

# China Nuclear Huayuan Titanium Dioxide Co., Ltd.

## 2023 Annual Report



April 2024

## 2023 Annual Report

### Section I Important Notes, Table of Contents, and Definitions

The Board of Directors, the Board of Supervisors, and the directors, supervisors, and senior management of the Company guarantee the truthfulness, accuracy, and completeness of the contents of this Annual Report, and confirm that there are no false records, misleading statements, or material omissions. They assume individual and joint legal liability for the contents herein.

Yuan Qiuli, the person in charge of the Company; Wang Dani, the person in charge of accounting work; and Tian Aihua,

the person in charge of the accounting department (Chief Accounting Officer), declare: We guarantee the authenticity,

accuracy, and completeness of the financial reports in this annual report. All directors attended the board meeti

All directors attended the board meeting where this report was reviewed.

Forward-looking statements in this annual report regarding development strategies, project progress, and operational plans do not constitute substantive commitments by the Company to investors. Investors and relevant parties should maintain sufficient risk awareness regarding these statements

and should understand the distinction between plans, forecasts, and commitments. Investors are advised to be mindful of investment risks. For details on the primary risks in the company's operations, please refer to the relevant content in "Section III Management Discussion and Analysis"

"Potential Risks and Countermeasures" in Section III: Management Discussion and Analysis of this report.

Securities Times, China Securities Journal, and the China Information Network

(<http://www.cninfo.com.cn>) are the Company's designated information disclosure media. All Company information shall be subject to the announcements published in the aforementioned designated media. Investors are kindly reminded to be aware of investment risks.

The profit distribution proposal approved by the Board of Directors at this meeting is as follows: Based on the Company's existing total share capital of 3,692,127,788 shares (excluding shares held in the Company's share repurchase account), a cash dividend of RMB 0.50 (tax inclusive) per 10 shares will be distributed to all shareholders.

a cash dividend of RMB 0.50 (tax inclusive) per 10 shares. No bonus shares will be issued, and no capitalization of reserves will be conducted.

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## List of Supporting Documents

I. 2023 Annual Report bearing the signature of the Company's Legal Representative and the Company Seal;

II. Financial statements bearing the signatures and seals of the company's legal representative, the person in charge of accounting work, and the head of the accounting department

(accounting supervisor); III. The original 2023 annual audit report bearing the seal of the accounting firm and the signatures and seals of the certified public accountants;

IV. Original copies of all company documents publicly disclosed on websites designated by the China Securities Regulatory Commission during the

reporting period, along with original drafts of announcements; V. Other relevant materials.


Location of the above documents: Securities Affairs Department of the company.

## Definitions

Definition Item	Refers to	Definition
This Report	Refers to	China Nuclear Huayuan Titanium Dioxide Co., Ltd. 2023 Annual Annual Report
Company/CNNC Titanium Dioxide/Listed Company	Refers to	China Nuclear Huayuan Titanium Dioxide Co., Ltd.
The Company Law	Refers to	The Company Law of the People's Republic of China
Securities Law	Refers to	Securities Law of the People's Republic of China
CSRC	Refers to	China Securities Regulatory Commission
SZSE	Refers to	Shenzhen Stock Exchange
Reporting Period, Current Period, Current Year, Current Year	Refers to	January 1, 2023 to December 31, 2023
Previous Period, Previous Year	Refers to	January 1, 2022 to December 31, 2022
End of current year, end of current period, end of reporting period	Refers to	December 31, 2023
Previous year-end, previous period-end	Refers to	December 31, 2022
Yuan, Ten Thousand Yuan, Hundred Million Yuan	Refers to	Unless otherwise specified, all amounts are in Renminbi yuan, Renminbi RMB 10,000 yuan, RMB 100 million yuan
Jinxing Titanium Dioxide	Refers to	Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.
Oriental Titanium Industry	Refers to	Gansu Dongfang Titanium Industry Co., Ltd.
Hecheng Titanium Industry	Refers to	Gansu Hecheng Titanium Industry Co., Ltd.
Jinxing Sales	Refers to	Anhui Jinxing Titanium Dioxide Sales Co., Ltd.
Tai'ao Hua, Guangzhou Tai'ao Hua	Refers to	Guangzhou Tai'ao Hua Co., Ltd.
Zetong Logistics	Refers to	Panzhuhua Zetong Logistics Co., Ltd.
Zetong Weili De	Refers to	Gansu Zetong Weili De Vanadium Materials Co., Ltd.
Shuangyang Phosphate Mine	Refers to	Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.
Xintianxin Chemical	Refers to	Guizhou Xintianxin Chemical Co., Ltd.
Gansu Ruisk	Refers to	Gansu Ruiske Lithium Battery Materials Co., Ltd.
Zhonghe Junneng	Refers to	Guangdong Zhonghe Junneng Technology Co., Ltd.
Audit Firm/Lixin	Refers to	Lixin Certified Public Accountants LLP

## Section II Company Profile and Key Financial Indicators

### I. Company Information

Stock Abbreviation	China Nuclear Titanium Dioxide	Stock Code	002145
Stock Exchange	Shenzhen Stock Exchange		
Company Name in Chinese	China Nuclear Huayuan Titanium Dioxide Co., Ltd.		
Company's Chinese Abbreviation	China Nuclear Titanium Dioxide		
Company's English Name (if applicable)	CNNC HUA YUAN TITANIUM DIOXIDE CO., LTD		
Company's Foreign Name Abbreviation (if applicable)	CNNC TD		
Legal Representative of the Company	Yuan Qiuli		
Registered Address	504 South Ring Road, Baiyin District, Baiyin City, Gansu Province		
Postal Code of Registered Address	730900		
Historical Changes to Company Registered Address	**Unit 401, Building 2, Donghu International, Jiayuguan City, Gansu Province** changed to  Gansu Province **		
Office Address	No. 117 LuoJia Tan, Baiyin District, Baiyin City, Gansu Province		
Postal Code of Office Address	730900		
Company Website	http://www.zhtb.com		
Email Address	sz002145@sinotio2.com		

### II. Contact Person and Contact Information

	Board Secretary	Securities Affairs Representative
Name	Yuan Qiuli	
Address	No. 117 LuoJia Tan, Baiyin District, Baiyin City, Gansu Province	
Tel	0943-8270008	
Fax	0943-8270008	
Email	yuantiuli@sinotio2.com	

### III. Information Disclosure and Location of Records

Stock Exchange Website for Annual Report Disclosure	Shenzhen Stock Exchange ( <a href="http://www.szse.cn">http://www.szse.cn</a> )
Media Name and Website for Annual Report Disclosure	Securities Times, China Securities Journal, and China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
Location where the company's annual report is available for inspection	Company Securities Affairs Department

### IV. Registration Changes

Unified Social Credit Code	916202007190638385
Changes in the Company's Principal Business Since Listing (if any)	No changes
Changes in Controlling Shareholders (if any)	In 2019, the controlling shareholder changed from Li Jianfeng to Wang Zelong.

