

Stock Code: 688005

Company Abbreviation: Ronbay Technology

Ningbo Ronbay New Energy Technology Co., Ltd.
Annual Report 2023 (Abridged English Version)

Contents

Section I Important Notes	3
Section II Definitions	4
Section III Basic Information and Main Financial Data of the Company	6
Section IV Management Discussion and Analysis	7
Section V Corporate Governance	31
Section VI Changes in Shares and Shareholders	40

Section I Important Notes

- 1 The summary of this annual report is derived from the full text of the annual report. To fully understand the Company's operational results, financial condition, and future development plans, investors should carefully read the full text of the annual report available at www.sse.com.cn.**
- 2 The Board of Directors, the Board of Supervisors, the directors, supervisors and senior management of the Company guarantee the truthfulness, accuracy and completeness of the contents of the Annual Report which is free of any false records, misleading statements or major omissions, and shall bear joint and several liability.**
- 3 All directors of the Company have attended the Board of Directors meetings.**
- 4 Pan-China Certified Public Accountants (Special General Partnership) has issued a standard unqualified audit report for the Company.**
- 5 The Board of Directors has approved the profit distribution plan or the plan for converting fund to increase capital stock during the reporting period.**

As audited by Pan-China Certified Public Accountants (Special General Partnership), as of December 31, 2023, the profit available for distribution of the parent company at the end of the period had reached RMB 362,149,625.26. As decided by the Board of Directors, for the fiscal year 2023, based on the existing total share capital of 484,223,588 shares, excluding the repurchased shares in the repurchase specific securities account totaling 5,788,628 shares, leaving a base of 478,434,960 shares for profit distribution, it is proposed to distribute a cash dividend of RMB 3.03 per 10 shares (including tax) to all shareholders, totaling RMB 144,965,792.88 (including tax), representing 24.96% of the net profit attributable to shareholders of the listed company for the consolidated statement of the fiscal year 2023. The Company will not issue bonus shares nor will it convert capital reserve into share capital.

If there are changes in the total share capital from the date of this announcement until the equity distribution record date due to events such as convertible bonds conversion/share repurchase/share incentive grant share repurchase cancellation/major asset reorganization share repurchase cancellation, the Company plans to maintain the same per share distribution ratio and adjust the total distribution amount accordingly. Should there be subsequent changes in the total share capital, specific adjustments will be announced separately.

The profit distribution plan for the fiscal year 2023 has been deliberated and approved by the thirty-second meeting of the second Board of Directors and is subject to the review of the shareholders' meeting.

Section II Definitions

Unless the context otherwise requires, the following words shall have the following meanings in this Report:

Definition of common words		
Company, The Company and Ronbay Technology	shall mean	Ningbo Ronbay New Energy Technology Co., Ltd.
CATL	shall mean	Contemporary Amperex Technology Co., Limited and its controlled companies Jiangsu Contemporary Amperex Technology Limited, Fuding Contemporary Amperex Technology, Sichuan Contemporary Amperex Technology and CATL-SAIC Power Battery Co., Ltd.
EVE	shall mean	EVE Energy Co., Ltd. and its subsidiaries EVE Battery Co., Ltd., EVE Jineng Co., Ltd. and EVE Power Co., Ltd.
GEM	shall mean	GEM Co., Ltd., Jingmen GEM New Materials Co., Ltd., and GEM (Wuxi) Energy Materials Co., Ltd.
Lygend	shall mean	Lygend Resource Technology Co., Ltd.
Tianqi Lithium	shall mean	Chengdu Tianqi Lithium Co., Ltd.
Albemarle	shall mean	Albemarle Management (Shanghai) Co., Ltd.
GGII	shall mean	An industry research consultancy focused on China's strategic emerging industries, consisting of lithium, electric vehicles, LED, robotics, new materials and intelligent vehicle institutes.
Lithium battery	shall mean	A class of batteries consisting of lithium metal or lithium alloy as cathode materials and using a non-aqueous electrolyte solution. Lithium batteries can be divided into lithium-metal batteries and lithium-ion batteries. All references to "lithium batteries" in this Report are lithium-ion batteries
Lithium-ion battery	shall mean	A secondary battery (rechargeable battery) that operates primarily by moving lithium ions between the cathode and anode. In the process of charging and discharging, Li ⁺ is embedded and deembedded between the two electrodes. During charging, Li ⁺ is deembedded from the cathode and embedded into the anode through the electrolyte, and the anode is in a lithium-rich state. The opposite is true for electrical discharge.
Sodium-ion battery	shall mean	A secondary battery (rechargeable battery) that operates primarily by moving sodium ions between the cathode and anode. In the process of charging and discharging, Na ⁺ is embedded and deembedded between the two electrodes. During

		charging, Na ⁺ is deembedded from the cathode and embedded into the anode through the electrolyte, and the anode is in a sodium-rich state. The opposite is true for electrical discharge.
Cathode material	shall mean	One of the main components of lithium battery, the performance of which directly affects the performance index of lithium battery.
Precursor	shall mean	The intermediate product of highly uniform distribution of various elements prepared by solution process, which can be converted into the finished product by chemical reaction, and plays a decisive role in the performance index of finished product.
Ternary cathode materials/ternary materials	shall mean	Ternary composite cathode materials made of such raw materials as nickel salt, cobalt salt and manganese salt or nickel salt, cobalt salt and aluminum salt in lithium battery cathode materials.
NCM (Lithium nickel-cobalt-manganate)	shall mean	A ternary material with the chemical formula of LiNi _x Co _y Mn _z O ₂ , x+y+z=1, the most widely used ternary material in China now; the higher the nickel content, the higher the specific capacity.
NCA (Lithium nickel-cobalt aluminate)	shall mean	A ternary material with the chemical formula of LiNi _x Co _y Al _z O ₂ , x+y+z=1
NCMA (Lithium nickel-cobalt-manganese-aluminate)	shall mean	A ternary material with the chemical formula of LiNi _x Co _y Mn _z Al _n O ₂ , x+y+z+n=1
Lithium iron phosphate (LFP)	shall mean	An olivine-structured phosphate, used as a cathode material for lithium-ion batteries, mainly used in lithium-ion power batteries and lithium-ion energy storage, with the chemical formula of LiFePO ₄ .
Lithium ferromanganese phosphate (LMFP)	shall mean	A new phosphate solid solution lithium ion battery cathode material formed by replacing part of iron (Fe) with manganese (Mn) on the basis of lithium iron phosphate (LiFePO ₄), with the chemical formula of LiMn _x Fe _{1-x} PO ₄ .
New energy vehicles	shall mean	Vehicles that adopt unconventional vehicle fuel as a power source (or use conventional vehicle fuel and adopt new on-board power devices), integrate advanced technology in power control and drive of vehicles, and form advanced technical principles, new technologies and a new structure.
Energy density	shall mean	Energy per unit volume or unit mass of a battery, divided into volumetric energy density (Wh/L) and mass energy density (Wh/kg).

Section III Basic Information and Main Financial Data of the Company

3.1 Company profile

3.1.1 Company stock profile

Applicable Not applicable

Company Stock Profile				
Stock Class	Stock Exchange and Board	Stock Abbreviation	Stock Code	Stock Abbreviation before Change
A share	Shanghai Stock Exchange, Science and Technology Innovation Board	Ronbay Technology	688005	/

3.1.2 Contact person and contact information

Contact Person and Contact Information	Secretary of the Board of Directors (Domestic representative of information disclosure)
Name	Yu Jiyun
Office Address	39 Tanjialing East Road, Yuyao, Zhejiang Province
Tel	0574-62730998
Email	ir@ronbaymat.com

3.2 Main accounting data and financial indicators in the past three years

Unit: RMB Currency: RMB

	2023	2022	Increase or Decrease of this Year over Last Year (%)	2021
Total assets	24,639,096,566.49	25,660,046,343.51	-3.98	14,701,416,639.02
Net assets attributable to shareholders of listed companies	8,698,065,813.64	6,964,671,593.28	24.89	5,428,982,869.88
Operating revenue	22,657,274,651.38	30,122,995,138.19	-24.78	10,259,004,445.19
Net profit attributable to shareholders of listed companies	580,908,514.51	1,353,229,887.56	-57.07	911,041,341.99
Net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses	515,391,565.36	1,316,756,769.65	-60.86	808,246,609.29

Net cash flow from operating activities	1,795,379,751.91	-240,981,050.07	N/A	-191,850,584.26
Weighted average return on equity (%)	7.73	21.94	Down by 14.21%	18.41
Basic earnings per share (RMB/share)	1.27	3.00	-57.67	2.06
Diluted earnings per share (RMB/share)	1.27	2.97	-57.24	2.01
R&D investment to operating revenue (%)	1.56	1.62	Down by 0.06%	3.50

3.3 Main quarterly accounting data during the reporting period

Unit: RMB Currency: RMB

	Quarter 1 (January to March)	Quarter 2 (April to June)	Quarter 3 (July to September)	Quarter 4 (October to December)
Operating revenue	8,368,049,013.90	4,526,084,002.33	5,680,098,449.69	4,083,043,185.46
Net profit attributable to shareholders of listed companies	310,929,969.23	68,360,427.94	236,615,295.23	-34,997,177.89
Net profit attributable to shareholders of listed companies after deducting non-recurring gains and losses	297,280,857.61	27,492,574.83	234,736,752.61	-44,118,619.69
Net cash flow from operating activities	-300,795,709.87	1,253,839,907.27	-62,769,078.75	905,104,633.26

Section IV Management Discussion and Analysis

4.1 Introduction to the Company's main businesses during the reporting period

4.1.1 Main business, main products or services

The Company is mainly engaged in the R&D, production and marketing of multi-materials, lithium ferromanganese phosphate (LMFP) materials, sodium battery materials and multi-precursors. The products are mainly used in the manufacturing of lithium/sodium batteries, and are mainly applied in the fields such as electric vehicles, electric two-wheelers, energy storage equipment and electronic products.

The leading products are NCM811 series, NCA series, NCA series, NCMA series, Ni90 series and above ultra-high-nickel cathode materials, pure series and doped series of LMFP cathode materials, and layered oxide series of sodium battery cathode materials and ternary precursors.

As the first cathode material manufacturer in China to realize the mass production of NCM811 series products and apply them to the international mainstream terminal automakers, the Company is a world leader in technology and production scale for high-nickel and ultra-high-nickel series products. In recent years, with the mass production of large cylindrical batteries, the shipments of our ultra-high-nickel series 9 products have continuously increased. Guided by a global strategy, the Company has accelerated its entry into the European and American new energy vehicle markets, optimizing our customer structure. Additionally, as a comprehensive supplier of cathode materials covering the entire market, the Company continues to expand its competitive advantages and market presence in high-nickel materials while innovating around its core business. We have developed multiple types of LMFP materials for applications in four-wheelers, two-wheelers, energy storage, and consumer sectors. Among them, products with a manganese to iron ratio of 6:4 and our exclusive M6P product, a blend with ternary materials, have achieved batch shipments. We have also made breakthroughs in the next-generation integrated solid-liquid process, enhancing the performance and reducing the cost of LMFP materials. In the area of sodium cathodes, while maintaining stable mass production of layered materials, we have developed industry-leading polyanionic sodium cathodes and have received orders from core customers in various market segments.

4.1.2 Main business models

The Company has put in place an independent R&D, procurement, production and marketing system, mainly through the R&D, manufacturing and marketing of ternary cathode materials and their precursors, LMFP materials and sodium cathode materials to achieve profitability.

