

Co-Creating Value through Collaborative Symbiosis

2024 Annual Report of CNGR Advanced Material Co., Ltd.

Resilient cross-cycle growth with sustained double-digit expansion for eight consecutive years

Revenue YOY growth
 RMB **40.22** billion ↗ +17.36%

Profit
 RMB **1.79** billion

Total assets YOY growth
 RMB **73.02** billion ↗ +17.43%

Net assets YOY growth
 RMB **29.49** billion ↗ +5.60%

Asset-liability ratio
59.62%

Continuous return to shareholders
 Co create to Co win

Total cash dividends from 2020 to 2024
 RMB **1.35** billion

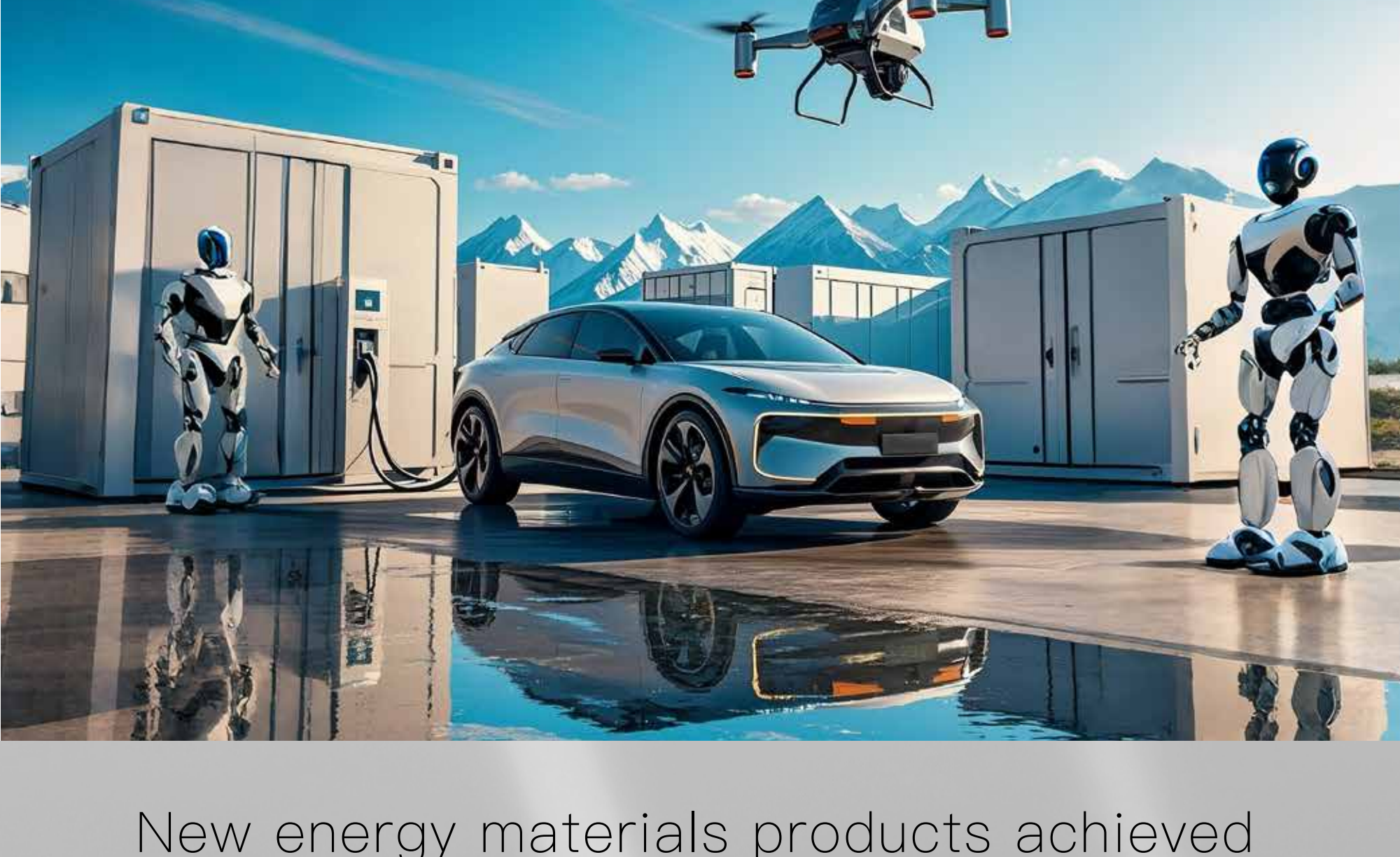
Profit Distribution Plan for the year 2024
 RMB **3.6** per 10 shares (tax inclusive)

