derecognised, amortised using the effective interest method or with impairment recognised.

Financial assets measured at fair value through other comprehensive income

The Company classifies the financial assets that simultaneously meet the following conditions and are not specified as measured at fair value through profit or loss as financial assets measured at fair value through other comprehensive income:

- The Company's business model of managing the financial asset aims at both collecting contractual cash flows and selling the financial assets.

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, such financial assets are subsequently measured at fair value. Interest calculated using the effective interest method, impairment losses or gains and foreign exchange gains and losses are recognised in profit or loss for the current period, and other gains or losses are recognised in other comprehensive income. On derecognition, the cumulative gains or losses previously recognised in other comprehensive income is reclassified from other comprehensive income to profit or loss.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

Financial assets measured at fair value through profit or loss

The Company classifies the financial assets other than those measured at amortised cost and measured at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

Upon initial recognition, such financial assets are measured at fair value. Except for those held for hedging purposes, gains or losses (including interests and dividend income) arising from such financial assets are recognised in profit or loss for the current period.

However, for non-trading equity instrument investments, the Company irrevocably designates them as financial assets at fair value through other comprehensive income and its changes measure at other comprehensive income at initial recognition. The designation is made on a single investment basis and the relevant investment meets the definition of equity instruments from the perspective of the issuer.

Subsequent to initial recognition, these financial assets are subsequently measured at fair value. Dividend income that meets the conditions is included in profit or loss, and other gains or losses and changes in fair value are included in other comprehensive income. At the time of derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in retained earnings.

The business model for managing financial assets refers to how the Company manages its financial assets in order to generate cash flows. That is, the Company's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Company determines the business model for managing financial assets on the basis of objective facts and specific business objectives for managing financial assets determined by key management personnel.

The Company assesses the characteristics of the contractual cash flows of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on a specific date are solely payments of principal and interest on the principal amount outstanding. The principal refers to the fair value of the financial assets at the initial recognition. Interest includes consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks, costs and profits. In addition, the Company evaluates the contractual terms that may result in a change in the time distribution or amount of contractual cash flows from a financial asset to determine whether it meets the requirements of the above contractual cash flow characteristics.

All affected financial assets are reclassified on the first day of the first reporting period following the change in the business model where the Company changes its business model for managing financial assets; otherwise, financial assets shall not be reclassified after initial recognition.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(3) Classification and measurement of financial liabilities

At the time of initial recognition, the financial liabilities of the Company are classified as: financial liabilities measured at fair value through profit or loss, and financial liabilities measured at amortized cost. For financial liabilities that are not classified as measured at fair value through profit or loss, relevant transaction costs are included in their initial recognised amounts.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated at the time of initial recognition as measured at fair value through profit or loss. For such financial liabilities, the subsequent measurement shall be made according to the fair value, and the gains or losses caused by changes in the fair value as well as the dividends and interest expenses related to such financial liabilities shall be recorded into profit or loss for the current period.

Financial liabilities measured at amortized cost

For other financial liabilities, the effective interest rate method shall be adopted, the subsequent measurement shall be made at the amortized cost, and the gains or losses arising from derecognition or amortization shall be recorded into profit or loss for the current period.

The distinction between financial liabilities and equity instruments

Financial liabilities refer to liabilities that meet one of the following conditions:

① A contractual obligation to deliver cash or other financial assets to other parties.

② A contractual obligation to exchange financial assets or financial liabilities with another party under potentially adverse conditions.

③ A non-derivative contract that has to be settled with or can be settled with the firm's own equity instruments in the future, under which the firm will deliver a variable number of its own equity instruments.

④ A derivative contract that has to be settled with or can be settled with the firm's own equity instruments in the future, except for a derivative contract in which a fixed number of its own equity instruments are to be exchanged for a fixed amount of cash or other financial assets.

An equity instrument is a contract that certifies ownership of the remaining interest in an enterprise's assets after all liabilities have been deducted.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(3) Classification and measurement of financial liabilities (Continued)

The distinction between financial liabilities and equity instruments (Continued)

If the Company cannot unconditionally avoid fulfilling a contractual obligation by delivering cash or other financial assets, such contractual obligation meets the definition of a financial liability.

If a financial instrument has to be settled with or can be settled with the Company's own equity instruments in the future, consideration needs to be given to whether the Company's own equity instruments used to settle the instrument is to be used as a substitute for cash or other financial assets, or to give the holder of the instrument the remaining interest in the issuer's assets after deduction of all liabilities. If it is the former, the instrument is a financial liability of the Company; if it is the latter, the instrument is an equity instrument of the Company.

(4) Derivative financial instruments and embedded derivative instruments

The Company's derivative financial instruments include forward foreign exchange contracts, future contracts and foreign exchange options contracts, etc. The initial measurement is based on the fair value of the date of signing the derivative transaction contract, and the subsequent measurement is based on its fair value. Derivative financial instruments of positive fair value are recognised as assets; those of negative fair value are recognised as liabilities. Any gains or losses arising from changes in fair value which do not meet the requirements of hedge accounting are directly recognised to profit or loss for the current period.

For a hybrid instrument containing an embedded derivative instrument, if the host is a financial asset, the hybrid instrument as a whole shall be subject to the relevant provisions on the classification of financial assets. If the host is not a financial asset, the embedded derivative instrument shall be separated from the hybrid instrument and accounted for as a separate derivative instrument if all of the following conditions are met: the hybrid instrument is not measured at fair value through profit or loss; the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative. If it is not possible to measure the embedded derivative separately at the time of acquisition or on the subsequent closing dates of reporting periods, the hybrid instrument as a whole is designated as a financial assets or liabilities measured at fair value through profit or loss.

(5) Fair value of financial instruments

For the determination of fair value of financial assets and financial liabilities, details refer to Section V Financial Report, V. Significant accounting policies and accounting estimates, 12. Fair value measurement.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(6) Impairment of financial assets

On the basis of expected credit losses, the Company conducts impairment accounting treatment for the following items and recognises the allowance:

- Financial assets measured at amortized cost;
- Receivables and investments in debt instrument measured at fair value and accounted for in other comprehensive income.
- Contracts assets defined by of Accounting Standards for Business Enterprises No.14 – Revenue.

Measurement of expected credit losses (ECLs)

ECLs are the weighted average of credit losses of financial instruments weighted by the risk of default. Credit losses refer to the difference between all contractual cash flows receivable according to the contract and discounted according to the original effective interest rate and all cash flows expected to be received, that is, the present value of all cash shortages.

The Company takes into account reasonable and well-founded information such as past events, current conditions and forecasts of future economic conditions, and calculates the probability-weighted amount of the present value of the difference between the cash flows receivable from the contract and the cash flows expected to be received weighted by the risk of default.

The Company separately measures the expected credit losses of financial instruments at different stages. If the credit risk of the financial instrument has not increased significantly since the initial recognition, the financial instrument is in the first stage and the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses; if the credit risk of the financial instrument has increased significantly since the initial recognition but no credit losses have occurred, the financial instrument is in the second stage and the Company shall measure the loss allowance at an amount equal to lifetime expected credit losses; if credit losses have occurred to a financial instrument since its initial recognition, it is in the third stage and the Company shall measure the loss allowance at an amount equal to lifetime expected credit losses.

For financial instruments with low credit risk on the closing date of the reporting period, the Company assumes that the credit risk has not increased significantly since the initial recognition, and measures the loss allowance at an amount equal to 12-month expected credit losses.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(6) Impairment of financial assets (Continued)

Measurement of expected credit losses (ECLs) (Continued)

Lifetime ECLs represent the ECLs resulting from all possible default events over the expected life of a financial instrument. The 12-month ECLs are the ECLs resulting from possible default events on a financial instrument within 12 months (or the expected duration of the financial instrument if the expected life of the financial instrument is less than 12 months) after the closing date of the reporting period, and is a portion of lifetime ECLs.

When measuring expected credit losses, the Company shall take into account the longest contract period (including the option to renew the contract) for which it is exposed to credit risk.

The Company calculates interest income on the basis of the book value before impairment provisions and the effective interest rate for financial instruments in stage I and stage II and with lower credit risk. For financial instruments in the stage III, the interest income is calculated on the basis of the amortized cost of the book value less the impairment provision and the effective interest rate.

For notes receivable, trade receivables, receivables financing, other receivables, contract assets and other receivables, if the credit risk characteristics of a customer are significantly different from other customers in the portfolio, or the credit risk characteristics of the customer change significantly, the Company shall make individual bad debt provision for the receivables. In addition to the receivables individually assessed for provision for bad debts, the Company divides the receivables into portfolios according to the credit risk characteristics, and calculates the bad debt provision on the basis of the portfolio.

Notes receivable, trade receivables, and contract assets

For notes receivable, trade receivables and contract assets, regardless of significant financing components, the Company always measures its loss provision in accordance with the amount equivalent to the expected credit loss during the entire duration.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(6) Impairment of financial assets (Continued)

Measurement of expected credit losses (ECLs) (Continued)

Notes receivable, trade receivables, and contract assets (Continued)

When an individual financial asset or contract assets cannot assess the information of expected credit loss at a reasonable cost, the Company divides the notes receivable, trade receivables and contracts assets into groups according to the credit risk characteristics, and calculates the expected credit losses based on the groups which are determined as follows:

A. Notes receivable

- Notes receivable group 1: Bank acceptance bills
- Notes receivable group 2: Commercial acceptance bills

B. Trade receivables

- Trade receivables portfolio 1: Receivables from related parties within the scope of consolidation
- Trade receivables portfolio 2: Receivables from external customers

C. Contract asset

- Contract asset portfolio 1: Sale of products

For notes receivables and contract assets classified as a portfolio, the Company refers to the historical credit loss experience, combined with the current situation and the forecast of future economic conditions, to assess the exposures to default risk and the expected credit loss rate for the lifetime and calculate the ECLs.

For trade receivables classified as a portfolio, the Company refers to the historical credit loss experience, combined with the current situation and the forecast of future economic conditions, to compile a matrix of accounts receivable aging and expected credit loss rate for the lifetime and calculate the ECLs. The age of trade receivables is calculated from the date of recognition.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(6) Impairment of financial assets (Continued)

Other receivables

The Company divides other receivables into several groups according to the credit risk characteristics, and calculates the expected credit losses on the basis of the groups which are determined as follows:

- Other receivables portfolio 1: Receivables from related parties within the scope of consolidation
- Other receivables portfolio 2: Receivables from employees
- Other receivables portfolio 3: Security deposits or deposits
- Other receivables portfolio 4: Other receivables

For other receivables divided into portfolio, the Company calculates the expected credit losses on the exposures to default risk and the expected credit loss rate within the future 12 months or the lifetime. For other receivables classified into portfolios by age, the age of accounts shall be calculated from the date of recognition.

Long-term receivables

The Company's long-term receivables include finance lease receivables and other payments.

The Company divides the finance lease receivables into several portfolios according to features of credit risks. Based on the characteristics of each group, the Company calculates expected credit losses. The basis for determining the groups is as following:

A. Finance lease receivables

- Financial lease payment portfolio 1: Receivable from related parties within the consolidated statement
- Financial lease payment portfolio 2: Receivable from external clients

For financial lease receivables, the Company makes reference of historical credit loss experience, combining with current conditions and forecasts on future economic conditions, and the default risk exposure and the entire lifetime expected credit loss rate to calculate expected credit losses.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(6) Impairment of financial assets (Continued)

Debt investment and other debt investments

For debt investments and other debt investments, the Company calculates the expected credit loss on the exposures to default risk and the expected credit loss rate within the future 12 months or the entire lifetime, based on the nature of the investment and various types of counterparties and risk exposures.

An assessment of a significant increase in credit risk

By comparing the risk of default of financial instruments on the closing date of the reporting period with that at the date of initial recognition, the Company determines the relative changes of default risk within the expected lifetime of financial instruments, so as to evaluate whether the credit risk of financial instruments has significantly increased since the initial recognition.

In determining whether credit risk has increased significantly since the initial recognition, the Company considers reasonable and well-founded information, including forward-looking information that can be obtained without unnecessary additional cost or effort. Information considered by the Company includes:

- The debtor fails to pay the principal and interest on their contractually due dates;
- An actual or expected significant deterioration in a financial instrument's external or internal credit rating (if any);
- An actual or expected significant deterioration in the operating results of the debtor;
- Existing or expected changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

Depending on the nature of the financial instruments, the Company assesses whether there has been a significant increase in credit risk on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on their common credit risk characteristics, such as past due information and credit risk ratings.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(6) Impairment of financial assets (Continued)

Credit-impaired financial assets

On the closing date of the reporting period, the Company evaluates whether credit impairment has occurred in financial assets measured at amortized cost and debt investments measured at fair value through other comprehensive income. A financial asset is credit-impaired when one or more events that have an adverse effect on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable events:

- Significant financial difficulty of the issuer or debtor;
- A breach of contract by the debtor, such as a default or late payment of interest or principal;
- For economic or contractual reasons relating to the debtor's financial difficulty, the Company having granted to the debtor a concession that would not otherwise consider;
- It becoming probable that the debtor will enter bankruptcy or other financial restructuring;
- The financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset.

Presentation of provisions for expected credit losses

In order to reflect changes of financial instrument's credit risk since the initial recognition, the Company re-measures the expected credit losses on each closing date of the reporting periods. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss for the current period. For financial assets measured at amortised cost, the provisions of impairment are deducted from the carrying amount of the financial assets presented in the balance sheet; for debt investments at fair value through other comprehensive income, the Company makes provisions of impairment in other comprehensive income without reducing the carrying amount of the financial asset.

Write-offs

The book balance of a financial asset is directly written off to the extent that there is no realistic prospect of recovery of the contractual cash flows of the financial asset (either partially or in full). Such write-off constitutes derecognition of such financial asset. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

If a write-off of financial assets is later recovered, the recovery is credited to profit or loss in the period in which the recovery occurs.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

(7) Transfer of financial assets

Transfer of financial assets refers to the transference or deliverance of financial assets to the other party (the transferee) other than the issuer of financial assets.

The Company derecognises a financial asset if it transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. If all the risks and rewards of ownership of the financial asset is substantially retained, the financial asset is not derecognised.

The Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the accounting treatment is shown as following: if the Company has forgone control over the financial asset, the financial assets is derecognised, and new assets and liabilities are recognised. If the Company retains control over the financial asset, the financial asset is recognised to the extent of its continuing involvement in the transferred financial asset, and an associated liability is recognised.

(8) Offset of financial assets and financial liabilities

If the Company owns the legitimate rights of offsetting the recognised financial assets and financial liabilities, which are enforceable currently, and the Company plans to realise the financial assets or to clear off the financial liabilities on a net amount basis or simultaneously, the net amount of financial assets and financial liabilities shall be presented in the balance sheet upon offsetting. Otherwise, financial assets and financial liabilities are presented separately in the balance sheet without offsetting.

12. Fair value measurement

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company measures the related assets or liabilities at fair value assuming the assets or liabilities are exchanged in an orderly transaction in the principal market or, in the absence of a principal market, the most advantageous market. Principal market (or most advantageous market) is the market that the Company can normally enter into a transaction on measurement date. The Company adopts the presumptions that would be used by market participants in achieving the maximized economic value of the assets or liabilities.

For financial assets or financial liabilities in active markets, the Company uses the quoted prices in active markets as their fair value. If there is no active market, the Company uses valuation technique to determine their fair value.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Fair value measurement (Continued)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs. If the observable inputs are not available or impractical, then unobservable inputs are used.

For assets and liabilities measured or disclosed at fair value in the financial statements, the level in which fair value measurement is categorized is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs for the asset or liability.

On the closing date of the reporting period, the Company revalues assets and liabilities being measured at fair value continuously in the financial statements to determine whether to change the levels of fair value measurement.

13. Inventories

(1) Classification of inventories

Inventories include raw materials, semi-finished goods, reusable materials, finished goods, goods in transit, work-in-progress, materials for consigned processing and costs to fulfill a contract.

(2) Method for calculating value of inventories

Inventories are measured at the actual cost on acquisition. Raw materials and finished goods are calculated in weighted average cost method.

(3) Basis and recognition method of provision for decline in value of inventories

On the closing date of the reporting period, inventories are measured at the lower of cost and net realizable value. When its net realizable value is lower than the cost, provision for decline in value of inventories is recognised.

Net realizable value is the estimated selling price less estimated costs to be incurred upon completion, estimated selling expenses and related taxes. When determining the net realizable value of inventory, basis is relied on the actual evidences obtained while the objectives of inventories holding and the impacts of events after the reporting period are also considered.

The Company usually recognises provision for decline in value of inventories by a single inventory item.

On the closing date of the reporting period, if the factors causing the inventory impairment no longer exist, the provision for decline in value of inventories previously made is reversed.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Inventories (Continued)

(4) Inventory system

The Company adopts perpetual inventory system.

(5) Amortization methods of reusable materials

Reusable packaging materials are one-off amortized when taken for use and recognised as cost.

14. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries and equity investments in joint ventures and associates. An associate is an enterprise over which the Company has significant influences.

(1) Determination of initial investment cost

Long-term equity investment acquired through a business combination: For a business combination involving enterprises under common control, the initial investment cost of a long-term equity investment is the combining party's share of the carrying amount of the owners' equity of the combined party in the consolidated financial statements of the ultimate controlling party at the date of combination. For a business combination not involving enterprises under common control, the initial investment cost of a long-term equity investment is the cost of acquisition.

Long-term equity investment acquired other than through a business combination: For a long-term equity investment acquired by cash, the initial investment cost is the amount of cash paid. For a long-term equity investment acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method, unless it qualifies as held-for-sale. An investment in a joint venture or an associate is accounted for using the equity method.

For long-term equity investment which is accounted for using the cost method, investment income is recognised in profit or loss for the current period as the cash dividend or profit announced and distributed, except for those announced but not yet paid cash dividend or profit which have already included in the actual payment or consideration of offer when the investment was made.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments (Continued)

(2) Subsequent measurement and recognition of profit or loss (Continued)

For long-term equity investment which is accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Company's interest in the fair values of the investee's identifiable net assets, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Company's interest in the fair values of the investee's identifiable net assets, the difference is charged to profit or loss for the current period, and the carrying amount of the long-term equity investment is adjusted accordingly.

Under the equity method, the Company recognises its share of the investee's net profit or loss and other comprehensive income as investment income or loss and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. The carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is attributable to the Company. The Company's share of the investee's owners' equity changes, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution, is recognised in the capital reserve (other capital reserve), and the carrying amount of the long-term equity investment is adjusted accordingly. The Company recognises its share of the investee's net profit or loss based on the fair values of the investee's individual separately identifiable assets at the time of acquisition, after making appropriate adjustments thereto in conformity with the accounting policies and accounting periods of the Company.

The unrealized profit or loss from internal transactions entered into between the Company and its associate or joint venture is offset according to the shareholding percentage held by the Company and the remaining portion is recognised as investment income or loss. However, the unrealized loss from internal transactions entered into between the Company and its investee is not offset if it belongs to impairment loss from assets transferred.

(3) Basis for determination of joint control or significant influence over an investee

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. In assessing whether joint control of an arrangement exists, the Company firstly assesses whether all the parties or a group of the parties control the arrangement collectively. Then assess whether decisions about the relevant activities require the unanimous consent of those parties that control the arrangement collectively. When all the parties or a group of the parties must act together unanimously in directing the relevant activities, then all the parties or a group of the parties are regarded as having joint control of an arrangement. When more than two or more combination of the parties can control an arrangement collectively, joint control does not exist. Protective rights of any party are not considered when determining joint control.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Long-term equity investments (Continued)

(3) Basis for determination of joint control or significant influence over an investee (Continued)

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. When determining whether an investor can exercise significant influences over an investee, the effect of direct or indirect voting rights of investee and potential voting rights (including warrants, share options and convertible bonds) held by the investors or other parties that are currently exercisable or convertible shall be considered.

When the Company, directly or indirectly through subsidiaries, owns more than 20% (20% inclusive) but less than 50% of the voting shares of the investee, the Company has significant influence on the investee unless there is clear evidence to show that the Company cannot participate in the business and operation decisions of the investee, and accordingly cannot exercise any significant influence. When the Company owns less than 20% (20% exclusive) of the voting shares of the investee, the Company has no significant influence on the investee unless there is clear evidence to show that the Company can participate in the business and operation decisions of the investee, and accordingly can exercise a significant influence.

(4) Method of impairment testing and impairment provision

For investment of subsidiaries, associates and joint ventures, refer to Section V Financial Report, V. Significant accounting Policies and Accounting Estimates, 19. Impairment of Non-current Assets.

15. Fixed assets

(1) Recognition of fixed assets

Fixed assets are tangible assets that are held for use in the production or supply of services, for rental to others, or for administrative purposes and have useful lives more than one accounting year.

Fixed assets are only recognised when its related economic benefits are likely to flow to the Company and its cost can be reliably measured.

Fixed asset are initially measured at cost.

Subsequent expenditures related to fixed assets are included in the cost of fixed assets when the economic benefits related to them are more likely to flow into the Company and their costs can be measured reliably; the daily repair expenses of fixed assets that do not meet the criterias for subsequent expenditure of fixed assets capitalization shall be included in profit or loss for the current period or the cost of relevant assets according to the beneficiary at the time of occurrence. The carrying amount of the replaced part shall be derecognised.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Fixed assets (Continued)

(2) Depreciation method of fixed assets

Category	Depreciation method	Useful life (year)	Residual value rate %	Annual depreciation rate %
Properties and buildings	Straight-line method	10-50	0.00-5.00	10.00-1.90
Machinery	Straight-line method	3-10	0.00-5.00	33.00-9.50
Electronic equipment	Straight-line method	3-10	0.00-5.00	33.00-9.50
Transportation equipment	Straight-line method	3-10	0.00-5.00	33.00-9.50
Special equipment	Straight-line method	3-25	0.00-5.00	33.00-3.80
Other equipment	Straight-line method	3-10	0.00-5.00	33.00-9.50
Overseas Land	Not applicable	Freehold land	Not applicable	Not applicable

Including:

A. For fixed assets that have been provided for impairment, the depreciation should be calculated after the deduction of cumulative amount of the provision for impairment.

B. For newly purchased instruments and equipment specially used for research and development, the fixed assets with amount less than RMB1,000 thousand will be included in the expenses for the current year.

(3) For impairment testing and the impairment provision of fixed assets, details refer to Section V Financial Report, V Significant Accounting Policies and Accounting Estimates, 19. Impairment of Non-current Assets of this report.

(4) The Company reviews the useful life, estimated net residual value and the depreciation method of fixed assets at the end of each financial year.

Useful lives of fixed assets are adjusted if they are different with the initial estimates. Estimated net residual values are adjusted if they are different with the initial estimates.

(5) Disposal of fixed assets

When the fixed assets are disposed, or no economic benefit is expected to be generated through the use or disposal, the fixed assets shall be derecognised. The amount of the disposal income from the sale, transfer, scrapping or destruction of fixed assets after deducting its carrying value and relevant taxes is recorded into the profit or loss for the current period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Construction in progress

Construction in progress is recognised based on the actual construction cost, including all expenditures incurred for construction projects, capitalised borrowing costs for the construction in progress before it has reached the working condition for its intended use and other related expenses during the construction period.

Construction in progress is transferred to fixed assets when it has reached the working condition for its intended use, based on the following standards:

Item	**Time point of transferred to fixed assets**
Properties and buildings	The earlier of the actual commence of use or the completion acceptance
Machinery and special equipment	The earlier of the completion of installation and commission or the achievement of design requirement and pre-production completion
Electronic equipment and other equipment	The earlier of the completion of installation and commission or the actual commence of use

For provision for impairment of construction in progress, details refer to Section V Financial Report, V. Significant Accounting Policies and Accounting Estimates, 19. Impairment of Non-current Assets.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Intangible assets

(1) Useful life and its basis of determination, estimated circumstances, amortization method or review procedures

The Company's intangible assets include land-use rights, patent rights and non-patented technology, mining and exploration rights, trademark and domain name, and software, etc.