## V. Other Relevant Information

Accounting Firm Engaged by the Company

Name of Accounting Firm	Lixin Certified Public Accountants LLP
Office Address of Accounting Firm	4th Floor, No. 61 East Nanjing Road, Huangpu District, Shanghai
Signing Accountant's Name	Wang Shouyi, Li Yu

Sponsoring Institution Engaged by the Company to Perform Ongoing Supervision Duties During the Reporting Period

Applicable  Not Applicable

Name of Sponsor	Sponsor's Business Address	Name of Sponsorship Representative	Continuous Supervision Period
CITIC Securities Co., Ltd.	No. 48 Liangmaqiao Road, Chaoyang District, Beijing CITIC Securities Tower	Zhong Shan, Li Wanlu	March 9, 2023 – December 31, 2024 December 31, 2024

Financial Advisor Engaged by the Company to Perform Ongoing Supervision Duties During the Reporting Period

Applicable  Not Applicable

## VI. Key Accounting Data and Financial Indicators

Whether the Company Needs to Retrospectively Adjust or Restate Prior Period Accounting Data

Yes  No

Reason for Retrospective

Adjustment or Restatement:

Change in Accounting Policy

	2023	2022		Year-on-Year Change	2021	
		Before Adjustment	Adjusted		After adjustment	Before adjustment
Operating Revenue (RMB)	4,946,559.38 9.00	5,481,272.26 7.60	5,481,272.26 7.60	-9.76%	5,374,133.59 9.51	5,374,133.59 9.51
Net Profit Attributable to Shareholders of the Listed Company (RMB)	419,080,729. 65	643,177,990. 94	643,177,990. 94	-34.84%	1,216,661.88 0.07	1,216,661.88 0.07
Net profit attributable to shareholders of the listed company, excluding non-recurring gains and losses (RMB)	322,259,103. 03	626,031,247. 25	626,031,247. 25	-48.52%	1,179,654.49 0.78	1,179,654.49 0.78
Net Cash Flow from Operating Activities (RMB)	-337,129,504. 91	930,114,889. 11	930,114,889. 11	-136.25%	1,507,466.04 3.00	1,507,466.04 3.00
Basic earnings per share (CNY/share)	0.1150	0.2186	0.2186	-47.39%	0.4086	0.4086
Diluted Earnings Per Share (CNY/share)	0.1150	0.2186	0.2186	-47.39%	0.4086	0.4086
Weighted Average Return on Equity	3.69%	9.33%	9.33%	-5.64%	19.05%	19.05%
	End of 2023	End of 2022		Year-on-Year Change	End of 2021	
		Before adjustment	After Adjustment		After Adjustment	Before adjustment

Total Assets (RMB)	18,535,583.8 26.96	11,680,332.6 60.21	11,686,586.8 12.82	58.61%	11,188,604.2 85.46	11,188,604.2 85.46
Net Assets Attributable to Shareholders of the Listed Company (RMB)	11,886,117.7 90.93	6,935,340.18 0.61	6,935,340.18 0.61	71.38%	6,959,404.05 9.71	6,959,404.05 9.71

## Reasons for Changes in Accounting Policies and Correction of Accounting Errors

Implementation of the provisions of Interpretation No. 16 of the Accounting Standards for Business Enterprises, "Accounting Treatment for Deferred Income Taxes Related to Assets and Liabilities Arising from Individual Transactions That Do Not Qualify for the Initial Recognition Exemption."

The Ministry of Finance issued Interpretation No. 16 of the Accounting Standards for Business Enterprises (Cai Kui [2022] No. 31, hereinafter referred to as "Interpretation No. 16") on November 30, 2022. "), which stipulates that the provisions regarding "Accounting Treatment for Deferred Income Taxes Related to Assets and Liabilities Arising from Individual Transactions Not Subject to Initial Recognition Exemption" shall take effect on January 1, 2023.

Interpretation No. 16 stipulates that for single transactions that are not business combinations, do not affect accounting profit or taxable income (or deductible losses), and where the initial recognition of the asset and liability results in equal taxable temporary differences and deductible temporary differences (including lease transactions where the lessee initially recognizes a lease liability and includes it in the right-of-use asset at the commencement date of the lease term, as well as transactions where a provision is recognized due to disposal obligations for fixed assets and included in the cost of the relevant asset), are not exempt from the requirement to initially recognize deferred tax liabilities and deferred tax assets. At the transaction date, an enterprise shall recognize the corresponding deferred tax liabilities and deferred tax assets in accordance with relevant provisions such as Accounting Standard for Business Enterprises No. 18—Income Taxes.

For single transactions subject to this provision occurring between the beginning of the earliest period presented in the financial statements and the effective date, as well as for lease liabilities and right-of-use assets recognized at the beginning of the earliest period presented due to single transactions subject to this provision, and for estimated liabilities related to disposal obligations and corresponding related assets recognized, if taxable temporary differences and deductible temporary differences arise, the enterprise shall make adjustments in accordance with this provision.

The impact of implementing the above standard on the Company's financial statement items is as follows:

Name of Affected Statement Item	December 31, 2023	December 31, 2022
Deferred Tax Assets	4,991,715.43	6,254,152.61
Deferred income tax liabilities	5,428,542.10	6,254,152.61
Income tax expense	436,826.67	
Retained Earnings	-436,826.67	

The company's net profit before and after deducting non-recurring gains and losses for the last three fiscal years has been negative, and the most recent audit report indicates uncertainty regarding the company's ability to continue as a going concern.

Yes  No

The lower of net profit before and after deducting non-recurring gains and losses is negative

Yes  No

## VII. Differences in Accounting Data under Domestic and International Accounting Standards

### 1. Differences in net profit and net assets between financial reports disclosed under both International Accounting Standards and Chinese Accounting Standards

Applicable  Not applicable

### 2. Differences in net profit and net assets between financial reports disclosed under foreign accounting standards and those disclosed under Chinese accounting standards

Applicable  Not Applicable

## VIII. Quarterly Key Financial Indicators

Unit: RMB

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	1,232,538,930.88	981,667,733.69	1,380,125,617.77	1,352,227,106.66
Net Profit Attributable to Shareholders of the Listed Company	104,502,947.65	109,687,891.54	119,939,809.84	84,950,080.62
Net profit attributable to shareholders of the listed company, excluding non-recurring gains and losses	32,339,704.72	121,621,860.66	98,637,705.61	69,659,832.04
Net cash flow from operating activities	6,623,024.74	28,695,487.75	-163,674,739.34	-208,773,278.06

Are there any material differences between the above financial indicators or their aggregated totals and the relevant financial indicators disclosed in the Company's quarterly reports or semi-annual reports?