The dividend ratio for 2024 is about
40% (including mid-term dividends)

Total value of shares repurchased from 2020 to 2024 achieved

RMB **0.42** billion

Diversified Material Portfolio Drived Growth
 building a Full-Scenario New Energy Material Matrix



New energy materials products achieved robust advancement and diversified development: Nickel-based, Cobalt-based, Phosphorus-based, Sodium-based

Combined sales of new energy materials YoY
300,000+ MT ↗ +10.83%

Ranking 1st globally of both Nickel-based and Cobalt-based products for 5 consecutive years in terms of shipment volume

Nickel-Based Materials

Shipment Volume of high nickel products (Ni ≥ 80%): nearly **140,000** MT, exceeding **70%** Share, sustaining premiumization and quality enhancement

Cobalt-Based Materials

100% of products feature high-voltage (exceeding 4.45V) technology

Breakthroughs in Phosphorus / Sodium-based materials products

Phosphorus-Based Materials

FP sales surged **144%** YoY to nearly **80,000** MT in 2024, ranking industry's top tier

2nd in FP sales of standalone market, 4th in FP sales of industry-wide market

Certified by top-tier clients: BYD, CALB, GOTION, EVE

Sodium-Based Materials

Achieved hectoton-scale batch sales
 Certified by multiple leading battery manufacturers

Secured the first kiloton-scale order of Sodium-Based Materials

A milestone in commercialization



Technology Diversification and Multidimensional Breakthroughs Unleashing Growth Momentum

Anchored in “Technology Diversification” and “Industrial Ecosystem” strategies

Transcended boundaries of traditional material companies across four innovation domains: Materials, Chemical Engineering, Metallurgy, and Process Engineering, and

continued to establish a closed-loop ecosystem for new energy materials

2024 R&D Investment

RMB **1.1** billion

Cumulative R&D Investment Since 2020

Over RMB **4.1** billion

Patents Filed

578

International/National/Industry Standards

108

Resources

Pioneered OESBF+RKEF Dual-Technology Synergy for nickel resource extraction

Achieved global leading full-process integration of laterite ore –low-nickel matte –high-nickel matte–electrolytic nickel, reducing energy consumption by 10% compared to conventional process

Mastered end-to-end processes for critical resources from ore to battery-grade materials, including phosphorus and lithium

Material Systems Breakthroughs

Nickel-Based Materials

High-nickel products expanded industrial applications in solid-state batteries, with related materials passing certifications of international clients and achieving hectoton-scale supply.

Mid-nickel polycrystalline high-voltage precursors & ultra-high-nickel polycrystalline precursors obtained certifications from global top-tier and blue-chip customers

Cobalt-based Materials

The 4.55V high-voltage cobalt tetroxide technology maintains industry leadership, with multiple variants having obtained certifications from core clients

Innovative product of cobalt oxyhydroxide achieved stable mass production and delivery, holding the largest market share in the sector

Phosphorus-based Materials

Completed the mass production of 3rd and 4th-generation precursors, with high-compaction materials performance achieving industry-leading levels

Sodium-based Materials

Dual-technology pathways: Polyanion systems showcase excellent electrochemical and physicochemical metrics, positioning them as a potential growth driver; Layered oxide technology maintains cost-performance leadership in the industry

Emerging Frontiers

Developing battery material technologies for low-altitude aeriavehicles, AI-enabled consumer electronic devices and humanoid robotics, and driving sustainable application and iteration of new energy materials in high-potential emerging markets

AI Innovations

Pioneered AI-powered SEM image auto-recognition achieved a **6x** efficiency improvement in material characterization

The AI Virtual Lab was launched and put into operation, projected to reduce DOE trial iterations while enhancing efficiency and cutting costs