1. R&D model

The Company has developed a customer-centered, market-oriented R&D system and continued to optimize it. It has established a R&D model centered on customer requirements by the business units and combining the R&D of forward-looking new industries and high-end products by the research institute. Through the form of integrated product development (IPD), the Company has established a cross-departmental product development team and built a "horizontal + vertical" all-round R&D system. The Central Research Institute of the Company has integrated the R&D resources of China, Japan and South Korea to undertake core functions such as cutting-edge technology research, product and technological innovation, and incubation of new businesses, supporting the R&D capacity building from original innovation to mass production transformation and process improvement. In terms of product development and industrialization, while providing material samples to customers, the Company offers usage condition

recommendations based on the development status of the customers' battery products. This helps customers finalize their battery systems and jointly explore the product application market. In the development of R&D personnel, the Company continuously empowers its R&D staff through R&D system training and knowledge sharing, providing a constant supply of R&D talent for the Company's business expansion.

2. Procurement model

To achieve coordinated management of supply chain development, centralized procurement, and processing trade, the Company has established the Ronbay Trading Company and continuously promoted the integration of commerce and trade, and industrial and trade platforms. In terms of procurement strategy, for major raw materials such as nickel, cobalt, manganese and lithium, the Company has established long-term partnerships with Ganfeng Lithium, Albemarle, GEM, Tianqi Lithium, Huayou Cobalt, Lygend and other domestically and internationally well-known raw material suppliers. A list of relatively stable qualified suppliers has been formed to ensure the continuous and stable supply of raw materials and establish a competitive advantage in raw material costs for the Company. In terms of supplier management, the Company has kept procurement under strict control by promoting standardized bidding process, systematic supplier evaluation and other ways to guarantee the reliability of raw materials quality.

3. Production model

The Company mainly adopts the production model based on sales, establishes and implements a production plan oriented towards customer orders and medium- and long-term requirements. In terms of production organization, the Company has developed comprehensive process control procedures and efficient customer order handling processes. The Production Department creates production plans based on sales plans provided by the Sales Department, actual finished goods stock, safety stock levels, and workshop production capacity, and adjusts production pace according to specific orders to ensure timely delivery and stable quality while reducing stock levels to control production costs and improve capital efficiency. Moreover, to meet the production of certain new materials, the Engineering Department will optimize the production line layout and equipment structure according to the special needs of new products. Additionally, to address the wide distribution of customers, fast development pace, and significant size differences, the Company has established four major production bases in Hubei, Guizhou, Zhejiang, and Korea, with offices in Ningde, Shenzhen, and Korea, maximizing market resources for rapid response in product development, manufacturing, and logistics. For strategic customers, the Company also offers customized production to meet their specific technical requirements for products, ensuring stable supply and high performance.

4. Marketing model

The Company mainly adopts the direct sales model, with core customers including mainstream battery manufacturers and automakers both domestically and internationally. Due to the complex material

system of batteries, the power battery has a long research and development cycle, and requires high precision control in the manufacturing process. Therefore, the Company, as a cathode material enterprise, needs to provide customers with supporting technical solutions to meet different battery systems, for which the Company will organize and collaborate with Sales, R&D, Procurement, Engineering and other departments to form a project team in order to quickly respond to the specific needs of different customers.

4.2 Industry conditions

4.2.1 Development stage, basic characteristics and main technical thresholds of the industry

(1) Development stage of the industry

The Company operates in the lithium-ion battery cathode material industry, which is a key material industry critically developed in the fields of new energy, new materials, new energy vehicles, and energy storage. Based on China's goals for "Peak Carbon and Carbon Neutrality" and catalyzed by regulations such as the EU's "2035 Ban on the Sale of Fuel Vehicles" and the U.S.'s "Inflation Reduction Act", the lithium battery industry follows the sustained positive long-term development trend of global new energy vehicle industry, demonstrating a robust growth momentum.

During the reporting period, the new energy vehicle industry maintained a high growth trend and experienced structural adjustment. The growth rate slowed down domestically, while the markets in Europe and America performed exceptionally well. In Europe, the new energy vehicle market exceeded the 3 million unit mark, and the U.S. market growth rate far surpassed the global average. According to ICCSINO statistics, in 2023, global new energy vehicle sales reached 13.394 million units, up 32% year-on-year; sales in China reached 9.495 million units, up 37.9% year-on-year; sales in Europe were 2.95 million units, up 13.4% year-on-year; and sales in the U.S. reached 1.402 million units, up 52.4% year-on-year, making it the region with the highest growth rate globally.

Given the vast development potential of the overseas new energy vehicle market and to address the intensifying internal competition in China, the lithium battery industry has started expanding overseas. Moreover, due to the successive introduction of restrictive trade policy bills in Europe and North America (such as the U.S.'s "Inflation Reduction Act" and the EU's "New Battery Act"), international automakers are increasingly demanding localization of the overseas supply chain, further accelerating the overseas production layout of Chinese lithium battery companies. According to incomplete statistics from GGII, during the reporting period, 13 domestic lithium battery companies went overseas to set up factories, with a year-on-year increase of 160% and a total investment exceeding RMB 134 billion; over 20 lithium battery material companies went abroad to establish factories, mostly those producing ternary precursors and cathode materials, with a total investment exceeding RMB 74 billion.

(2) Basic characteristics

In 2023, the mainstream cathode materials used in the power battery field remained ternary and lithium iron phosphate (LFP), showing a strong demand for technological upgrades, among which, the share of high-nickel in ternary cathode has improved, and the industrialization process of lithium ferromanganese phosphate in phosphate has accelerated.

In terms of ternary cathode materials, driven by the domestic and international markets' demand for high energy density, the penetration rate of high-nickel products further increased. According to ICCSINO statistics, in 2023, the global penetration rate of high-nickel ternary cathode materials exceeded 50%; the domestic production of high-nickel ternary cathode materials was 289,000 tons, up 7.0% year-on-year, accounting for 49% of the domestic ternary cathode material market share.

In terms of phosphate cathode materials, the production of lithium ferromanganese phosphate continued to grow, but the growth rate significantly slowed. The lack of energy density has always been a pain point in the application of lithium ferromanganese phosphate, with a clear market demand for lithium ferromanganese phosphate-doped upgrades. With the launch of Chery Luxeed S7 equipped with lithium ferromanganese phosphate and CATL's M3P confirmed to be installed in Tesla vehicles, coupled with the premium of new technologies, the profitability is considerable, and both supply and demand sides are accelerating the industrialization process of lithium ferromanganese phosphate.

(3) Main technical thresholds

The high-nickel ternary cathode material industry has a high technical threshold, primarily in the areas of development technology, production technology, and quality certification. The high R&D technical threshold is reflected in the fact that the R&D of high-nickel ternary cathode materials not only requires technical modifications such as doping and capping, but also needs to be calcined under the oxygen atmosphere, which has high requirements for the production line design capability, personalized product development capability and technical service capability of enterprises, and also has harsh requirements for the humidity control of the production environment, corrosion resistance of the equipment and automation level. Furthermore, high-nickel ternary cathode materials are among the most critical raw materials in power batteries and significantly impact the core and safety performances of these batteries. Considering the stability and safety of the products, the certification testing procedures for products like NCM811 and NCA by automotive and power battery companies are more complex. These procedures not only require long-term performance testing but also detailed assessments of the comprehensive supply capabilities, automated production management level, cost-effectiveness, quality stability and consistency of scale mass production of manufacturers. The overall certification period can extend beyond two years.

The development of LMFP cathode materials has seen several manufacturers achieve mass deliveries in small power applications such as two-wheelers. However, as an upgraded product of LFP, this material has a broader demand in the EV market, which holds high expectations for it. Currently, continuous breakthroughs are being made in both technology and application in this field. The EV industry consistently benchmarks the core performance and watt-hour cost of LMFP materials against mature LFP materials. Thus, in addition to rapidly enhancing performance aspects like fast charging, high temperature, and direct current resistance (DCR), it is also necessary to achieve more stable mass deliveries and cost control. Given the high market demands, the choice of manufacturing processes for LMFP, precise control of core production parameters, and the balanced application of modification technologies such as carbon coating, nanotechnology, and ion doping result in significant technical barriers to the stable mass production of this material for EV use.

4.2.2 Analysis of the Company's position in the industry and its changes

In 2023, Ronbay's shipment of ternary cathode materials continued to grow by approximately 100,000 tons, a year-on-year increase of 11%, with a global market share exceeding 10%, firmly establishing its industry leadership position. According to ICCSINO statistics, the global penetration rate of high-nickel materials exceeded 50% in 2023; the domestic production of high-nickel materials was 289,000 tons, up 7.0% year-on-year, accounting for 49% of the domestic ternary materials market and becoming the main driver of market scale growth in ternary materials. The Company continues to hold the leading position in the domestic ternary market.

As a leading enterprise in high-nickel ternary materials, with the gradual application of high-energy density batteries such as large cylindrical batteries and solid-state batteries in vehicles, the shipment

proportion of the Company's high-nickel and ultra-high-nickel products has significantly increased. Among them, shipments of the series 9 ultra-high-nickel products approached 10,000 tons, further strengthening the Company's barrier advantages and profitability in the high-nickel sector. Additionally, shipments of the Company's LMFP products increased by 85% year-on-year in 2023, further consolidating its market leadership position, with a breakthrough expected in the automotive market in 2024. In the sodium cathode material sector, the Company maintains a leading advantage in technology R&D and product performance. Its layered materials have achieved stable mass production, and its polyanionic materials have received orders from core customers in different market segments.

During the reporting period, while deepening its position as a "comprehensive supplier of cathode materials covering the entire market", the Company continuously iterated its development strategy and officially released its globalization strategy in August 2023. With the introduction of international trade policies such as the U.S.'s "Inflation Reduction Act" and the EU "New Battery Regulation", globalization development opportunities are unprecedented. The Company has made significant breakthroughs in overseas customer development, and through strategic, technological, and supply collaborations, it has partnered with many of the world's top battery manufacturers and automakers. In 2023, Ronbay signed a strategic cooperation agreement with the globally renowned battery company Eve Energy and also signed framework cooperation and technical cooperation agreements with top lithium battery customers in Japan and South Korea. In the fourth quarter of 2023, the Company achieved monthly shipments of over 1,000 tons to a certain Western customer, and is accelerating the integration into the lithium battery supply systems in Europe, America, Japan, and South Korea.

At the end of the reporting period, the Company had built a cathode production capacity of over 200,000 tons (including high-nickel, LMFP, and sodium cathode), ranking first globally in ternary cathode production scale. Additionally, the U.S. office has been established, and the European investment project has entered a critical phase. The first phase of the Korean base was completed in 2023, and the second phase, including a 40,000 tons/year ternary material project and a 20,000 tons/year LMFP project, officially commenced in August of the same year. Concurrently, the Company was approved for 250 acres of land in Saemangeum, Korea, planning to build an annual production base of 80,000 tons of ternary precursor and associated sulfate production.

In 2024, with the industrialization of ternary high-nickel materials and LMFP, along with the accelerated volume increase from customers in Europe, America, Japan, and South Korea, the Company's sales are expected to further break through, and the domestic and foreign customer structure is expected to further improve. While becoming a comprehensive supplier of cathode materials covering the entire market, the Company will fully leverage its early-mover advantage in the global new energy industry chain, advancing capacity building, customer development, and technological cooperation in Asia, Europe, and America, to fully implement its globalization strategy and strengthen its global leadership as a leading supplier of cathode materials.