Yes  No

### IX. Non-recurring gains and losses items and amounts

Applicable  Not Applicable

Unit: Yuan

Item	2023 Amount	2022 Amount	2021 Amount	Description
Gain/Loss on Disposal of Non-Current Assets (Including Reversal of Accumulated Impairment Losses)	-5,461,230.89	-7,007,567.16	-6,642,158.69	
Government grants recognized in profit or loss for the period (excluding grants closely related to the company's normal business operations, compliant with national policies, granted according to established criteria, and having a continuing impact on the company's profit or loss)	111,647,507.84	17,842,418.16	19,738,978.75	
Gains or losses from changes in fair value of financial assets and liabilities held by non-financial enterprises, and gains or losses from disposal of financial assets and liabilities, excluding effective hedging activities related to the company's normal business operations	1,695,125.83	14,598,294.35	37,810,320.53	
One-time expenses incurred by an enterprise due to the discontinuation of related operating activities, such as expenditures for employee relocation	1,980,958.72			
Other non-operating income and expenses not included in the above items	3,613,943.98	-2,361,257.69	-4,076,495.55	
Other items meeting the definition of non-recurring gains and losses	360,678.50	222,528.55		Fees received for withholding and remitting individual income tax Refund
Less: Income tax effect	16,662,842.47	5,577,474.49	9,823,255.75	
Impact on Minority Interests (After Tax)	352,514.89	570,198.03		
Total	96,821,626.62	17,146,743.69	37,007,389.29	—

Details of other profit and loss items meeting the definition of non-recurring gains and losses:

Applicable  Not Applicable

The Company has no other specific circumstances regarding profit or loss items meeting the definition of non-recurring gains or losses.

Explanation of classifying non-recurring profit and loss items listed in "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public—Non-recurring Profit and Loss" as recurring profit and loss items

Applicable  Not Applicable

The Company has no instances where items listed as non-recurring gains or losses in the "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public—Non-recurring Gains or Losses" have been defined as recurring gains or losses.

## Section III Management Discussion and Analysis

### I. Industry Conditions During the Reporting Period

The Company is required to comply with the disclosure requirements for the chemical industry as stipulated in "Shenzhen Stock Exchange Self-Regulatory Guidance No. 3 for Listed Companies—Industry Information Disclosure."

The reporting period marked a year of profound significance in China's history: Under the leadership of the Party Central Committee with Comrade Xi Jinping at its core, the nation united all ethnic groups to achieve overall economic recovery and steady progress toward high-quality development amid a complex international environment. Under the Party Central Committee's comprehensive leadership, significant progress was made in building a modern industrial system domestically, with traditional industries accelerating their transformation and upgrading. Leveraging its early strategic positioning across the entire industrial chain and multiple effective policy supports, "Made in China" new energy vehicles emerged as a driving force in the global automotive industry transformation, gaining significant advantages in core electrification technologies. Fueled by the rapid development of the new energy vehicle industry, demand for renewable energy products experienced explosive growth, with power battery production and sales reaching new record highs.

As a leading enterprise in the rutile titanium dioxide industry—a fundamental chemical raw material—the company plans to adopt a dual-track strategy of "organic growth and external mergers and acquisitions." It will focus on four core business segments: "Resources, Chemicals, New Materials, and New Energy." This approach aims to comprehensively develop the upstream and downstream segments of the industrial chain, foster a green circular industrial economy, and strive to become one of the world's largest producers of sulfuric acid-processed titanium dioxide. The company will establish a competitive new materials, and new energy" to comprehensively develop the upstream and downstream segments of the industrial chain. This aims to establish a green circular industrial economy, striving to become one of the world's largest producers of sulfuric acid-processed titanium dioxide. The company will also build a competitive production base for new energy battery materials. Through horizontal and vertical integration of the industrial chain, it seeks to transform from a chemical raw material manufacturer with a single main product into a supplier of new energy materials with multiple core offerings.

As a foundational chemical raw material with inelastic demand, the company's primary product—rutile-type titanium dioxide (sulfuric acid process)—has a nearly century-long history in the industry. China's titanium dioxide industry originated in the mid-1950s. Since 1956, the state established plants in Shanghai, Guangzhou, Tianjin, and other locations to produce non-pigment-grade titanium dioxide for welding rods and enamel using the sulfuric acid process. By the late 1980s, a nationwide boom in titanium dioxide plant construction emerged, with dozens of facilities operating at peak capacity. Most plants had production scales ranging from 1kt/a to 4kt/a. For an extended period, China's titanium dioxide industry remained characterized by small production scales, outdated process technologies, and subpar product quality, resulting in relatively slow development. After entering the 1990s, titanium dioxide producers in Gansu, Chongqing, and Shandong successively introduced three 15kt/a sulfuric acid rutile-type

Following continuous assimilation and adaptation of advanced foreign technologies and processes, China's titanium dioxide industry experienced rapid growth after 2000. The industry landscape and product structure underwent significant transformation, achieving remarkable accomplishments. By 2002, China's total titanium dioxide production capacity reached 390,000 tons/year, surpassing Japan, then the second-largest producer. By 2009, China's total capacity surged to 1.8 million tons/year, overtaking the United States as the world's largest producer and consumer of titanium dioxide, a position it maintains today. Currently, the global titanium dioxide market is largely dominated by four major international producers (Chemours, Tronox, Pentasil, and ConocoPhillips) and two leading Chinese manufacturers (Longwei Group and China National Nuclear Corporation Titanium Dioxide).