Intangible asset is initially measured at cost and its useful life is determined on acquisition. An intangible asset with a finite useful life is amortized by a method which can reflect the expected realization of economic benefits related to the asset since the intangible asset is available for use. When the expected realization of economic benefits cannot be reliably determined, intangible asset is amortized under straight-line method. An intangible asset with an indefinite useful life is not amortized.

Amortization methods of intangible assets with finite useful life are shown as follows:

Category	Useful life	Amortization method	Note
Land-use rights	Validity period of land use rights	Straight-line method	No residual value
Patent rights and non-patented technology	Less than 10 years	Straight-line method	No residual value
Mining and exploration rights	Not applicable	Output method	No residual value
Software	Less than 5 years	Straight-line method	No residual value

The Company reviews the finite useful life of an intangible asset and the amortization method at the end of each financial year. Any change is accounted for as a change in accounting estimate.

If an intangible asset is expected no longer in generating future economic benefits to the Company at the closing date of the reporting period, the carrying amount of the asset is charged to profit or loss for the current period.

Impairment method of intangible assets refers to Section V Financial Report, V. Significant Accounting Policies and Accounting Estimates, 19. Impairment of Non-current Assets.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Research and development expenditure

The Company's R&D expenditures represent costs directly attributable to its research and development activities. These include employee compensation for R&D personnel, direct input costs, depreciation and long-term deferred charges, design fees, equipment commissioning expenses, amortization of intangible assets, external R&D outsourcing fees, and other related expenses. Among them, salaries for R&D personnel are allocated to R&D expenditures based on project-related working hours. Equipment, production lines, and places shared between R&D activities and other operational activities are allocated to R&D expenditures based on proportionate usage hours and area.

The Company classifies expenditures on internal research and development projects into research-stage expenditures and development-stage expenditures.

Research-stage expenditures are recognized as expenses in the period incurred.

Expenditure during the development phase is capitalised if the product or process is technically and commercially feasible; the Company intends to complete the development and use or sell; the intangible asset can generate economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there is usage for the intangible asset; there is sufficient support in terms of technology, financial resources and other resources in order to complete the development and use or sell the intangible asset; and development costs can be measured reliably. Other development expenditure is recognised as an expense in the period in which it is incurred.

Research and development projects of the Company will enter into the development phase when they meet the above conditions, technical and economic feasibility research is finished and necessary approval of the project is obtained.

Capitalised expenditure on the development phase is presented as "development costs" in the statement of financial position, and is transferred to intangible assets when the project is completed to its intended use.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Impairment of non-current assets

The impairment of long-term equity investments in subsidiaries, associates and joint ventures, fixed assets, construction in progress, right-of-use assets, intangible assets, and goodwill is determined as follows:

On each closing date of the reporting periods, the Company determines whether there is any indication of impairment. If any indication exists, the recoverable amount of the asset is estimated. In addition, the Company estimates the recoverable amounts of goodwill arising from a business combination, and intangible assets with indefinite useful lives and intangible assets not ready for use at each year-end, irrespective of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its present value of expected future cash flows. The recoverable amount is estimated for each individual asset. If it is not possible to estimate the recoverable amount of each individual asset, the Company determines the recoverable amount for the asset group to which the asset belongs. The recognition of an asset group is based on whether the main cash inflow generated by the asset group is independent of the cash inflow of other assets or asset groups.

A loss allowance is recognised in profit or loss for the current period when the recoverable amount of an asset or asset group is less than its carrying amount. A loss allowance of the asset is recognised accordingly.

For goodwill impairment test, the carrying amount of goodwill arising from a business combination is allocated reasonably to the relevant asset group since the acquisition date. If the carrying amount of goodwill is unable to be allocated to asset group, the carrying amount of goodwill will be allocated to asset portfolio. Asset group or portfolio of asset group is asset group or portfolio of asset group which can be benefit from synergies of a business combination and is not greater than the reportable segment of the Company.

In impairment testing, if impairment indication exists in asset group or portfolio of asset group containing allocated goodwill, impairment test is first conducted for asset group or portfolio of asset group that does not contain goodwill, and corresponding recoverable amount is estimated and any loss allowance is recognised. Then impairment test is conducted for asset group or portfolio of asset group containing goodwill by comparing its carrying amount and its recoverable amount. If the recoverable amount is less than the carrying amount, loss allowance of goodwill is recognised.

Once loss allowance is recognised, it is not reversed in a subsequent period.

20. Long-term deferred expenses

Long-term deferred expenses are recorded at the actual cost, and amortized using a straight-line method within the benefit period. For long-term deferred expense that cannot bring benefit in future period, the Company recognised its amortised cost in profit or loss for the current period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Employee benefits

(1) Accounting treatment method of short-term benefits

Employee benefits refer to all forms of consideration or compensation given by the Company in exchange for service rendered by employees or for the termination of employment relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided to the Company's spouse, children, dependents, family members of deceased employees or other beneficiaries are also part of the employee benefits.

According to liquidity, employee benefits are presented as "employee benefits payable" and "long-term employee benefits payable" on the balance sheet.

(2) Short-term employee benefits

In the current period, the Company has accrued for the actual wages, bonuses, medical insurance for employees based on standard rate, work injury insurance and maternity insurance and other social insurance and housing fund incurred and these are recognised as liabilities and included in profit or loss for the current period or related asset costs.

(3) Accounting treatment method of post-employment benefits

Post-employment benefit plan includes defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate fund and will have no future obligations to pay the contributions. Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined contribution plans

Defined contribution plans include basic endowment insurance, unemployment insurance, etc.

During the accounting period when the employee provides the service, the amount payable calculated according to the defined contribution plans shall be recognized as liabilities and included in profit or loss for the current period or related asset costs.

(4) Accounting treatment method of termination benefits

The Company provides for termination benefits to the employees and shall recognise an employee benefits liability for termination benefits, with a corresponding charge to profit or loss for the current period, at the earlier of the following dates: When the Company cannot unilaterally withdraw the offer of the termination benefits because of an employment termination plan or a redundancy proposal; or when the Company recognises the costs or expenses relating to a restructuring that involves the payment of the termination benefits.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Provisions

A provision is recognised for an obligation related to a contingency if all the following conditions are satisfied:

(1) The Company has a present obligation;

(2) It is probable that an outflow of economic benefits will be required to settle the obligation;

(3) The amount of the obligation can be estimated reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The Company reviews the carrying amount of a provision at the closing date of the reporting period and adjusts the carrying amount to the current best estimate.

If all or part of the expenditure necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognised as an asset when it is basically certain to be received. The recognised compensation amount shall not exceed the carrying amount of the provision.

The estimated liabilities of the Company are mainly the accrued after-sales comprehensive service fee and sales rebate.

Expenditure in after-sales comprehensive service: At present, the sales contract of the power battery system and energy storage system signed between the Company and the customer are having a warranty clause. During the promised period of after-sales service by the Company, no matter how the market price index changes, the Company needs to bear the responsibility for the maintenance of the products sold. The Company recognises the provisions based on the best estimate of the maximum loss that may occur.

Sales rebates: The Company signed contracts with some customers with a term of sales rebate. The Company recognises the provisions according to the rebate clauses stipulated in the contracts.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Share-based payment

(1) Types of share-based payment

The share-based payment of the Company is equity-settled share-based payment.

(2) Determination of fair value of equity instruments

The Company determines the fair value of the granted equity instruments and other equity instruments that exist in an active market according to the quotation in the active market. For equity instruments such as options granted without active markets, the option pricing model is used to determine their fair value. The option pricing model selected takes into account the following factors: A. The option's strike price; B. The option's validity period; C. The current price of the underlying shares; D. The expected volatility of the share price; E. The anticipated dividend on the shares; F. The risk-free interest rate during the option's validity period.

(3) Basis for the best estimate of vested equity instruments

At each closing date of the reporting periods within the vesting period, the Company revises the number of equity instruments that will ultimately vest based on the best estimate of the latest number of eligible employees and other subsequent information. On vesting date, the number of expected vested equity instruments should be agreed with the actual number vested.

(4) Accounting treatment for implementation, modification, and termination of share-based payment

Equity-settled share-based payments are measured at the fair value of equity instruments granted to employees. Instruments which are exercisable immediately upon the grant are charged to relevant costs or expenses at the fair value on the date of grant and the capital reserve is credited accordingly. Instruments of which exercising is conditional upon completion of services or fulfillment of performance conditions are measured by recognizing services rendered during the period in relevant costs or expenses and crediting the capital reserve accordingly at the fair value on the date of grant according to the best estimates conducted by the Company at each closing date of the reporting periods within the vesting period. No subsequent adjustment is made on the recognised relevant cost and expenses and owners' equity after the vesting date.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Share-based payment (Continued)

(4) Accounting treatment for implementation, modification, and termination of share-based payment (Continued)

Where the terms of an equity-settled share-based payment are modified, if the modification increases the fair value of the equity instruments granted, the incremental fair value is recognised as additional service obtained; if the modification increases the number of equity instruments granted, the incremental fair value is recognised as additional service received. The incremental fair value granted is the difference between the fair value of the modified equity instrument and that of the original equity instrument both estimated as at the date of modification. If the modification of terms and conditions of share-based payment arrangement reduces the total fair value of the share-based payment or is not otherwise beneficial to the employee, the Company nevertheless continue to account for the services received as if that modification had not occurred, other than the Company cancels of some or all the equity instruments granted.

If a grant of equity instruments is cancelled during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), the Company accounts for the cancellation as an acceleration of vesting and recognises immediately the amount that otherwise would have been recognised over the remainder of the vesting period and the capital reserve is credited accordingly. When employees or other parties are permitted to choose to fulfill non-vesting conditions but have not fulfilled during the vesting period, the Company deems the granted equity instruments are cancelled.

(5) Restricted stock

In the equity incentive plan, the Company grants the restricted stock to the incentive object, and the incentive object will subscribe for the shares first. If the unlocking conditions stipulated in the equity incentive plan are not met later, the Company will repurchase the shares at the price agreed in advance. If the restricted stocks issued to employees have completed the registration and other capital increase procedures in accordance with relevant regulations, on the grant date, the Company shall recognise the share capital and capital reserve (share premium) based on the subscription payments received from employees and simultaneously recognise treasury shares and other payables for repurchase obligations.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue

Disclosure of the accounting policies is adopted for revenue recognition and measurement by business type

(1) General principles

The Company recognises revenue when it has fulfilled its contractual performance obligation, that is, when the customer acquires control of the relevant goods or services.

If the contract contains two or more performance obligations, the Company shall, on the commencement date of the contract, allocate the transaction price to each single performance obligation according to the relative proportion of the stand-alone selling prices of goods or services committed by each single performance obligation, and measure the income according to the transaction price allocated to each single performance obligation.

If one of the following conditions is fulfilled, the Company satisfies a performance obligation within a certain period; otherwise, the Company satisfies a performance obligation at a point of time:

① The customer simultaneously receives and consumes the economic benefits provided by the Company's performance as the Company performs.

② The customer can control the goods under construction during the performance of the Company.

③ The goods produced by the Company during the performance of the contract do not have alternative use, and the Company has the right to collect payment for the accumulated part of the performance completed to date during the whole period of the contract.

For the performance obligations performed over time, the Company shall recognise the income in accordance with the performance progress within that period. If the performance progress cannot be reasonably determined and the Company is expected to be compensated for the costs already incurred, the revenue shall be recognised according to the amount of the costs already incurred until the performance progress can be reasonably determined.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue (Continued)

(1) General principles (Continued)

For performance obligations performed at a point in time, the Company recognises revenue at the point when the customer acquires control of the relevant goods or services. In determining whether a customer has acquired control of goods or services, the Company will take into account the following indicators:

① The Company has a present right to payment for the good or service, that is, the customer is presently obliged to pay for the good or service.

② The Company has transferred the legal title of the good to the customer, that is, the customer has the legal title to the good.

③ The Company has transferred physical possession of the good to the customer, that is, the customer has physical possession of the good.

④ The Company has transferred the significant risks and rewards of ownership of the good to the customer, that is, the customer has obtained the significant risks and rewards of ownership of the good.

⑤ The customer has accepted the good or service.

⑥ Other indicators that the customer has obtained control of the good.

The Company's right to consideration for goods or services transferred to a customer (and this right depends on other factors other than the passage of time) is a contract asset which is subject to impairment on the basis of expected credit losses. The Company's unconditional right (depending only on the passage of time) to collect consideration from the customer is presented as an trade receivable. The Company's obligation to transfer goods or services to a customer for which it has received consideration (or the amount due) from the customer is a contract liability.

The contract assets and contract liabilities under the same contract shall be presented on a net basis. If the net amount is the debit balance, it shall be presented under the item of "Contract assets" or "Other non-current assets" according to its liquidity; if the net amount is a credit balance, it shall be presented under the item "Contract liabilities" or "Other non-current liabilities" according to its liquidity.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Revenue (Continued)

(2) Specific methods

Contracts for the sales of goods

Revenue from sales of goods between the Company and its customers generally only includes a performance obligation for the transfer of goods, which is recognised when the performance obligation has been satisfied at a point in time.

Specific methods for recognising revenue from domestic sale of goods: Revenue is recognised when the Company has delivered the products to the customers in accordance with the contract terms, and has received acceptance and other proof of receipt from the customers.

Specific methods for recognising revenue from export sale of goods: Revenue is recognised when the Company has declared the goods to customs in accordance with the contract terms, and has obtained a customs declaration or received acceptance and other proof of receipt from the customers.

The Company provides after-sale service for its goods and makes the respective provisions. The Company does not provide any other additional services or after-sale service, therefore, such after-sale service does not constitute a separate performance obligation.

The Company has entered into contracts with certain customers that include sale rebate terms that may have a variable consideration. The Company makes the best estimate of the variable consideration on the basis of the expected value or the amount that is most likely to be incurred, provided that the transaction price containing the variable consideration does not exceed the amount at which it is highly probable that a material reversal of the cumulative recognised revenue will not occur when the related uncertainty is eliminated.

Contracts for the rendering of services

Contracts on the rendering of services between the Company and its customers usually cover technical services. If the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs, the Company satisfies a performance obligation over time and recognises revenue by measuring the progress towards complete satisfaction of the performance obligation, except that the progress towards complete satisfaction of the performance obligation can not be reasonably measured.

Specific methods for recognising service revenue: Revenue from the rendering of a services is recognised when the Company has satisfied the corresponding performance obligation in accordance with the contract terms, and has received acceptance and other proof of receipt form the customers.

Different business models for the same type of business involving different revenue recognition and measurement methods.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Contract costs

Contract costs include incremental costs of obtaining a contract and costs to fulfil a contract.

Incremental costs of obtaining a contract are costs (such as a sales commission, etc.) that the Company would not have incurred if the contract had not been obtained. If the cost is expected to be recovered, the Company will recognise it as an asset as costs of obtaining a contract. Other expenses incurred by the Company for obtaining a contract, other than the incremental costs expected to be recovered, are recorded into profit or loss for the current period when incurred.

If the costs incurred in fulfilling a contract are not within the scope of another Standard such as Inventories, the Company shall recognise an asset from the costs incurred to fulfil a contract:

(1) The costs relate directly to a current contract or to an anticipated contract and include direct labor, direct materials, overhead (or similar expenses), costs that are explicitly chargeable to the customer and other costs incurred solely in connection with the contract;

(2) The costs increase the Company's future resources for fulfilling its performance obligations;

(3) The costs are expected to be recovered.

Assets recognised for costs of obtaining a contract or costs to fulfil a contract (hereinafter referred to as "assets related to contract costs") shall be amortized on the same basis as revenue recognition of goods or services related to such assets and shall be recorded into profit or loss for the current period. When the carrying amount of the assets related to the contract costs is higher than the difference between the following two items, the Company shall make loss allowance of the excess part and recognise it as loss allowance of the assets:

(1) The remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the asset relates;

(2) The estimated costs to be incurred for the transfer of the relevant goods or services.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Government grants

A government grant is recognised when there is reasonable assurance that the grant will be received and that the Company will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. Government grants relating to non-monetary assets shall be measured at fair value; where fair value cannot be reliably determined, they shall be measured at a nominal value of RMB1.

A government grant related to an asset is a grant obtained by the Company for purchase, construction or formation of non-current assets. The grant not related to an asset is classified as government grant related to income.

For government grant with unspecified purpose, the amount of grant used to form a long-term asset or related to an asset is regarded as government grant related to an asset, the remaining amount of grant is regarded as government grant related to income. If it is not possible to distinguish, the amount of grant is treated as government grant related to income.

A government grant related to an asset is either deducted the carrying amount of the asset, or recognised as deferred income and amortized to profit or loss over the useful life of the related asset on a reasonable and systematic basis. For a government grant related to income, if the grant is a compensation for related expenses or losses already incurred, the grant is recognised immediately in profit or loss for the current period. If the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related expenses or losses are recognised. The Company adopts same treatment for those transactions of similar government grants.

Government grants relating to daily activities, according to the substance of business transaction, it is recorded either as other income or as deduction of related expenditure. If it is not relating to daily activities, it is recorded as non-operating income.

Repayment of a government grant related to an asset, that initially deducted the carrying amount of the asset, is recognised by increasing the carrying amount of the asset; if there exists of the related deferred income balance, then the deferred income balance is reduced by the amount repayable, any excess is charged to profit or loss for the current period. Repayment of a government grant related to other situation, it is directly charged to profit or loss for the current period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Deferred tax assets and deferred tax liabilities

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are recognised as income tax expense in profit or loss for the current period except to the extent that they relate to goodwill arising from a business combination, or transactions or items recognised directly in equity.

Deferred tax assets and deferred tax liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All the taxable temporary differences are recognised as deferred tax liabilities except for those incurred in the following transactions:

(1) Initial recognition of goodwill, or assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss) (Except for individual transaction with equal taxable temporary difference and deductible temporary difference due to initially recognized assets and liabilities);

(2) Taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, and the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The Company recognises a deferred tax asset for deductible temporary differences, deductible losses and tax credits carried forward to subsequent periods, to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, deductible losses and tax credits can be utilised, except for those incurred in the following transactions:

(1) A transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss) (Except for individual transaction with equal taxable temporary difference and deductible temporary difference due to initially recognized assets and liabilities);

(2) Deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, the corresponding deferred tax asset is recognised when both of the following conditions are satisfied: it is probable that the temporary difference will reverse in the foreseeable future; and it is probable that taxable profits will be available in the future against which the temporary difference can be utilized.

At the closing date of the reporting period, deferred tax is measured based on the tax consequences that would follow from the expected manner of recovery or settlement of the carrying amount of the assets and liabilities, using tax rates enacted at the reporting date that are expected to be applied in the period when the asset is recovered or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each closing date of the reporting periods, and is reduced to the extent that it is no longer probable that the related tax benefits will be utilised. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Deferred tax assets and deferred tax liabilities (Continued)

On the closing date of the reporting period, deferred income tax assets and deferred income tax liabilities are listed as net amount after offsetting for the following conditions:

(1) The tax payer in the Company has the legal right to settle the current income tax assets and current income tax liabilities on a net basis;

(2) Deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax collection department for the same tax payer.

28. Leases

(1) Identification of leases

At inception of a contract, the Company, as a lessee or a lessor, shall assess whether the customer under the contract has the right to obtain substantially all of the economic benefits from use of the identified asset during the period of use and has to right to direct the use of the identified asset during the period of use. The Company considers the contract to be a lease or to include a lease if one of the parties to the contract conveys the right to control the use of one or more identified assets for a certain period of time in exchange for consideration.

(2) Accounting treatment method for leasing as a lessee

At the commencement date of the lease term, the Company recognises the right-of-use assets and lease liabilities for all leases, except for simplified short-term leases and leases of low value assets.

For the accounting policy of the right-of-use assets, details refer to Section V Financial Report, V. Significant accounting policies and accounting estimates, 29. Right-of-use assets.

Lease liabilities are initially measured at the present value of the outstanding lease payments at the commencement date of the lease using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate shall be used as the discount rate. The lease payments include: fixed payments and in-substance fixed payments; if there are lease incentives, the relevant amount of lease incentives shall be deducted; variable lease payments depending on an index or a rate; the exercise price of the option provided that the lessee is reasonably certain that the option will be exercised; the amount to be paid to exercise the option to terminate the lease if the lease term reflects that the lessee will exercise the option to terminate the lease; and the amount expected to be payable based on the residual value of the security provided by the lessee. The interest expense of the lease liability in each period of the lease term shall be calculated in accordance with the fixed periodic interest rate and recorded into profit or loss for the current period. The variable lease payment not included in the measurement of lease liabilities shall be recorded into profit or loss for the current period when actually incurred.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Leases (Continued)

(2) Accounting treatment method for leasing as a lessee (Continued)

Short-term lease

A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less, except for a lease that contains a purchase option.

The Company will record the lease payment amount of short-term lease into the cost of relevant assets or profit or loss for the current period in each period of the lease term according to the straight-line method.

For short-term leases, the Company chooses to adopt the above simplified treatment method for the leases that have a lease term less than 12 months.

Leases of low value assets

Leases of low value assets refers to a lease with a lower value when a single leased asset is a new asset.

The Company accounts for the lease payments of low-value assets leases as the relevant asset cost or profit or loss for the current period on a straight-line basis in each period of the lease term.

For leases of low-value assets, the Company chooses to adopt the simplified treatment described above according to the specific circumstances of each lease.

Lease modifications

If the lease is modified and the following conditions are met at the same time, the Company will treat the lease change as a separate lease for accounting: ① The lease modification expands the scope of lease by increasing the right to use one or more leased assets; ② The increased consideration should be equivalent to the amount of the individual price of the expanded lease area adjusted for the circumstances of the contract.

If the change of lease results in the reduction of the scope of lease or the shortening of the lease term, the Company adjusts the book value of the right-of-use assets accordingly, and the gain or loss related to partial or complete termination of lease are recognised in profit or loss for the current period.

The Company adjusts the book value of the right-of-use assets accordingly if the lease liabilities are re-measured due to other lease modifications.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Leases (Continued)

(3) Accounting treatment method for leasing as a lessor

When the Company acts as a lessor, the lease which substantially transfers all the risks and rewards related to the ownership of the asset is classified as a finance lease, and a lease other than the finance lease is classified as an operating lease.

Finance lease

In a finance lease, at the beginning of the lease term, the Company takes the net lease investment as the book value of the finance lease receivable, and the net lease investment is present value of the sum of the unsecured residual value and the lease receipts not received at the beginning of the lease term discounted by the interest rate implicit in the lease. The Company, as the lessor, calculates and recognises the interest income for each period of the lease term according to the fixed periodic interest rate. The variable lease payments obtained by the Company as the lessor, which are not included in the measurement of the net lease investment, are recognised in profit or loss for the current period when they actually occur.

The termination and impairment of finance lease receivable shall be treated in accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments and the Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets.

Operating lease

The Company shall, during each period of the lease term, recognise the operating lease payments in profit or loss for the current period on a straight-line basis. The initial direct expenses incurred in connection with the operating lease shall be capitalised and amortized on the same basis as the rental income during the lease term and shall be recognised in profit or loss for the current period in stages. The variable lease payments obtained in connection with the operating lease and not included in the lease receipts shall be recognised in the profit or loss for the current period when actually incurred.

Lease modification

If the finance lease is changed and not accounted for as a separate lease, the Company will treat the changed lease as follows: ① If the modification takes effect on the effective date of the lease, the lease will be classified as an operating lease. The Company will treat the change as a new lease from the effective date of the lease change, and take the net lease investment before the effective date of the lease change as the book value of the leased asset; ② If the modification takes effect on the commencement date of the lease, the lease will be classified as a finance lease, and the Company will conduct accounting treatment in accordance with the provisions of "Accounting Standards for Enterprises No. 22 – Recognition and Measurement of Financial Instruments" on the modification or renegotiation of the contract.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Right-of-use assets

(1) Recognition conditions of right-of-use assets

The Company's right-of-use asset refers to the right of the Company as the lessee to use the leased asset during the lease term.