4.2.3 The developments and future trends of new technologies, new industries, new business forms and new models during the reporting period

During the reporting period, the requirements for performance of power and energy storage batteries continued to escalate. Meanwhile, as the new energy vehicle market kept growing, the recycling industry also gained increased attention. The following are the developments and future trends of new technologies during the reporting period:

(1) Semi/solid-state battery technology route

Solid-state batteries, which use a solid electrolyte as opposed to traditional lithium batteries, offer higher safety, better temperature adaptability, and greater energy density. Currently, there are three mainstream technology routes: polymer solid-state batteries, oxide solid-state batteries, and sulfide solid-state batteries. Internationally, the focus is on sulfide systems, while domestically, the focus is on oxide systems. The American solid-state battery company QuantumScape has claimed that its solid-state batteries have passed Volkswagen Group's durability tests, achieving "over 1,000 charging cycles with a capacity still above 95%", far exceeding industry standards.

While solid-state batteries continue to be developed and piloted, semi-solid batteries have become a transitional technology solution chosen by the market. Semi-solid batteries use a mixed solid-liquid electrolyte, with an electrolyte content of 5-10%, and include a coating of solid electrolyte. Compared to traditional liquid lithium batteries, semi-solid batteries offer better safety, higher energy density, longer cycle life, and wider operating temperature range. According to data from GGII, in 2023, the installed capacity of domestic semi-solid batteries exceeded the GWh level, marking the start of industrialization, with an acceleration in mass production expected in 2024.

According to the China Inorganic Salts Industry Association, given the needs to reduce costs and increase energy density, LMFP, high-nickel ternary, and lithium-rich manganese-based cathode materials are set to be the main research directions for future solid-state battery cathode materials. As a comprehensive supplier of cathode materials covering the entire market, the Company leads the industry in the development of high-nickel and ultra-high-nickel product series, which can be applied to solid-state battery systems, with performance indicators at the forefront of the industry. Low cobalt, long-cycle, lithium-rich manganese-based, and solid-state battery cathode materials have also received wide recognition from customers.

(2) Mass production and application of large cylindrical batteries

Large cylindrical battery has the advantages of high energy density, low cost, high safety, and long life, entering a capacity expansion phase in 2023. In addition to foreign automakers, numerous mainstream domestic and international automakers/battery manufacturers have begun to adopt large cylindrical batteries, such as BMW, NIO, Panasonic, Samsung SDI, CATL, and EVE Energy, with clear demand from leading OEMs driving the core market for large cylindrical batteries.

Large cylindrical batteries paired with high-nickel ternary materials can fully leverage the advantages of high energy density and good thermal stability. Currently, large cylindrical batteries primarily use NCM811 cathode materials, and future cost reduction and efficiency improvement could be achieved by replacing NCM811 with ultra-high-nickel Ni90. In 2024, with the increase of domestic and foreign mainstream enterprises that lay out large cylindrical batteries, the mass production of large cylindrical batteries and the expansion of production lines, as the first cathode material manufacturer in China to realize the mass production of NCM811 series products and apply them to the international mainstream

terminal automakers, the Company's high-nickel and ultra-high-nickel products will gain extensive market opportunities.

(3) Application of LMFP batteries in vehicles

LMFP is a new type of phosphate-based lithium-ion battery cathode material formed by doping manganese into lithium iron phosphate, representing an upgraded generation of products with higher energy density, lower cost, and better low-temperature performance. According to GGII, theoretically, LMFP can achieve 10%-20% higher energy density than LFP, and at -20°C, it can perform up to 95% of its capacity at room temperature. In 2023, LMFP mixed with ternary materials saw its application in end-terminal vehicle models, as evidenced by the Ministry of Industry and Information Technology's 374th batch of new energy vehicle product catalog, which includes two Max models of Chery Luxeed S7 and Chery EXEED developed in cooperation with Huawei, both featuring a "ternary + LMFP" battery combination.

According to GGII forecasts, by 2025, shipments of LMFP cathode materials are expected to exceed 200,000 tons, with a market size potentially surpassing RMB 10 billion. The Company has achieved large-scale mass production of LMFP since 2022 through the acquisition of Tianjin Ronbay, maintaining a leading position in industry shipments. Additionally, the Company has developed high-capacity products with a manganese-iron ratio of 7:3 and M6P products mixed with ternary materials, achieving batch shipments, and is expected to make significant breakthroughs in the automotive market in 2024.

4.3 Business situation analysis and discussion

During the reporting period, the global new energy industry continued to grow rapidly. According to statistics from SNE Research, in 2023, the global power battery usage for new energy vehicles reached 705.5 GWh, a year-on-year increase of 38.6%; the global shipment volume of energy storage batteries reached 185 GWh, a year-on-year increase of 53%. Data from the China Association of Automobile Manufacturers shows that the penetration rate of new energy vehicles in China reached 31.6% in 2023, setting a new record, up 5.9% over the same period of last year. In comparison, penetration rates in Europe and North America are far lower than in China, indicating significant growth potential in overseas markets. Benefiting from the growth in downstream market demand, the Company shipped approximately 100,000 tons of ternary cathode materials in 2023, an increase of 11% year-on-year, with a global market share of over 10%, maintaining the industry lead for three consecutive years.

In 2023, the Company launched a global strategy in Shanghai, Seoul, and Shenzhen, actively promoting the implementation of its global layout. At the end of 2023, the U.S. Department of Energy, based on the "Inflation Reduction Act", further proposed the "Foreign Entity of Concern (FEOC)" regulations. According to the original text and interpretations on the U.S. Department of Energy's official website, the Company's subsidiaries established in overseas Free Trade Agreement (FTA) regions, such as South Korea, meet the tax credit requirements of the "Inflation Reduction Act", providing the Company with greater development opportunities in the high-value and high-growth North American market. The Company will continue to firmly advance its global strategy, entering a new phase of development.

The Company's wholly-owned subsidiary in Korea, JS Corporation, was one of the earliest large-scale cathode material manufacturers built by a domestic enterprise overseas. The first phase of the project

has been completed, with production capacity steadily increasing. In August of the same year, the Korean base officially started the construction of the second phase for 40,000 tons/year of ternary materials and 20,000 tons/year of LMFP, with an accompanying 80,000 tons of precursor capacity also planned. The Company has taken the lead in completing an integrated layout of cathode materials, precursors, and recycling in Korea. During the same period, to better serve customers, the Company established a North American office, initially forming an operational team and starting site selection for a North American factory. Site selection and construction for a European factory also made positive progress.

During the reporting period, the Company achieved operating revenue of RMB 22.657 billion, with net profit attributable to the parent company shareholders of RMB 581 million, down 24.78% and 57.07% year-on-year, respectively. The main reasons are: (1) a significant drop in the price of key raw materials of lithium salt in 2023, adversely affecting the Company's revenues and profits; (2) increased strategic investment in global layout (Korea, Europe, and America), LMFP, and sodium battery product development, impacting current profits; (3) the adoption of an aggressive market competition strategy, ensuring an increase in market share and affecting the current gross profit.

(1) Ranked first globally in shipping volume of ternary materials for three consecutive years, with significant breakthroughs in developing overseas customers

During the reporting period, the Company shipped approximately 100,000 tons of ternary materials, an increase of 11% year-on-year, with the global market share maintaining the industry lead for three consecutive years. The continuous growth in sales volume stems from years of layout and exploration in overseas markets. In 2023, the Company signed cooperation framework agreements with Japanese and Korean customers and achieved large-scale shipments to mainstream automakers in Europe and America, with monthly shipments reaching a thousand tons in the fourth quarter. The proportion of the Company's products used in overseas terminal vehicle models has significantly increased, further enhancing the brand influence in overseas markets.

(2) Achieved large-scale shipments of series 9 ultra-high-nickel products, leading the industry in LMFP and sodium cathode materials

In 2023, the Company's series 9 and above products were widely applied in large cylindrical batteries, with nearly ten thousand tons shipped throughout the year, further solidifying the Company's technological lead in the high-nickel sector. LMFP has received significant attention from domestic and international customers. In 2023, while maintaining the lead in shipments, the Company also developed triple-component mixed M6P products, high-capacity products with a manganese to iron ratio of 7:3, and next-generation solid-liquid integrated process products. These products have completed pilot test in vehicle power batteries, with breakthroughs expected in the automotive market in 2024. While maintaining stable mass production of sodium cathode layered materials, the Company has developed industry-leading polyanionic products and has received orders from core customers in various market segments. In terms of precursors, the sales volume increased by nearly 30% year-on-year, and the production line certification of overseas customers was completed during the same period.

(3) Led the industry in the R&D of solid-state batteries and lithium-rich manganese-based technologies, making significant achievements in patent development

The Company has successfully developed several high-nickel and ultra-high-nickel ternary cathode materials suitable for semi/solid-state batteries, among which, the battery products matched with semi-solid state battery cathode materials have been applied to terminal customer models with over 1000 kilometers of extended range. The ternary cathode materials for solid-state batteries feature high capacity, stable interface, and long cycle life, gaining full recognition from leading industry customers. The Company has completed the development of various solid-state electrolyte materials, including sulfide, oxide, and halide solid electrolytes, achieving industry-leading level in terms of ionic conductivity and air

stability. Additionally, the Company has successfully developed wet and dry electrode preparation technology for solid electrolyte membranes. These solid electrolyte materials and films have initiated cooperation with domestic and international customers and received positive feedback. The Company's high-voltage nickel manganese binary materials and lithium-rich manganese-based cathode materials also lead the industry.

During the reporting period, the Company filed for 357 patents, successfully obtained 110 patent grants, reaching a total of 450 authorized patents, and has built a comprehensive intellectual property protection system. In 2023, the Company won all patent litigations with UMICORE in China and Korea, not only proving the independence and effectiveness of its intellectual property, but also demonstrating its comprehensive capability to compete in global intellectual property.

(4) Deepened the "New Integration" strategy, strengthening upstream and downstream cooperation and optimizing the supply chain management system

Under the guidance of the "New Integration" strategy and adhering to the philosophy of "becoming the strongest and cooperating with the strongest for mutual benefit", the Company has continuously deepened strategic cooperation with upstream partners. By signing long-term strategic agreements and making equity investments, the Company extended its supply chain upstream, creating a management system integrating full-link resources, trading and processing from ore to cathode materials, and synergizing with the existing cathode and precursor industries to share industry growth. The specialized trading platform, Ronbay Trading Company, has effectively engaged in trading, processing, and investment activities with upstream suppliers after three to four years of development, continuously perfecting and enhancing the competitiveness of the Company's supply chain system.

(5) Deepened organizational structure reforms, enhancing operational efficiency

In 2023, based on the divisional system, the Company completed the transformation of three systems, transitioning from a pyramid structure to a flat, organized, matrixed, and procedural structure, creating vertical management systems for markets, R&D, and delivery. Through the implementation of product lines and the IPD process, various systems were interconnected horizontally, forming a procedural and customer-oriented organization, continuously improving the Company's operational capabilities and efficiency.

4.4 R&D description

4.4.1 R&D achievements obtained during the reporting period

During the reporting period, Ronbay achieved a record high in the number of granted patents, completing 357 patent applications and obtaining 110 patent grants. The total number of patent applications accumulated by the Company reached 961, with a cumulative total of 450 patents granted both domestically and internationally. The Company's patents include cutting-edge products such as spinel nickel manganese, lithium-rich manganese-based, and solid-state battery materials, as well as key products like high-nickel series 8 and 9 ternary precursors and cathode materials. These products cover various sectors of the industry chain including engineering equipment, monitoring, recycling, as well as electrodes and batteries. Through a comprehensive and effective global patent layout strategy, the Company has constructed an "innovation moat" for enterprise innovation.