Since its IPO in 2007, the company has continuously expanded and strengthened its core business through mergers and acquisitions, capacity expansion, and technological upgrades of equipment. Currently, the

company has established an annual production capacity of nearly

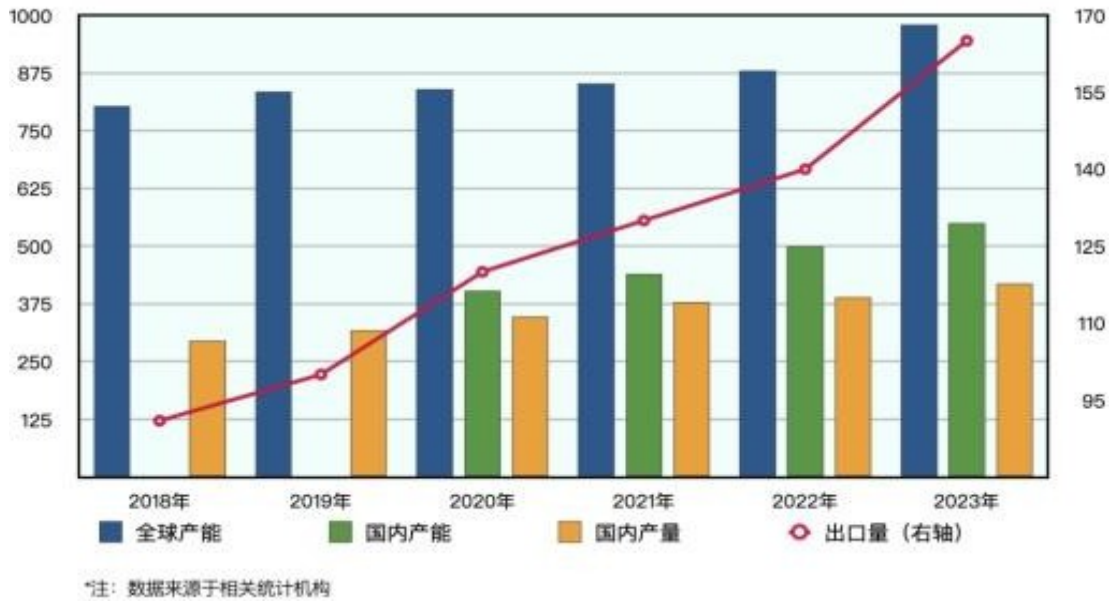
550,000 tons of rutile-type titanium dioxide annually, ranking second in domestic production capacity. Upon completion of the "Circular Deep Processing of Titanium Dioxide" project funded by the company's

2021 private placement, it will possess nearly 700,000 tons of rutile-type titanium dioxide production capacity, positioning it as one of the world's largest producers utilizing the sulfuric acid process.

processing" project, the company will achieve an annual production capacity of nearly 700,000 tons of rutile-type titanium dioxide, positioning it as one of the world's largest producers of sulfuric acid process titanium dioxide. In recent years, domestic enterprises utilizing the sulfuric acid process for rutile-type titanium dioxide production have leveraged advantages such as abundant domestic mineral resources and proximity to downstream customers. Through

Through capacity expansion and technological upgrades, these domestic producers have surpassed overseas sulfuric acid-process titanium dioxide in production costs, customized demand fulfillment, and overall cost-effectiveness. With the withdrawal of some international capacities and heightened barriers for new domestic capacity additions, the sulfuric acid-process titanium dioxide market will evolve toward a healthy landscape characterized by domestic leaders expanding production while intensifying global market coverage and demand alignment.

2018-2023年全球钛白粉产能及国内钛白粉产能、产量和出口量（万吨）



According to data from relevant statistical agencies, global titanium dioxide capacity reached approximately 9.8 million tons in 2023. Domestic Chinese capacity stood at around 5.5 million tons in 2023, marking a year-on-year increase compared to 2022.

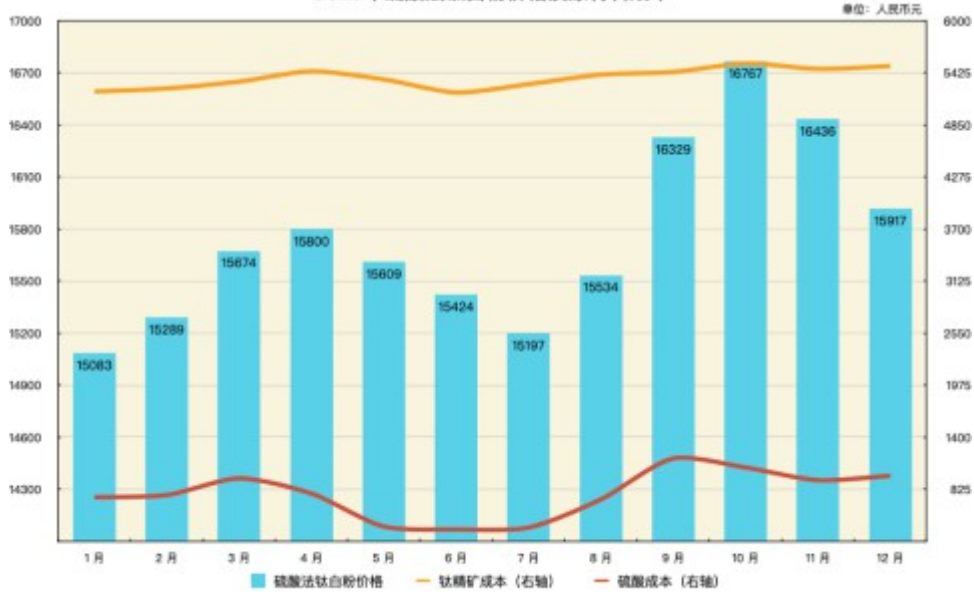
year-on-year increase compared to 2022; production volume reached approximately 4.2 million tons, showing year-on-year growth compared to 2022. Both domestic titanium dioxide production capacity and output accounted for over 50% of the global total.

In 2023, China's titanium dioxide exports totaled approximately 1.65 million tons, accounting for nearly 40% of its production.

During the reporting period, the rutile titanium dioxide market exhibited an "overall weak supply-demand dynamic phased price recovery" due to factors including the gradual release of new capacity and sluggish demand from certain downstream industries. Specifically: In Q1, production cuts and maintenance shutdowns at multiple plants drove inventory drawdowns, halting price declines and triggering consecutive increases. In Q2, weak terminal demand and intense market competition led to a narrow decline in market prices. In the third quarter, robust export demand, dealer stockpiling, and rising raw material procurement costs drove market prices higher. In the fourth quarter, the release of new capacity and lower raw material procurement costs resulted in a phase adjustment of market prices. By the end of the reporting period, the market price of rutile-type titanium dioxide

rose by 1,000-1,500 yuan/ton compared to the beginning of the reporting period.