On the commencement date of the lease term, the right-of-use asset is initially measured at cost. The cost includes: the initial measurement amount of the lease liability; the lease payment paid on or before the beginning of the lease term, if there is a lease incentive, the amount of the lease incentive is deducted; the initial direct expenses incurred by the Company as a lessee; the cost is expected to incurred by the Company as a lessee for dismantling and removing the leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state agreed in the lease terms. As the lessee, the Company recognises and measures the costs of demolition and restoration in accordance with the "Accounting Standards for Business Enterprises No. 13–Contingent Events". Subsequent adjustments are made for any re-measurement of lease liabilities.

(2) Depreciation method of right-of-use assets

The Company uses the straight-line method to accrue depreciation. As the lessee, the Company can reasonably determine that it will acquire the ownership of the leased asset at the expiry of the lease term, and depreciation shall be accrued during the remaining useful life of the leased asset. If it cannot be reasonably determined that the ownership of the leased asset can be obtained when the lease term expires, depreciation shall be accrued during the shorter period of the lease term and the remaining useful life of the leased asset.

(3) Methods of impairment test and impairment provision of right-of-use assets

Details refer to Section V Financial Report, V. Significant accounting policies and accounting estimates, 19 Impairment of non-current assets of this report.

30. Work safety costs and maintenance fees

In accordance with relevant regulations, the Company recognises work safety costs and maintenance fees in accordance with the Administrative Measures for the Withdrawal and Use of Enterprise Work Safety Funds (Cai Zi 2022 No. 136).

Work safety costs and maintenance fees are included in the cost of the relevant products or profit or loss for the current period at the time of withdrawal, and are also included in the "specific reserve" account.

When the work safety costs and maintenance fees are used within the prescribed scope, if they are expenses, the specific reserve shall be directly deducted; If fixed assets are formed, the expenditure incurred is first aggregated through the "construction in progress" account, and recognised as fixed assets when the completion of the safety project reaches the intended state of use; At the same time, the specific reserve is deducted according to the cost of forming the fixed asset, and the accumulated depreciation of the same amount is recognised. The fixed asset is no longer depreciated in subsequent periods

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Repurchase of shares

The Company's repurchased shares are managed as treasury stocks before cancellation or transfer, all expenditures of repurchased shares are transferred to the cost of treasury stocks. The consideration paid and transaction costs of repurchased shares reduce the owner's equity, gains or losses is not recognised when repurchasing, transferring or canceling the shares of the Company.

On transfer of treasury stocks, the difference between the amount actually received and the carrying amount of treasury stocks is recorded in capital reserve. If capital reserve is insufficient for deduction, then the excess is deducting the surplus reserves and retained earnings. On retirement of treasury stocks, share capital is reduced by the par value of shares and number of shares canceled, the difference between the carrying amount of canceled treasury stocks and their par value is recorded in capital reserve. If the capital reserve is insufficient for deduction, then the excess is deducting the surplus reserves and retained earnings.

32. Hedge accounting

When initially specifying the hedging relationship, the Company officially designated the hedging instrument and the hedged item, and there are formal written documents to record the hedging relationship, risk management strategy and risk management objectives. The content record includes the hedging tools, the hedged items, nature of the hedged risk and method of hedge effectiveness evaluation.

The Company continuously evaluates the effectiveness of hedging, and judges whether the hedging meets the effectiveness requirements of using hedging accounting within the accounting period specified by the hedging relationship. If it is not satisfied, the hedging relationship is terminated. The use of hedging accounting should meet the following requirements for the effectiveness of hedging:

① There is an economic relationship between hedged items and hedging instruments.

② Among the changes in value caused by the economic relationship between the hedged item and the hedging instrument, the impact of credit risk is not dominant.

③ The hedging ratio of the hedging relationship should be equal to the ratio of the actual number of hedged items of the enterprise to the actual number of hedging instruments, but it should not reflect the imbalance of the relative weight of the hedged item and the hedging instrument. This imbalance will lead to invalid hedges and may produce accounting results that are inconsistent with the hedge accounting objectives.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Hedge accounting (Continued)

If one of the following situations occurs in the Company, the use of hedge accounting will be terminated:

① Due to changes in risk management objectives, the hedging relationship no longer meets the risk management objectives.

② The hedging instrument has expired, is sold, the contract is terminated or has been exercised.

③ There is no longer an economic relationship between the hedged item and the hedging instrument, or in the value change caused by the economic relationship between the hedged item and the hedging instrument, the impact of credit risk begins to dominate.

④ The hedging relationship no longer satisfies other conditions for using hedging accounting methods.

Fair value hedge

Fair value hedging refers to the hedging of the Company's recognized assets or liabilities, unrecognized confirmed commitments, or the exposure to changes in fair value of the above items, which originates from a specific risk and will affect profit or loss or other comprehensive income of the Company.

For the fair value hedging, the gains or losses generated by the hedging instrument are included in profit or loss for the current period. The gains or losses arising from the hedged risk exposure are included in profit or loss for the current period, and the book value of the recognised hedged items not measured at fair value is adjusted.

Where a hedged item is a financial instrument measured at amortized cost (or its component), the adjustment of the book value of the hedged item is amortized according to the actual interest rate recalculated on the starting amortization date and recorded into profit or loss for the current period.

If the hedged item is an unidentified confirmed commitment (or its component), the cumulative change of fair value caused by the hedged risk after the designation of the hedging relationship is recognized as an asset or liability, and the relevant gains or losses are included in profit or loss for the relevant period. When obtaining an asset or undertaking a liability, adjust the initial recognised amount of the asset or liability to include the cumulative change in the fair value of the recognized hedged item.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Hedge accounting (Continued)

Cash flow hedge

Cash flow hedging refers to hedging of cash flow change risk. The change in cash flow originates from the specific risks related to the recognised assets or liabilities, the expected transactions that are likely to occur, or the above-mentioned project components, and will affect profit or loss of the Company.

The profit or loss generated by the hedging instrument belongs to the effective part of the hedging, which is included in other comprehensive income as a cash flow hedge reserve. The portion that is invalid for hedging (that is, other gains or losses after deducting other comprehensive income) is included in profit or loss for the current period.

For cash flow hedging, the hedged item is an expected transaction, and the expected transaction causes the Company to subsequently confirm a non-financial asset or non-financial liability, or when the expected transaction of non-financial assets or non-financial liabilities forms a confirmed commitment applicable to fair value hedge accounting, the Company transfers out the cash flow hedge reserve amount originally recognised in other comprehensive income, and recorded in the initial recognition amount of the asset or liability.

For cash flow hedges that are not in the above situation, the Company transfers out the cash flow hedge reserve amount originally recognised in other comprehensive income in the same period in which the expected cash flow of the hedge affects profit or loss, and is included in profit or loss for the current period.

If the amount of cash flow hedge reserve recognised in other comprehensive income is a loss, and all or part of the loss is expected to be irreparable in the future accounting period, the Company will estimate the irreparability, then transfers the expected irreparable part out of other comprehensive income and include it in profit or loss for the current period.

When the Company terminates the use of hedging accounting for cash flow hedges, if the hedged future cash flow is expected to occur, the accumulated cash flow hedge reserve amount recognised in other comprehensive income will be retained until the expected transaction actually occurs. At the time, the accounting policy of the above cash flow hedging will be followed. If the hedged future cash flow is expected to no longer occur, the amount of accumulated cash flow hedge reserve recognised in other comprehensive income is transferred out of other comprehensive income and included in profit or loss for the current period. The hedged future cash flow expectations are no longer very likely to occur but may still be expected to occur. In the case where the expected still occurs, the accumulated cash flow hedge reserve amount is retained until the expected transaction actually occurs, and then following the above cash flow hedge accounting policy.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

☐ Applicable ☑ Not applicable

(2) Changes in significant accounting estimates

☐ Applicable ☑ Not applicable

(3) Adjustments to relevant items in the opening financial statements of the year of initial application of new accounting standards from 2026

☐ Applicable ☑ Not applicable

VI. TAXATION

1. Main types of taxes and corresponding tax rates

Tax type	Tax base	Statutory Tax rate (%)
Value-added tax	Taxable value-added amount	13, 9, 6
Urban maintenance and construction tax	On the bases of actual payments of turnover tax	7, 5
Enterprise income tax[1]	Taxable profit	Note
Educational surcharge	On the bases of actual payments of turnover tax	3
Local educational surcharge	On the bases of actual payments of turnover tax	2

Note:

(1) The enterprise income tax rate of high-tech enterprises and development of western region enterprises is detailed in tax preferential treatment. Except for high-tech enterprises, development of western region enterprises and small low-profit enterprises, all other domestic taxable entities within the scope of consolidation are subject to an enterprise income tax rate of 25%, and subsidiaries registered overseas shall pay enterprise income tax in accordance with the local tax rates and tax policies.

VI. TAXATION (CONTINUED)

2. Tax preferential treatments

(1) Enterprise income tax

① The Company and several subsidiaries are recognised as high-tech enterprises. According to the relevant regulations of the "Enterprise Income Tax Law of the People's Republic of China" and "Implementation Regulations of the Enterprise Income Tax Law of the People's Republic of China" and other relevant regulations, the enterprise income tax enjoys a preferential rate 15%.

No.	Company name	Effective tax rate	Preferential period
1	Contemporary Amperex Technology Co., Limited[(1)]	15%	2023-2025
2	Guangdong Brunp Recycling Technology Co., Ltd.	15%	2025-2027
3	Hunan Brunp Recycling Technology Co., Ltd.	15%	2025-2027
4	Ningde Brunp Recycling Technology Co., Ltd.[(1)]	15%	2023-2025
5	Pingnan Contemporary New Material Technology Co., Ltd.	15%	2025-2027
6	Contemporary Terapower (Shenzhen) Technology Co., Ltd.[(1)]	15%	2023-2025
7	Contemporary Sicong New Material Co., Ltd.[(1)]	15%	2023-2025
8	CATL-GAC EV Battery Co., Limited[(1)]	15%	2023-2025
9	Xiamen Ampace Technology Limited	15%	2025-2027
10	Contemporary Amperex Xinan Energy Technology Limited	15%	2025-2027
11	Ningde Xicheng Technology Co., Ltd.	15%	2025-2027
12	Beijing Zhongke Brunp Recycling Technology Innovation Co., Ltd.	15%	2025-2027
13	Yichang Brunp Contemporary Amperex Co., Ltd.	15%	2025-2027
14	Contemporary Amperex Electric Ship Technology Limited	15%	2025-2027

Note:

(1) The High and New Technology Enterprise Certificates of Contemporary Amperex Technology Co., Limited, Ningde Brunp Recycling Technology Co., Ltd., CATL-GAC EV Battery Co., Limited and Contemporary Sicong New Material Co., Ltd. will expire on 28 December 2026, while the High and New Technology Enterprise Certificate of Contemporary Terapower (Shenzhen) Technology Co., Ltd. will expire on 1 November 2026. The above entities have commenced preparations to apply to the relevant authorities for the renewal of their High and New Technology Enterprise qualifications.

VI. TAXATION (CONTINUED)

2. Tax preferential treatments (Continued)

(1) Enterprise income tax (Continued)

② According to the "Notice on the Implementation of the "Catalogue of Encouraged Industries in the Western Region" on Income Tax Issues" (State Administration of Taxation Announcement No. 14 of 2015), and the "Announcement on the Continuation of Corporate Income Tax Policies for the Development of the Western Region" (Ministry of Finance, State Administration of Taxation and National Development and Reform Commission Announcement No. 23 of 2020), enterprises engaged in encouraged industries within the western region shall enjoy a reduced corporate income tax rate of 15%. This preferential policy will continue until 31 December 2030.

No.	Company name	Effective tax rate	Preferential period
1	Qinghai Contemporary Amperex Technology Limited	15%	January 2015 to December 2030
2	Sichuan Contemporary Amperex Technology Limited	15%	October 2019 to December 2030
3	Chengdu Xinjin Contemporary Amperex Technology Limited	15%	February 2021 to December 2030
4	CATL-GEELY EV (Sichuan) Battery Co., Limited	15%	September 2020 to December 2030
5	Chengdu Jintang Contemporary New Materials Technology Limited	15%	July 2021 to December 2030
6	Contemporary Amperex Technology (Guizhou) Co., Ltd.	15%	November 2021 to December 2030
7	CATL-Changan EV Battery Co., Ltd.	15%	June 2023 to December 2030
8	Yibin Chuangneng Test analysis & Technical service Co., Ltd.	15%	January 2024 to December 2030
9	Chuanyu Contemporary Amperex Technology (Chongqing) Limited	15%	March 2025 to December 2030
10	Yibin Sanjiang Contemporary Amperex Technology Co., Ltd.	15%	January 2026 to December 2030
11	CATL Qiji Green Energy Technology (Chengdu) Co., Ltd.	15%	January 2026 to December 2030
12	CATL Qiji New Energy Technology (Chongqing) Co., Ltd.	15%	January 2026 to December 2030
13	Chongqing CATL Energy Service Technology Co., Ltd.	15%	January 2026 to December 2030
14	Xi'an CATL Energy-Service Technology Co., Ltd.	15%	January 2026 to December 2030

③ According to Hong Kong's tax regulations, for the tax year beginning after April 1, 2018, the profit tax rate for the first HKD2 million profits is 8.25%, and part of the profits exceeding HKD2 million is taxed at 16.5%.

VI. TAXATION (CONTINUED)

2. Tax preferential treatments (Continued)

(1) Enterprise income tax (Continued)

④ According to the decision of the Minister of Finance of The Republic of Indonesia on “Preferential Policies for Enterprise Income Tax Reduction and Exemption to PT. LANGIT Metal Industry”, PT. LANGIT Metal Industry enjoys 100% enterprise income tax reduction and exemption within 10 years from the tax year when it starts commercial production, and third parties are exempted from withholding and paying taxes from the income obtained by PT. LANGIT Metal Industry, enjoy 50% enterprise income tax reduction within 2 years after the expiration of the above reduction.

⑤ According to the relevant provisions of “Announcement on the Enterprise Income Tax Policies for Promoting the High-quality Development of the Integrated Circuit Industry and the Software Industry” (Announcement No. 45 of 2020) by the Ministry of Finance, State Taxation Administration, National Development and Reform Commission, and Ministry of Industry and Information Technology, Contemporary Amperex Runzhi Software Technology Limited is a key software enterprise encouraged by the state. From the profit-making year, the enterprise income tax shall be exempted from the first year to the fifth year, and the enterprise income tax shall be levied at the reduced rate of 10% in the following years.

⑥ According to the “Notice issued by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on the Catalogue of Corporate Income Tax Incentives for Public Infrastructure Projects (2008 Edition)” (Cai Shui [2008] No. 116), the income derived from the investment and operation of public infrastructure projects supported by the state, obtained by several subsidiaries of Contemporary Green Energy Limited, a subsidiary of the Company, is exempt from corporate income tax for the first to third years starting from the tax year in which the first production and business income is obtained, and is subject to a 50% reduction in corporate income tax for the fourth to sixth years.

⑦ Pursuant to the provisions of the “Announcement on Tax Policies to Further Support the Development of Small and Micro Enterprises and Individual Businesses” (Ministry of Finance and State Taxation Administration Announcement No. 12 2023), the taxable income of small and micro enterprises is calculated at a reduced rate of 25% and is subject to the enterprise income tax rate of 20% from 1 January 2023 and 31 December 2027. During the reporting period, subsidiaries of the Company, including Shanxi Contemporary Amperex Technology Limited, are qualified as small and micro enterprises and are therefore entitled to the above preferential enterprise income tax policies.

VI. TAXATION (CONTINUED)

2. Tax preferential treatments (Continued)

(1) Enterprise income tax (Continued)

⑧ Pursuant to Announcement No. 36 of 2021 issued jointly by the Ministry of Finance, the State Taxation Administration, the National Development and Reform Commission, and the Ministry of Ecology and Environment, enterprises that purchase and actually use specialized equipment for environmental protection, energy conservation, water conservation, and work safety as specified in the "Catalogue of Preferential Corporate Income Tax Policies for Environmental Protection, Energy Conservation, and Water Conservation Projects (2021 Edition)" and the "Catalogue of Preferential Corporate Income Tax Policies for Comprehensive Resource Utilization (2021 Edition)" may offset 10% of the investment amount in such specialized equipment against the corporate income tax payable for the current year. The subsidiary Hunan Brunp Recycling Technology Co., Ltd. meets the above conditions and enjoyed the aforementioned tax preferential policies during the reporting period.

⑨ Pursuant to Article 33 of the Enterprise Income Tax Law of the People's Republic of China and relevant provisions of the Regulations for the Implementation of the Enterprise Income Tax Law (State Council Order No. 512), income derived by the subsidiary Hunan Brunp Recycling Technology Co., Ltd. from producing non-restricted and non-prohibited products that meet national and industry standards, using resources specified in the Resource Comprehensive Utilization Enterprise Income Tax Preferential Catalog (2021 Edition) as primary raw materials, shall be subject to enterprise income tax at a reduced rate of 90% of the total income.

⑩ Pursuant to the Notice of the Ministry of Finance and the State Taxation Administration on Extending the Corporate Income Tax Preferential Policies for the Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone (Cai Shui [2021] No. 30), the Notice on Corporate Income Tax Preferential Policies for the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone (Cai Shui [2024] No. 13) and the Notice on the Extension of Corporate Income Tax Preferential Policies for the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone (Cai Shui [2026] No. 3), the subsidiary Shenzhen Contemporary Amperex Supply Chain Co., Ltd. qualifies as an eligible enterprise established within the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone and is entitled to the preferential corporate income tax policy of a reduced 15% tax rate. This preferential policy will remain in effect until 31 December 2027.

VI. TAXATION (CONTINUED)

2. Tax preferential treatments (Continued)

(1) Enterprise income tax (Continued)

⑪ According to the "Announcement of the State Taxation Administration of Hainan Province on Issues Concerning the Continuation of Implementing Preferential Corporate Income Tax Policies for Enterprises in the Hainan Free Trade Port" (Announcement No. 2 of 2025 by the State Taxation Administration of Hainan Province), the subsidiary Haikou Runshi New Energy Co., Ltd. qualifies as an encouraged industry enterprise registered in the Hainan Free Trade Port (hereinafter referred to as the Free Trade Port) and conducting substantive operations. It is entitled to the preferential policy of being subject to a reduced corporate income tax rate of 15%. This preferential policy will remain in effect until 31 December 2027.

⑫ Pursuant to the "Announcement of the Ministry of Finance and the State Taxation Administration on Policies Regarding the Deduction of Equipment and Appliances for Enterprise Income Tax Purposes" (Cai Shui [2023] No. 37), during the period from 1 January 2024 to 31 December 2027, the cost of newly purchased equipment and instruments with unit value no more than RMB5 million can be fully deducted against taxable profit and recorded in expenses for the current period, instead of being depreciated annually.

VI. TAXATION (CONTINUED)

2. Tax preferential treatments (Continued)

(2) VAT

① According to the "Announcement on Improving the Value-Added Tax Policy for Comprehensive Resource Utilization issued by the Ministry of Finance and the State Taxation Administration" (Ministry of Finance and the State Taxation Administration Announcement No. 40 of 2021), taxpayers may enjoy the VAT refund upon collection policy when selling self-produced comprehensive resource utilization products or providing comprehensive resource utilization services. The sales revenue generated by the subsidiary Hunan Brunp from the comprehensive utilization of waste batteries and their dismantled components falls within the scope of the VAT tax preferential catalog, qualifying for the VAT immediate collection and refund policy with a refund rate of 50%.

② According to "Notice of the Ministry of Finance and the State Administration of Taxation on the VAT Policy for Software Products" (Cai Shui [2011] No. 100), Contemporary Amperex Runzhi Software Technology Limited sell its self-developed and produced software products, it implements an immediate refund policy for the portion of its actual VAT tax burden exceeding 3%.

③ According to "Announcement of Advanced Manufacturing Enterprise Plus VAT Plus Deduction Policy" (Ministry of Finance and the State Taxation Administration Announcement No.43 of 2023), advanced manufacturing enterprises are allowed to have an additional deduction of 5% of the current deductible input tax as the deduction amount for VAT payable from 1 January 2023 to 31 December 2027. Subsidiaries of the Company, including Hunan Brunp Recycling Technology Co., Ltd., are qualified as advanced manufacturing enterprises and are therefore entitled to the above tax preferential policies during the reporting period.

(3) Other taxes

① According to Article 3, Paragraph 4 of the "Jiangxi Province Resource Tax Applicable Tax Rate Scheme" approved at the 21st Meeting of the Standing Committee of the 13th Jiangxi Provincial People's Congress, a subsidiary of the Company, being Yichun Contemporary Amperex Mining Limited is eligible for a 50% reduction in resource tax on the taxable amount for the extraction of certain ores.

② Pursuant to the "Notice on Imposing Consumption Tax on Batteries and Coatings" (Cai Shui [2015] No. 16) issued by the Ministry of Finance and the State Taxation Administration, the Company and its subsidiaries engaged in the production and sale of lithium-ion batteries are classified as projects exempt from consumption tax and are entitled to the preferential policy of consumption tax exemption.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS

1. Bank balances, deposits and cash

Unit: RMB'000

Item	Closing balance	Opening balance
Cash	**1,723**	435
Bank deposit	**356,251,041**	305,992,667
Other bank balances	**15,800,512**	27,519,824
Total	**372,053,275**	333,512,927
Including: Total amount deposited overseas	**114,222,016**	87,741,244

Note: Except for the security deposits of RMB8,581,399 thousand and RMB753,851 thousand for pledged term deposits at the period end, there is no other mortgaged, pledged or frozen money, or deposits abroad and funds repatriation subjected to restriction.