During the reporting period, Ronbay obtained 110 new patent grants, including 34 domestic invention patents and 76 domestic utility model patents. The specific details of the domestic invention patents are as follows:

SN	Disclosure (Announcement) Number/Application Number	Title	Patent Type	Legal Status
1.	202110423732.1	A lithium-ion battery cathode material, its preparation method, and application	Invention	Awarded
2.	202111527999.1	A pre-oxidation preparation process for surface-modified lithium nickel-cobalt-manganese ternary cathode material	Invention	Awarded
3.	202111529475.6	A device for cleaning metallic foreign objects inside pipelines	Invention	Awarded
4.	202111528000.5	Graphene carbon surface-modified lithium nickel-cobalt-manganese ternary cathode material and its preparation method	Invention	Awarded
5.	202010074834.2	A grain size stabilized nickel-cobalt-manganese ternary precursor and its preparation method and preparation device	Invention	Awarded
6.	201810757022.0	A preparation method for lithium iron borate	Invention	Awarded
7.	202010074561.1	An in-situ carbon-coated high-rate large-size Prussian blue-like sodium ion cathode material and its preparation method	Invention	Awarded

8.	202110744446.5	A tungsten-doped high-nickel cobalt-free precursor and its preparation method	Invention	Awarded
9.	202110949247.8	High-nickel ternary precursor material and its preparation method, and high-nickel ternary cathode material	Invention	Awarded
10.	202111158931.0	A highly spherical ternary precursor and its preparation method	Invention	Awarded
11.	202111160463.0	A cyclic pore ternary cathode precursor and its preparation method	Invention	Awarded
12.	202111271890.6	A high-compaction density ternary cathode material	Invention	Awarded
13.	202210305396.5	An ultra-high-nickel ternary precursor and its preparation method	Invention	Awarded
14.	202210323182.0	A high-nickel low-cobalt fine whisker nickel-cobalt-manganese hydroxide and its preparation method	Invention	Awarded
15.	202210566948.8	A cobalt-free cathode material, its preparation method and application	Invention	Awarded
16.	202210606493.8	A comprehensive recycling method for used lithium manganate cathode materials	Invention	Awarded
17.	202210606501.9	A fine whisker small-particle size nickel-cobalt-manganese hydroxide and its preparation method	Invention	Awarded
18.	202210651790.4	Boron element-doped high-nickel ternary precursor material and its preparation method, and high-nickel ternary cathode material	Invention	Awarded
19.	202210726493.1	A control method for the whisker morphology of ternary precursor	Invention	Awarded
20.	202210759671.0	A manganese-based carbonate precursor, lithium-rich manganese-based cathode material, and lithium-ion secondary battery	Invention	Awarded
21.	202210855847.2	A preparation method and device for precursor of ternary cathode material, precursor and cathode material	Invention	Awarded

22.	202210956495.X	A novel preparation method for molybdenum-doped high-nickel ternary precursor	Invention	Awarded
23.	202211057150.7	A cobalt gradient high-nickel ternary cathode material and its preparation method	Invention	Awarded
24.	202211144586.X	A high-compaction low-cost ternary cathode material and its preparation method	Invention	Awarded
25.	202310705475.X	A cathode material and its preparation method, and lithium-ion battery	Invention	Awarded
26.	202310759926.8	A layered oxide and its preparation method, and sodium-ion battery cathode electrode	Invention	Awarded
27.	202310781322.3	A cathode material and its preparation method, cathode electrode, and sodium-ion battery	Invention	Awarded
28.	202310809840.1	A cathode active material and its preparation method, cathode plate, and secondary battery	Invention	Awarded
29.	202310840410.6	A cathode material and its preparation method, and lithium-ion battery	Invention	Awarded
30.	202311020334.0	A cathode material and its preparation method, and lithium-ion battery	Invention	Awarded
31.	202010960586.1	A lithium-ion battery cathode material, cathode plate, and lithium-ion battery	Invention	Awarded
32.	202110331975.2	A dry powder coating method for battery electrode based on phosphate cathode material	Invention	Awarded
33.	202110328688.6	A post-treatment method for phosphate system cathode material	Invention	Awarded
34.	202110325292.6	A preparation method for high-compaction density LMFP/carbon composite cathode material	Invention	Awarded

4.4.2 List of intellectual property acquired during the reporting period

	New Increase this Year		Cumulative Number	
	Patents Applied	Patents Awarded	Patents Applied	Patents Awarded
Patents for Invention	231	34	492	104
Utility Model Patents	126	76	469	346
Total	357	110	961	450

4.4.3 Ongoing projects

SN	Project Name	Estimated Total Investment	Current Investment Amount	Cumulative Investment Amount	Progress or Periodic Results	Intended Goal	Technical Level	Application Prospects
1	Ultra-high-nickel Monocrystal Cathode Development	2,950.00	744.89	1,887.36	Pilot run stage	To develop an ultra-high-nickel monocrystal product with a capacity exceeding 20mAh/g compared to the series 8 monocrystals, featuring high capacity and long cycle life.	The product's high capacity, cycle life, and DCR growth meet customer needs, and it has passed large cell testing at the client's end.	Mainly applied in new energy vehicles.
2	Ultra-high-nickel Polycrystal Cathode Development	3,700.00	1,337.12	2,819.23	Production line commissioning stage	To develop an ultra-high-nickel polycrystal product with a capacity exceeding 20mAh/g compared to the series 8 polycrystals, featuring high capacity and long cycle life.	The product's high capacity, cycle life, and DCR growth meet customer's safety needs, and it has passed large cell testing at the client's end.	Mainly applied in new energy vehicles.
3	Series 9 Monocrystal Cathode Material Development	2,087.00	625.92	1,181.06	Mass production stage	To develop high-nickel series 9 monocrystal material with high energy density and excellent cycle performance to meet the product performance	Product full battery test reveals 1/3C capacity $\geq 205\text{mAh/g}$; comprehensive performance has met customer requirements for tonnage supply.	Mainly applied in new energy vehicles and secondarily applied in digital products

						requirements of customers.		
4	Cobalt-free HV Monocrystal Cathode Development	2,197.00	391.41	625.87	Production line commissioning stage	To develop a cobalt-free monocrystal material that exhibits high capacity and excellent cycling performance under high voltage.	The monocrystal has good dispersion performance, achieving capacities over 190mAh/g, and production line samples have realized ton-level shipments to international customers.	Mainly applied in new energy vehicles and secondarily applied in digital products
5	Next-generation Series 8 Low-cost Cathode Product Development	4,563.80	70.12	70.12	Pilot test stage	To develop the next-generation low-cost series 8 material with enhanced capacity but reduced costs.	The product features high capacity, improved gas production, and superior cycle performance.	Mainly applied in new energy vehicles.
6	Series 9 Polycrystal Precursor Development	4,205.00	128.17	1,673.56	Production line commissioning stage	To develop a high-nickel precursor with excellent cycling performance, improved gas production, internal resistance, and high-temperature cycle performance.	The precursor material has good sphericity with no cracked spheres, corresponding to cathode products with high capacity and good cycling.	Mainly applied in new energy vehicles.
7	Next-generation Series 8 Precursor Development	2,724.00	128.17	1,673.56	Pilot test stage	To develop a series 8 NCM precursor product with low cost, high capacity, high safety, and long cycle life.	The product has no cracked spheres, well-designed porosity, and good sphericity, assisting the next generation of high-nickel cathode materials in solving product capacity and cycle problems.	Mainly applied in new energy vehicles and secondarily applied in digital products

8	Ultra-high-nickel Precursor Development	5,270.00	1,155.66	2,646.30	Pilot test stage	To develop an ultra-high-nickel precursor with excellent cycling performance, improved gas production, internal resistance, and high-temperature cycle performance.	The product exhibits good crystallinity and dispersion, with no cracked spheres, and the final cathode material features high capacity and excellent cycling performance.	Mainly applied in new energy vehicles and secondarily applied in digital products
9	Series 7 Cathode Product Development	2,855.00	299.00	1,391.32	Pilot run stage	To develop a series 7 low-Co cathode material with high energy density and excellent long cycling performance.	The product features high capacity and excellent long-term cycling performance, has passed customer certification and is delivered in small batches.	Mainly applied in new energy vehicles and secondarily applied in digital products
10	Series 6 Cathode Product Development	1,047.00	377.15	880.42	Production line commissioning stage	To develop series 6 high voltage monocrystal materials up to the performance requirements of low cost, long cycle and high safety.	Under high voltage, the series 6 product reveals high capacity, excellent cycle life, and safety performance.	Mainly applied in new energy vehicles and secondarily applied in digital products
11	Multi-element High-energy Density NCMA Development	2,970.00	392.75	2,432.33	Production line commissioning stage	To make NCMA cathode material with high capacity and stable structure.	The product features high capacity, significantly improved thermal stability, optimized cycling and storage performance, and a rich product array.	Mainly applied in new energy vehicles and secondarily applied in power tools/drones.
12	Ternary and	160.00	84.50	84.50	Pilot test stage	This project involves a	Through the blending of LMFP	The blend offers

	LFP Battery Blended Cathode Development					blend of LMFP and ternary materials. Through the blending of different types and proportions of ternary and LMFP, a series of blending application solutions are obtained, providing customers with recommendations for application solutions in different scenarios and needs.	with ternary materials, a full coverage of 180-250Wh/kg energy density is achieved, balancing cost and safety, and providing solutions for new energy vehicles, electric two-wheelers, residential and outdoor energy storage, and 3C digital fields.	high cost-effectiveness and safety across markets including new energy vehicles, electric two-wheelers, residential and outdoor energy storage, and 3C digital fields.
13	LMFP 73 Project	400.00	391.12	391.12	Mass production stage	To develop a high manganese proportion LMFP material, meeting high voltage platform and high energy density requirements.	The average voltage of full battery tests is $\geq 3.7V$, demonstrating excellent energy density. Comprehensive performance meets customer requirements, achieving hundred-ton shipments.	Applied in digital electronics, new energy vehicles, power batteries, performance vehicle batteries, and other fields.
14	Ni92 Polycrystal Cost Reduction Process Development	800.00	164.61	164.61	Mass production stage	To develop a mass production process with high equipment utilization rate, low processing cost and improved income. At the	The product has high capacity and excellent cycling characteristics, with production process costs reaching leading levels in the industry, meeting customers' demands for low-cost	Mainly applied in new energy vehicles.

						same time, the material performance is comparable to conventional processes, featuring high capacity and excellent cycling performance.	raw materials.	
15	Low-cobalt, Long-cycle, Lithium-rich Manganese-based Cathode Material Development	875.00	258.05	635.07	Pilot test stage	To develop low-cost, long-cycle, medium-to-high voltage lithium-rich cathodes to replace medium-nickel high-voltage cathodes and LFP cathode materials.	The manufactured low-cobalt materials have a discharge capacity of $\geq 225\text{mAh/g}$ at 0.33C current density at room temperature; they are suitable for liquid and solid-state batteries due to their low cost and high capacity. Currently, we are closely cooperating with several cell and whole machine manufacturers at home and abroad, and the sample performance maintains a leading position in client tests, demonstrating a strong competitive advantage.	Mainly applied in electric vehicles and secondarily applied in drones/electric two-wheelers.
16	High-voltage Nickel-manganese Cathode Material	918.00	242.96	495.43	Pilot test stage	To develop a high-energy-density, low-cost, fast-charging high-voltage lithium nickel manganese cathode to	The prepared monocrystal cathode material features a soft pack energy density of $\geq 250\text{Wh/kg}$ with excellent fast-charging and low-temperature	Mainly applied in new energy vehicles and secondarily applied in power