2023年硫酸法钛白粉价格及原材料成本



注：参照相关统计机构数据，硫酸法钛白粉价格为国内平均销售含税价格，钛精矿成本按国内不含税出厂平均价格\*2.4计算，硫酸成本按国内含税出厂平均价格\*4计算(单吨硫酸法钛白粉平均单耗)

Supply Side: Against the backdrop of national advocacy for a green economy, increasingly stringent environmental policies, and limited capacity and output of core raw materials, only leading domestic titanium dioxide producers with cost, environmental, and market advantages have systematically initiated expansion plans. Overseas sulfuric acid-based titanium dioxide giants face adverse factors such as soaring production costs driven by environmental policies and energy crises, leading to gradual contraction in their capacity and output. Global titanium dioxide capacity is projected to increase by 1-1.5 million tons over the next 1-2 years. Demand Side: Global

Demand for titanium dioxide has shown long-term stable growth, largely aligning with GDP growth rates. Coatings constitute a significant portion of titanium dioxide demand. The demand for renovation (refurbishment) in architectural coatings will substantially mitigate the impact of declining domestic new construction coatings usage. Automotive coatings, driven by the substantial growth in production and sales of new energy vehicles, will emerge as the fastest-growing coating category, creating a new growth driver for titanium dioxide demand. According to research institutions forecasting based on IMF global GDP growth projections, global titanium dioxide demand is expected to exceed 10 million tons by 2030. Domestic sulfuric acid-based titanium dioxide will leverage its advantages in sustained supply assurance and cost-performance ratio to further increase market share and export volumes. The cyclical nature of China's sulfuric acid-based titanium dioxide industry is projected to continue weakening, evolving into a healthy market characterized by overall supply-demand equilibrium.

## II. Primary Business Activities During the Reporting Period

During the reporting period, the Company acquired mining enterprises with reserves exceeding 10 million tons of phosphate concentrate and yellow phosphorus producers, accelerating the development of green circular industrial economy investment projects. This has established an industry-leading production capacity scale for new energy chemical materials including titanium dioxide, phosphate rock, yellow phosphorus, and iron phosphate. Specifically: - Titanium dioxide: Current capacity of nearly 550,000 tons/year, with planned capacity of 700,000 tons/year - Phosphate ore: Current capacity of 500,000 tons/year - Yellow phosphorus: Current capacity of 30,000 tons/year, with a 90,000 tons/year yellow phosphorus technical upgrade project

is projected to commence operations in 2024; existing annual production capacity for iron phosphate stands at 100,000 tons, with planned capacity reaching 500,000 tons.

### 1. Company's Primary Products and Applications

During the reporting period, the Company's revenue was derived from the sale of titanium dioxide, ferrous sulfate, phosphate rock, yellow phosphorus, iron phosphate, and related logistics services. Sales of titanium dioxide constituted the primary source of operating revenue.

Titanium dioxide, chemically known as  $\text{TiO}_2$ , is currently the world's highest-performing white pigment, accounting for approximately 80% of all white pigment usage. The stable physicochemical properties and excellent optical characteristics of titanium dioxide determine its superior pigment performance, including outstanding hiding power, tinting strength, whiteness, and weather resistance. As a vital inorganic chemical product, it is widely used in coatings, plastics, papermaking, inks, chemical fibers, rubber, and other fields. Its end-use products serve rapidly developing industries such as real estate, automotive manufacturing, and decorative paper. In recent years, driven by technological advancements, titanium dioxide consumption has expanded into new energy, high-end equipment, environmental protection,

medical applications, demonstrating vast future potential.

Titanium dioxide is categorized into pigment-grade and non-pigment-grade based on application. Pigment-grade titanium dioxide offers the best performance and widest applications, while non-pigment-grade titanium dioxide is primarily used in welding rods, enamel, and metallurgical industries. Pigment-grade titanium dioxide can be further classified by crystal morphology into rutile (R-type) and anatase (A-type) varieties. Rutile titanium dioxide exhibits superior hiding power and weather resistance. Its photochemical stability and gloss surpass those of rutile-type titanium dioxide, making it the finest white pigment with greater practical value. The company's core products are rutile-type titanium dioxide, which accounted for over 87% of its total sales revenue in 2023.

#### (1) Applications of Titanium Dioxide in the Coatings Industry

Paint is a viscous suspension composed of binders, pigments, fillers, solvents, and additives. When applied to a surface, it forms a resilient film through oxidation by air and solvent evaporation, serving decorative, protective, or specialized functional purposes.

Based on application, coatings are categorized into architectural coatings, industrial coatings, general-purpose coatings, and auxiliary materials. Architectural coatings can be further subdivided into interior/exterior wall coatings, waterproof coatings, floor coatings, and other functional coatings. Industrial coatings include wood coatings, anti-corrosion coatings, automotive coatings, and others.

The pigments in coatings (pigment-grade titanium dioxide) possess coverage power that conceals the original color of the substrate while imparting vibrant hues to the film, achieving aesthetic and decorative effects. Simultaneously, pigments tightly bond with the binder, forming an integrated structure that enhances the coating film's mechanical strength and adhesion to prevent cracking. They increase film thickness to block UV penetration and moisture ingress, improve aging resistance, and extend service life. In solvent-based and water-based coatings, titanium dioxide serves not only for coverage

and decoration but also crucially improve the coating's physicochemical properties and enhance chemical stability. This boosts hiding power, tinting strength, corrosion resistance, lightfastness, and weather resistance. Titanium dioxide accounts for over 90% of total pigments used in coatings and over 95% of white pigments, representing 10%-25% of coating raw material costs. The application of titanium dioxide in coatings spans construction, automotive, marine, metal furniture, home appliances, coil coating, and other sectors. In coating production, the highest consumption of titanium dioxide occurs in architectural coatings, accounting for 40% of total coating-grade titanium dioxide usage. This is followed by industrial coatings for automotive, marine, and furniture applications, representing approximately 30%, while protective and packaging coatings account for the largest share of titanium dioxide consumption at 40% of total coating usage. Industrial coatings for automotive, marine, and furniture applications follow at approximately 30%, while protective coatings and packaging coatings collectively account for the remaining 30%.

#### (2) Applications of Titanium Dioxide in the Plastics Industry

Plastics are mixtures of resins, plasticizers, fillers, and colorants. They feature light weight, abrasion resistance, high mechanical properties, corrosion resistance, excellent electrical insulation, and ease of processing. They serve as structural materials, insulators, and corrosion-resistant materials. Plastics are essential in daily life and widely used in cutting-edge science and technology. They can replace glass, ceramics, wood, metals, and fibers, serving as crucial materials in industries such as aircraft, automobiles, ships, motors, machinery, chemicals, construction, and daily necessities.