Circular Economy

With the support of the new integrated pyro-hydrometallurgical process and the advantages of base integration, there is a significant cost reduction in the production line

The new process for ternary black powder recycling has been applied in the production line, and the recovery rates of nickel, cobalt, and lithium have all reached the recycling standards of the Ministry of Industry and Information Technology of China

Developed a new purification technology for the lithium precursor stage, which significantly reduces the cost of auxiliary materials and, at the same time, realizes the resource utilization of purification residues

Globalized development,
Building a dual-circulation pattern
integrating domestic
and international markets

10 global production bases, covering global key resources and mainstream markets

Domestic bases: Tongren, Ningxiang

Qinzhou and Kaiyang

Overseas bases: Morowali, Weda Bay

North Morowali

South Kalimantan

South Korea and Morocco



In January, the first production line of the North Morowali production base in Indonesia was put into operation. In June, the first batch of over 10,000 MT of low-grade nickel matte arrived at Qinzhou Port. In October, the No. 1 and No. 2 nickel matte lines of the Zhongqing project in Morowali production base in Indonesia achieved full production capacity

The construction of the Morocco base project started in January. The first batch of equipment arrived on site in July. The joint debugging of the production line was launched in October. The first production line was officially put into operation in January 2025, becoming the first nickel-based precursor material factory in the Trans-Atlantic region



Operation digitalization drives the improvement of business efficiency and cross-regional collaboration

In 2024, GNGR partnered with IBM, the world's largest information technology solution provider, to build a digital operation foundation tailored to the needs of new energy materials industry, comprehensively stimulating the company's integrated and global business vitality

With application of AI and big data technologies, GNGR independently developed a vertical model for new energy materials industry. We explored and progressively implemented AI applications in areas such as quality control, operation, safety and environmental protection to drive the upgrading of industrial intelligence



Industrial Ecosystem, Closed-Loop New Energy Materials Drive Profit Growth

“Resource Development — Materials Manufacturing — Global Recycling” Industrial Ecosystem



Resource Development

Nickel/Lithium/Phosphorus reserves rank among industry leaders

Indonesia industrial cluster achieves total raw material capacity of nearly 200,000 MT in metal content, integrating OESBF+RKEF dual-technology synergy for multi-product pathways

Four domestic bases deliver 255,000 MT of refined material capacity (MHP, MSP, cobalt sulfate), with continuous cost optimization through pyro-hydrometallurgical integrated processes and base-wide synergies, slashing production costs for nickel intermediates and materials

Materials Manufacturing

Nickel/Lithium/Phosphorus reserves rank among industry leaders

Nickel-based: Domestic **318,000** MT and **230,000** MT planned overseas (Morocco: **120,000** MT; South Korea: 110,000 MT)

Cobalt-based: Domestic **26,000** MT

Phosphorus-based: Domestic **200,000** MT LFP and **60,000** MT planned overseas: (Morocco)