	Development					replace medium-low nickel and lithium iron phosphate materials.	performance, and good safety and stability. It can be used in liquid or semi-solid systems and is developed in cooperation with several domestic and international cell manufacturers, currently at a leading level in the industry.	tools and digital products
17	All-solid-state Battery Cathode Material Development	827.00	259.91	349.83	Small experiment stage	To develop all-solid-state battery cathode material suitable for sulfide systems, meeting high energy density and safety requirements.	By optimizing the sintering process and altering the morphology of the cathode materials, a high proportion in the composite cathode is achieved; through in-situ coating processes, in-situ fast ionic conductor coating of ternary cathode materials is achieved, ensuring compatibility between the cathode and the electrolyte interface. We have developed several modified high-nickel ternary materials in collaboration with various domestic and international cell companies, maintaining a leading position in the industry.	Mainly applied in electric vehicles with high energy density and secondarily applied in drones.
18	Sodium-ion Layered Oxide	2,888.00	1,468.55	2,232.00	Pilot run stage	To develop a low-cost sodium-ion battery	The developed layered sodium-ion cathode material has reached	Applied in new energy vehicles

	Cathode Material Development					layered oxide cathode material with excellent electrochemical performance.	an industry-leading level in full-cell tests in terms of capacity, cycling, and gas generation, meeting the needs of low-speed new energy vehicles, electric two-wheelers, and residential energy storage. Mass production process innovations have achieved significant breakthroughs in product stability control and cost reduction.	and small power field, with broad market; and applied in the energy storage field by way of mixing.
19	Sodium-ion Polyanionic Cathode Material Development	3,016.74	105.75	105.75	Production line commissioning	To develop a sodium-ion battery polyanionic cathode material with low cost and excellent electrochemical performance.	The sodium-ion polyanionic cathode material excels in capacity, rate, and cycling performance, expected to meet the needs of energy storage and low-speed vehicle applications.	Mainly applied in energy storage field.
Total	/	44,453.54	8,625.81	21,739.44	/	/	/	/

4.5 Discussion and analysis of the Company's future development

4.5.1 Industry pattern and trend

Based on China's goals for "Peak Carbon and Carbon Neutrality", and catalyzed by the EU's regulation of "2035 Ban on the Sale of Fuel Vehicles" and the subsidy policies of the U.S.'s "Inflation Reduction Act", the lithium battery industry continues to exhibit a solid long-term growth trend. With the rapid development of new energy vehicles and energy storage fields, according to GGII data, it is expected that China's lithium battery shipments will reach 1089 GWh in 2024, a year-on-year increase of 23%, marking the official entry of China's lithium battery industry into the TWh era.

Favorable policies explicitly support the export of the new energy vehicle industry, boosting lithium battery enterprises to accelerate their overseas layouts. Currently, the penetration rate of overseas new energy vehicles remains low, offering substantial room for growth. According to ICCSINO statistics, the penetration rate in Europe approached 25% in 2023, and reached 9% in the U.S., with a high growth rate of 52.4%. In February 2024, the Ministry of Commerce and other nine units jointly issued the "Opinions on Supporting the Healthy Development of New Energy Vehicle Trade Cooperation", proposing 18 policy measures from six aspects to encourage new energy vehicles and their supply chain enterprises to efficiently utilize global innovation resources and optimize the export processes of new energy vehicles and power batteries. This policy initiative, which clearly promotes new energy vehicles to the international market for the first time in recent periods, greatly facilitates the rapid overseas expansion of the entire new energy vehicle industry chain. According to incomplete statistics from GGII, since 2023, dozens of lithium battery enterprises, including battery companies such as CATL and EVE Energy, as well as lithium battery material manufacturers such as Huayou Cobalt and Easpring Technology, have announced plans to establish factories overseas. The Company has a first-mover advantage in the global layout, with the first phase of its South Korean base completed in 2023, and a 40,000-ton/year ternary material and 20,000-ton/year LMFP project officially starting in August of the same year. Its capacity in South Korea is scarce in global competition, with both existing and under-construction capacities already matching the needs of several major overseas customers. The Company will accelerate its entry into domestic and overseas markets, including Europe, America, Japan, and South Korea, through various modes of cooperation such as strategic, technical, and supply agreements with the world's top battery companies like CATL and EVE Energy.

The trend towards high-end new energy vehicles is becoming increasingly clear, which will further expand the market share of high-nickel and ultra-high-nickel cathode materials in end-use applications. Tesla's Cybertruck was officially delivered in December 2023, with current orders exceeding 2 million units; according to GGII statistics, from January to October 2023, the proportion of new energy passenger vehicles of Class B and above increased to 46.4%, and the new vehicles launched in the past two years have gradually shifted to the high-end market, with the number of pure electric vehicles of Class B and above growing to 31 models. It is expected that the sales proportion of Class B and above models in China will reach 50% in 2024. High-nickel and ultra-high-nickel cathode materials are the mainstream choice for high-end vehicle models and long-range models at domestic and foreign OEMs, with penetration rates gradually increasing. According to ICCSINO statistics, the high-nickel penetration rate of global ternary materials exceeded 50% in 2023, with the domestic high-nickel material proportion reaching 49%. As the first domestic enterprise to achieve mass production of the NCM811 series products and maintain a leading position in high-nickel ternary materials, the trend towards high-end new energy vehicles will bring broader market demand for the Company's high-nickel and ultra-high-nickel products.

4.5.2 Corporate development strategy

The Company adheres to the mission of "developing the new energy industry, improving human living conditions, creating a bright future for the company and its employees, and giving back to society", with a vision to "establish a new energy industrial cluster with first-class innovation capabilities and a high degree of commercial civilization".

In 2021, the Company launched the "New Integration" strategy of "becoming the strongest and cooperating with the strongest for mutual benefit". This strategy includes specialization, integration, platformization, ecologization, digitalization, globalization, and organizational development. Guided by this strategy, the Company strengthened its cooperative relationships with upstream and downstream enterprises through strategic cooperation and equity participation, ensuring stable development and a long-term competitive edge in the fiercely competitive new energy materials sector.

In 2022, the Company proposed a comprehensive coverage strategy for the cathode market, aiming to transform into a platform-based and group-oriented comprehensive supplier of cathode materials. The products include high-nickel materials, LMFP, and sodium-ion materials, covering applications in high, medium, and low-end power, small power, energy storage, and digital markets.

In 2023, amidst the vigorous development of the overseas new energy vehicle industry and the intensification of domestic industry competition, the Company held a global strategic release conference. It was clarified that the "globalization" strategy is a phase focus of the "New Integration" strategy. The details of the U.S.'s "Inflation Reduction Act" provided a larger market for the Company's overseas expansion, and the strategic advantage of the Company's layout in overseas regions such as South Korea became increasingly apparent.

Looking ahead to 2024, globalization is the trend, and the Company will continue to accelerate its globalization strategy. The Company has the advantages of globalization. Firstly, it has the leading strategy, Ronbay proposed globalization in its "new integration" strategy; secondly, as a leading enterprise in the industry, the Company has the ability of comprehensive innovation and strong comprehensive strength to build the strongest competitiveness in the fierce domestic "inward roll" market; finally, the Company has the genes and innate advantages of going global. When it was founded, it was a Sino-Korean teamwork enterprise, with eight or nine years' experience of operating in China and South Korea, and it has the natural ability of transnational operation, cross-culture and cross-region operation.

Globalization entails mastering two markets: serving the Company's strategic major customers well in the domestic market to hone the strongest operational capabilities, and leveraging these capabilities to develop the global market. The overseas market is customer-oriented, rapidly developing corresponding products and engineering manufacturing technologies, and establishing efficient supply chains to better serve overseas strategic partners.

Globalization is a process of exploration, expansion, and research innovation. Ronbay is committed to building a truly global company, exploring worldwide, integrating the Company's culture with the most advanced global cultures, and accommodating various cultures globally. Simultaneously, the Company is establishing and refining global regional management schemes, global office system planning, and global capital operation schemes.

Through organizational transformations such as the divisional system, three systems, and business line management, the Company has significantly enhanced its organizational management capabilities. To support the implementation of the globalization strategy, the Company will further refine incentive mechanisms (such as the four-tier partnership system) to build an international talent team.

With the effective implementation of these development strategies, Ronbay is confident in achieving its strategic goal of becoming the global leader in the cathode material industry in the future.

4.5.3 Business plan

In 2024, as the landscape and trends in the new energy industry become increasingly clear, companies with global production capacity, teams, and expansion capabilities will be prioritized to capture significant market opportunities. The Company has a clear globalization strategy in place, with a foundational customer base and production capacity. Following internal organizational reforms and the successful formation of a skilled team, coupled with adequate financial reserves, the Company is well-prepared to embrace the opportunities presented by globalization and aims to further increase its global market share.

1. Aligning with global customer needs and rapidly expanding production capacity to increase market share

In 2024, the Company will accelerate the expansion of its overseas production capacities. In addition to stabilizing and enhancing the production of 20,000 tons of high-nickel ternary materials in the first phase in South Korea, the second phase will expedite the development of 40,000 tons of high-nickel ternary materials and 20,000 tons of phosphate materials. Furthermore, the Company will continue to advance the establishment of production capacities in Europe and North America to better meet the product demands of global automakers and battery cell manufacturers, thereby further increasing sales volume and market share.

2. Realizing comprehensive coverage of ternary materials, and making breakthroughs in LMFP and sodium batteries

In 2024, the Company will further consolidate its leadership in the high-nickel segment. The shipment scale of series 9 ultra-high-nickel materials will be accompanied by the development of large cylindrical batteries and the further expansion of the demand of international customers. It is expected that the proportion of series 9 shipments will increase significantly. Medium-nickel products are anticipated to be shipped on a large scale, further enhancing domestic production capacity utilization.

The Company's LMFP products will advance in both solid and solid-liquid integrated processes. While maintaining sales in the 3C, small power, and energy storage markets, we aim to achieve breakthroughs in the automotive power market. Additionally, to meet downstream customer demands, our layered oxide and polyanionic products in sodium battery cathodes have achieved technological positioning, matching the increased demand from downstream customers.

3. Increasing market share in all/semi-solid state batteries, accelerating the mass production of cutting-edge products

In 2024, the Company will leverage its leading position in the high-nickel area to consolidate and enhance its market share in the semi-solid state battery sector, collaborating with top customers on upgrades and iterations. We will also introduce ternary cathode materials suitable for high-energy density all-solid-state batteries and start pilot production scaling; in solid electrolytes, we plan to conduct pilot plant test of electrolyte materials and develop low-cost production of key raw materials to enhance product competitiveness. The Company plans to complete pilot production of lithium-rich manganese-based and spinel nickel manganese cathode materials in 2024.

4. Continuously implementing the "New Integration" strategy to build a competitive global supply chain

In the current competitive landscape of the new energy lithium battery industry, the Company will continue to advance its 'New Integration' strategy. By streamlining the resource-to-product end industry chain, we aim to build a global supply chain that meets the requirements of the U.S.'s "Inflation Reduction Act" and the EU's "New Battery Act". We will gradually establish a trade network across Southeast Asia, Europe, North America, South America, and Africa, deepening cooperation with global regional resources and processing enterprises, leveraging industry strengths, and ensuring raw material security and cost advantages to create a competitive global supply chain system.