To impart aesthetic coloration, plastics often incorporate specific quantities of pigments. These pigments must facilitate easy coloring and dispersion during processing while remaining chemically inert with other components. Titanium dioxide ( $\text{TiO}_2$ ) offers high whiteness, strong tinting strength, and excellent coverage, along with superior opacity and chemical stability. Incorporating  $\text{TiO}_2$  enhances plastics' heat resistance, light resistance, and weather resistance, boosts mechanical strength, and extends service life.

Applications of titanium dioxide in plastics include polypropylene, polyvinyl chloride, and polystyrene. Nearly all thermosetting and thermoplastic plastics utilize titanium dioxide as a colorant, typically at concentrations of 0.5%-10%. Certain specialty plastics require higher titanium dioxide content, with masterbatch formulations containing 40%-70% titanium dioxide.

#### (3) Applications of Titanium Dioxide in the Pulp and Paper Industry

To enhance the physical and mechanical properties of paper, improve opacity, smoothness, gloss, and whiteness, increase elasticity, reduce moisture absorption, and improve printability, appropriate fillers (titanium dioxide) are added during the production of ordinary paper.

The addition of high-refractive-index and achromatic titanium dioxide increases paper refractive index, preventing show-through—the most dreaded issue in the printing industry.

Applications of titanium dioxide in papermaking include banknote paper, aviation paper, dictionary paper, art paper, and decorative paper. Among these, decorative board base paper and dictionary base paper contain higher titanium dioxide concentrations.

#### (4) Applications of Titanium Dioxide in the Rubber Industry

In the rubber industry, titanium dioxide serves as a pigment while also providing reinforcement, anti-aging properties, and filling functions. Adding titanium dioxide to white and colored rubber products enhances resistance to sunlight exposure, preventing cracking and discoloration. It also improves elongation and acid/alkali resistance. Rubber-grade titanium dioxide is primarily used in automotive tires, rubber shoes, flooring, gloves, and sports equipment. In tire manufacturing, rutile-type titanium dioxide is often added to enhance ozone and UV resistance.

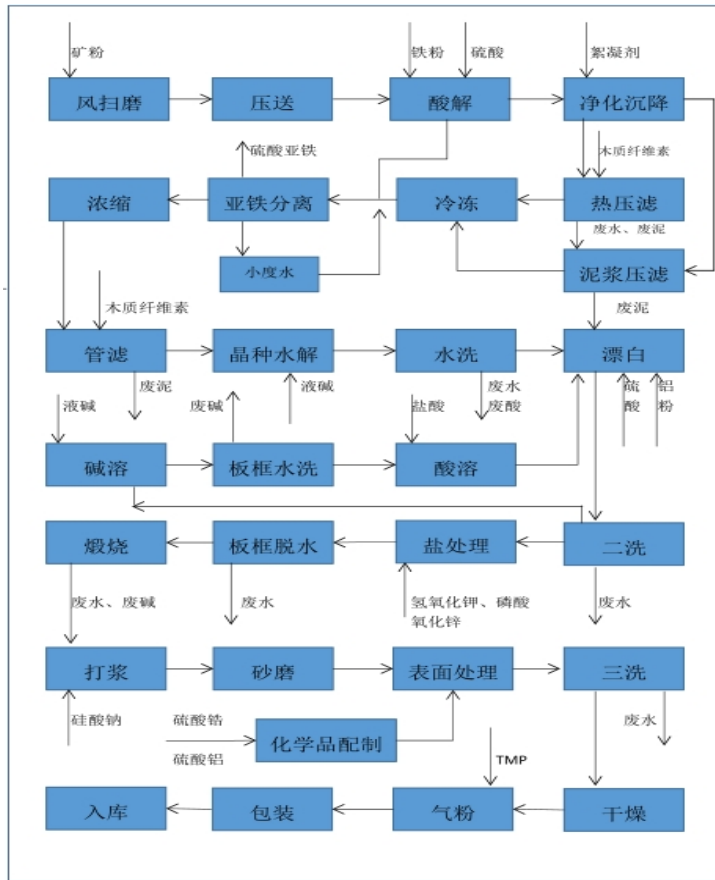
## 2. Primary Production Processes

The sulfuric acid process for titanium dioxide production primarily uses titanium concentrate as raw material. Sulfuric acid decomposes the titanium in the concentrate into a  $\text{TiOSO}_4$  solution. Insoluble impurities are removed through sedimentation and filtration. Crystallization and solid-liquid separation then isolate  $\text{FeSO}_4 \cdot 7\text{H}_2\text{O}$  through crystallization and solid-liquid separation. The solution is then concentrated and thermally hydrolyzed to produce a peroxotitanate slurry. Soluble sulfates and heavy metal impurities are removed through washing and bleaching processes. After adding crystal transformation aids and filter pressing, the slurry undergoes calcination for dehydration, desulfurization, and transformation to yield rutile or anatase titanium dioxide crude products. The raw titanium dioxide is dry-ground to yield rutile-type products and uncoated rutile-type raw products. To produce higher-grade rutile-type products, the raw material must be pulped, then processed through classification, grinding, inorganic surface treatment, washing, drying, organic surface treatment, and gas-powder conversion to obtain finished rutile-type titanium dioxide products meeting application requirements.

The specific process flow is as follows:

- (1) Titanium concentrate is ground using Raymond mills, wind-swept mills, ball mills, etc., to achieve the required fineness.
- (2) Decompose the powdered ore with concentrated sulfuric acid to produce a soluble  $\text{TiOSO}_4$  solution. During acid leaching, most impurities in the ore powder are also decomposed, forming corresponding soluble sulfates. These, along with soluble titanium salts, enter the solution during leaching, forming black titanium liquor. To effectively remove iron, metallic iron is used to reduce the high-valent iron in the titanium solution to ferrous iron. Simultaneously, to prevent re-oxidation of the ferrous iron, an excess of metallic iron is employed to reduce a specific quantity of tetravalent titanium to trivalent titanium.
- (3) The black titanium solution ( $\text{TiOSO}_4$  solution) contains both soluble and insoluble impurities. Most insoluble impurities, such as undecomposed titanium ore and sand particles, can be naturally removed by gravitational settling. Another portion of insoluble impurities consists of colloidal compounds of silicon and aluminum, along with some early hydrolyzed titanium. Though present in small quantities, these exhibit high dynamic stability and require additional sedimentation agents to enhance the settling and clarification process. Sulfates of metals such as iron, vanadium, chromium, and manganese are soluble impurities removed during crystallization, hydrolysis, or washing.
- (4) The sludge residue after purification sedimentation still contains substantial soluble and insoluble titanium. To ensure yield, most soluble titanium is recovered using plate-and-frame filter presses. Insoluble titanium and other undissolved impurities are discharged as waste residue.
- (5) Black titanium liquid contains substantial  $\text{Fe}^{2+}$ , which significantly affects the color of titanium dioxide and must therefore be removed. The solubility of  $\text{FeSO}_4$  is highly temperature-dependent. Consequently, in a given titanium liquid composition, the solubility of  $\text{FeSO}_4$  decreases as temperature decreases. This process typically employs vacuum crystallization or freeze crystallization to form  $\text{FeSO}_4 \cdot 7\text{H}_2\text{O}$  crystals. These crystals are then separated from the liquid using a disc filter or centrifuge to remove the substantial  $\text{Fe}^{2+}$  content from the black titanium solution.
- (6) The settled titanium solution still contains suspended impurities that affect the finished product's color. Therefore, precision filtration is essential. A plate-and-frame filter press is used with activated charcoal powder (or diatomaceous earth, perlite) as a filter aid. The strong adsorption properties of charcoal powder further remove insoluble impurities from the titanium solution, achieving purification.
- (7) Concentration elevates the titanium solution's concentration to meet hydrolysis requirements. Given the solution's high boiling point—exceeding the critical temperature for titanium hydrolysis—concentration must occur at lower temperatures. Leveraging the principle that boiling points decrease under vacuum conditions, the titanium solution is boiled at low temperatures to evaporate its water content. This process increases the concentration of the refined titanium solution, meeting hydrolysis requirements.
- (8) The hydrolysis of titanium solution is the process where titanium dioxide transforms from the liquid phase (titanium solution) back into the solid phase. Titanium solution exhibits properties of a typical ionic solution, undergoing hydrolysis when the pH value exceeds 0.5. More significantly, it also possesses characteristics of a colloidal solution. Under conditions of high free acidity, hydrolysis can occur even when the solution is maintained at a boiling state. This phenomenon forms the basis for producing hydrated titanium dioxide with specific application and product properties. By controlling the heating rate, hydrolysis can be induced at the desired speed to generate the desired hydrated titanium dioxide particles.
- (9) The hydrolyzed hydrated titanium dioxide contains sulfuric acid and ions such as iron, aluminum, manganese, copper, nickel, vanadium, and lead. These ions form corresponding oxides upon calcination, exhibiting various colors and thereby contaminating the product to varying degrees. Therefore, washing is essential to remove them. Hydrated titanium dioxide is insoluble in water, whereas sulfuric acid and ions of iron, aluminum, manganese, copper, nickel, vanadium, and lead are water-soluble. This property serves as the prerequisite for washing. The concentration difference between the washing water and the impurity ions in the hydrated titanium dioxide allows the impurities to be removed by water. The primary objective of washing is to prevent soluble impurity ions from transforming into insoluble precipitates. Consequently, specific requirements exist for the iron content and other solid impurities in the wash water to prevent impurities from accumulating on the hydrated titanium dioxide and contaminating the product.
- (10) Calcination Seed Preparation A portion of the titanate slurry that has passed washing is drawn off. After metering, it is added to the alkali dissolution tank to react with metered alkali solution. The resulting alkali-soluble material is cooled and washed with deionized water. The qualified alkali-soluble material is then discharged, pulped, and fed into the seed preparation tank. Calcination seeds are produced by dissolving the material with hydrochloric acid. The resulting seeds are pumped into the calcination seed metering tank for addition during the bleaching process.
- (11) After a single water wash, metatitanate is treated with a measured quantity of concentrated sulfuric acid at a specific concentration. This causes partial reaction between the metatitanate and concentrated sulfuric acid to form titanium oxysulfate. Aluminum powder is then added to reduce the tetravalent titanium in the titanium oxysulfate to trivalent titanium. This maintains a specific concentration of trivalent titanium in the bleached solution, reduces oxidized metal ions like iron to lower-valent iron ions, and enables a second washing to achieve more thorough purification of the metatitanate.
- (12) After two washings, different types of additives are added to the metatitanate prior to calcination. This ensures appropriate temperature and stable internal changes during calcination, resulting in finished titanium dioxide with consistent grain size and shape. This guarantees the titanium dioxide pigment product possesses good hue, gloss, and excellent coloring and covering power.
- (13) Calcination involves dehydrating, desulfurizing, and transforming the crystal structure of hydrated titanium dioxide. This process removes free water, bound water, and sulfur trioxide from the hydrated titanium dioxide. Subsequently, the crystal structure is refined and transformed in a high-temperature zone to produce granular raw material of rutile or anatase titanium dioxide.
- (14) Grinding involves pulverizing the raw titanium dioxide particles, typically using Raymond mills or roller mills. Within the Raymond mill, material is rapidly pulverized by the impact of high-speed rotating grinding rollers and rings. A classifier then separates the material: coarse particles are returned to the grinding chamber, while fine particles enter a bag filter. These fine particles proceed through a star discharge valve into a screw feeder and are conveyed to the post-grinding storage silo. Anorthite products or uncoated rutile products are packaged as finished goods, while coated rutile products require further processing.
- (15) For wet grinding, uniformly dispersed titanium dioxide slurry is pumped into an abrasive mill for grinding. Once the slurry meets dispersion specifications, it is pumped to the surface treatment tank.
- (16) Within the surface treatment tank, various inorganic surface treatment agents are metered according to specific product grades. By controlling the addition method, slurry temperature, and pH value, these agents coat the titanium dioxide particles in different forms to enhance the pigment's application properties.
- (17) The surface-treated material is washed with deionized water to remove salts. The qualified titanium dioxide filter cake is sent to a dryer. The filtrate, after recovering the filtered titanium dioxide, is pumped to the calcination process as wash water and for repulping in the re-slurry process.
- (18) The qualified slurry is pressed and filtered before entering the dryer for drying. The dry powder enters a high-temperature bag filter with hot airflow to recover  $\text{TiO}_2$ , then is conveyed via pneumatic transport to the pre-powder storage silo. Exhaust gas is discharged through an induced draft fan.
- (19) The dried material is fed into a fluidized bed pulverizer, where superheated steam serves as the grinding medium. The material undergoes intense collision and pulverization driven by high-speed steam flow.

The pulverized material enters the high-temperature bag filter with the exhaust steam. Most of the titanium dioxide product is separated and enters the finished product silo. The finished titanium dioxide is weighed and packaged by the packaging machine before being sent to the finished product warehouse.



### 3. Upstream and Downstream Industrial Chains of Key Products

① Upstream: Rutile-type titanium dioxide, as the highest-performance white pigment, relies on titanium concentrate as its core raw material. China possesses abundant titanium resources, ranking among the world's largest titanium resource nations with reserves at the forefront globally. As of 2021, China's proven titanium ore reserves reached 884 million tons.