2. Financial assets held for trading

Unit: RMB'000

Item	Closing balance	Opening balance
Wealth management products and structured deposits	**68,112,726**	58,993,528
Investments in equity instruments	**45,598**	
Total	**68,158,325**	58,993,528

3. Derivative financial assets

Unit: RMB'000

Item	Closing balance	Opening balance
Hedging instruments	**2,657,905**	1,133,502
Total	**2,657,905**	1,133,502

Note: The Company engages in hedging activities using instruments such as metal forwards and forward foreign exchange contracts. The closing balances represent the fair value of metal futures and forward foreign exchange contracts, as detailed in Section V Financial Report, XI. Risks associated with financial instruments, 3. Hedging of this report.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Notes receivable

(1) Classification of Notes Receivable

Unit: RMB'000

Item	Closing balance	Opening balance
Bank acceptance bills	**779,835**	1,275,896
Commercial acceptance bills		104,121
Total	**779,835**	1,380,016

(2) Notes receivable that has been pledged as at 30 June 2026

Unit: RMB'000

Item	Pledged amount as at period end
Bank acceptance bills	**779,835**
Total	**779,835**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables

(1) Disclosure by aging

Unit: RMB'000

Aging	Closing balance	Opening balance
Within 1 year	**88,634,242**	76,305,991
1 to 2 years	**1,159,471**	1,321,865
2 to 3 years	**811,933**	718,820
Over 3 years	**944,758**	870,010
Total	**91,550,403**	79,216,686

(2) Disclosure by allowance method

Unit: RMB'000

	Closing balance					Opening balance				
	Book balance		Provision for bad debts			Book balance		Provision for bad debts		
Category	Amount	Percentage (%)	Amount	Expected credit loss rate (%)	Carrying amount	Amount	Percentage (%)	Amount	Expected credit loss rate (%)	Carrying amount
Provision for bad debts assessed on an individual basis	**822,256**	**0.90**	**822,256**	**100.00**		844,470	1.07	844,470	100.00	
Including:										
Provision for bad debts assessed on a collective basis	**90,728,148**	**99.10**	**2,310,164**	**2.55**	**88,417,984**	78,372,216	98.93	1,968,952	2.51	76,403,264
Including:										
Receivables from external customers	**90,728,148**	**99.10**	**2,310,164**	**2.55**	**88,417,984**	78,372,216	98.93	1,968,952	2.51	76,403,264
Total	**91,550,403**	**100.00**	**3,132,420**	**3.42**	**88,417,984**	79,216,686	100.00	2,813,422	3.55	76,403,264

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

(2) Disclosure by allowance method (Continued)

Provision for bad debts assessed on an individual basis:

Unit: RMB'000

	Closing balance			
Name	**Book balance**	**Provision for bad debts**	**Expected credit loss rate (%)**	**Reason for provision**
Debtor 1	**424,005**	**424,005**	**100.00**	**Expected not recoverable**
Debtor 2	**213,383**	**213,383**	**100.00**	**Expected not recoverable**
Debtor 3	**45,389**	**45,389**	**100.00**	**Expected not recoverable**
Debtor 4	**44,172**	**44,172**	**100.00**	**Expected not recoverable**
Debtor 5	**18,128**	**18,128**	**100.00**	**Expected not recoverable**
Subtotal of others	**77,179**	**77,179**	**100.00**	**Expected not recoverable**
Total	**822,256**	**822,256**		

Unit: RMB'000

	Opening balance			
Name	Book balance	Provision for bad debts	Expected credit loss rate (%)	Reason for provision
Debtor 1	424,005	424,005	100.00	Expected not recoverable
Debtor 2	213,383	213,383	100.00	Expected not recoverable
Debtor 3	45,585	45,585	100.00	Expected not recoverable
Debtor 4	45,389	45,389	100.00	Expected not recoverable
Debtor 5	18,352	18,352	100.00	Expected not recoverable
Subtotal of others	97,756	97,756	100.00	Expected not recoverable
Total	844,470	844,470		

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

(2) Disclosure by allowance method (Continued)

Provision for bad debts assessed on a collective basis:

Unit: RMB'000

	Closing balance		
Aging	**Book balance**	**Provision for bad debts**	**Expected credit loss rate (%)**
Within 1 year	**88,626,420**	**1,012,917**	**1.14**
1 to 2 years	**1,082,688**	**297,349**	**27.46**
2 to 3 years	**220,809**	**201,667**	**91.33**
Over 3 years	**798,231**	**798,231**	**100.00**
Total	**90,728,148**	**2,310,164**	

Unit: RMB'000

	Opening balance		
Aging	Book balance	Provision for bad debts	Expected credit loss rate (%)
Within 1 year	76,302,073	857,427	1.12
1 to 2 years	1,180,958	231,842	19.63
2 to 3 years	111,636	102,163	91.51
Over 3 years	777,548	777,521	100.00
Total	78,372,216	1,968,952	

Provisions for bad debts on accounts receivable calculated by the expected credit loss general model:

☐ Applicable ☑ Not applicable

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

(3) Additions, recoveries or reversals of provision for bad debts during the reporting period

Additions of provision for bad debts:

Unit: RMB'000

Category	Opening balance	Changes in current period				Closing balance
		Addition	Withdrawal or recovery	Write-off	Others	
Provision for bad debts	2,813,422	**352,026**	**-1,590**	**-26,565**	**-4,873**	**3,132,420**
Total	2,813,422	**352,026**	**-1,590**	**-26,565**	**-4,873**	**3,132,420**

(4) Trade receivables that are actually written off during the period

Unit: RMB'000

Item	Written off amount
Trade receivables actually written off	26,565

(5) Trade receivables and contract assets due from the top five debtors as at 30 June 2026

Top five trade receivables and contract assets with the closing balances classified by debtors as at 30 June 2026 was totaling RMB18,819,319 thousand, which accounted for 20.48% of total trade receivables and contract assets as at 30 June 2026, and the corresponding provision for bad debts as at 30 June 2026 was totaling RMB200,871 thousand.

6. Contract assets

(1) Details of contract assets

Unit: RMB'000

Item	Closing balance			Opening balance		
	Book balance	Provision for bad debts	Carrying amount	Book balance	Provision for bad debts	Carrying amount
Contract assets	**362,187**	**23,445**	**338,742**	381,935	6,467	375,468
Total	**362,187**	**23,445**	**338,742**	381,935	6,467	375,468

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Contract assets (Continued)

(2) Disclosure by allowance method

Unit: RMB'000

	Closing balance					Opening balance				
	Book balance		Provisions for bad debts			Book balance		Provisions for bad debts		
Category	Amount	Percentage (%)	Amount	Percentage of provision (%)	Carrying amount	Amount	Percentage (%)	Amount	Percentage of provision (%)	Carrying amount
Including:										
Provision for bad debts assessed on a collective basis	362,187	100.00	23,445	6.47	338,742	381,935	100.00	6,467	1.69	375,468
Including:										
Sale of goods	362,187	100.00	23,445	6.47	338,742	381,935	100.00	6,467	1.69	375,468
Total	362,187	100.00	23,445	6.47	338,742	381,935	100.00	6,467	1.69	375,468

Provision for bad debts calculated by the expected credit loss general model

☐ Applicable ☑ Not applicable

(3) Additions, recoveries or reversals of provision for bad debts during the reporting period

Unit: RMB'000

Item	Addition	Withdrawal or recovery	Write-off	Reason
Provision for impairment of contract assets	16,978			
Total	16,978			——

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Receivable financing

(1) Classification of receivable financing

Unit: RMB'000

Item	Closing balance	Opening balance
Notes receivable	**52,029,568**	43,305,638
Less: Other comprehensive income – change in fair value	**106,100**	100,346
Total	**51,923,468**	43,205,292

(2) Receivable financing endorsed or discounted by the Company but not yet due at the balance sheet date

Unit: RMB'000

Item	The amount derecognised as at 30 June 2026	The amount not derecognised as at 30 June 2026
Bank acceptance bills	**84,142,378**	
Total	**84,142,378**	

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Other receivables

Unit: RMB'000

Item	Closing balance	Opening balance
Dividends receivable	**114,195**	77,327
Other receivables	**2,504,536**	2,042,443
Total	**2,618,732**	2,119,770

(1) Dividends receivable

1) Classification of dividends receivable

Unit: RMB'000

Item (or investees)	Closing balance	Opening balance
Investee 1	**61,298**	63,259
Investee 2	**28,343**	
Investee 3	**13,372**	13,372
Other investees	**11,182**	695
Total	**114,195**	77,327

2) Disclosure by classification of bad debt provisioning methods

☐ Applicable ☑ Not applicable

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Other receivables (Continued)

(2) Other receivables

1) Disclosure by nature

Unit: RMB'000

Nature	**Closing balance**	Opening balance
Receivables from employees	**248,200**	235,809
Security deposits or deposits	**738,604**	1,052,953
Other receivables	**2,172,433**	1,312,498
Total	**3,159,238**	2,601,261

2) Disclosure by aging

Unit: RMB'000

Aging	**Closing balance**	Opening balance
Within 1 year	**1,919,798**	999,950
1 to 2 years	**254,267**	376,512
2 to 3 years	**125,003**	992,291
Over 3 years	**860,170**	232,507
Total	**3,159,238**	2,601,261

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Other receivables (Continued)

(2) Other receivables (Continued)

3) Disclosure by allowance method

☑ Applicable ☐Not applicable

Provision for bad debts calculated by the expected credit loss general model:

Unit: RMB'000

Provision for bad debts	Stage 1 Expected credit losses in the next 12-month	Stage 2 Expected credit loss for lifetime (No credit impairment occurred)	Stage 3 Expected credit loss for lifetime (credit impairment has occurred)	Total
Balance at 1 January 2026	432,999		125,818	558,817
Changes of the balance at 1 January 2026 during the period				
Provision for the period	112,894		283	113,177
Write-off in the period			-123	-123
Other changes	-17,170			-17,170
Balance at 30 June 2026	528,724		125,977	654,701

Significant changes in carrying amounts for loss provisions during the current period

☐ Applicable ☑ Not applicable

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Other receivables (Continued)

(2) Other receivables (Continued)

4) Additions, recoveries or reversals of provision for bad debts

Provision for Bad Debts for the Current Period:

Unit: RMB'000

Category	Opening balance	Changes in current period				Closing balance
		Addition	Withdrawal or recovery	Write-off	Others	
Provision for bad debts on other receivables	558,817	113,177		-123	-17,170	654,701
Total	558,817	113,177		-123	-17,170	654,701

5) Actual write-offs of other receivables for the current period

Unit: RMB'000

Item	Write-off amount
Actual write-offs of other receivables	123

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Other receivables (Continued)

(2) Other receivables (Continued)

6) Details of top five other receivables with the closing balances classified by debtors

Unit: RMB'000

Debtor	Nature	Closing balance	Aging	Percentage of total other receivables (%)	Provision for bad debts as at 30 June 2026
Debtor 1	Other receivables	610,000	Over 3 years	19.31	276,025
Debtor 2	Other receivables	359,398	Within 1 year	11.38	23,181
Debtor 3	Other receivables	245,130	Within 1 year	7.76	15,811
Debtor 4	Security deposits and deposits	161,190	Within 1 year	5.10	10,397
Debtor 5	Other receivables	100,000	Over 3 years	3.17	100,000
Total		1,475,718		46.71	425,414

9. Prepayments

(1) Disclosure by aging

Unit: RMB'000

Aging	Closing balance		Opening balance	
	Amount	**Percentage (%)**	Amount	Percentage (%)
Within 1 year	**20,907,055**	**91.73**	13,278,348	92.97
Over 1 year	**1,886,125**	**8.27**	1,003,988	7.03
Total	**22,793,180**	**100.00**	14,282,335	100.00

Note: Reasons for the failure to settle significant prepayments with an aging period exceeding one year: as at June 30, 2026, prepayments aged more than one year are mainly prepayments to suppliers that have not been settled.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Prepayments (Continued)

(2) Details of top five prepayments with the closing balances classified by debtors

Prepayments due from the top five debtors as at 30 June 2026 were totaling RMB12,788,238 thousand, which accounted for 56.11% of total prepayments.

10. Inventories

(1) Inventories by category

Unit: RMB'000

	Closing balance			Opening balance		
Item	Book balance	Provision for decline in value/ Provision for impairment of costs to fulfil a contract	Carrying amount	Book balance	Provision for decline in value/ Provision for impairment of costs to fulfil a contract	Carrying amount
Raw materials	15,894,231	1,616,192	14,278,039	13,268,735	1,996,339	11,272,396
Work in progress	1,009,222	227	1,008,995	311,958	10,805	301,153
Finished goods	51,349,770	3,710,406	47,639,365	26,077,234	3,462,601	22,614,633
Reusable materials	602,764	51,857	550,907	651,058	45,455	605,603
Costs to fulfil a contract	2,924,792		2,924,792	5,331,621		5,331,621
Goods in transit	42,278,533	1,789,492	40,489,041	40,147,908	1,473,120	38,674,787
Semi-finished goods	19,514,833	897,471	18,617,362	13,032,414	651,858	12,380,556
Materials for consigned processing	5,373,250	62,545	5,310,705	3,421,761	76,270	3,345,491
Total	138,947,395	8,128,189	130,819,205	102,242,688	7,716,449	94,526,239

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Inventories (Continued)

(2) Provision for inventory and contract costs

Unit: RMB'000

Item	Opening balance	Increase		Decrease		Closing balance
		Accrual	Other	Reversal or write-off	Other	
Raw materials	1,996,339	1,072,393		1,445,708	6,831	1,616,192
Work in progress	10,805	227		10,805		227
Finished goods	3,462,601	2,224,284		1,967,629	8,851	3,710,406
Reusable materials	45,455	14,746		8,156	188	51,857
Goods in transit	1,473,120	2,661,689		2,344,551	766	1,789,492
Semi-finished goods	651,858	518,418		268,818	3,987	897,471
Materials for consigned processing	76,270	199,489		213,214		62,545
Total	7,716,449	6,691,246		6,258,881	20,624	8,128,189

Category	Specific basis for determining net realizable value/residual consideration and costs to be incurred	Reason of reversal or write-off of provision for decline in value and provision for impairment of costs to fulfil a contract
Raw materials	Estimated selling price deducting estimated cost to completion and related taxes	Taken to use or reversal on sales
Work in progress	Estimated selling price deducting estimated cost to completion and related taxes	Taken to use
Reusable materials	Estimated selling price deducting estimated cost to completion and related taxes	Taken to use or reversal on sales
Finished goods	Estimated selling price deducting related taxes	Reversal due to sales
Goods in transit	Estimated selling price deducting related taxes	Reversal due to sales
Semi-finished goods	Estimated selling price deducting estimated cost to completion and related taxes	Taken to use or reversal on sales
Materials for consigned processing	Estimated selling price deducting estimated cost to completion and related taxes	Taken to use or reversal on sales

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Non-current assets due within one year

Unit: RMB'000

Item	Closing balance	Opening balance
Long-term receivables due within 1 year	**158,436**	169,898
Total	**158,436**	169,898

12. Other current assets

Unit: RMB'000

Item	Closing balance	Opening balance
Input VAT	**17,149,888**	11,187,625
Others	**1,010,565**	1,191,679
Total	**18,160,453**	12,379,304

13. Other equity instruments investments

Unit: RMB'000

Item	Opening balance	Gains recognised in other comprehensive income in the current period	Losses recognised in other comprehensive income in the current period	The cumulative gains recognised in other comprehensive income as at 30 June 2026	The cumulative losses recognised in other comprehensive income as at 30 June 2026	Income from dividends recognised in the current period	Closing balance	The reason for designating as at fair value through other comprehensive income
Investment in listed equity instruments	11,769,745	**854,968**	**1,457,530**	**5,971,063**	**501,124**	**198,835**	**10,239,569**	Hold for the long term
Investment in unlisted equity instruments	4,527,107	**938,782**	**547,223**	**1,570,739**	**1,540,203**	**8,633**	**5,115,096**	Hold for the long term
Total	16,296,853	**1,793,751**	**2,004,754**	**7,541,802**	**2,041,327**	**207,468**	**15,354,665**	

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other equity instruments investments (Continued)

Derecognition in the current period

Unit: RMB'000

Item	Accumulated gains transferred to retained earnings	Accumulated losses transferred to retained earnings	Reasons for derecognition
Investment in listed equity instruments	646,595		Changes in shareholdings
Investment in unlisted equity instruments		9,575	Changes in shareholdings
Total	646,595	9,575	

Disclosure of non-trading equity instrument investments for the current period by classification

Unit: RMB'000

Item	Income from dividends	Cumulative gains	Cumulative losses	Amount of other comprehensive income transferred to retained earnings	Reason for designation as measured at fair value with changes recognized in other comprehensive income	Reason for transfer of other comprehensive income to retained earnings
Investment in listed equity instruments	198,835	5,971,063	501,124	646,595	Hold for the long term	Changes in shareholdings
Investment in unlisted equity instruments	8,633	1,570,739	1,540,203	-9,575	Hold for the long term	Changes in shareholdings
Total	207,468	7,541,802	2,041,327	637,020		

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term receivables

(1) Details of long-term receivables

Unit: RMB'000

Item	Closing balance			Opening balance			
	Book balance	Provisions for bad debts	Carrying amount	Book balance	Provisions for bad debts	Carrying amount	Discount rate range
Financing lease	**614,906**	**47,763**	**567,143**	601,290	45,213	556,077	2.78%-14.41%
Including: Unrealized financing income	**-91,817**		**-91,817**	-96,081		-96,081	
Less: Long-term receivables due within 1 year	**203,979**	**45,543**	**158,436**	212,453	42,556	169,898	
Total	**410,927**	**2,220**	**408,706**	388,837	2,657	386,180	

(2) Additions, recoveries or reversals of provision for bad debts of long-term receivables

Unit: RMB'000

Category	Opening balance	Changes in current period				Closing balance
		Addition	Withdrawal or recovery	Write-off	Others	
Provision for bad debts on long-term receivables	2,657	**753**			**-1,190**	**2,220**
Total	2,657	**753**			**-1,190**	**2,220**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term equity investments

Unit: RMB'000

Investee	Opening balance	Provision for impairment as at 31 December 2025	Changes in current period: Addition	Reduction	Investment income under equity method	Adjustment to other comprehensive income	Change in other equity	Declared distribution of cash dividend or profit	Provision for impairment	Others	Closing balance (carrying amount)	Provision for impairment as at 30 June 2026
I. Joint ventures												
Joint ventures	1,690,431				-166,734						1,523,698	
Subtotal	1,690,431				-166,734						1,523,698	
II. Associates												
PT Sumberdaya Arindo	3,261,984				215,644			-216,304		-104,266	3,157,059	
Newstride Limited	1,232,168				50,456					-39,305	1,243,318	
Livit Life Insurance Co., Ltd.	1,242,944				-128,751	-31,653					1,082,539	
Shanghai Jieneng Zhidian New Energy Technology Co., Ltd.	756,293				2,668						758,961	
Guizhou Phosphating New Energy Technology Co., Ltd.	508,171			496,661	-11,510							
Fujian Ningde Zhixiang Unlimited Technology Co., Ltd.	442,221	138,113			25,743						467,964	138,113
Beijing Chaboshi Technology Co., Ltd.	414,387				13,064						427,451	
Investments in listed companies and certain subsidiaries of listed companies	47,516,889	682,626	327,085		5,433,551	-581,224	-61,930	1,524,317		-148,705	50,961,349	682,626
Other associates	7,818,832	48,565	2,243,056	49,552	348,899		372,818	-10,558		-91,040	10,632,456	48,565
Subtotal	63,193,889	869,304	2,570,141	546,213	5,949,764	-612,878	310,889	-1,751,179		-383,316	68,731,098	869,304
Total	64,884,321	869,304	2,570,141	546,213	5,783,031	-612,878	310,889	-1,751,179		-383,316	70,254,796	869,304

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term equity investments (Continued)

The recoverable amount is determined by the net value, which is calculated by the fair value less disposal costs.

☐ Applicable ☑ Not applicable

The recoverable amount is determined based on the present value of estimated future cash flows.

☐ Applicable ☑ Not applicable

16. Other non-current financial assets

Unit: RMB'000

Item	Closing balance	Opening balance
Equity investments at fair value through profit or loss	**7,689,022**	2,882,264
Total	**7,689,022**	2,882,264

17. Fixed Assets

Unit: RMB'000

Item	Closing balance	Opening balance
Fixed Assets	**169,381,820**	146,400,592
Total	**169,381,820**	146,400,592

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Fixed Assets (Continued)

(1) Details of fixed assets

Unit: RMB'000

Item	Properties and buildings	Machinery	Transportation equipment	Electronic equipment	Special equipment	Other equipment	Total
I. Cost:							
1. Opening balance	85,983,846	145,606,823	288,799	3,127,663	6,671,740	1,724,244	243,403,115
2. Increase	7,687,544	25,025,044	14,927	891,294	7,020,282	101,227	40,740,318
(1) Purchase		35,596	6,169	17,366		3,486	62,617
(2) Transfer from construction in progress	7,683,284	24,955,917	8,126	873,927	7,020,282	95,349	40,636,885
(3) Addition through business combinations							
(4) Other addition	4,261	33,531	632			2,392	40,816
3. Decrease	427,923	4,064,020	5,441	75,876	137,534	7,453	4,718,248
(1) Disposal or scrapping	28,414	2,408,225	4,602	30,275	3,593	1,558	2,476,668
(2) Changes in the scope of consolidation	375,082	1,594,635		44,884		4,947	2,019,548
(3) Other decrease	24,427	61,160	839	717	133,941	949	222,032
4. Closing balance	93,243,467	166,567,847	298,285	3,943,080	13,554,488	1,818,018	279,425,185
II. Accumulated depreciation							
1. Opening balance	11,907,989	73,312,520	167,921	2,057,888	460,356	451,945	88,358,619
2. Increase	2,781,802	11,617,486	17,666	248,459	341,279	106,781	15,113,472
(1) Accrual	2,264,875	11,347,788	15,540	243,579	341,279	69,212	14,282,273
(2) Others	516,927	269,698	2,125	4,879		37,569	831,199
3. Decrease	9,204	2,076,287	2,759	30,500	655	1,991	2,121,396
(1) Disposal or scrapping	3,313	2,055,758	2,569	29,878	655	1,425	2,093,597
(2) Changes in the scope of consolidation		10,031		458		52	10,541
(3) Other decrease	5,891	10,498	190	164		515	17,258
4. Closing balance	14,680,587	82,853,720	182,828	2,275,846	800,980	556,735	101,350,695
III. Provision for impairment							
1. Opening balance	2,095,774	6,507,455	430	790	2,522	36,934	8,643,904
2. Increase	40,970	265,549		7		27	306,553
(1) Accrual	40,293	239,701		7		27	280,028
(2) Others	677	25,848					26,525
3. Decrease	24	257,757		7			257,788
(1) Disposal or scrapping		251,260		7			251,267
(2) Other decrease	24	6,498					6,522
4. Closing balance	2,136,720	6,515,247	430	790	2,522	36,960	8,692,670
IV. Carrying amount							
1. Carrying amount as at 30 June 2026	76,426,160	77,198,880	115,027	1,666,443	12,750,986	1,224,323	169,381,820
2. Carrying amount as at 31 December 2025	71,980,083	65,786,848	120,448	1,068,984	6,208,862	1,235,366	146,400,592

Note: For the pledge and mortgaged assets, details refer to Section V Financial Report, VII. Notes to the items of consolidated financial statements, 25. Assets with restricted ownership or usage rights of this report.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Fixed Assets (Continued)

(2) Fixed assets with outstanding certificates of title

Unit: RMB'000

Item	Carrying amount	Reason of no property right registration
Guangdong Brunp Buildings	3,188,680	Application in process
Shandong Contemporary Buildings	2,858,986	Application in process
Xiamen Contemporary Buildings	2,629,462	Application in process
Guizhou Technology Buildings	1,571,541	Application in process
Yichun Resources Buildings	1,119,487	Application in process
Others	2,021,735	Application in process
Total	13,389,890	

(3) Impairment testing of fixed assets

☑ Applicable ☐Not applicable

The recoverable amount is determined by the net value, which is calculated by the fair value less disposal costs.

☐ Applicable ☑ Not applicable

The recoverable amount is determined based on the present value of estimated future cash flows.

☑ Applicable ☐Not applicable

Unit: RMB'000

Item	Carrying amount	Recoverable amount	Provision for impairment	Projection period	Key parameters for the projection period	Key parameters for the stabilization period	Basis for determining key parameters for the stabilization period
Battery production-related and other fixed assets	321,053	41,026	280,028	Battery production related and other fixed assets are based on management's projected cash flows over the next five years	Future cash flows, discount rate	Future cash flows, discount rate	Future cash flows: based on management's expectations of market developments Discount rate: a rate of return that reflects the current market time value of money and the risks specific to the underlying asset group

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Construction in progress

Unit: RMB'000

Item	Closing balance	Opening balance
Construction in progress	**33,025,296**	29,733,108
Total	**33,025,296**	29,733,108

Note: For the pledge and mortgaged assets, details refer to Section V Financial Report, VII. Notes to the items of consolidated financial statements, 25. Assets with restricted ownership or usage rights of this report.