5. Seizing global development opportunities to build a world-class talent team

Through organizational transformations such as the divisional system, three systems, and business line management, the Company has significantly enhanced its organizational management capabilities. In 2024, to support the implementation of our globalization strategy, the Company will attract top talents worldwide through effective incentive mechanisms, such as the 3P (Position, Pay, Performance), salary incentive system, and a four-tier partnership model, to seize global opportunities.

Section V Corporate Governance

5.1 Notes on corporate governance

During the reporting period, the Company continuously improved its corporate governance structure and standardized its operations in accordance with the requirements of the "Company Law", "Securities Law", "Governance Guidelines for Listed Companies", and "Rules for Stock Listing on the Science and Innovation Board of Shanghai Stock Exchange" and other laws, regulations, rules and normative documents. The actual situation of corporate governance conforms to the requirements of the "Code of Governance for Listed Companies" and other normative documents issued by the China Securities Regulatory Commission.

1. Regarding shareholders and shareholders' meetings: The Company has formulated the rules of procedure for the shareholders' meetings, thus able to convene and hold the shareholders' meetings in strict accordance with the requirements of the standard opinions of the shareholders' meetings. In terms of venue selection, more shareholders should be invited to attend the shareholders' meetings and exercise their voting rights. The Company can treat all shareholders equally and ensure that shareholders exercise their rights.

2. Regarding the relationship between controlling shareholders and listed companies: The code of conduct of controlling shareholders guarantees that the controlling shareholders do not directly or indirectly interfere with the decision-making and business activities of the Company beyond the shareholders' meeting; the Company and the controlling shareholders are "independent" in terms of personnel, assets, finance, organization and business. The Board of Directors, the Board of Supervisors and the internal organization of the Company operate independently. The Company's connected transaction follow legal procedures, adopt a rational price and fulfill the obligation of information disclosure.

3. Regarding directors and the Board of Directors: The Company elects the directors in strict accordance with the appointment procedures for directors stipulated in the "Articles of Association". During the reporting period, the Company added two non-independent directors, improving the staffing of the corporate governance body. The director number and composition of the Board of Directors shall

meet the requirements of laws and regulations; the Board of Directors of the Company has formulated the rules of procedure for the Board of Directors, so that the directors of the Company can attend the Board of Directors and the shareholders' meetings with a serious and responsible attitude, familiarize themselves with relevant laws and regulations, understand the rights, obligations and responsibilities of directors, and diligently exercise their voting rights. The Board of Directors has established committees such as the Strategy Committee, Audit Committee, Nominating Committee, and Remuneration and Evaluation Committee, all composed of directors, which utilize their expertise to offer scientifically sound and reasonable suggestions on significant matters.

4. Regarding the supervisors and the Board of Supervisors: The Board of Supervisors shall strictly implement the relevant provisions of the "Company Law" and the "Articles of Association", and the supervisor number and composition of the Board of Supervisors shall meet the requirements of laws and regulations; The Board of Supervisors of the Company has formulated the rules of procedure for the Board of Supervisors. The supervisors of the Company can conscientiously perform their duties and supervise the Company's finance and the lawful compliance of the directors and senior management in the execution of duty in the spirit of being responsible to shareholders.

5. Regarding performance evaluation and incentive and constraint mechanism: The Company has established fair and transparent performance and performance evaluation standards and procedures for directors, supervisors and senior management, and put in place an evaluation mechanism that links compensation with corporate performance and individual performance, thus maintaining certain stability of senior management and core employees, and ensuring sustainable corporate development.

6. Regarding stakeholders: The Company fully respects the legitimate rights of stakeholders such as shareholders, employees, customers, suppliers, and investors, has established diverse communication channels based on stakeholder categories, ensures the effectiveness and normalization of communication, and actively responds to the expectations and demands of various stakeholders. It strengthens communication with shareholders and investors through general meetings of shareholders, performance briefings, and investor hotlines, listens to their concerns and suggestions; enhances employee rights protection, supports the exercise of powers by employee representative assemblies and trade union organizations in accordance with the law, jointly promoting the Company's continuous healthy development; conducts on-site reviews and technical training for suppliers to maintain close contact, helping improve the quality of supplied products and creating a win-win business atmosphere; actively holds customer communication meetings and conducts customer satisfaction surveys to protect customer rights.

7. Regarding information disclosure and transparency: The information disclosure media designated by the Company are China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the website of Shanghai Stock Exchange. The Company fully fulfills the information disclosure

obligations of listed companies in strict accordance with relevant laws, regulations and rules. The directors, supervisors and senior management of the Company ensure that the information disclosed by the Company is true, accurate, complete, prompt and fair, actively safeguarding the legal rights of the Company and investors. The information disclosure work for the years 2022-2023 was evaluated as Grade A.

5.2 Current and resigned directors, supervisors, senior management and core technicians during the reporting period

Name	Position Held	Gender	Age	Start Date of Tenure	End Date of Tenure
Bai Houshan	Chairman	Male	60	2018/3/9	2024/6/28
You Sangyul	Vice Chairman and General Manager	Male	64	2018/3/9	2024/6/28
Zhang Huiqing	Director and Deputy General Manager	Male	57	2018/3/9	2024/6/28
Song Wenlei	Director	Male	58	2021/6/29	2024/6/28
Zhao Xinyan	Director	Male	62	2023/4/18	2024/6/28
Feng Tao	Director	Female	36	2023/4/18	2024/6/28
Yu Qingjiao	Independent Director	Male	54	2018/3/9	2024/6/28
Jiang Hui	Independent Director	Female	47	2018/3/9	2024/6/28
Zhao Yiqing	Independent Director	Female	42	2018/3/9	2024/6/28
Zhu Yan	Chairman of the Board of Supervisors	Male	49	2018/3/9	2024/6/28
Shen Zheng	Supervisor	Female	41	2021/6/29	2024/6/28
Chen Ruitang	Employee Representative Supervisor	Male	61	2018/3/9	2024/6/28
Yu Jiyun	Secretary of the Board of Directors and Financial Officer	Male	39	2023/8/5	2024/6/28

Liu Dexian	Deputy General Manager	Male	50	2018/3/24	2024/6/28
Tian Qianli	Financial Officer (resigned)	Male	44	2021/12/4	2023/12/29
Ge Xin	Secretary of the Board of Directors (resigned)	Female	41	2021/6/29	2023/8/4
Lee Jonghee	Key Technician	Male	49	2018/3/12	To date
Chen Mingfeng	Key Technician	Male	39	2018/12/31	To date
Yuan Xujun	Key Technician	Male	40	2018/3/12	To date
Total	/	/	/	/	/

Notes:

1. Vice Chairman You Sangyul concurrently works as the General Manager of the Company and Director Zhang Huiqing concurrently works as the Deputy General Manager of the Company with the term of office from March 24, 2018 to June 28, 2024 as senior managers; Yu Jiyun, Secretary of the Board of Directors, concurrently works as the Financial Officer of the Company with the term of office from January 2, 2024 to June 28, 2024.
2. The number of shares held in the above table is the number of direct holdings.

5.3 Resumes of current and resigned directors, supervisors, senior management and core technicians during the reporting period

Name	Main Work Experience
Bai Houshan	Bai Houshan, male, born in 1964, has Chinese nationality and permanent resident status in the U.S. He graduated from the Central South University as a major in nonferrous metallurgy, and Northeastern University as a major in heavy metal smelting by fire process, and obtained a Master's Degree in Business Administration from Tsinghua University. From September 1984 to July 1987, Mr. Bai worked as a technician in the Metallurgy Office of Shenyang Institute of Mining and Metallurgy. From September 1987 to March 1990, he studied heavy metal smelting by fire process at the Northeastern University; from March 1990 to December 2001, he successively served as assistant engineer, engineer, senior engineer, professor-level senior engineer, team leader, director of Electronic Powder Material Factory, manager of North Mine Electronic Center, deputy director of Metallurgy Office of Shenyang Institute of Mining and Metallurgy; from

	<p>December 2001 to March 2012, he served as the Director and General Manager of Beijing Dangsheng Material Technology Co., Ltd. Since 2013, he has been working as the Chairman and General Manager of Ronbay Holdings. From October 2015 to the present, he has served as Chairman of the Board of Directors of the Company. He has been a Director of ZOWEE Technology since May 2022.</p>
You Sangyul	<p>You Sangyul, male, born in 1960, has South Korean nationality. After graduation from the Graduate School of Physics, Hanyang University, he successively worked as a researcher of Samsung SDI Research Institute and Director of Samsung SDI Material and Pharmaceutical Manufacturing Department from August 1984 to November 2002; from January 2003 to April 2005, he served as Technical Consultant and General Manager of JAMR (a Sino-Canadian joint-venture). From May 2005 to December 2009, he worked as General Manager of L&F Lithium Cathode Material Business Unit. In 2010, he founded EMT Corporation and served as Chairman and General Manager. He has been serving as the Vice Chairman and General Manager of the Company from October 2014 to now.</p>
Zhang Huiqing	<p>Zhang Huiqing, male, born in 1967, has Chinese nationality and no permanent resident status overseas. After graduation from the Beijing University of Chemical Technology, he further obtained an on-the-job MBA degree from the University of Science and Technology Beijing. From 1989 to 1998, Mr. Zhang successively served as Production Dispatching Specialist, Deputy Director and Director of Production Planning Office, Manager of Production Department and Manager of General Management Department of Jinan Sanai Fluoro Chemical Co., Ltd.; from January 1999 to February 2000, he worked as Production Manager of Shengbang Lvy Group Business Unit of VICOME Co., Ltd.; after that, he worked as Production Manager of Beijing Friend Chemicals Co., Ltd. from March 2000 to December 2001, and successively served as Factory Director, Assistant General Manager, Production Director, Operations Director, Deputy General Manager/Production Director of Beijing Dangsheng Material Technology Co., Ltd. from 2002 to July 2012. Then he served as Deputy General Manager of Ronbay Holdings from 2013 to 2014 and Director and Deputy General Manager of the Company from 2014 to date.</p>
Song Wenlei	<p>Song Wenlei, male, born in 1966, has Chinese nationality and no permanent resident status overseas. He graduated from the School of Economics and Management of Tsinghua University with a Master's Degree in Finance. From November 1997 to December 2009, he successively served as General Manager of Research Department, Venture Capital Department and Acquisition and Merger Business of CITIC Securities Co., Ltd.; after that, he worked as Managing Director of Goldstone Investment Co., Ltd. from January 2010 to July 2013; from August 2013 to April 2018, he served as Chief Investment Officer and Managing Director of CITIC Construction Investment Management Co., Ltd., and General Manager of CITIC Construction Investment M&A Fund. Since May 2018, he has been working as the General Manager of Strategic Investment and Development Business Unit and the Chief Investment Officer of Strategic Equity Investment of Sunshine Insurance. He has been a Director of Ronbay Technology since June 2021.</p>
Zhao	<p>Zhao Xinyan, male, has Chinese nationality and no permanent resident status overseas.</p>