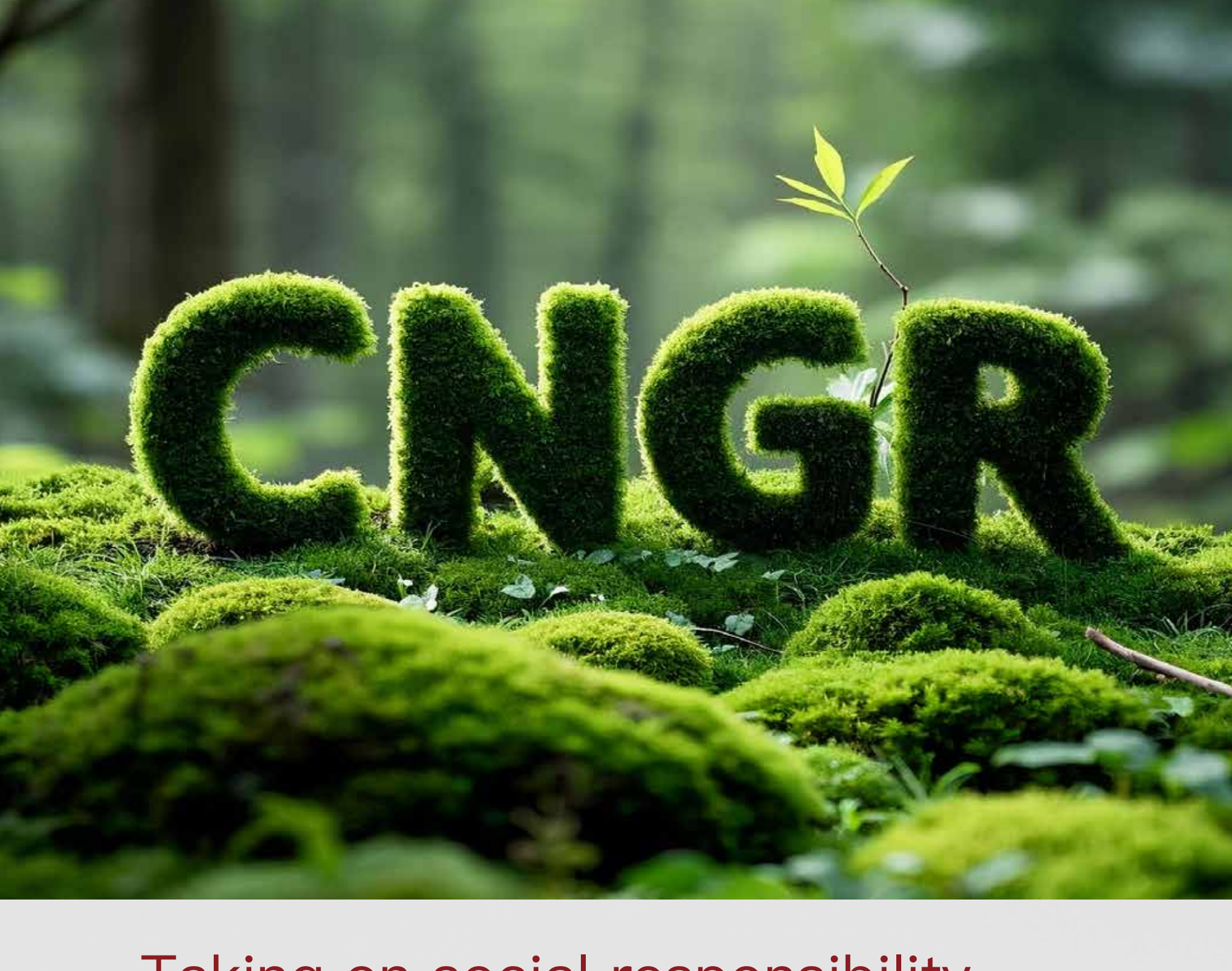
Sodium-based: Operational capacity of **8,000** MT

Global Recycling

Commissioned power battery recycling lines in Tongren with 98% recovery rate for nickel/cobalt metals, Operated 10,000 MT/year lithium carbonate production capacity

Processed over 50,000 metric tons of retired battery equivalents annually

Reduced carbon emissions by approximately 200,000 MT



Taking on social responsibility and continuing to deepen ESG cultivation

MSCI ESG rating has advanced from BB to BBB

CNGR Advanced Material Co., Ltd.

MSCI MSCI ESG Ratings **BBB**

CCC | B | BB | **BBB** | A | AA | AAA

COUNTRY: China INDUSTRY: Specialty Chemicals

LATEST CHANGE: July 2024 POSITION: Average among 189

Our smelter base in Indonesia is the first smelter to have successfully passed the ESG audit under the Responsible Minerals Initiatives

In 2024, the Debonair project in Indonesia successfully passed the ESG audit under the Responsible Minerals Initiatives, becoming the first smelter in Indonesia to pass the ESG audit under the Responsible Minerals Initiatives



Selected as S&P's best progressive enterprise in the industry

Selected into S&P's Global Sustainable Yearbook China 2024 and awarded the best progressive enterprise in the industry