(1) Details of construction in progress

Unit: RMB'000

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Overseas	**13,405,449**		**13,405,449**	10,902,548	12,081	10,890,467
East China	**8,943,389**	**114,111**	**8,829,278**	6,867,337	139,928	6,727,410
Central China	**3,386,657**	**681,009**	**2,705,647**	5,890,546	681,718	5,208,828
Southwest China	**3,723,828**		**3,723,828**	3,536,487		3,536,487
South China	**2,626,677**		**2,626,677**	2,619,971		2,619,971
Other regions	**1,734,417**		**1,734,417**	749,945		749,945
Total	**33,820,416**	**795,121**	**33,025,296**	30,566,835	833,728	29,733,108

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Construction in progress (Continued)

(2) Changes in the significant construction in progress

Unit: RMB'000

Project	Budget	Opening balance	Increased for the current period	Transferred to fixed assets	Other decreases	Closing balance	Percentage of current input over budget	Progress	Accumulated amount of interest capitalization	Including: Current interest capitalization amount	Interest capitalization rate of the current period	Fund Resource
Overseas	51,995,000	6,361,452	3,585,384	142,760		9,804,076	32.26%	Under construction				Self-raising
Southwest China	24,000,000	2,145,172	2,504,406	3,391,374	227,619	1,030,585	33.97%	Under construction				Self-raising
Total	75,995,000	8,506,624	6,089,789	3,534,134	227,619	10,834,661						

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Right-of-use assets

(1) Details of right-of-use assets

Unit: RMB'000

Item	Plant and buildings	Machinery and Equipment	Total
I. Cost:			
1. Opening balance	3,831,516	94,069	3,925,585
2. Additions in the current period	883,499	62,179	945,678
(1) Newly increased lease and others	883,499	62,179	945,678
3. Decreases in the current period	42,034		42,034
(1) Exiting the lease	42,034		42,034
4. Closing balance	4,672,981	156,248	4,829,229
II. Accumulated depreciation			
1. Opening balance	647,285	9,335	656,619
2. Additions in the current period	263,173	13,085	276,258
(1) Accrual	263,173	13,085	276,258
3. Decreases in the current period	4,223		4,223
(1) Exiting the lease	4,223		4,223
4. Closing balance	906,234	22,420	928,654
III. Impairment provision			
1. Opening balance			
2. Additions in the current period			
(1) Accrual			
3. Decreases in the current period			
(1) Disposal			
4. Closing balance			
IV. Carrying Value			
1. Carrying Amount as at 30 June 2026	3,766,747	133,829	3,900,575
2. Carrying Amount as at 31 December 2025	3,184,231	84,735	3,268,966

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Intangible assets

(1) Details of intangible assets

Unit: RMB'000

Item	Land use rights	Patent right and non-patented technology	Software	Mining and prospecting rights	Benchmark and domain	Total
I. Cost						
1. Opening balance	11,593,596	827,862	920,330	8,048,806	62,730	21,453,325
2. Increase	648,126	217	62,244			710,587
(1) Purchase	648,126	217	62,244			710,587
(2) Internal R&D						
(3) Increase through business combinations						
3. Decrease	252,123	186	104,748			357,057
(1) Disposal			7,883			7,883
(2) Changes in the scope of consolidation	240,960	61	930			241,951
(3) Other decrease	11,163	125	95,936			107,223
4. Closing balance	11,989,599	827,893	877,827	8,048,806	62,730	21,806,856
II. Accumulated amortization						
1. Opening balance	998,481	545,144	524,131	53,293		2,121,049
2. Increase	139,154	44,765	74,513	463	6	258,901
(1) Accrual	139,154	44,765	74,513	463	6	258,901
3. Decrease	5,325	80	14,605			20,010
(1) Disposal			7,463			7,463
(2) Changes in the scope of consolidation	269	40	52			360
(3) Other decrease	5,056	40	7,091			12,187
4. Closing balance	1,132,311	589,829	584,038	53,756	6	2,359,940
III. Impairment provision						
1. Opening balance	496,017		3,273	3,569,111		4,068,402
2. Additions in the current period			1			1
(1) Other			1			1
3. Decrease						
(1) Disposal						
4. Closing balance	496,017		3,273	3,569,111		4,068,402
IV. Carrying Amount						
1. Carrying Amount as at 30 June 2026	10,361,271	238,064	290,515	4,425,939	62,724	15,378,514
2. Carrying Amount as at 31 December 2025	10,099,098	282,718	392,927	4,426,402	62,730	15,263,875

Note: For the pledge and mortgaged assets, details refer to Section V Financial Report, VII. Notes to the items of consolidated financial statements, 25. Assets with restricted ownership or usage rights of this report.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Intangible assets (Continued)

(2) Land use rights with outstanding certificates of title

Unit: RMB'000

Item	Book value	Reason of no property right registration
Yichun Resources Buildings	141,275	Application in process

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Goodwill

(1) Book value of goodwill

Unit: RMB'000

Names of investee or matter giving rise to goodwill	Opening balance	Increase: Business consolidation	Increase: Others	Decrease: Disposal	Decrease: Others	Closing balance
PT Feni Haltim	236,627				**7,336**	**229,291**
Langti International Holding Limited	199,222				**3,004**	**196,218**
GCTL Battery Technology Co., Ltd.	181,080					**181,080**
Jiangsu Lithitech Technology Co., Ltd.	176,668					**176,668**
Guangdong Brunp Recycling Technology Co., Ltd.	100,419					**100,419**
Longyan Sicong New Material Co., Ltd.	47,533					**47,533**
Others	119,979					**119,979**
Total	1,061,529				**10,340**	**1,051,189**

(2) Provision for impairment of goodwill

Unit: RMB'000

Names of investee or matter giving rise to goodwill	Opening balance	Increase: Accrual	Increase: Others	Decrease: Disposal	Decrease: Others	Closing balance
Jiangsu Lithitech Technology Co., Ltd.	176,668					**176,668**
Longyan Sicong New Material Co., Ltd.	47,533					**47,533**
Total	224,201					**224,201**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Long-term deferred expenses

Unit: RMB'000

Item	Opening balance	**Increase in current period**	**Amortization in current period**	**Other decreases**	**Closing balance**
Project reconstruction expenditure	763,860	**127,625**	**82,601**		**808,884**
Outdoor facilities	3,582,953	**441,024**	**694,945**		**3,329,032**
Others	613,825	**233,534**	**244,275**		**603,084**
Total	4,960,638	**802,184**	**1,021,822**		**4,741,001**

23. Deferred tax assets and deferred tax liabilities

(1) Gross deferred tax assets

Unit: RMB'000

	Closing balance		Opening balance	
Item	**Deductible temporary differences**	**Deferred tax assets**	Deductible temporary differences	Deferred tax assets
Provision for impairment of assets	**15,500,348**	**2,622,117**	15,953,700	2,733,865
Unrealised profit on intra-group transactions	**15,164,213**	**2,610,385**	17,178,895	2,736,969
Provision for after-sales comprehensive service fee	**58,305,759**	**8,983,094**	50,183,503	7,749,454
Sales rebates	**39,315,949**	**5,933,863**	33,680,884	5,052,133
Deferred income	**20,039,961**	**3,972,351**	18,754,414	3,409,128
Employee benefits payables	**20,055,228**	**3,281,891**	17,469,959	2,759,088
Others	**37,816,717**	**6,713,199**	35,639,060	6,636,178
Total	**206,198,175**	**34,116,900**	188,860,415	31,076,815

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Deferred tax assets and deferred tax liabilities (Continued)

(2) Gross deferred tax liabilities

Unit: RMB'000

	Closing balance		Opening balance	
Item	**Taxable temporary differences**	**Deferred tax liabilities**	Taxable temporary differences	Deferred tax liabilities
Fair value change of other equity instruments investments	**6,735,313**	**1,102,847**	6,766,279	1,269,288
Unrecognized financing gains	**1,732,642**	**259,896**	1,566,048	234,907
Others	**12,054,535**	**2,558,822**	10,835,741	2,324,591
Total	**20,522,490**	**3,921,566**	19,168,068	3,828,787

(3) The net amounts of deferred tax assets and liabilities after offsetting

Unit: RMB'000

Item	Amount of offsetting	Closing balance after set-off	Amount of offsetting	Opening balance after set-off
Deferred tax assets	3,621,999	30,494,902	2,906,532	28,170,283
Deferred tax liabilities	3,621,999	299,567	2,906,532	922,254

(4) Deferred tax assets not recognised

Unit: RMB'000

Item	**Closing balance**	Opening balance
Deductible temporary differences	**13,312,806**	13,533,877
Deductible losses	**10,973,713**	10,014,925
Total	**24,286,519**	23,548,801

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Deferred tax assets and deferred tax liabilities (Continued)

(5) Expiry of deductible tax losses for which deferred tax assets have not been recognised

Unit: RMB'000

Year	**Closing balance**	Opening balance	Note
2026	**120,575**	200,394	
2027	**723,613**	735,548	
2028	**1,299,768**	1,598,350	
2029	**2,341,814**	2,922,761	
2030 and thereafter	**N/A**	4,557,871	
2030	**3,202,648**	N/A	
2031 and thereafter	**3,285,295**	N/A	
Total	**10,973,713**	10,014,925	

24. Other non-current assets

Unit: RMB'000

	Closing balance			Opening balance		
Item	**Book balance**	**Provision for impairment**	**Carrying amount**	Book balance	Provision for impairment	Carrying amount
Prepayment for construction and equipment	**16,404,403**	**29,944**	**16,374,459**	12,192,925	29,944	12,162,981
Long-term prepayment, deposit	**8,560,053**		**8,560,053**	8,954,925		8,954,925
Long-term receivables	**941,124**		**941,124**	125,106		125,106
Fixed-term deposit	**2,669,332**		**2,669,332**	2,018,582		2,018,582
Total	**28,574,912**	**29,944**	**28,544,967**	23,291,539	29,944	23,261,595

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Assets with restricted ownership or usage rights

Unit: RMB'000

	As at 30 June 2026				As at 31 December 2025			
Item	Book balance	Carrying amount	Restricted Type	Reason of restriction	Book balance	Carrying amount	Restricted Type	Reason of restriction
Restricted cash	**9,335,251**	**9,335,251**	**Pledge**	**Guarantees and pledged fixed deposits**	18,890,217	18,890,217	Pledge	Guarantees and pledged fixed deposits
Notes receivable	**779,835**	**779,835**	**Pledge**	**Pledged but not matured notes receivable**	1,275,896	1,275,896	Pledge	Pledged but not matured notes receivable
Fixed assets	**7,445,113**	**5,124,775**	**Mortgage**	**Obtaining syndicated bank credit and loans by pledging machinery, equipment and buildings as collateral**	7,245,087	5,286,315	Mortgage	Obtaining syndicated bank credit and loans by pledging machinery, equipment and buildings as collateral
Intangible assets	**1,382,597**	**1,258,940**	**Mortgage**	**Obtaining comprehensive bank credit and loans using land use rights as collateral**	1,541,279	1,418,992	Mortgage	Obtaining comprehensive bank credit and loans using land use rights as collateral
Construction in progress	**35,787**	**35,787**	**Mortgage**	**Obtaining bank loans by construction in progress as collateral**	35,801	35,801	Mortgage	Obtaining bank loans by construction in progress as collateral
Trade receivables	**9,328**	**9,212**	**Pledge**	**Obtaining syndicated bank credit and loans by pledging receivable**	13,065	11,750	Pledge	Obtaining syndicated bank credit and loans by pledging receivable
Equity investments (including equity investments)	**6,926,724**	**6,926,724**	**Restriction on sale**	**Restricted Shares**	11,893,863	11,893,863	Restriction on sale	Restricted Shares
Total	**25,914,635**	**23,470,524**			40,895,208	38,812,834		

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Short-term borrowings

(1) Classification of short-term borrowings

Unit: RMB'000

Item	Closing balance	Opening balance
Guaranteed borrowings	**78,046**	1,794,739
Unsecured borrowings	**20,807,860**	11,140,759
Total	**20,885,906**	12,935,498

Notes on the Classification of Short-term borrowings:

For the pledge and mortgaged assets, details refer to Section V Financial Report, VII. Notes to the Consolidated Financial Statements, 25. Assets with restricted ownership or usage rights of this report.

27. Derivative financial liabilities

Unit: RMB'000

Item	Closing balance	Opening balance
Hedging instruments	**688,861**	393,224
Total	**688,861**	393,224

The Company carries out hedging business with contracts such as metal forward and forward settlement and sale of foreign exchange as hedging instruments, and the closing balance represents the fair value of contracts such as metal forward and forward settlement and sale of foreign exchange, as detailed in Section V Financial Report, XI. Risks Associated with Financial Instruments, 3, Hedging of this report.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Notes payable

Unit: RMB'000

Category	Closing balance	Opening balance
Commercial acceptance bills	**5,201,393**	3,862,254
Bank acceptance bills	**147,776,539**	99,414,745
Total	**152,977,931**	103,276,999

Note: At the end of the reporting period, there are no overdue notes payable.

29. Trade payables

(1) Disclosure by nature

Unit: RMB'000

Item	Closing balance	Opening balance
Purchase of goods	**168,867,568**	134,821,193
Construction and equipment payables	**33,641,213**	25,507,769
Total	**202,508,781**	160,328,962

(2) Disclosure by aging

Unit: RMB'000

Aging	Closing balance	Opening balance
Within 1 year	**198,238,955**	156,552,418
Over 1 year	**4,269,826**	3,776,544
Total	**202,508,781**	160,328,962

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Other payables

Unit: RMB'000

Item	Closing balance	Opening balance
Interest payable		
Dividend payable		
Other payables	**9,598,945**	10,504,098
Total	**9,598,945**	10,504,098

(1) Other payables

Unit: RMB'000

Item	Closing balance	Opening balance
Accrued expenses	**3,931,597**	5,224,465
Security deposits for contracts	**3,381,276**	3,489,697
Others	**2,286,071**	1,789,936
Total	**9,598,945**	10,504,098

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Contract liabilities

Unit: RMB'000

Item	Closing balance	Opening balance
Sale of goods	**36,482,664**	49,233,377
Total	**36,482,664**	49,233,377

32. Employee benefits payables

(1) Employee benefits payables disclosure

Unit: RMB'000

Item	Opening balance	Increase	Decrease	Closing balance
— Short-term employee benefits	23,102,212	**21,103,198**	**21,119,606**	**23,085,804**
— Post-employment benefits – defined contribution plans	8,701	**1,255,488**	**1,250,187**	**14,001**
Total	23,110,912	**22,358,686**	**22,369,793**	**23,099,804**

(2) Short-term employee benefits disclosure

Unit: RMB'000

Item	Opening balance	Increase	Decrease	Closing balance
1. Salaries, bonus, and subsidies	23,014,082	**18,715,557**	**18,759,210**	**22,970,429**
2. Staff welfare	3,134	**1,017,003**	**1,016,980**	**3,156**
3. Social insurances	5,404	**738,457**	**731,002**	**12,859**
Including: Medical insurance	5,102	**649,947**	**643,658**	**11,391**
Work injury insurance	215	**58,628**	**57,933**	**910**
Maternity insurance	88	**29,882**	**29,411**	**558**
4. Housing Fund	6,794	**491,551**	**482,904**	**15,440**
5. Union funds and employee education	72,798	**140,631**	**129,509**	**83,920**
Total	23,102,212	**21,103,198**	**21,119,606**	**23,085,804**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Employee benefits Employee benefits payables (Continued)

(3) Defined contribution plan

Unit: RMB'000

Item	Opening balance	Increase	Decrease	Closing balance
1. Basic pension insurance	8,498	**1,212,775**	**1,207,987**	**13,285**
2. Unemployment insurance	202	**42,713**	**42,200**	**715**
Total	8,701	**1,255,488**	**1,250,187**	**14,001**

33. Taxes payable

Unit: RMB'000

Item	Closing balance	Opening balance
Value-added tax	**867,868**	1,165,716
Enterprise income tax	**7,639,390**	9,866,556
Other taxes	**995,224**	742,748
Total	**9,502,483**	11,775,019

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Non-current liabilities due within one year

Unit: RMB'000

Item	Closing balance	Opening balance
Long-term borrowings due within one year	**17,447,694**	18,082,816
Bonds payable due within one year	**3,912,781**	3,620,481
Long-term payables due within one year	**27,152**	55,291
Lease liabilities due within one year	**623,097**	478,952
Total	**22,010,724**	22,237,540

(1) Long-term borrowings due within one year

Unit: RMB'000

Item	Closing balance	Opening balance
Pledge borrowings	**62,506**	45,484
Mortgage borrowings	**804,509**	801,713
Mortgage and guaranteed borrowings	**1,502,844**	1,147,270
Guaranteed borrowings	**4,263,334**	4,667,994
Unsecured borrowings	**10,814,502**	11,420,356
Total	**17,447,694**	18,082,816

(2) Long-term payables due within one year

Unit: RMB'000

Item	Closing balance	Opening balance
Cooperative investment payables	**8,333**	33,333
Unpaid proceeds from mineral rights concessions	**18,706**	21,834
Loans from CDB Development Fund Co., Ltd.	**113**	124
Total	**27,152**	55,291

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Non-current liabilities due within one year (Continued)

(3) Bonds payable due within one year

Unit: RMB'000

Bonds	Nominal value	Issue date	Bond period	Issued amount	Closing balance	Opening balance
22CATL-GN001	5,000,000	December 12, 2022	3+2 years	5,000,000	**290**	290
USD 500 million offshore bonds	3,262,450	September 10, 2020	10 years	3,262,450	**410,493**	92,253
USD 500 million offshore bonds	3,187,850	September 2, 2021	5 years	3,187,850	**3,501,998**	3,527,938
Total	11,450,300			11,450,300	**3,912,781**	3,620,481

35. Other current liabilities

Unit: RMB'000

Item	Closing balance	Opening balance
VAT output pending for transfer	**2,428,737**	2,556,927
Input VAT to be transferred out	**6,422,166**	3,273,431
Total	**8,850,903**	5,830,358

36. Long-term borrowings

(1) Classification of long-term borrowings

Unit: RMB'000

Item	Closing balance	Opening balance
Pledge borrowings	**432,761**	481,174
Mortgage borrowings	**3,763,747**	4,025,971
Guaranteed borrowings	**37,556,120**	38,944,244
Unsecured borrowings	**37,324,522**	39,903,286
Mortgage and guaranteed borrowings	**12,633,291**	12,963,075
Less: Long-term borrowings due within one year	**17,447,694**	18,082,816
Total	**74,262,746**	78,234,935

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term loans (Continued)

(1) Classification of long-term borrowings (Continued)

Notes on the Classification of Long-Term Borrowings:

1) As at 30 June 2026, the annual interest rate for the above borrowings is 1.64%-4.55% (2025: 1.64%-4.55%);

2) For the pledge and mortgaged assets, details refer to Section V Financial Report, VII. Notes to the Consolidated Financial Statements, 25. Assets with restricted ownership or usage rights of this report.

37. Bonds payable

(1) Bonds payable

Unit: RMB'000

Item	Closing balance	Opening balance
Corporate bonds	**28,512,039**	3,443,434
Total	**28,512,039**	3,443,434

(2) Movement of bonds payables (excluding other financial instruments such as preference shares and perpetual bonds classified as financial liabilities)

Unit: RMB'000

Bonds	Nominal value	Coupon rate	Issue date	Bond period	Issued amount
2022 Green Medium-Term Notes	5,000,000	2.90%	12 December 2022	3+2 years	5,000,000
USD 500 million offshore bonds	3,262,450	2.625%	10 September 2020	10 years	3,262,450
USD 500 million offshore bonds	3,187,850	1.50%	2 September 2021	5 years	3,187,850
26CATL MTN001-004 (sci-tech innovation bonds)	20,500,000	1.48%-1.70%	6 February 2026 29 April 2026, 28 May 2026, 25 June 2026	3+2 years, 5 years	20,500,000
26CATL K1-K2 sci-tech innovation bond	5,000,000	1.49%、1.69%	12 February 2026, 18 June 2026	3+2 years	5,000,000
Subtotal	36,950,300				36,950,300
Less: Bonds payable due within one year					
Total	36,950,300				36,950,300

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

(2) Movement of bonds payables (excluding other financial instruments such as preference shares and perpetual bonds classified as financial liabilities) (Continued)

Bonds	Opening amount	Issued in the period	Interest accrual on nominal value	Amortization of discount or premium	Repayment in the period	Foreign exchange change	Closing amount	Default or not
2022 Green Medium-Term Notes	10,022		145	-1			**10,167**	No
USD 500 million offshore bonds	3,525,955		44,697	-1,491	44,697	-109,312	**3,418,134**	No
USD 500 million offshore bonds	3,527,938		25,541	-2,930	25,541	-109,366	**3,421,502**	No
26CATL MTN001-004 (sci-tech innovation bonds)		20,494,004	61,633	-212			**20,555,849**	No
26CATL K1-K2 sci-tech innovation bonds		4,995,264	23,608	-296			**5,019,169**	No
Subtotal	7,063,915	25,489,268	155,624	-4,930	70,238	-218,678	**32,424,821**	
Less: Bonds payable due within one year	3,620,481						**3,912,781**	
Total	3,443,434	25,489,268	155,624	-4,930	70,238	-218,678	**28,512,040**	

38. Lease liabilities

Unit: RMB'000

Item	**Closing balance**	Opening balance
Lease payment	**4,642,980**	4,028,984
Less: Unrecognised financing costs	**662,252**	744,951
Less: Lease liabilities due within one year	**623,097**	478,952
Total	**3,357,630**	2,805,081

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Long-term payables

Unit: RMB'000

Item	Closing balance	Opening balance
Long-term payables	**1,632,319**	1,639,608
Total	**1,632,319**	1,639,608

(1) Long-term payables disclosed by nature

Unit: RMB'000

Item	Closing balance	Opening balance
Loans from CDB Development Fund Co., Ltd.	**255,869**	250,124
Cooperative investment payables	**1,258,333**	1,283,333
Unpaid proceeds from mining concessions transfer	**145,269**	161,442
Less: Long-term payables due within one year	**27,152**	55,291
Total	**1,632,319**	1,639,608

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Provisions

Unit: RMB'000

Item	Closing balance	Opening balance	Cause of formation
After-sales comprehensive service fee	**59,131,359**	51,233,080	Estimated cost of quality warranty according to the quality warranty agreement
Sales rebate	**39,327,759**	33,944,295	Rebate in accordance with specific rebate agreement or contract
Disposal cost and others	**148,125**	146,983	Mine reclamation obligations and others
Total	**98,607,243**	85,324,358	

Note, including significant assumptions and estimates relating to material provisions:

The Company reviews the carrying amount of the provision at the closing date of the reporting period and adjusts the carrying amount if necessary. The after-sales comprehensive service fee represents the estimated costs for after-sales comprehensive services to be borne under the warranty agreements, mainly based on the best estimate of "cumulative sales quantities of power battery systems and energy storage systems under warranty", "estimated unit repair cost", "estimated repair rate" and other factors.

41. Deferred income

Unit: RMB'000

Item	Opening balance	Increase	Decrease	Closing balance	Cause of formation
Deferred income	27,321,553	**3,384,866**	**3,272,778**	**27,433,641**	
Total	27,321,553	**3,384,866**	**3,272,778**	**27,433,641**	

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other non-current liabilities

Unit: RMB'000

Item	Closing balance	Opening balance
Sales received in advance	**4,213,371**	4,484,010
Total	**4,213,371**	4,484,010

43. Share capital

Unit: RMB'000

	Opening balance	Movement during the period (+,-)					Closing balance
		Issuance of new share	Bonus shares	Conversion from capital reserve	Other	Subtotal	
Total shares	4,563,803	62,847				62,847	**4,626,651**

Note: The increase in share capital for this period is attributable to the placing of 62,385 thousand H Shares by the Company on The Stock Exchange of Hong Kong Limited in April 2026. Additionally, the exercise of stock options for this period led to the issuance of 462 thousand new shares.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Capital reserve

Unit: RMB'000

Item	Opening balance	Increase	Decrease	Closing balance
Capital premium (share premium)	153,150,122	**34,180,278**		**187,330,400**
Other capital reserve	3,098,092		**166,258**	**2,931,834**
Total	156,248,214	**34,180,278**	**166,258**	**190,262,233**

Note: The increase in additional paid-in capital for this period is mainly attributable to the placing of H Shares by the Company, which resulted in an increase of RMB34,180,278 thousand in share premium arising from the placing of shares.