Xinyan	<p>He has a postgraduate education in Material Engineering and Business Administration. Previously, he served as an engineer at China National Corporation for Overseas Economic Cooperation, Department Manager and Deputy General Manager at China Power International Limited, Director of Capital Operations at State Nuclear Power Technology Corporation, a member of the Expert Committee and a full-time director at State Power Investment Corporation Limited, Executive Director at China Power New Energy Development Co., Ltd., Vice Chairman at Shanxi Zhangze Electric Power Co., Ltd., Supervisor at Inner Mongolia Diantou Energy Co., Ltd., Director at China Power Investment Finance Co., Ltd., and Director at SPIC Yuanda Environmental Protection Co., Ltd. Currently, he serves as an Independent Director at Watchdata Technologies, and as an Independent Director at Shenzhen Agricultural Power Group Co., Ltd. He has been a Director of Ronbay Technology since April 2023.</p>
Feng Tao	<p>Feng Tao, female, has Chinese nationality and no permanent resident status overseas. She holds a Bachelor's degree in Economics majoring in Finance. She has previously worked as a Securities Affairs Representative and Head at the Securities Department at Bgrimm Magnetic Materials & Technology Co., Ltd., and as a Securities Affairs Representative and Deputy General Manager at Beijing Sumavision Technologies Co., Ltd. He has been a Director of Ronbay Technology since April 2023.</p>
Yu Qingjiao	<p>Yu Qingjiao, male, born in 1970, has Chinese nationality and no permanent resident status overseas. Graduating from the Party School of the CPC Central Committee with a Bachelor's degree in Economic Management, he is a member and senior planner of the China Association for the Promotion of Democracy. From September 1995 to July 2003, served as the Assistant Director of the Policy, Law and Regulation Research Office of Shandong Huangdao Power Plant; then he worked as the Market Director of the Air Conditioning Business Unit of AUCMA Holding Co., Ltd. from August 2003 to July 2006; he has been serving as the Chairman of Qingdao Haineng Enterprise Management Planning Co., Ltd. since April 2006, the Chairman of Beijing Haineng Times Cultural Development Co., Ltd. since November 2009; he worked as the Assistant to the Chairman and Spokesperson of the China Battery Industry Association from December 2010 to April 2012, and an Independent Director of RLG Australia from January 2016 to December 2016; and he has been serving as the Chairman of Beijing Xiwang Investment Management Co., Ltd. since January 2017, the Secretary General of the Zhongguancun New Battery Technology Innovation Alliance since August 2018, an Independent Director of Henan Huiqiang New Energy Material Technology Co., Ltd. since July 2019, the Chairman of Beijing Hairong Huida Network Technology Co., Ltd. since June 2020, an Independent Director of Sichuan Changhong New Energy Technology Co., Ltd. since August 2020, the Chairman of Hairong Huida (Qingdao) Network Technology Co., Ltd. since March 2021, and an Independent Director of Ronbay Technology since March 2018.</p>
Jiang Hui	<p>Jiang Hui, female, born in 1977, has Chinese nationality and no permanent resident status overseas. With a Master's Degree in Finance from the University of Sydney, she served as the Director of the Management Department of Ishizuka Electronics Co., Ltd. from 2004 to 2010, and the Human Resource Director of Beijing Dangsheng Material Technology Co., Ltd. from 2010 to 2014; then she has been working as the Deputy</p>

	General Manager of Shanghai Dingyi Intelligent Technology Co., Ltd. since 2015 and an Independent Director of the Company since March 2018.
Zhao Yiqing	Zhao Yiqing, female, born in 1982, has Chinese nationality and no permanent resident status overseas. She received her Doctorate Degree in Management from Renmin University of China, and has been teaching at the School of Accounting, Capital University of Economics and Business since 2011. From January 2017 to December 2017, she served as an Independent Director of Easy Exchange (Hong Kong) Currency Services Co., Limited. Then she served as an Independent Director of Shenzhen Tongye Technology Co., Ltd. from March 2017 to September 2021; and she served as an Independent Director of Wuxi Lutong Viscom Network Co., Ltd. from August 2022 to December 2022; and an Independent Director of the Company since March 2018.
Zhu Yan	Zhu Yan, male, born in 1975, has American nationality. After graduation from Stanford University with an MBA degree, he served as Managing Partner, Head of Investment Department and member of Investment Committee of Tsing Capital from October 2007 to September 2016. Working as the Legal Representative, Executive Director, General Manager and Managing Partner of Hubei Changjiang NIO New Energy Investment Management Co., Ltd. since October 2016, he has also serving as the Chairman of the Board of Supervisors of the Company since March 2018.
Shen Zheng	Shen Zheng, female, born in 1983, has Chinese nationality and no permanent resident status overseas. She received her Bachelor's Degree in Finance from Durham University, UK. From May 2008 to May 2014, she was a representative of the Shanghai Representative Office of the City of London Government. She has been working as the Executive Director of Shanghai Ouqing Xinjin Venture Capital Co., Ltd. since July 2014. She has been a Supervisor of Ronbay Technology since June 2021.
Chen Ruitang	Chen Ruitang, male, born in 1963, has Chinese nationality and no permanent resident status overseas. He graduated from the Central South University with a Bachelor's Degree in Nonferrous Metallurgy. From July 1984 to March 1989, he worked as an engineer at Aluminum Corporation of China Guiyang Aluminum Magnesium Design & Research Institute. From March 1989 to March 2013, he served as the Chief Engineer of Zhengzhou Research Institute of Chalco; then he worked as the Deputy Chief Engineer of Hunan Zhongda Metallurgical Design Institute Co., Ltd. from April 2013 to October 2015. He has been serving as the Chief Engineer of Engineering Design Institute of the Company since October 2015 and the Employee Representative Supervisor of the Company since July 2017.
Liu Dexian	Liu Dexian, male, born in 1974, has Chinese nationality and no permanent resident status overseas. He graduated from Beijing Institute of Technology with a Master's Degree in Materials Science and Engineering. From January 1999 to May 2004, he successively served as the Marketing Engineer, Marketing Manager and Assistant to General Manager of Beijing Dangsheng Material Technology Co., Ltd. Then he worked as the Sales Manager and Regional Sales Director of Base Metals Business Unit of Vale in China from June 2004 to July 2017. He has successfully served as the General Manager, Assistant President and Deputy General Manager of the International Trade Business Unit of the Company since July 2017.
Yu Jiyun	Yu Jiyun, male, born in 1985, has Chinese nationality and graduated from Central South

	<p>University majoring in Powder Material Science and Engineering. He holds qualifications to serve as a Secretary of the Board of directors on the Science and Technology Innovation Board of the Shanghai Stock Exchange and has a professional qualification certificate in fund management. From July 2007 to June 2013, he served as the Manager of Marketing Department and Investment Department at Beijing Dangsheng Material Technology Co., Ltd.; from June 2013 to July 2014, he served as the Investment Director at Beijing Ronbay Investment Holdings Co., Ltd.; from March 2020 to July 2023, he served as the Investment General Manager at Beijing Ronbay New Energy Investment Management Co., Ltd. Since July 2022, he has been a Supervisor at the Company's subsidiary, Tianjin Skyland Technology Co., Ltd.; since August 2023, he has been the Secretary of the Company's Board of Directors; and since January 2024, he has been the Company's Financial Officer.</p>
Lee Jonghee	<p>Lee Jonghee, male, born in 1975, has South Korean nationality. He graduated from Kyushu University in Japan with a Doctorate Degree in Applied Chemistry. From 2002 to 2004, he worked as a research engineer at the Korea Institute of Energy Research; he then served as a research assistant at the Japan Institute of Applied Chemistry from 2004 to 2007 and a senior engineer at Samsung SDI Battery Development Center from 2007 to 2012; during the period from 2012 to 2016, he served as the Chief Engineer of Battery Materials Research Center of GS Energy Co., Ltd. He has successfully served as the Vice President of the Central Research Institute and the President of the R&D System of the Company since 2017.</p>
Chen Mingfeng	<p>Chen Mingfeng, male, born in 1985, has Chinese nationality and no permanent resident status overseas. He graduated from Qingdao University of Science and Technology with a Bachelor's Degree in Inorganic Non-metallic Materials Engineering. From July 2007 to January 2014, he served as a R&D Engineer, the Manager of R&D Technology Department, R&D Director, Manufacturing Director and Assistant to General Manager of Jinhe New Materials; from February 2014 to February 2015, he served as the Director of Jinhe New Materials Research Institute; from March 2015 to April 2016, he served as the General Manager and Chief Technical Expert of the Company's Precursor Plant. After that, he worked as the Deputy General Manager of Zhejiang Meidu Haichuang Lithium Technology Co., Ltd. from May 2016 to April 2018, and the Deputy General Manager of Zhejiang Desheng New Energy Technology Co., Ltd. from May 2018 to December 2018. From December 2018 to date, he successively served as the General Manager of the Precursor and Renewable Resource Research Center, the General Manager of Strategic Operations Center & the General Manager of Linshan Branch, and the Senior Expert of Central Research Institute.</p>
Yuan Xujun	<p>Yuan Xujun, male, born in 1984, has Chinese nationality and no permanent resident status overseas. He received his Bachelor of Science Degree in Chemistry from Ningbo University. From July 2007 to June 2008, he worked as a Research Assistant of the Fuel Cell Business Unit of Ningbo Institute of Materials Technology and Engineering, Chinese Academy of Sciences; from July 2008 to September 2014, he successively served as a R&D Engineer and the R&D Manager of Jinhe New Materials; engaged in the research and development of cathode materials for lithium-ion batteries since October 2014, and successively served as the Deputy General Manager of Cathode Business Unit</p>

	and the General Manager of the Ternary Cathode Business Unit.
Ge Xin	Ge Xin, female, born in 1983, has Chinese nationality and no permanent resident status overseas. With a Master of Science Degree in Organic Chemistry from Changchun University of Technology, she holds the Qualification Certificates of Securities Practitioner and Fund Practitioner, and Board Secretary of Shanghai Stock Exchange and Shenzhen Stock Exchange. She served as the General Manager of Beijing Dangsheng Material Technology Co., Ltd. from July 2009 to May 2013, and the Operations Director of Beijing Ronbay Investment Holding Co., Ltd. from May 2013 to September 2017; then she worked as the Director of Fund Management Department of Hanhua Financial Holding Co., Ltd. Capital Group from October 2017 to November 2018; from November 2018 to June 2021, she served as the Director of the Office of the President, Director of Investor Relations, Director of the Office of the Board of Directors and Chairman of the Board of Supervisors of Woaiwojia Holding Group Co., Ltd.; and she has been working as the Secretary of the Board of Directors and Assistant to the President of the Company From June 2021 to August 2023.
Tian Qianli	Tian Qianli, male, born in 1980, has Chinese nationality and no permanent resident status overseas. After graduation from the International Business School of the University of International Business and Economics with a Master's Degree in Business Administration, he served as a Senior Auditor at Pricewaterhousecoopers Zhongtian Certified Public Accountants, a special general partnership, from August 2006 to June 2010; then he served as the Financial Manager and Senior Manager of Investment and Financing of UPC Wind Asia (Hong Kong) Co., Ltd. from June 2010 to April 2013; from April 2013 to April 2018, he served as the Director of Investment Department of Xinjiang Goldwind Technology Co., Ltd.; from April 2018 to September 2019, he served as the Deputy General Manager and Chief Financial Officer of Jiawo Agricultural Development Co., Ltd.; after that, he worked as the Executive Vice President and Chief Financial Officer of China Oil HBP Technology Co., Ltd. from September 2019 to April 2021; from April to December 2021, he successively served as the General Manager and Chief Financial Officer of the Company's Financial Management Center; and he served as the Financial Officer of the Company from December 2021 to December 2023.

Other information

1. On March 28, 2023, the Company convened the twenty-first meeting of the second Board of Directors and held the 2022 Annual General Meeting of shareholders on April 18, 2023. During these meetings, the "Proposal for Addition of Non-Independent Director to the Second Session of the Board of Directors of the Company" was deliberated and approved. Following nominations by shareholders and approval by the Nominating Committee of the second Board of Directors, with consent from the nominees and approval by the Board of Directors and the General Meeting of Shareholders, Mr. Zhao Xinyan and Ms. Feng Tao were appointed as candidates for non-independent directors of the second Board of Directors for the term from the date of approval by the General Meeting of Shareholders until the end of the current board term.