ISO 37301: 2021、GB/T 35770-2022 Compliance Management System Certification

Selected as one of the China's 2024 top 500 private enterprises



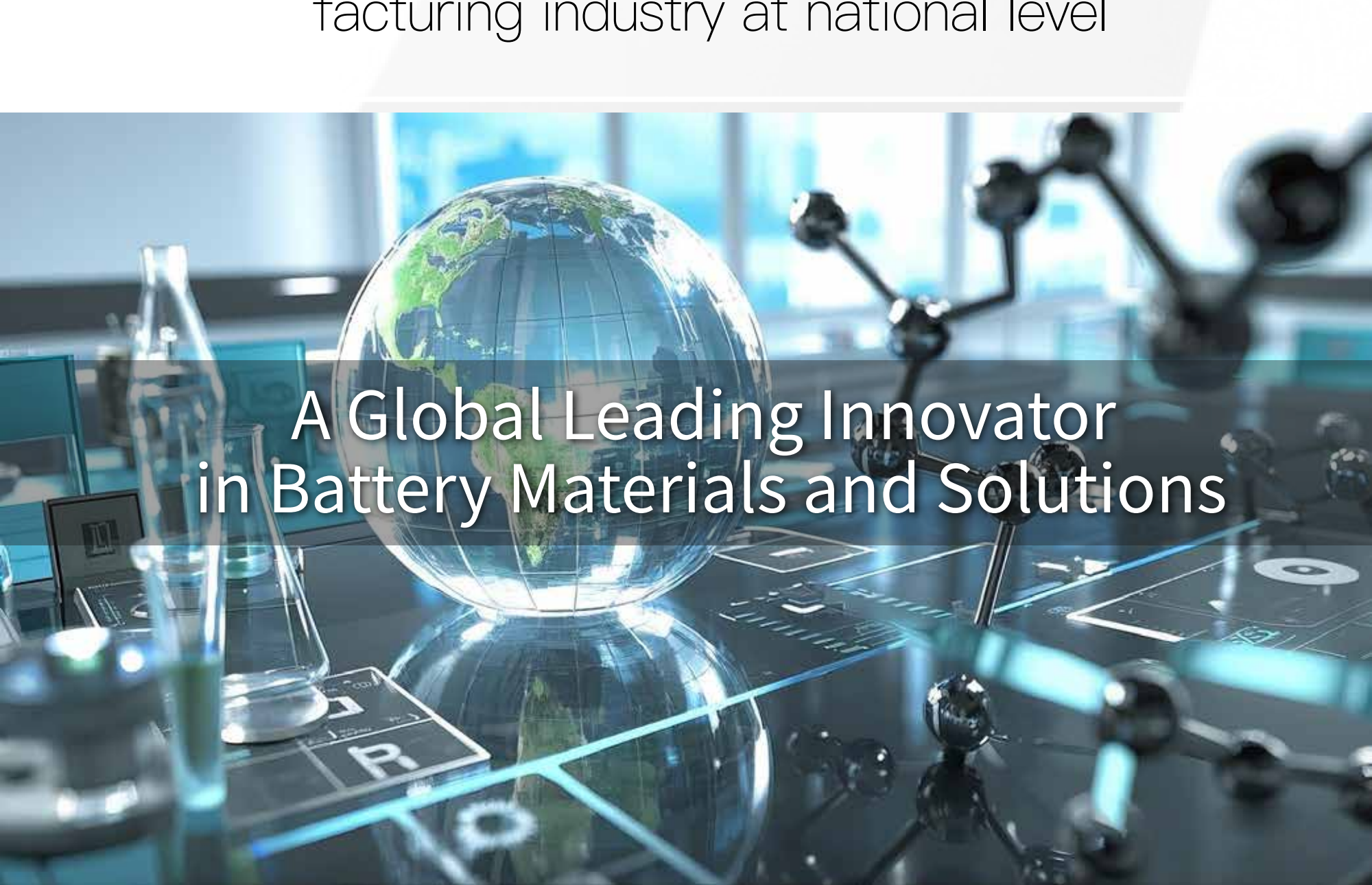
- Selected into the Fortune China 500 from 2023 to 2024

- Selected into China's Top 500 Private Manufacturing Enterprises from 2022 to 2024

- Selected as a Typical Case of Private Enterprise Science and Technology Innovation Industry Innovation in 2024

- National intellectual property advantage enterprise

- Champion enterprises in the manufacturing industry at national level



A Global Leading Innovator in Battery Materials and Solutions