45. Treasury shares

Unit: RMB'000

Item	Opening balance	Increase	Decrease	Closing balance
Treasury shares	7,097,993		**165,781**	**6,932,212**
Total	7,097,993		**165,781**	**6,932,212**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other comprehensive income

Other comprehensive income attributable to the shareholders of the Company in the statement of financial position:

Unit: RMB'000

Item	Opening balance	Amount incurred in the current period: Attributable to parent Company after tax[2]	Amount incurred in the current period: Less: other comprehensive income in prior periods transfers to retained earnings in the current period[3]	Closing balance
I. Other comprehensive income that will not be reclassified into profit or loss	5,599,303	-62,051	637,020	**4,900,231**
1. Other comprehensive income that cannot be transferred to profit or loss under the equity method	317,478	-31,128		**286,349**
2. Changes in fair value of other equity instruments investment	5,281,889	-30,923	637,020	**4,613,946**
3. Others	-64			**-64**
II. Other comprehensive income that will be reclassified into profit or loss	855,121	-3,704,222		**-2,849,101**
1. Other comprehensive income transferable to profit or loss under the equity method	318,237	-460,748		**-142,510**
2. Changes in fair value of trade receivables financing	-82,819	-8,618		**-91,437**
3. Cash flow hedging reserve	-25,198	-377,737		**-402,934**
4. Translation differences arising on translation of foreign currency financial statements	644,900	-2,857,119		**-2,212,219**
Total other comprehensive income	6,454,423	-3,766,273	637,020	**2,051,130**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Other comprehensive income (Continued)

Other comprehensive income attributable to the shareholders of the Company in the income statement:

Unit: RMB'000

Item	Amount incurred in the current period				
	Amount before income tax for the current period [1]	Less: other comprehensive income in prior periods transfer to profit or loss for the current period[2]	Less: tax[3]	Less: Attributable to non-controlling interests after income tax[4]	Attributable to parent Company after tax (5)=(1)-(2)-(3)-(4)
I. Other comprehensive income that will not be reclassified into profit or loss	-242,131		-202,229	22,149	-62,051
1. Other comprehensive income that cannot be transferred to profit or loss under the equity method	-31,128				-31,128
2. Changes in fair value of other equity instruments investment	-211,003		-202,229	22,149	-30,923
3. Others					
II. Other comprehensive income that will be reclassified into profit or loss	-4,265,563		-1,829	-559,512	-3,704,222
1. Other comprehensive income transferable to profit or loss under the equity method	-581,749			-121,002	-460,748
2. Changes in fair value of trade receivables financing	-8,701		-1,305	1,222	-8,618
3. Cash flow hedging reserve	-489,660		-524	-111,400	-377,737
4. Translation differences arising on translation of foreign currency financial statements	-3,185,452			-328,333	-2,857,119
Total other comprehensive income	-4,507,694		-204,058	-537,363	-3,766,273

Note:

In the current period, the comprehensive income (net of tax) was RMB-4,303,636 thousand. This included RMB-3,766,273 thousand in other comprehensive income (net of tax) attributable to shareholders of the Company and RMB-537,363 thousand in other comprehensive income (net of tax) attributable to non-controlling interests.

47. Specific reserve

Unit: RMB'000

Item	Opening balance	**Increase**	**Decrease**	**Closing balance**
Work safety costs and maintenance fees	35,515	**51,629**	**36,240**	**50,903**
Total	35,515	**51,629**	**36,240**	**50,903**

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Surplus reserve

Unit: RMB'000

Item	Opening balance	**Increase**	**Decrease**	**Closing balance**
Statutory surplus reserve	2,274,947	**31,424**		**2,306,371**
Total	2,274,947	**31,424**		**2,306,371**

Note: The balance of the statutory reserve shall not exceed 50% of the parent company's share capital.

49. Retained earnings

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 31 December 2025
Retained earnings before adjustment as at 1 January 2026	**174,628,837**	126,601,541
Retained earnings after adjustment as at 1 January 2026	**174,628,837**	126,601,541
Add: Net profit attributable to parent Company for the period	**43,284,002**	72,201,282
Transfer from other comprehensive income	**637,020**	446,809
Less: Appropriation for statutory surplus reserve	**31,424**	80,169
Common dividend payables	**31,529,802**	24,540,627
Retained earnings as at 30 June 2026	**186,988,633**	174,628,837

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Operating income and operating cost

Unit: RMB'000

	Six months ended 30 June 2026		Six months ended 30 June 2025	
Item	**Revenue**	**Cost**	Revenue	Cost
Primary operations	**264,196,936**	**206,716,846**	171,221,174	132,098,945
Other operations	**12,719,645**	**3,938,045**	7,665,079	2,024,658
Total	**276,916,580**	**210,654,890**	178,886,253	134,123,603

Breakdown of operating revenue and operating costs:

Unit: RMB'000

	Electrical machinery and equipment manufacturing	
Category	**Revenue**	**Cost**
Business Type	276,916,580	210,654,890
Including:		
Power battery system	192,124,890	152,492,111
Classified by operating region		
Including:		
Domestic	189,787,392	149,636,530

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Operating income and operating cost (Continued)

Information related to performance obligations:

The Company's primary business involves the development, production, sales, and after-sales service of power battery systems, energy storage battery systems, and battery materials derived from battery recycling technology. For transactions involving the sale of goods, the Company fulfills its performance obligations when the customer obtains control of the relevant goods. For transactions involving the provision of services, if the customer obtains and consumes the economic benefits arising from the Company's performance simultaneously with the Company's performance, the Company recognizes the extent of its completed performance obligations over the period of service provision based on the stage of completion, unless the stage of completion cannot be reasonably determined.

51. Taxes and surcharges

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Urban maintenance and construction tax	**320,225**	368,559
Educational surcharge	**267,005**	323,021
Property tax	**346,484**	273,112
Stamp duty	**267,578**	194,045
Others	**123,647**	87,113
Total	**1,324,939**	1,245,850

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. General and administrative expenses

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Employee benefits	**3,645,532**	3,020,631
Depreciation and amortization expenses	**690,602**	941,979
Logistics and office expenses	**633,453**	459,780
Others	**1,050,013**	705,140
Total	**6,019,599**	5,127,530

53. Selling and distribution expenses

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Employee benefits	**1,169,110**	940,327
Advertising and office expenses	**440,955**	216,915
Operating expenses	**248,493**	199,219
Others	**305,020**	264,964
Total	**2,163,577**	1,621,425

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Research and development expenses

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Employee benefits	**4,800,926**	4,650,794
Material costs	**3,082,932**	2,206,857
Others	**3,492,686**	3,236,915
Total	**11,376,545**	10,094,566

55. Financial expenses

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Total interest expenses	**1,437,834**	1,635,333
Less: Capitalised interest expenses	**45,609**	77,334
Less: Interest income	**4,887,257**	5,125,146
Exchange gains and losses	**2,810,093**	-2,332,087
Handling charges and others	**54,146**	77,424
Total	**-630,793**	-5,821,810

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Other income

Unit: RMB'000

Sources of other income	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Other income	**4,589,631**	6,059,485

57. Gains from changes in fair value

Unit: RMB'000

Sources of gains from changes in fair value	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Financial assets held for trading	**464,039**	130,539
Other non-current financial assets	**752,815**	47,825
Others	**23,831**	
Total	**1,240,685**	178,363

58. Investment income

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Investment income from long-term equity investment accounted for using equity method	**5,722,218**	2,981,557
Investment income from disposal of long-term equity investment	**206,628**	2,287
Investment income from the disposal of trading financial assets	**294,435**	147,636
Dividend income received during the holding period of other investments in equity instruments	**207,468**	115,005
Others	**-278,071**	-370,792
Total	**6,152,679**	2,875,693

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Credit impairment losses

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Credit losses on trade receivables	**-350,435**	-235,655
Credit losses on other receivables	**-113,177**	-81,458
Credit losses on long-term receivables	**-753**	-34,209
Total	**-464,365**	-351,323

60. Assets impairment losses

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Decline in value of inventories and contract fulfillment costs	**-1,586,742**	-1,839,443
Impairment losses on fixed assets	**-280,028**	-433,685
Others	**-16,979**	-225,837
Total	**-1,883,748**	-2,498,964

61. Gains from assets disposal

Unit: RMB'000

Sources	Six months ended 30 June 2026	Six months ended 30 June 2025
Gain from disposal of non-current assets	**22,053**	62,178

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Non-operating income

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Amount included in non-recurring gains or losses
Penalty income and others	**200,160**	168,476	200,160
Total	**200,160**	168,476	200,160

63. Non-operating expenses

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025	Amount included in non-recurring gains or losses
Donations and others	**98,060**	176,496	98,060
Total	**98,060**	176,496	98,060

64. Income tax expenses

(1) Income tax expenses

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Current income tax	**11,549,972**	9,669,841
Deferred income tax	**-2,813,754**	-3,222,788
Total	**8,736,218**	6,447,053

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Income tax expenses (Continued)

(2) Reconciliation between income tax expenses and accounting profits

Unit: RMB'000

Item	Six months ended 30 June 2026
Profit before tax	55,766,857
Income tax expenses calculated at statutory/applicable tax rates	8,365,028
Impact of different tax rates applied to certain subsidiaries	1,170,805
Adjustment for income tax in prior year	207,980
Non-taxable income	-284,692
Impact of non-deductible costs, expenses and losses	56,866
Utilization of deductible losses of unrecognized deferred tax assets in prior years	-561,106
Impact of deductible temporary differences or deductible losses of unrecognized deferred tax assets in current period	1,198,327
Profit or loss of joint ventures and associates under equity method	-1,307,593
Impact of super-deduction of research and development expenses	-158,690
Other	49,292
Income tax expenses	8,736,218

65. Other comprehensive income

For details, please refer to Section V Financial Report, VII Notes to the Consolidated Financial Statements, 46. Other Comprehensive Income.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Notes to cash flow statement

(1) Cash flows from operating activities

Proceeds from other operating activities

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Receipt of guarantees and security deposits (net amount)	**795,258**	73,919
Receipt of interest	**4,912,579**	4,971,674
Receipt of current accounts and others	**6,341,627**	7,114,061
Total	**12,049,464**	12,159,654

Payment for other operating activities

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Cash expenses such as operating expenses, administrative expenses and handling charges	**4,849,203**	4,234,788
Payment of others	**84,415**	332,923
Total	**4,933,617**	4,567,711

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Notes to cash flow statement (Continued)

(2) Cash flows from investing activities

Proceeds from other investing activities

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Receipt of guarantees and security deposits (net amount)	**699,869**	
Receipt of others	**37,537**	
Total	**737,406**	

Payment for other investing activities

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Payment of guarantees and security deposits (net amount)		113,057
Payment of others	**99,281**	1,725
Total	**99,281**	114,782

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Notes to cash flow statement (Continued)

(3) Cash flows from financing activities

Proceeds from other financing activities

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Time deposit certificates for pledge/ performance guarantees (net amount)		62,361
Receipt of others	**57,786**	90,264
Total	**57,786**	152,625

Payment for other financing activities

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Payment of financial lease payments (leased)	**203,364**	60,993
Payment of share repurchase/acquisition of equity interests from non-controlling shareholders	**2,192,753**	1,551,198
Payment of others	**96,177**	106,163
Total	**2,492,295**	1,718,354

Changes in liabilities arising from financing activities

☐ Applicable ☑ Not applicable

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Supplement to cash flows statement

(1) Supplement to cash flows statement

Unit: RMB'000

Supplement	**Six months ended 30 June 2026**	Six months ended 30 June 2025
1. Reconciliation of net profit to cash flow from operating activities:		
Net profit	**47,030,638**	32,365,447
Add: Impairment for assets	**1,883,748**	2,498,964
Credit impairment losses	**464,365**	351,323
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	**14,282,273**	11,355,579
Depreciation of right-of-use assets	**276,258**	105,656
Amortization of intangible assets	**258,901**	244,874
Amortization of long-term deferred expenses	**1,021,822**	667,604
Losses on disposal of fixed assets, intangible assets, and other non-current assets (Gain as in "-")	**-22,053**	-62,178
Loss on retirement of fixed assets (Gain as in "-")	**172**	91,385
Losses on changes in fair value (Gain as in "-")	**-1,240,685**	-178,363
Financial expenses (Gain as in "-")	**4,202,318**	-774,088
Investment losses (Gain as in "-")	**-6,152,679**	-2,875,693
Decrease in deferred tax assets (Increase as in "-")	**-3,040,085**	-2,846,420
Increase in deferred tax liabilities (Decrease as in "-")	**92,779**	-90,990
Decrease in inventories (Increase as in "-")	**-37,859,085**	-13,622,417
Decrease in operating receivables (Increase as in "-")	**-33,026,925**	12,126,707
Increase in operating payables (Decrease as in "-")	**71,690,439**	19,114,641
Others	**354,649**	215,036
Net cash flows from operating activities	**60,216,851**	58,687,066
2. Significant investment or finance activities not involving cash:		
Debts converted to capital		
Convertible debts mature within one year		
Finance leased fixed assets		
3. Net increase/(decrease) in cash and cash equivalents:		
Cash as at 30 June 2026	**340,586,216**	323,785,232
Less: cash as at 1 January 2026	**299,929,741**	270,159,734
Add: cash equivalents at 30 June 2026		
Less: cash equivalents at 1 January 2026		
Net increase in cash and cash equivalents	**40,656,475**	53,625,499

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Supplement to cash flows statement (Continued)

(2) Net cash received from the disposal of subsidiaries during the period

Unit: RMB'000

Item	Amount
Cash or cash equivalents received in the current period from the disposal of subsidiaries that occurred in the current period	**1,647,072**
Including:	
Less: the cash and cash equivalents held by subsidiaries on the date of loss of control	**59,897**
Including:	
Net cash received	**1,587,175**

(3) Cash and cash equivalents

Unit: RMB'000

Item	Closing balance	Opening balance
1. Cash	**340,586,216**	299,929,741
Including: Cash	**1,723**	435
Cash in bank readily available for payment	**344,154,483**	294,503,838
Other cash and cash equivalents readily available for payment	**2,640,342**	5,425,469
Balance of bank overdraft account	**-6,210,332**	
2. Cash and cash equivalents	**340,586,216**	299,929,741

(4) Monetary funds not classified as cash and cash equivalents

Unit: RMB'000

Item	Closing balance	Opening balance	Reasons for not being cash and cash equivalents
Guarantees	**8,581,399**	18,428,631	Restriction in use
Pledged fixed deposits	**753,851**	461,587	Restriction in use
Fixed deposits and accrued interest	**15,921,477**	14,692,968	Not readily withdrawable
Total	**25,256,727**	33,583,185	

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Supplement to cash flows statement (Continued)

(5) Supplier Financing Arrangements

① Terms and conditions of supplier financing arrangements

The Company utilizes a third-party supply chain information service platform and reverse factoring services provided through a bank's supply chain finance platform to serve suppliers holding the Company's electronic debt instruments. The Company's payment obligations under the electronic debt instruments are unconditional and irrevocable, unaffected by any commercial disputes among parties involved in the transfer of such instruments. The Company shall not assert set-off or raise defenses against such payment obligations. The Company will transfer the equivalent amount under the electronic debt instruments on the payment date in accordance with business rules. Electronic debt instruments are transferable and eligible for financing.

② Presentation items and related information in the balance sheet

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Traded payables – Factoring	**20,391,072**	23,902,653
Traded payables – Reverse Factoring	**37,373,152**	13,320,128
Total	**57,764,224**	37,222,781

Of the trade payables totaling RMB57,764,224 thousand as at 30 June 2026, suppliers have received RMB50,406,338 thousand from financing providers.

③ Changes during the period not involving cash receipts or payments

The changes in the Company's financial liabilities mentioned above were not affected by business combinations or exchange rate fluctuations.

VII. NOTES TO THE ITEMS OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

68. Items in foreign currency

(1) The nature of the lack of exchangeability of the currency and its financial impact, the spot exchange rate used and its estimation process, and the risks faced by the Company due to the lack of exchangeability of the currency

☐ Applicable ☑ Not applicable

(2) Disclosure of Foreign Operating Entities: For significant foreign operating entities, disclosure shall include their principal place of operation abroad, functional currency, and the basis for selection. Should the functional currency change, the reason for such change shall also be disclosed.

☐ Applicable ☑ Not applicable

VIII. RESEARCH AND DEVELOPMENT EXPENDITURES

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Employee Compensation	**4,800,926**	4,650,794
Material Costs	**3,082,932**	2,206,857
Other	**3,492,686**	3,236,915
Total	**11,376,545**	10,094,566
Among these: Expensed R&D expenditures	**11,376,545**	10,094,566

IX. CHANGES IN THE SCOPE OF CONSOLIDATION

1. Disposal of subsidiaries

Is there any transaction or event in this period that results in the loss of control over a subsidiary

☑ Yes ☐No

Disposed Subsidiary	Circumstances
Linergy Power Sdn. Bhd.	The subsidiary, Xiamen Ampace Technology Limited, transferred 100% equity interest in Linergy Power Sdn. Bhd. during the current period, for a total consideration of USD240,000 thousand. This equity transfer has no material impact on the Company's overall financial position

Is there a situation where the investment in a subsidiary is disposed of step by step through multiple transactions and control over the subsidiary is lost in current period

☐Yes ☑ No

IX. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

2. Other reasons resulting in changes in the scope of consolidation

(1) Subsidiaries established during the period

Company name	Acquisition method
Contemporary Amperex Zero Carbon Technology (Xiamen) Co., Ltd.	Newly established
Contemporary Amperex Technology (Beijing) Limited	Newly established
Contemporary Chang'an (Chongqing) Power Battery Co., Ltd.	Newly established
Contemporary Chery (Hefei) Amperex Technology Limited	Newly established
Contemporary Dacheng (Yancheng) Energy Technology Co., Ltd.	Newly established
Times Resources Group (Xiamen) Co., Ltd.	Newly established
Times Resources International Investment (Hainan) Co., Ltd.	Newly established
Contemporary Intelligent Amperex Technology (Hong Kong) Limited	Newly established
Quanzhou Contemporary Amperex Technology Limited	Newly established
Suzhou Contemporary Amperex Technology Limited	Newly established
Yancheng Contemporary Amperex Technology Limited	Newly established
Shanxi Contemporary Amperex Technology Limited	Newly established
Gutian Contemporary Amperex Technology Limited	Newly established
Xiamen Tongxiang Contemporary Amperex Technology Limited	Newly established
Shanxi Yunzhong Contemporary Energy StorageTechnology Co., Ltd.	Newly established
Datong Qining Energy Storage Co., Ltd.	Newly established
Inner Mongolia Mengning Contemporary Energy Storage Technology Co., Ltd.	Newly established
Pu'er Puhe Energy Storage Technology Co., Ltd.	Newly established
Mojiang Moning Energy Storage Technology Co., Ltd.	Newly established
Yichang Brunp Contemporary New Material Co., Ltd.	Newly established
8 subsidiaries of Contemporary Amperex Energy Service Technology Ltd.	Newly established
18 subsidiaries of GCTL Battery Technology Co., Ltd.	Newly established
14 project subsidiaries of Contemporary Green Energy Limited	Newly established
Green Power Energy Debrecen Limited Liability Company	Newly established

IX. CHANGES IN THE SCOPE OF CONSOLIDATION (CONTINUED)

2. Other reasons resulting in changes in the scope of consolidation (Continued)

(2) Deregistered subsidiaries

Company name	Reason for change
Jiangsu Brunp SAIC Recycling Technology Co., Ltd.	Deregistered
CATT Cells SE	Deregistered
CATTAT AG	Deregistered
Brunp-CATL (Argentina) S.A.	Deregistered

X. INTEREST IN OTHER ENTITIES

1. Interests in major subsidiaries

(1) Major subsidiaries

Unit: RMB'000

Name of subsidiary	Registered capital	Place of business	Legal Person Type	Principal place of business	Place of registration	Business nature	Equity shares Direct	Equity shares Indirect	Method of acquisition
Jiangsu Contemporary Amperex Technology Limited	1,000,000	Mainland China	Limited Liability Company	Liyang	Liyang	Manufacturing	100.00%		Set-up
Fuding Contemporary Amperex Technology Limited	4,500,000	Mainland China	Limited Liability Company	Fuding	Fuding	Manufacturing	100.00%		Set-up
Contemporary Amperex Technology (Hong Kong) Limited	9,772,644 (HK$)	Mainland China	Private Company Limited by Shares	Hong Kong	Hong Kong	Investment	100.00%		Set-up
Ruiting Contemporary Amperex Technology (Shanghai) Limited	500,000	Mainland China	Limited Liability Company	Shanghai	Shanghai	Manufacturing	100.00%		Set-up
Sichuan Contemporary Amperex Technology Limited	5,303,005	Mainland China	Limited Liability Company	Yibin	Yibin	Manufacturing	79.20%		Set-up
Guangdong Brunp Recycling Technology Co., Ltd.	147,473	Mainland China	Limited Liability Company	Foshan	Foshan	Manufacturing	64.57%		Business combination not under common control

X. INTEREST IN OTHER ENTITIES (CONTINUED)

1. Interests in major subsidiaries (Continued)

(1) Major subsidiaries (Continued)

Basis for holding more than half of the voting rights but not controlling the investees:

① The Company held 51% of the equity of Guangzhou Huining Contemporary New Energy Development Co., Ltd. (hereinafter referred to as Huining Contemporary). The reason for exclusion from consolidation is that according to the articles of association, shareholders' meeting resolved that the joint venture party has a veto right over the daily operation of Huining Contemporary. The Company is unable to exercise control over Huining Contemporary alone.

② Contemporary Amperex Energy Service Technology Ltd., the wholly-owned subsidiary of the Company, held 52% of the equity of Chengdu Electric Service Trading Investment Energy Technology Co., Ltd. (hereinafter referred to as Chengdu Electric Service). The reason for exclusion from consolidation is that according to the articles of association, resolutions involving major business management must be approved by shareholders representing more than 2/3 of the voting rights of all shareholders. The Company is unable to exercise control over Chengdu Electric Service alone.

③ The Company's wholly-owned subsidiary, Yajiang Snowway Mining Development Co., Ltd., holds a 60% equity interest in Sichuan Miaowei Water Co., Ltd. (hereinafter referred to as "Sichuan Miaowei"). The reason for not consolidating Sichuan Miaowei is as follows: According to Sichuan Miaowei's articles of association, resolutions concerning major operational management matters must be approved by more than two-thirds of the directors. The Company cannot exercise sole control over Sichuan Miaowei, and therefore it has not been included in the scope of consolidation.

Basis for controlling an entity despite holding 50% or less of its voting rights:

① The Company's subsidiary, Luxembourg Contemporary New Energy Technology Co., Ltd., holds a 50% equity interest in Contemporary Star Energy, S.L. (hereinafter referred to as "Contemporary Star"). The rationale for inclusion in the consolidation is as follows: Pursuant to Contemporary Star's Articles of Association, the Company exercises control over the daily operations of Contemporary Star, and therefore includes Contemporary Star within the scope of consolidation.

X. INTEREST IN OTHER ENTITIES (CONTINUED)

2. Transactions resulting in changes to the share of equity in subsidiaries while retaining control over them

(1) Statement of changes in share of equity in subsidiaries

Name of Subsidiary	Circumstance
Contemporary Amperex Intelligent Technology (Shanghai) Limited	The Company originally held a 69.57% equity interest in Contemporary Amperex Intelligent Technology (Shanghai) Limited (hereinafter referred to as "Intelligent Technology Shanghai"). New shareholders of Intelligent Technology Shanghai made additional capital contributions, resulting in the Company's equity interest in Intelligent Technology Shanghai changing to 65.28%. This transaction resulted in an increase in capital surplus of RMB399,899 thousand.
Contemporary Terapower (Shenzhen) Technology Co., Ltd.	The Company originally held a 99.70% equity interest in Contemporary Terapower (Shenzhen) Technology Co., Ltd. (hereinafter referred to as "Contemporary Tianyuan"). During the period, the minority shareholders' equity interest in Contemporary Tianyuan decreased, resulting in the Company's equity interest in Contemporary Tianyuan increasing to 100.00%. This transaction resulted in an increase of RMB33,991 thousand in capital surplus.
Guangdong Brunp Recycling Technology Co., Ltd.	The Company originally held 62.18% equity interest in Guangdong Brunp Recycling Technology Co., Ltd. (hereinafter referred to as "Guangdong Brunp"). During the period, the minority shareholders' equity interest in Guangdong Brunp decreased, resulting in the Company's equity interest in Guangdong Brunp increasing to 64.57%. This transaction resulted in a decrease of RMB1,174,159 thousand in capital surplus.