2. In August 2023, Ms. Ge Xin resigned as the Secretary of the Board of Directors due to personal reasons. Following a nomination by the Chairman of the Board, and review by the Nominating Committee, the Company convened the twenty-fifth meeting of the second Board of Directors on August 4, 2023,

where the "Proposal on the Appointment of the Secretary of the Board of Directors of the Company" was deliberated and approved. The Board of Directors of the Company agreed to appoint Mr. Yu Jiyun as the Secretary of the Board of Directors of the Company for a term commencing from the date of announcement of the resolution of the Board of Directors to the date of expiry of the term of office of the second Board of Directors.

3. In December 2023, Mr. Tian Qianli resigned as the Company's Finance Officer due to personal reasons. Following a nomination by the General Manager and review by the Nominating Committee and Audit Committee, the Company convened the thirtieth meeting of the second Board of Directors on January 2, 2024, where the "Proposal on the Change of Financial Officer of the Company" was deliberated and approved. The Board of Directors agreed to appoint Mr. Yu Jiyun as the Company's Finance Officer.

Section VI Changes in Shares and Shareholders

6.1 Statement of changes in shares

	Before This Change		Increment and Decrement of This Change (+, -)				After This Change		
	Quantity	Ratio (%)	New Shares Issued	Shares Allotted	Shares Converted from Provident Fund	Others	Sub-total	Quantity	Ratio (%)
I. Shares with Sales Restriction Conditions	170,464,182.00	37.80	31,681,102.00			-1,659,706.00	30,021,396.00	200,485,578.00	41.40
1. Shares held by the state									
2. Shares held by state-owned legal persons			4,678,223.00				4,678,223.00	4,678,223.00	0.97
3. Shares held by other domestic capital	170,464,182.00	37.80	20,137,729.00			-1,659,706.00	18,478,023.00	188,942,205.00	39.02
incl: shares held by non-state-owned legal persons in Mainland China	167,475,400.00	37.14	20,137,729.00				20,137,729.00	187,613,129.00	38.75
shares held by natural persons	2,988,782.00	0.66				-1,659,706.00	-1,659,706.00	1,329,076.00	0.27

Unit: Shares

in Mainland China						0	00		
4. Shares held by foreign capital			6,865,150.00				6,865,150.00	6,865,150.00	1.42
incl: shares held by legal persons outside of Mainland China			6,865,150.00				6,865,150.00	6,865,150.00	1.42
shares held by natural persons outside of Mainland China									
II. Negotiable Shares without Sales Restriction Conditions	280,419,083.00	62.20	3,318,927.00				3,318,927.00	283,738,010.00	58.60
1. RMB ordinary shares	280,419,083.00	62.20	3,318,927.00				3,318,927.00	283,738,010.00	58.60
2. Foreign shares offered in Mainland China									
3. Foreign shares offered outside of Mainland China									
4. Others									
III. Total Number of Shares	450,883,265.00	100.00	35,000,029.00			-1,659,706.00	33,340,323.00	484,223,588.00	100.00

6.2 The total number of common shareholders, the total number of preferred shareholders whose voting rights have been restored, the total number of shareholders holding special voting shares and the top 10 shareholders

Unit: Shares

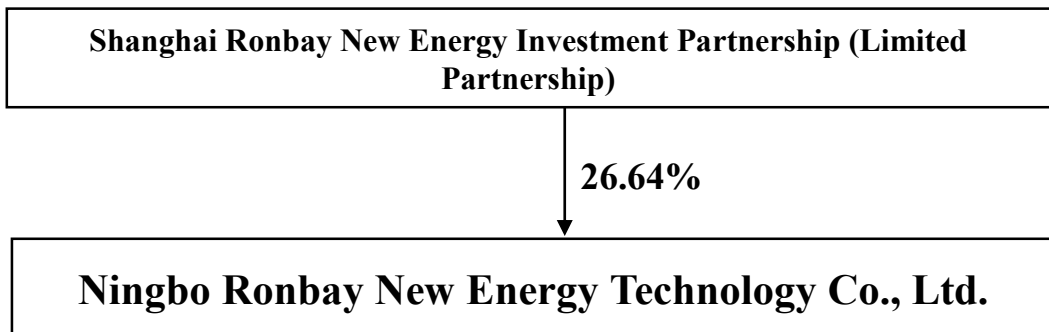
The total number of common shareholders as of the end of the reporting period (Shareholders)	25,547
The total number of common shareholders as of the end of last month prior to the disclosure date of the Annual Report (Shareholders)	27,423
The total number of preferred shareholders whose voting rights have been restored as of the end of the reporting period (Shareholders)	0

The total number of preferred shareholders whose voting rights have been restored as of the end of last month prior to the disclosure date of the Annual Report (Shareholders)				0				
The total number of shareholders holding special voting shares as of the end of the reporting period (Shareholders)				0				
The total number of shareholders holding special voting shares as of the end of last month prior to the disclosure date of the Annual Report (Shareholders)				0				
Shareholding of the top 10 shareholders								
Shareholder Name (Full Name)	Increment and Decrement within the Reporting Period	Number of Shares Held at the End of the Period	Ratio (%)	Number of Shares with Sales Restriction Conditions Held	Number of Restricted Shares Including Refinancing Shares on Loan	Pledge, Mark or Freezing		Nature of Shareholder
						Share Status	Quantity	
Shanghai Ronbay New Energy Investment Partnership (Limited Partnership)	0	129,000,000	26.64	129,000,000	129,000,000	None	0	Others
China Merchants Bank Company Limited—Huaxia SSE Science and Technology Innovation Board 50 Index Exchange-traded Fund	6,150,026	17,816,355	3.68	0	0	None	0	Others

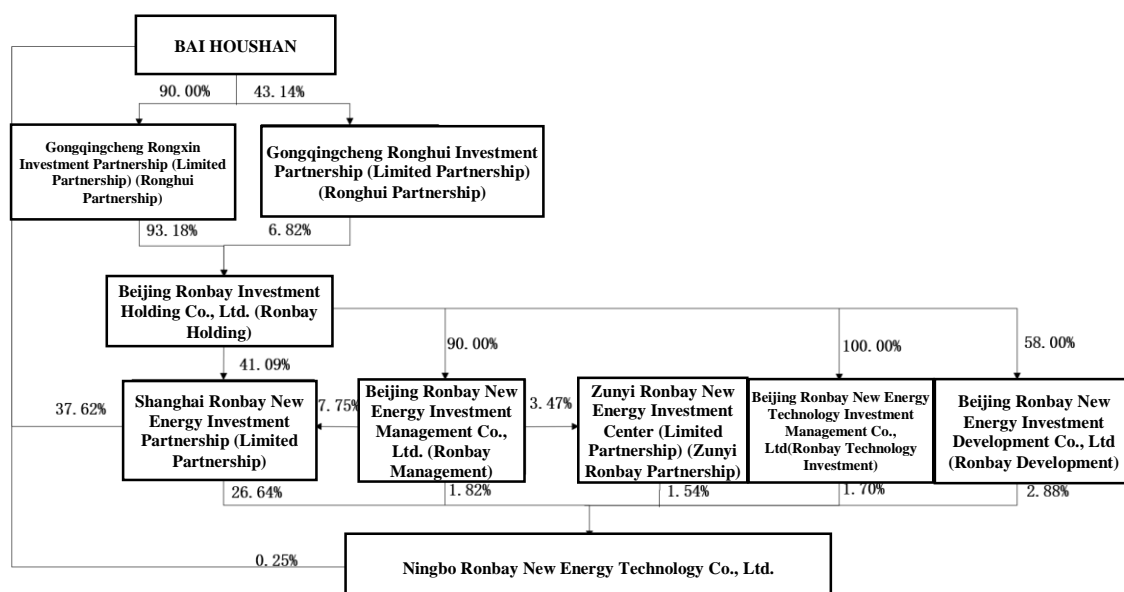
Beijing Ronbay New Energy Investment Development Co., Ltd.	0	13,957,800	2.88	13,957,800	13,957,800	None	0	Non-state-owned Legal Person in Mainland China
Huzhou Haiyu Equity Investment Partnership (Limited Partnership)	0	10,094,835	2.08	0	0	None	0	Others
Gongqingcheng Rongcheng Investment Management Partnership (Limited Partnership)	- 1,033,187	8,907,303	1.84	0	0	None	0	Others
Beijing Ronbay New Energy Investment Management Co., Ltd.	0	8,800,000	1.82	8,800,000	8,800,000	None	0	Non-state-owned Legal Person in Mainland China
Hong Kong Securities Clearing Company Limited	- 4,763,348	8,437,642	1.74	0	0	None	0	Legal Person outside of Mainland China
Beijing Ronbay New Energy Technology Investment Management Co., Ltd.	0	8,240,300	1.70	8,240,300	8,240,300	None	0	Non-state-owned Legal Person in Mainland China

Zunyi Ronbay New Energy Investment Center (Limited Partnership)	0	7,477,300	1.54	7,477,300	7,477,300	None	0	Others
Hubei Changjiang NIO New Energy Industry Development Fund Partnership (Limited Partnership)	0	6,978,961	1.44	0	0	None	0	Others
Notes on the association or concerted action of the above shareholders	Shanghai Ronbay New Energy Investment Partnership (Limited Partnership), Beijing Ronbay New Energy Investment Development Co., Ltd., Beijing Ronbay New Energy Investment Management Co., Ltd., Beijing Ronbay New Energy Technology Investment Management Co., Ltd. and Zunyi Ronbay New Energy Investment Center (Limited Partnership) are under the same control of Bai Houshan, the actual controller of the Company, and Bai Houshan is one of the limited partners of the Company's employee shareholding platform Gongqingcheng Rongcheng Investment Management Partnership (Limited Partnership).							
Notes on preferred shareholders whose voting rights have been restored and number of shares held	None							

6.3 Block diagram of the property rights and control relationship between the Company and the controlling shareholder



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



6.5 Specific implementation of share repurchase during the reporting period

Based on confidence in the Company's future development prospects, recognition of the Company's value, and the actual fulfillment of social responsibilities, the Company disclosed the Share Repurchase Report on October 26, 2023. It plans to use no less than RMB 75 million and no more than RMB 125 million of its own funds to repurchase some of its shares through centralized bidding transactions. As of December 31, 2023, the Company has cumulatively repurchased 3,147,658 shares through centralized bidding transactions during the first phase, accounting for 0.65% of the total issued capital and using a total of RMB 125 million, representing 99.99% of the upper limit of the funds for the first repurchase plan.

Unit: RMB Currency: RMB

Name of the share repurchase plan	Share repurchase plan through centralized bidding transaction
Disclosure date of the share repurchase plan	October 26, 2023
Number of shares to be repurchased and the percentage of total issued capital (%)	0.23—0.39
Amount to be repurchased	75,000,000—125,000,000
Repurchase period	October 26, 2023 to January 26, 2024
Purpose of repurchase	Implement employee stock ownership plan or equity incentives
Number of shares repurchased (shares)	3,147,658
Percentage of the repurchased shares in relation to the shares involved in the stock incentive plan (%) (if	/

applicable)	
Progress of reducing the repurchased shares through centralized bidding transactions	/

Ningbo Ronbay New Energy Technology Co., Ltd.

Board of Directors 2024