(2) Impact of the transaction on non-controlling interests and equity attributable to owners of the parent company

Unit: RMB'000

Item	Intelligent Technology Shanghai, Contemporary Tianyuan, Guangdong Brunp
Purchase cost/disposal consideration	1,991,894
— Cash	1,991,894
Total purchase cost/disposal consideration	1,991,894
Less: share of net assets of subsidiaries calculated based on the proportion of equity interests acquired/disposed of	1,251,625
Difference	740,269
Including: Adjustment to capital reserve	740,269

X. INTEREST IN OTHER ENTITIES (CONTINUED)

3. Interests in joint ventures or associates

Name of joint ventures or associates	Place of business	Place of registration	Business nature	Equity shares		Accounting method for investments in joint ventures or associates
				Direct	Indirect	
CMOC Group Limited	Luoyang	Luoyang	Nonferrous metal mining and beneficiation industry		24.91%	Equity method

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

1. Risks arising from financial instruments

The Company's financial instruments include bank balances, deposits and cash, derivative financial assets, trade receivables, notes receivable, receivable financing, other receivables, non-current assets due within one-year, other current assets, financial asset held for trading, other equity instrument investments, other non-current financial assets, long-term receivables and derivative financial liabilities, trade payables, notes payable, dividend payable, other payables, short-term borrowings, non-current liabilities due within one-year, long-term borrowings, bonds payable, lease liabilities and long-term payables. The details of various financial instruments have been disclosed in the relevant notes. Risks associated with these financial instruments, as well as the Company's risk management policies meant to mitigate these risks are described below. The Company's management managed and monitored these risk exposures to ensure the above risks are controlled within certain limits.

(1) Risk management objectives and policies

The Company's objective in risk management is to obtain an appropriate balance between risk and profits, and strive to reduce the adverse impact of the financial risk on the Company's financial performance. Based on this objective, the Company has developed the risk management policy to identify and analyze the risks that the Company is facing, set the appropriate tolerable level of risks and design the internal control process to monitor the risk level. The Company reviews the risk management policy and relevant internal control system to adapt to the changes of market or operations regularly. The Company's internal audit department also regularly or randomly performs tests to check whether the operations of internal control system in accordance with the risk management policy.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, and market risk (including interest rate risk, foreign exchange rate risk and commodity price risk).

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks arising from financial instruments (Continued)

(1) Risk management objectives and policies (Continued)

1) Credit risk

Credit risk is the risk that a counterparty of financial assets will cause a financial loss for the Company by failing to discharge an obligation.

The Company managed the credit risk by groups. Credit risk mainly came from bank, notes receivable, trade receivables and other receivables.

The bank deposits of the Company mainly deposited in a financial institution with a good reputation and a high credit rating. The Company expects that there are no significant credit risks exist on the bank deposit.

For notes receivable, trade receivables and other receivables, the Company makes relevant policies to control credit risk exposures. The Company assesses the quality of debtors' credit rating and sets their credit limits and credit period based on the debtors' financial position, credit history and other factors such as current market condition. The Company monitors the debtors' credit records regularly and ensures its overall credit risk within controllable range by written reminders, shorten or cancel credit periods to the debtors with bad credit history.

The debtors of the Company's trade receivables are customers distributed in different industries and regions. The Company continues to perform credit assessments on the financial status of trade receivables and purchase credit guarantee insurance when appropriate.

The maximum exposure to credit risk borne by the Company is the carrying amount of each financial asset in the statement of financial position. The Company does not provide any other guarantee that may expose the Company to credit risk.

Trade receivables due from the top five customers of the Company account for 20.56% of total accounts receivable (31 December 2025: 26.50%); other receivables due from the top five customers of the Company account for 46.71% of total other receivables (31 December 2025: 46.70%).

2) Liquidity risk

Liquidity risk is the risk that the Company is short of funds to deliver cash or other financial assets or meet settlement obligations.

To manage liquidity risk, the Company maintains cash and cash equivalents at a level that the management considers adequate and monitors them so as to meet its operation demand as well as to reduce the effect of cash flow fluctuations. The management is responsible for monitoring the usefulness of bank loans to ensure it complies with the covenants in loan agreements. Meanwhile, the management obtains the commitment from the principal financial institutions to provide enough surplus in reserve to satisfy the Company's short and long-term fund demands.

The Company finances working capital with funds arising from operation and bank and other borrowings. As at 30 June 2026, the available loan limit for withdrawal by the Company is RMB360.5 billion (31 December 2025: RMB365.5 billion).

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks arising from financial instruments (Continued)

(1) Risk management objectives and policies (Continued)

2) Liquidity risk (Continued)

At the end of the period, the analysis of due date of the Company's financial liabilities by undiscounted cash flow of remaining contracts are as follow:

Unit: RMB'000

	30 June 2026				
Item	**Within 1 year**	**1-2 years**	**2-5 years**	**Over 5 years**	**Total**
Short-term borrowings	**20,885,906**				**20,885,906**
Derivative financial liabilities	**688,861**				**688,861**
Notes payable	**152,977,931**				**152,977,931**
Trade payables	**202,508,781**				**202,508,781**
Other payables	**9,598,945**				**9,598,945**
Non-current liabilities due within one year	**22,010,724**				**22,010,724**
Long-term borrowings		**28,360,623**	**31,006,256**	**14,895,867**	**74,262,746**
Bonds payable		**5,248**	**28,506,791**		**28,512,039**
Lease liabilities		**612,962**	**1,491,641**	**1,253,028**	**3,357,630**
Long-term payables		**23,599**	**1,541,449**	**67,271**	**1,632,319**
Total	**408,671,149**	**29,002,432**	**62,546,137**	**16,216,166**	**516,435,883**

At the beginning of the period, the analysis of due date of the Company's financial liabilities by undiscounted cash flow of remaining contracts are as follow:

Unit: RMB'000

	31 December 2025				
Item	Within 1 year	1-2 years	2-5 years	Over 5 years	Total
Short-term borrowings	12,935,498				12,935,498
Derivative financial liabilities	393,224				393,224
Notes payable	103,276,999				103,276,999
Trade payables	160,328,962				160,328,962
Other payables	10,504,098				10,504,098
Non-current liabilities due within one year	22,237,540				22,237,540
Long-term borrowings		15,076,474	46,515,161	16,643,300	78,234,935
Bonds payable		9,732	3,433,702		3,443,434
Lease liabilities		421,341	1,379,038	1,004,702	2,805,081
Long-term payables		18,080	1,554,541	66,988	1,639,608
Total	309,676,322	15,525,627	52,882,441	17,714,990	395,799,379

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks arising from financial instruments (Continued)

(1) Risk management objectives and policies (Continued)

3) Market risk

Market risk of financial instrument is the risk of fluctuation in the fair value or future cash flow due to changes of market price, including interest rate risk, foreign exchange rate risk and other pricing risk.

Interest rate risk

Interest rate risk is the risk of fluctuation in the fair value or future cash flow of financial instrument due to the changes of market interest rate. Interest rate risk can come from the recognised interest-bearing financial instruments and unrecognised financial instruments (such as loan commitments).

Interest rate risk of the Company mainly arises from interest bearing borrowings, such as long-term bank loans and long-term payables. A financial liability with floating interest rates causes interest rate risks in cash flow to the Company; and a financial liability with fixed interest rates causes interest rate risks in fair value to the Company. The Company determines the proportion of bank loans with fixed and floating interest rate according to current market situation and maintains the appropriate combination of the instruments with fixed and floating interest rate by regular review and monitoring.

The Company pays close attention to the effect of interest rate changes on the Company's interest rate risk. The Company does not adopt any interest rate hedge, but the management is responsible for monitoring interest rate risk and will consider hedging on significant interest rate risk. The rise in interest rates will increase the cost of new interest-bearing debts and the interest expenses of interest-bearing debts that have not been paid by the Company at floating interest rates, and will have a significant adverse impact on the Company's financial results. The management will rely on the latest market. The situation is adjusted in a timely manner. These adjustments may be arranged for interest rate swaps to reduce interest rate risk.

Foreign exchange rate risk

Foreign exchange rate risk is the risk of fluctuation of financial instrument fair value or future cash flow fluctuation due to the changes of foreign exchange rate. Foreign exchange rate risk can arise from financial instruments measured at foreign currencies other than the functional currency.

The main operations of the Company are within China and mainly settled in RMB. However, assets and liabilities denominated in foreign currencies recognised by the Company and the future foreign currency transactions (Foreign currency assets and liabilities and foreign currency transactions are primarily denominated in USD or EUR) are still having exchange risk.

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks arising from financial instruments (Continued)

(1) Risk management objectives and policies (Continued)

3) Market risk (Continued)

Other pricing risk

Other price risk is the risk of fluctuation due to the changes of market price, besides of foreign exchange risk and interest rate risk, no matter whether the change is caused by individual financial instrument or factors relating to issuer or all similar financial instruments traded in the market. Other pricing risk may be affected by the changes in price of goods, equity instrument, share market index or the other risk factors.

The Company's investments in equity of listed securities as classified as investment in other equity instruments are measured at fair value on the closing date of the reporting period, and the Company undertakes the fluctuation risk of stock market.

The Company pays close attention to the effect of price changes on the Company's price risk of equity security investment. The management is responsible for monitoring other price risk and will consider in holding a portfolio of multiple equity securities in order to mitigate the price risk of equity security investment.

2. Capital management

The purpose of the Company's capital management policy is to ensure the Company is going concern so as to provide returns to the shareholders and benefit other stakeholders and maintain the optimal capital structure to reduce capital cost.

To maintain or adjust the capital structure, the Company may adjust the sources of financing, amount of dividends paid to the shareholders, return capital to the shareholders, issue new shares or other equity, or sell assets to reduce debts.

The Company monitors capital structure on the basis of debt-to-asset ratio (Total liabilities divided by total assets). As at 30 June 2026, the Company's debt-to-asset ratio is 63.65% (31 December 2025: 61.94%).

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Hedging

(1) The company engages in hedging activities for risk management purposes

☑ Applicable ☐Not applicable

1) During the reporting period, the Company conducted commodity hedging business, using metal forwards and other derivative contracts as hedging instruments. The commodity price risk components of some anticipated purchases and sales transactions are hedged items, as a means of hedging the Company's exposure to fluctuation risk in expected future cash flows from anticipated purchases and sales arising from fluctuations in commodity market prices. Such type is cash flow hedge.

2) During the reporting period, the Company Conducted commodity hedging business, using metal futures and other derivative contracts as hedging instruments. Holding metal raw materials as the hedged items, as a means of hedging the Company's exposure to the commodity price risk of holding metal raw materials. Such type of hedge is fair value hedge.

3) During the reporting period, the Company conducted foreign exchange hedging business, using forward settlement and other derivative contracts as hedging instruments, and some of the foreign exchange cash flows involved in expected purchase and sales transactions as hedged items, as a means of hedging the Company's exposure to fluctuation risk in expected future cash flows from anticipated purchases and sales arising from fluctuations in foreign exchange market prices. Such type is cash flow hedge.

4) During the reporting period, the Company conducted foreign exchange hedging business, using forward settlement and other derivative contracts as hedging instruments and certain foreign exchange deposits as hedged items, as a means of hedging the Company's exposure to fluctuation risk in existing foreign exchange deposits arising from fluctuations in foreign exchange market prices. Such type is fair value hedging.

(2) The Company engages in qualifying hedging transactions and applies hedge accounting

30 June 2026

Unit: RMB'000

Item	Notional amount of the hedging instrument	Carrying amount of the hedging instrument		Statement of financial position presentation items containing hedging instruments
		Assets	Liabilities	
Commodity	**19,616,449**	**129,251**	**242,785**	Derivative financial assets/liabilities
Foreign exchange	**103,686,117**	**2,528,654**	**446,076**	Derivative financial assets/liabilities

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

3. Hedging (Continued)

(2) The Company engages in qualifying hedging transactions and applies hedge accounting (Continued)

31 December 2025

Unit: RMB'000

Item	Notional amount of the hedging instrument	Carrying amount of the hedging instrument		Statement of financial position presentation items containing hedging instruments
		Assets	Liabilities	
Commodity	5,080,849	155,131	296,266	Derivative financial assets/liabilities
Foreign exchange	126,264,723	978,371	96,958	Derivative financial assets/liabilities

(3) The Company engages in hedging activities for risk management purposes and expects to achieve its risk management objectives, but does not apply hedge accounting

☐Applicable ☑ Not applicable

4. Financial assets

(1) Classification of transfer methods

☐Applicable ☑ Not applicable

(2) Financial assets derecognized due to transfer

☐Applicable ☑ Not applicable

(3) Financial assets subject to ongoing asset transfers

☐Applicable ☑ Not applicable

Notes:

From January to June 2026, the Group engaged in several notes receivable discounting transactions with multiple banks and endorsed several bank acceptance bills to other parties to settle payables of equivalent amounts. The Group considers that substantially all risks and rewards upon discounting or endorsement of the relevant notes receivable have been transferred, meeting the criteria for derecognition of financial assets. Therefore, the relevant notes receivable was fully derecognized at their carrying value on the discounting or endorsement date. As at 30 June 2026, the amount of notes receivable derecognized due to discounting and endorsement but not yet matured was RMB84,142,378 thousand. As at 30 June 2026, there were no transferred financial assets with continuing involvement.

XII. FAIR VALUE DISCLOSURE

1. Fair value of assets and liabilities measured at fair value at the end of the period

Unit: RMB'000

Item	Fair value at the end of the period: Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
I. Recurring fair value measurement				
(1) Financial assets held for trading	45,598	68,112,726		68,158,325
(2) Derivative financial assets		2,657,905		2,657,905
(3) Receivable financing		51,923,468		51,923,468
(4) Other equity instruments investments	10,239,569		5,115,096	15,354,665
(5) Other non-current financial assets			7,689,022	7,689,022
Total assets measured at fair value on a recurring basis	10,285,167	122,694,099	12,804,118	145,783,385
(1) Derivative financial liabilities		688,861		688,861
Total liabilities measured at fair value on a recurring basis		688,861		688,861

The Company's other financial assets and financial liabilities did not experience any transfers between Level 1 and Level 2 fair value measurements, nor were there any transfers into or out of Level 3.

For financial instruments traded in active markets, the Company determines their fair value based on quoted prices in those active markets. For financial instruments not traded in active markets, the Company employs valuation techniques to determine their fair value. The primary valuation models used include discounted cash flow models and comparable company models. Inputs for these valuation techniques mainly comprise risk-free rates, benchmark interest rates, exchange rates, credit spreads, liquidity premiums, and illiquidity discounts.

2. Baise for determining the market prices of items at Level 1 fair value measurement

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

3. Quantitative information on significant unobservable inputs used in Level 2 fair value measurements

Assets measured at Level 2 fair value primarily include wealth management products and structured deposits, receivables financing measured at fair value through other comprehensive income, and hedging instruments corresponding to hedging activities.

XII. FAIR VALUE DISCLOSURE (CONTINUED)

3. Quantitative information on significant unobservable inputs used in Level 2 fair value measurements (Continued)

Unit: RMB'000

Item	Fair value at the end of the period	Valuation techniques	Input values
Financial assets held for trading	68,112,726	Discounted cash flow method	Expected interest rate or contract interest rate
Derivative financial assets	2,657,905	Discounted cash flow method	Contract index or exchange rate
Receivables financing	51,923,468	Discounted cash flow method	Expected interest rate or contract interest rate
Derivative financial liabilities	688,861	Discounted cash flow method	Contract index or exchange rate

4. Quantitative information on significant unobservable inputs used in Level 3 fair value measurements

Assets measured at fair value in Level 3 primarily include unlisted equity investments measured at fair value through profit or loss and those measured at fair value through other comprehensive income. These assets are primarily measured using the market approach, adjusted net asset value, and recent transaction price methods. The determination of Level 3 fair value is based on the significance of unobservable inputs in calculating the overall fair value.

Unit: RMB'000

Item	Fair value at the end of the period	Valuation techniques	Unobservable input values
Other equity investments	5,115,096	Market approach, recent transaction price approach	Price-to-book ratio, price-to-sales ratio, price-to earnings ratio, liquidity discount, latest financing price
Other non-current financial assets	7,689,022	Net asset value	Not applicable

XIII. RELATED PARTY AND TRANSACTIONS

1. The Company's controlling shareholder and actual controlling party

The controlling shareholder of the Company is Xiamen Ruiting Investment Co., Ltd. As at 30 June 2026, its shareholding ratio in the Company was 22.04%.

As at 30 June 2026, Mr. Zeng Yuqun directly and indirectly held in aggregate 100% equity interest in Xiamen Ruiting Investment Co., Ltd., the controlling shareholder of the Company, and indirectly held 22.04% of the shares of the Company.

2. Subsidiaries

The Company's subsidiaries refer to Section V Financial Report, X. Interests in Other Entities, 1. Interests in major subsidiaries of this report.

3. Joint ventures and associates

Significant joint ventures and associates refer to Section V Financial Report, X. Interests in Other Entities, 3. Interests in Joint Arrangements or Associates of this report.

Joint ventures and associates that have related party transactions with the Company during current period or the prior period are as follows:

Joint ventures or associates	**Relationship with the Company**
Chengdu Electric Service Trading Investment Energy Technology Co., Ltd.	Joint venture
Some subsidiaries of Fujian Times Zeyuan Equity Investment Fund Partnership (Limited Partnership)	Joint venture
Futian Contemporary Amperex Technology Co., Ltd.	Joint venture
Some subsidiaries of Era Energy Storage (Fujian) Technology Co., Ltd.	Joint venture
Liberation Contemporary Amperex Technology Co., Ltd.	Joint venture
COMAC Times (Shanghai) Aviation Co., Ltd.	Joint venture
Shanghai Kuaibu New Energy Technology Co., Ltd. and its certain subsidiaries	Joint venture
Yibin Sanjiang Lvcheng Energy Technology Co., Ltd.	Joint venture
Some subsidiaries of AutoFlightX Inc	Associate
Some subsidiaries of CHC Co. Limited	Associate

XIII. RELATED PARTY AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Joint ventures or associates	**Relationship with the Company**
Some subsidiaries of Newstride Technology Limited	Associate
PT Sumberdaya Arindo	Associate
PT.QMB New Energy Materials	Associate
Avita Technology (Chongqing) Co., Ltd	Associate
AiXing (Hainan) Smart Mobility Technology Co., Ltd.	Associate
Anmai Era Intelligent Manufacturing (Ningde) Co., Ltd. and its certain subsidiaries	Associate
Beijing Chaboshi Technology Co., Ltd.	Associate
Beijing Galbot Co., Ltd. and its certain subsidiaries	Associate
Some subsidiaries of Changzhou Lithium Source New Energy Technology Group Co., Ltd.	Associate
Dongying Times Energy Storage Technology Co., Ltd.	Associate
Foshan Huapu Gas Technology Co., Ltd.	Associate
Fujian Hongda Era New Energy Technology Co., Ltd.	Associate
Some subsidiaries of Fujian Ningde Zhixiang Unlimited Technology Co., Ltd.	Associate
Fujian Times Star Cloud Technology Co., Ltd	Associate
Gwei Semiconductor (Xiamen) Co., Ltd.	Associate
Zhongke Xingcheng Graphite Co., Ltd. in Gui'an New Area	Associate
Guizhou Phosphating New Energy Technology Co., Ltd.	Associate
National Automotive Power Battery Research Institute Co., Ltd.	Associate
Guolian Core Materials (Beijing) Technology Co., Ltd.	Associate
Guoning Xinchu (Fujian) Technology Co., Ltd.	Associate
Hangzhou Anmaisheng Intelligent Technology Co., Ltd.	Associate
Jiangxi Shenghua New Materials Co., Ltd and its certain subsidiaries	Associate
Jincheng Guotou Times Qiji New Energy Co., Ltd.	Associate
CMOC Group Limited and its certain subsidiaries	Associate
Nengjian Era New Energy Technology Co., Ltd and its certain subsidiaries	Associate
Ningde Huizhi Magnesium and Aluminum Technology Co., Ltd.	Associate
CATL-KSTAR Science and Technology Co., Ltd.	Associate

XIII. RELATED PARTY AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Joint ventures or associates	Relationship with the Company
Ningxiang Jinli Bangpu Environmental Protection Technology Co., Ltd.	Associate
QuJing LinTie Technology Co., Ltd and its certain subsidiaries	Associate
Xiamen Xinnengda Technology Co., Ltd and its certain subsidiaries	Associate
Shandong Genyuan New Materials Co., Ltd and its certain subsidiaries	Associate
Shanghai Jieneng Zhidian New Energy Technology Co., Ltd.	Associate
Shanghai Qiyuan Xin Power Technology Co., Ltd. and its certain subsidiaries	Associate
Shanghai Ronghe Dianke Financial Leasing Co., Ltd. and its certain subsidiaries	Associate
Some subsidiaries of Shanghai Shanshan Lithium Battery Materials Technology Co., Ltd.	Associate
Shanghai Xinshidai New Energy Technology Co., Ltd.	Associate
SAIC Times Power Battery System Co., Ltd. and its certain subsidiaries	Associate
Some subsidiaries of Shenzhen Gecko New Energy Vehicle Technology Co., Ltd.	Associate
Shenzhen Jiyang Intelligent Technology Co., Ltd. and its certain subsidiaries	Associate
Some subsidiaries of Shenzhen Shengde New Energy Technology Co., Ltd.	Associate
Times Wisdom Technology (Fujian) Co., Ltd.	Associate
Some subsidiaries of Times Wisdom Industry (Fujian) Co., Ltd.	Associate
Suzhou CATH Energy Technology Co., Ltd.	Associate
Honghua Times Smart Energy Technology (Suzhou) Co., Ltd. and its certain subsidiaries	Associate
Wanzai County Wanchuang Zhuohong Solid Waste Disposal Co., Ltd.	Associate
Yibin Baichuan Green Energy Technology Co., Ltd.	Associate
Yichang Baiyang Heating Co., Ltd.	Associate
Some subsidiaries of Yifeng County Huaqiao Yongtuo Mining Co., Ltd.	Associate
PetroChina Jichai Era (Shandong) New Energy Technology Co., Ltd.	Associate
Some subsidiaries of Zhongde Century (Tianjin) New Energy Technology Co., Ltd.	Associate
Some subsidiaries of Chongqing Saidou Technology Co., Ltd.	Associate

XIII. RELATED PARTY AND TRANSACTIONS (CONTINUED)

4. Related parties

Related parties	Relationship with the Company
Some subsidiaries of Shanghai Pangu Dynamic Technology Co., Ltd.	Subsidiaries of enterprises in which the related natural person serves as a director
Directors, senior management	Key management personnel

5. Related party transactions

(1) Sale and purchase with related party

Purchase of goods and receiving services

Unit: RMB'000

Related parties	Related party transaction	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Associates	Purchase of goods	**9,914,718**	6,724,235
Associates	Purchase of material	**15,615,209**	7,482,553
Associates	Purchase of services and other	**387,357**	68,108
Joint ventures	Purchase of goods	**2,179**	810
Joint ventures	Purchase of material	**31,640**	
Joint ventures	Purchase of services and other	**3**	
Subsidiaries of enterprises in which the related natural person serves as a director	Purchase of material	**68,587**	

Sale of goods and rendering of services

Unit: RMB'000

Related party	Related party transaction	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Joint ventures	Sale of goods	**189,886**	9,859
Joint ventures	Render of services and others	**6,927**	1,934
Associates	Sale of goods	**2,432,049**	2,697,199
Associates	Sale of material	**739,187**	1,091,381
Associates	Render of services and others	**402,201**	99,885

XIII. RELATED PARTY AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Information of guarantee

The Company as guarantor

Unit: RMB'000

Guarantees	Guarantee amount	Start date	Expiry date	Whether guarantee expired
Jinjiang Mintou Electrical Energy Storage Technology Co., Ltd.	2,970	19 July 2019	20 April 2026	Yes
Jinjiang Mintou Electrical Energy Storage Technology Co., Ltd.	2,970	19 July 2019	20 October 2026	No
Jinjiang Mintou Electrical Energy Storage Technology Co., Ltd.	46,200	19 July 2019	18 July 2034	No
Foshan Huapu Gas Technology Co., Ltd.	3,280	1 January 2023	21 June 2026	Yes
Foshan Huapu Gas Technology Co., Ltd.	11,481	1 January 2023	21 December 2026	No
Foshan Huapu Gas Technology Co., Ltd.	6,561	1 January 2023	21 June 2027	No
Foshan Huapu Gas Technology Co., Ltd.	9,841	1 January 2023	12 December 2027	No
Yichun Longpan Era Lithium Industry Technology Co., Ltd.	24,722	23 August 2023	21 February 2026	Yes
Yichun Longpan Era Lithium Industry Technology Co., Ltd.	218,636	23 August 2023	22 February 2030	No
Yichun Longpan Era Lithium Industry Technology Co., Ltd.	112,099	25 August 2023	24 August 2031	No
Jiangxi Shenghua New Materials Co., Ltd.	37,460	30 June 2026	16 February 2031	No
PT.QMB New Energy Materials	4,278	10 December 2024	10 June 2026	Yes
PT.QMB New Energy Materials	69,270	10 December 2024	18 June 2029	No

XIII. RELATED PARTY AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(3) Key management personnel remuneration

Unit: RMB'000

Item	Six months ended 30 June 2026	Six months ended 30 June 2025
Key management personnel remuneration	**41,173**	15,292

(4) Other related party transactions

In January 2026, AutoFlightX Inc., a company in which the Company's wholly-owned subsidiary Contemporary Amperex Technology (Hong Kong) Limited ("CATL HK") holds a participating interest, proposed to issue 34,858,388 new shares, of which the Company's related party, Ruihua Investment (Hong Kong) Company Limited proposed to subscribe for 17,429,194 shares at a price of US$5.7375 per share, with capital contribution of USD100 million. CATL HK waived its preemptive rights in this financing round, which constitutes a related party transaction. As at the end of the reporting period, Ruihua Investment (Hong Kong) Company Limited had completed its capital contribution.

6. Receivables and payables with related party

(1) Receivables

Unit: RMB'000

Item	Related Party	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Trade receivables	Joint ventures	**102,224**	**78,258**	94,898	73,834
Trade receivables	Associates	**1,763,740**	**88,585**	1,616,411	24,498
Contract assets	Joint ventures	**1,104**			
Contract assets	Associates	**11,627**	**2,540**	9,276	115
Prepayments	Joint ventures	**6**			
Prepayments	Associates	**8,704,431**		5,062,354	
Other receivables	Joint ventures	**101**	**6**		
Other receivables	Associates	**342,122**	**24,832**	203,205	14,206
Long-term receivables	Joint ventures			18,355	
Long-term receivables	Associates			418	
Other non-current assets	Joint ventures	**427**		605	
Other non-current assets	Associates	**9,380,103**		9,603,959	

XIII. RELATED PARTY AND TRANSACTIONS (CONTINUED)

6. Receivables and payables with related party (Continued)

(2) Payables

Unit: RMB'000

Item	Related party	Closing balance	Opening balance
Trade payables	Joint ventures	**11,466**	2,422
Trade payables	Associates	**10,993,107**	7,476,563
Trade payables	Subsidiaries of companies where a connected natural person serves as a director	**35,728**	
Contract liabilities	Joint ventures	**139,984**	145,859
Contract liabilities	Associates	**1,145,964**	363,193
Other payables	Joint ventures	**675**	833
Other payables	Associates	**114,685**	121,497

XIV. SHARE-BASED PAYMENTS

1. Overview of Share-based payments

☑ Applicable ☐Not applicable

Unit: RMB'000

Category of grant recipients	Grant		Exercise		Unlock		Lapse	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Management Personnel	1,221	247,607	103	31,466			954	110,874
Sales Personnel	612	124,169	81	23,061			422	48,132
Research and Development Personnel	1,231	249,770	210	41,147			595	68,162
Manufacturing Personnel	581	117,831	69	19,058			4	323
Total	3,645	739,376	462	114,732			1,974	227,491

XIV. SHARE-BASED PAYMENTS (CONTINUED)

1. Overview of Share-based payments (Continued)

Stock options or other equity instruments issued and outstanding at the end of the period

☑ Applicable ☐ Not applicable

Notes:

(1) In September 2022, the exercise price of the equity incentive granted by the Company through the issuance of restricted stock is RMB263.23 per share (initial price, same below). The exercise price of the stock option is RMB525.81 per share, and the contract period does not exceed 5 years.

(2) In September 2023, the exercise price of the equity incentive granted by the Company through the issuance of restricted stock is RMB112.71 per share, and the contract period does not exceed 5 years.

(3) In March 2026, the transfer price of the equity incentive granted by the Company through the Employee Stock Ownership Plan is RMB183.64 per share, and the contract period does not exceed 5 years.

2. Information on equity-settled share-based payments

☑ Applicable ☐ Not applicable

Unit: RMB'000

Method in determining the fair value of equity instruments at the date of grant	1) The fair value of restricted shares is determined based on the closing price of the Company's shares on the grant date, minus the price granted to employees. 2) Determined according to the Black Scholes option pricing model (B-S model)
Key parameters of grant date fair value of equity instruments	Current market price of stock, annualized volatility, annualized risk-free rate, maturity, dividend yield
Basis in determining the quantity of exercisable equity instruments	Determined according to the expected turnover rate and the conditions of the right to exercise
Reason for significant difference of estimation between current year and prior year	Not applicable
Accumulated amount recorded in capital reserve for equity-settled share-based payments	3,256,405
Total expense recognized for equity-settled share-based payments for the period	184,816

3. Cash-settled share-based payment

☐ Applicable ☑ Not applicable

XIV. SHARE-BASED PAYMENTS (CONTINUED)

4. Share-based payment expense during the reporting period

☑ Applicable ☐Not applicable

Unit: RMB'000

Category of grant recipients	Equity-settled share-based payment expense	Cash-settled share-based payment expense
Management Personnel	79,739	
Sales Personnel	27,339	
Research and Development Personnel	59,874	
Manufacturing Personnel	17,865	
Total	184,816	

XV. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

Unit: RMB'000

Capital commitments contracted but not yet recognized in the financial statements	Closing balance	Opening balance
Commitments for the acquisition and construction of non-current assets	**9,880,117**	13,726,018
Total	**9,880,117**	13,726,018

As at 30 June 2026, the Company has no other commitments that require disclosure.

XV. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies

(1) Significant contingencies existing at the balance sheet date

The Company and its subsidiaries provided guarantees for the following loans of external party:

As at 30 June 2026, the actual external guarantee balance provided by the Company and its subsidiaries was RMB4,686,901 thousand (31 December 2025: RMB4,663,512 thousand).

As at 30 June 2026, the actual guarantee balance provided by the Company to its subsidiaries was RMB47,135,284 thousand (31 December 2025: RMB49,555,686 thousand).

As at 30 June 2026, the Company has no other contingent matters that should be disclosed.

(2) If the Company has no significant contingencies that need to be disclosed, it should also provide an explanation

The Company has no significant contingencies that need to be disclosed.

XVI. EVENTS AFTER THE REPORTING PERIOD

1. Information of profit distribution

Proposed dividend per 10 shares (RMB)	14.11
Profit distribution plan	The 18th meeting of the 4th session of the Board of Directors of the Company considered and approved the Proposal on the 2026 Interim Dividend Distribution Plan, agreeing that the Company shall implement a cash dividend distribution with a distribution amount of RMB6,492,600,307.64, being 15% of the net profit attributable to shareholders of the listed company in the Company's consolidated financial statements for the first half of 2026. Based on the share capital eligible for distribution of 4,598,335,875 shares (i.e., the Company's total share capital of 4,626,654,919 shares excluding 28,319,044 shares in the special account for share repurchase), a cash dividend of RMB14.11 per 10 shares (tax inclusive, rounded to two decimal places, with the last digit truncated directly without rounding, the "Distribution Ratio") shall be distributed to all shareholders. The interim dividend is denominated and declared in RMB and payable in RMB to holders of A Shares, and in HK$ to holders of H Shares. The H Share dividend is converted based on the central parity rate of RMB against HK$ (HK$1 to RMB0.86616) announced by the People's Bank of China on the business day immediately preceding the Company's Board of Directors meeting to consider the 2026 interim dividend distribution plan (23 July 2026). After conversion, the dividend payable for every 10 H Shares is HK$16.29 (tax inclusive). For the half year of 2026, the Company will neither implement capital reserve fund conversion into share capital nor will it distribute bonus shares. From the date of disclosure of the 2026 interim dividend distribution plan until the record date for the equity distribution, if there is any change in the Company's total share capital or the treasury shares in the special account for share repurchase, the Company shall adjust the total cash dividend amount in accordance with the principle of "fixed distribution ratio", based on the Company's total share capital registered as at the record date for the equity distribution, after deducting the treasury shares in the special account for share repurchase.

2. Other post-balance sheet events

As at 24 July 2026 (the date when the board of directors approved this report), the Company has no other after-balance-sheet-date events that need to be disclosed.

XVII. OTHER SIGNIFICANT EVENTS

1. Segment reporting

According to the Company's internal organizational structure, management requirements and internal reporting system, the Company's operations and strategies are operating as a whole, and the financial information provided to the chief operating decision makers does not contain profit or loss information for various operating activities. Therefore, the management believes that the Company has only one operating segment and does not need to prepare a segment report, so the Company does not present any segment information.

2. Other information

(1) Products and services information

The external transaction income of the Company as a whole and its products and services, details refer to Section V Financial Report, VII. Notes to the Consolidated Financial Statements, 50. Operating income and Operating cost.

(2) Region information

The external transaction region information of the Company as a whole and its products and services, details refer to Section V Financial Report, VII. Notes to the Consolidated Financial Statements, 50. Operating income and Operating cost.

Non-current assets include fixed assets and construction in progress, depending on the actual location of the assets. The proportion of non-current assets located in the company exceeds 80%, so there is no need to present more detailed regional information on non-current assets.

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY

1. Trade receivables

(1) Disclosure by aging

Unit: RMB'000

Aging	Closing balance	Opening balance
Within 1 year	**87,721,004**	75,499,876
1 to 2 years	**5,241,257**	1,919,389
2 to 3 years	**1,214,060**	5,186,544
Over 3 years	**906,674**	4,084,926
Total	**95,082,995**	86,690,735

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

1. Trade receivables (Continued)

(2) Disclosure by allowance method

Unit: RMB'000

	Closing balance					Opening balance				
	Book balance		Provision for bad debts			Book balance		Provision for bad debts		
Category	Amount	Percentage (%)	Amount	Provisioning ratio (%)	Carrying amount	Amount	Percentage (%)	Amount	Provisioning ratio (%)	Carrying amount
Provision for bad debts assessed on an individual basis	689,265	0.72	689,265	100.00		715,663	0.83	715,663	100.00	
Provision for bad debts assessed on a collective basis	94,393,729	99.28	1,896,292	2.01	92,497,438	85,975,071	99.17	1,697,330	1.97	84,277,741
Including:										
Receivables from external customers	62,039,820	65.25	1,896,292	3.06	60,143,529	55,319,037	63.81	1,697,330	3.07	53,621,707
Receivables from related parties within the scope of consolidation	32,353,909	34.03			32,353,909	30,656,035	35.36			30,656,035
Total	95,082,995	100.00	2,585,557	2.72	92,497,438	86,690,735	100.00	2,412,993	2.78	84,277,741

Category name of provision for bad debts assessed on an individual basis:

Unit: RMB'000

	Closing balance			
Name	**Book balance**	**Provision for bad debts**	**Provisioning ratio (%)**	**Reason for provision**
Debtor 1	**383,441**	**383,441**	100.00	Expected not recoverable
Debtor 2	**213,383**	**213,383**	100.00	Expected not recoverable
Debtor 3	**45,389**	**45,389**	100.00	Expected not recoverable
Debtor 4	**16,975**	**16,975**	100.00	Expected not recoverable
Others	**30,078**	**30,078**	100.00	Expected not recoverable
Total	**689,265**	**689,265**		

	Opening balance			
Name	**Book balance**	**Provision for bad debts**	**Provisioning ratio (%)**	**Reason for provision**
Debtor 1	**383,441**	**383,441**	100.00	Expected not recoverable
Debtor 2	**213,383**	**213,383**	100.00	Expected not recoverable
Debtor 3	**45,389**	**45,389**	100.00	Expected not recoverable
Debtor 4	**16,975**	**16,975**	100.00	Expected not recoverable
Others	**56,475**	**56,475**	100.00	Expected not recoverable
Total	**715,663**	**715,663**		

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

1. Trade receivables (Continued)

(2) Disclosure by allowance method (Continued)

Category name of provision for bad debts assessed on a collective basis:

Unit: RMB'000

Name	Closing balance		
	Book balance	Provision for bad debts	Provisioning ratio (%)
Within 1 year	**60,583,833**	**751,240**	1.24
1 to 2 years	**489,410**	**194,589**	39.76
2 to 3 years	**192,535**	**176,420**	91.63
Over 3 years	**774,043**	**774,043**	100.00
Total	**62,039,820**	**1,896,292**	

Category name of provision for bad debts assessed on a collective basis:

Unit: RMB'000

Name	Opening balance		
	Book balance	Provision for bad debts	Provisioning ratio (%)
Within 1 year	**54,002,512**	**669,784**	1.24
1 to 2 years	**465,924**	**185,100**	39.73
2 to 3 years	**97,416**	**89,260**	91.63
Over 3 years	**753,186**	**753,186**	100.00
Total	**55,319,037**	**1,697,330**	

Provisions for bad debts on trade receivables calculated by the expected credit loss general model:

☐ Applicable ☑ Not applicable

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

1. Trade receivables (Continued)

(3) Additions, recoveries or reversals of provision for bad debts during the reporting period

Provision for bad debts for the current period:

Unit: RMB'000

Category	Opening balance	Changes in current period				Closing balance
		Addition	**Recoveries or reversals**	**Write-off**	**Others**	
Provision for bad debts	2,412,993	**199,130**		**-26,566**		**2,585,557**
Total	2,412,993	**199,130**		**-26,566**		**2,585,557**

(4) Trade receivables actually written off during the reporting period

Unit: RMB'000

Item	**Write-off amount**
Trade receivables actually written off	26,566

(5) Details of top five trade receivables and contract assets with the closing balances classified by debtors

Trade receivables and contractual assets due from the top five debtors as at 30 June 2026 totaled RMB35,655,868 thousand, which accounted for 37.37% of total trade receivables and contractual assets, and the corresponding provision for bad debts was totaling RMB169,213 thousand.

2. Other receivables

Unit: RMB'000

Item	**Closing balance**	Opening balance
Dividends receivable	**8,228**	
Other receivables	**133,464,903**	98,022,722
Total	**133,473,131**	98,022,722

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

2. Other receivables (Continued)

(1) Dividends receivable

Unit: RMB'000

Item (or investees)	Closing balance	Opening balance
investees	**8,228**	
Total	**8,228**	

(2) Other receivables

1) Disclosure by nature

Unit: RMB'000

Nature	Closing balance	Opening balance
Receivables from employees	**48,046**	43,345
Security deposits or deposits	**166,782**	508,568
Receivables from related parties within the scope of consolidation	**132,661,171**	97,058,339
Other receivables	**1,062,479**	826,558
Total	**133,938,478**	98,436,810

2) Disclosure by aging

Unit: RMB'000

Aging	Closing balance	Opening balance
Within 1 year	**105,402,772**	97,285,272
1 to 2 years	**10,684,917**	17,636
2 to 3 years	**4,606,389**	941,503
Over 3 years	**13,244,400**	192,400
Total	**133,938,478**	98,436,810

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

2. Other receivables (Continued)

(2) Other receivables (Continued)

3) Disclosure by allowance method

Provision for bad debts based on the expected credit loss general model:

Unit: RMB'000

Provision for bad debts	First stage Expected credit loss within 12 months	Second stage Expected credit loss for the entire duration (no credit impairment occurred)	Third stage Expected credit loss for the entire duration (credit impairment has occurred)	Total
Balance at 1 January 2026	314,089		100,000	414,089
Changes of the balance at 1 January 2026				
During the period				
Provision for the period	59,486			59,486
Balance at 30 June 2026	373,575		100,000	473,575

4) Additions, recoveries or reversals of provision for bad debts during the reporting period

Unit: RMB'000

Category	Opening balance	Changes in current period Addition	Recoveries or reversals	Write-off	Others	Closing balance
Provision for bad debts assessed on a collective basis	314,089	59,486				373,575
Provision for bad debts assessed on an individual basis	100,000					100,000
Total	414,089	59,486				473,575

5) Details of top five other receivables with the closing balances classified by debtors

The aggregate amount of the top five other receivables closing balances due from debtors was RMB99,284,161 thousand, accounting for 74.13% of the other receivables closing balances, and the aggregate amount of corresponding bad debt provisions was RMB0 thousand.

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

3. Long-term equity investment

Unit: RMB'000

Item	Closing balance Book balance	Closing balance Provision for impairment	Closing balance Carrying amount	Opening balance Book balance	Opening balance Provision for impairment	Opening balance Carrying amount
Investment in subsidiaries	**105,393,005**	**6,669,403**	**98,723,602**	96,112,642	6,669,403	89,443,238
Investment in joint ventures or associates	**16,814,068**	**769,857**	**16,044,211**	16,456,552	769,857	15,686,695
Total	**122,207,073**	**7,439,260**	**114,767,813**	112,569,193	7,439,260	105,129,933

(1) Investment in subsidiaries

Unit: RMB'000

Investees	As at 31 December 2025 (Carrying amount)	Provision for impairment as at 31 December 2025	Movement in the period: Increase	Movement in the period: Decrease	Movement in the period: Provision for impairment	Movement in the period: Others	As at 30 June 2026 (Carrying amount)	Provision for impairment as at 30 June 2026
Haikou Runshi New Energy Co., Ltd.	10,000,000		**37**				**10,000,037**	
Ningde Funing Contemporary Amperex Technology Limited	9,332,443		**3,170**				**9,335,614**	
Contemporary Amperex Technology (Hong Kong) Limited	8,967,703		**890**				**8,968,594**	
Yajiang Snowway Mining Development Co., Ltd.	3,543,681	2,898,976					**3,543,681**	**2,898,976**
Guangdong Brunp Recycling Technology Co., Ltd.	4,735,821						**4,735,821**	
Fuding Contemporary Amperex Technology Limited	4,509,973		**1,567**				**4,511,540**	
Sichuan Contemporary Amperex Technology Limited	4,254,964		**2,663**				**4,257,627**	
Contemporary Amperex Runzhi Software Technology Limited	3,220,410		**5,426**				**3,225,835**	
Xiamen Ampcore Technology Limited	2,975,000						**2,975,000**	
Ningde Jiaocheng Contemporary Amperex Technology Limited	2,500,000		**969**				**2,500,969**	
Ningbo Meishan Bonded Port Area Wending Investment Co., Ltd	2,167,000						**2,167,000**	
Contemporary Amperex Intelligent Technology (Shanghai) Limited	2,000,250						**2,000,250**	
Yichun Contemporary Amperex Technology Co., Ltd.	2,000,000		**752**				**2,000,752**	
Other subsidiaries	29,235,993	3,770,427	**10,215,490**	**950,600**			**38,500,883**	**3,770,427**
Total	89,443,238	6,669,403	**10,230,963**	**950,600**			**98,723,602**	**6,669,403**

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

3. Long-term equity investment (Continued)

(2) Investment in joint ventures and associates

Unit: RMB'000

Investee	As at 31 December 2025 (Carrying amount)	Provision for impairment as at 31 December 2025	Movement in the period: Addition	Reduction	Investment income under equity method	Adjustment to other comprehensive income	Change in other equity	Declared distribution of cash dividend or profit	Provision for impairment	Other	As at 30 June 2026 (Carrying amount)	Provision for impairment as at 30 June 2026
I. Joint ventures												
Joint ventures	1,559,147				-164,473						1,394,674	
Subtotal	1,559,147				-164,473						1,394,674	
II. Associates												
Livit Life Insurance Co., Ltd.	1,242,944				-128,751	-31,654					1,082,539	
Fujian Ningde Zhixiang Unlimited Technology Co., Ltd.	442,221	138,113			25,743						467,964	138,113
Shanghai Jieneng Zhidian New Energy Technology Co., Ltd.	504,195				1,779						505,974	
Investments in listed companies and certain subsidiaries of listed companies	7,525,692	583,555	69,579		465,166	525					8,060,963	583,555
Other associates	4,412,496	48,189			127,219		609	-8,228			4,532,096	48,189
Subtotal	14,127,548	769,857	69,579		491,157	-31,128	609	-8,228			14,649,537	769,857
Total	15,686,695	769,857	69,579		326,684	-31,128	609	-8,228			16,044,211	769,857

The recoverable amount is determined as the net amount of fair value less costs to sell

☐Applicable ☑ Not applicable

The recoverable amount is determined based on the present value of the expected future cash flows

☐Applicable ☑ Not applicable

XVIII. NOTES TO SIGNIFICANT ITEMS OF FINANCIAL STATEMENTS OF PARENT COMPANY (CONTINUED)

4. Operating income and operating cost

Unit: RMB'000

Item	**Six months ended 30 June 2026**		Six months ended 30 June 2025	
	Revenue	**Cost**	Revenue	Cost
Primary operations	**130,726,136**	**124,195,804**	85,665,796	80,738,297
Other operations	**33,325,435**	**5,054,874**	30,165,256	2,257,779
Total	**164,051,571**	**129,250,678**	115,831,053	82,996,077

5. Investment income

Unit: RMB'000

Item	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Gains from long-term equity investments under the equity method	**326,684**	-11,156
Dividend income from subsidiaries	**8,381,461**	13,338,623
Others	**101,928**	-77,199
Total	**8,810,074**	13,250,268

XIX. SUPPLEMENTARY INFORMATION

1. Details of non-recurring gains or losses

☑ Applicable ☐ Not applicable

Unit: RMB'000

Item	Amount	Statement
Gains and losses on disposal of non-current assets	228,681	
Gains and losses arising from changes in the fair value of financial assets and liabilities held by non-financial enterprises and gains and losses arising from the disposal of financial assets and liabilities, except for effective hedging business related to the Company's normal business operations	1,536,019	
Reversal of provision for impairment of receivables that was made on individual basis	1,590	
Non-operating income and expenses other than listed above	102,100	
Other profit or loss items that meet the definition of non-recurring gains or losses	4,540,958	
Less: effects of income tax	1,476,303	
Effects of non-controlling interests (net of tax)	662,343	
Total	4,270,703	–

Specific circumstances regarding other profit and loss items meeting the definition of non-recurring gains and losses:

☑ Applicable ☐ Not applicable

Primarily other income.

Explanation of circumstances where non-recurring gains and losses items listed in "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public – Non-recurring Gains and Losses" are classified as recurring gains and losses items.

☐ Applicable ☑ Not applicable

XIX. SUPPLEMENTARY INFORMATION (CONTINUED)

2. Return on equity and earnings per share

Profit in reporting period	Weighted average return on equity	Earnings per share: Basic earnings per share (RMB/share)	Earnings per share: Diluted earnings per share (RMB/share)
Net profit attributable to the shareholders of the Company	12.08%	9.51	9.51
Net profit excluding non-recurring items attributable to the shareholders of the Company	10.88%	8.57	8.57

3. Differences in accounting data under domestic and international accounting standards

(1) Differences in net profit and net assets between financial statements prepared in accordance with International Financial Reporting Standards and those prepared in accordance with Chinese Accounting Standards

☐Applicable ☑ Not applicable

(2) Differences in net profit and net assets between financial statements prepared in accordance with overseas accounting standards and those prepared in accordance with Chinese accounting standards

☐Applicable ☑ Not applicable

(3) Explanation of the reasons for discrepancies in accounting data under domestic and international accounting standards. Where adjustments have been made to data already audited by an overseas auditing institution, the name of that overseas institution shall be stated

☐Applicable ☑ Not applicable