The company's primary sulfuric acid-processed titanium dioxide requires approximately 2.4-2.5 tons of titanium concentrate per ton of finished product. China's titanium dioxide industry consumes nearly 12 million tons of titanium concentrate annually. Although China has numerous titanium raw material producers, few currently rank among the world's top producers in terms of output. Both production volume and quality fail to meet the demands of domestic downstream enterprises for titanium raw materials, necessitating substantial annual imports of high-quality titanium ore from countries like Australia. In 2023, domestic titanium concentrate production reached approximately 7.5 million tons, while imports exceeded 4.2 million tons.

② Downstream: Primarily used in coatings, plastics, papermaking, inks, chemical fibers, rubber, and other sectors. End products serve rapidly growing industries such as real estate, automotive manufacturing, and decorative paper.

#### (1) Paint Industry

Following the reform and opening-up, the Chinese coatings industry seized tremendous growth opportunities amid booming markets for real estate and building materials, surpassing the United States to become the world's largest coatings producer. In 2017, China's coatings output reached 20.364 million tons, surpassing the 20-million-ton threshold for the first time. By 2022, the total production of China's coatings industry had grown to 39.7 million tons, with projections indicating it will reach 42 million tons in 2023. Today, China has evolved from a major coatings producer to a leading coatings powerhouse, and the industry has embarked on a path of transformation and upgrading.

The 2020 Government Work Report proposed constructing urban affordable housing and advancing rural dilapidated housing renovations. The Guiding Opinions on Comprehensively Promoting the Renovation of Urban Old Residential Areas stated that by the end of the 14th Five-Year Plan period, the renovation of urban old residential areas built before the end of 2000 should be basically completed. According to data released at the 11th National Conference on Existing Building Renovation, approximately 43 million households in China's urban areas reside in 160,000 old residential communities, covering nearly 4 billion square meters of floor space. Despite slowing domestic real estate investment growth, demand remains strong.

, approximately 43 million urban households reside in 160,000 old residential communities, covering nearly 4 billion square meters of floor space. Despite slowing growth in domestic real estate investment, demand remains substantial, and the renovation of old residential communities will become a key driver for incremental growth in the domestic architectural coatings market.

In 2021, the global automotive coatings market reached approximately 140 billion yuan, with overseas companies holding over 90% of the market share. Affected by trade frictions and other factors, coupled with the rapid development of China's new energy vehicle industry, domestic coatings enterprises are poised to achieve breakthroughs in the automotive coatings sector. Research institutions project that China's automotive coatings market will reach 55 billion yuan by 2025.

#### (2) Plastics Industry

The plastics industry has consistently outperformed GDP growth over the years, maintaining steady development momentum. From 2010 to 2022, China's plastic product output increased from 58.31 million tons to 77.72 million tons, achieving a compound annual growth rate (CAGR) of 2.42%. Supported by national policy guidance and growing demand from downstream sectors, the plastics industry market

market size will continue to grow steadily. Furthermore, exports constitute a significant portion of China's plastics market. In 2023, the export value of plastic products reached \$100.81 billion USD, with a trade surplus of 83.62 billion USD. China remains the world's largest producer and consumer of plastic products.

In recent years, the global plastics industry has maintained steady development with continuous structural upgrades and optimization. While meeting the needs of the daily consumer goods market, plastic products have expanded into downstream sectors including packaging, construction and decoration, automotive, machinery, home appliances, postal and telecommunications, and agriculture. With further breakthroughs in plastics material research, the plastics products industry remains in an upward development phase. Transformation and upgrading are progressing steadily, offering vast market development potential. Plastic products are extending into aerospace, new energy, advanced manufacturing, and novel processing technologies, while also integrating with emerging sectors like smart home devices and IoT equipment. In the future, the continuous expansion of downstream applications will further drive upstream enterprises to develop new products that align with market trends, thereby creating greater development opportunities for the industry.

### (3) Paper Industry

The paper industry is a vital foundational raw materials sector closely tied to national economic and social development. Characterized by capital and technology intensity with significant economies of scale, it exhibits strong industrial interconnections and a large market capacity. It serves as a key driver for the development of forestry, agriculture, printing, packaging, machinery manufacturing, and other industries. As the world's largest producer and consumer of paper products, China has already taken the top spot globally in both paper production and consumption. China has surged to the top globally in both paper production and consumption. In 2023, domestic consumption recovered and the economy maintained stable growth, positioning the paper industry as a new growth driver for national economic development. That year, the national paper and paper products sector achieved operating revenues of nearly 1.4 trillion yuan. As the industry deepens its commitment to high-quality development and low-carbon green paper production, it will enhance innovation capabilities, cultivate new growth drivers, and implement rational and effective controls on new capacity additions. Overall, the paper industry is expected to maintain a relatively stable development trajectory.

### (4) Rubber Industry

As the world's largest rubber consumer market, China's demand for rubber products continues to grow, driven by increasing requirements from the automotive, construction, and industrial manufacturing sectors. Technological advancements have spurred continuous innovation within the rubber industry. The introduction of new materials and production technologies helps enhance product performance, reduce production costs, and meet environmental and sustainability requirements.

According to data from the National Bureau of Statistics, China's synthetic rubber production reached 9.097 million tons in 2023, marking an 8.2% year-on-year increase. Exports of major synthetic rubber products totaled 668,000 tons, surging 35% during the same period—far exceeding the growth rate of imports. This demonstrates the gradually strengthening competitiveness of China's synthetic rubber industry in the international market.

## 4. Business Model

The company possesses an independent and comprehensive R&D, procurement, production, and sales system, conducting production and business operations autonomously based on its own capabilities, macroeconomic conditions, and market changes. During the reporting period, the company adhered to its operational philosophy of "production-driven sales, cost control as the core, and guaranteed product quality." Leveraging production bases in Jiayuguan and Baiyin (Gansu), Ma'anshan (Anhui), Kaiyang (Guizhou), and Panzihua (Sichuan), it rationally allocated resources, integrated procurement channels, expanded export sales, intensified R&D efforts, capitalized on brand advantages, and enhanced market competitiveness, achieving favorable economic results.

## 5. Development Strategy

### Building a Green Circular Industry to Achieve Transformation and Upgrading, Supporting the "Dual Carbon" Goals

Under the new development paradigm of "domestic circulation as the mainstay, with domestic and international dual circulation reinforcing each other," the company aligns with the guiding principles of "Quality First, Efficiency Oriented" and "Innovation Driven, High Quality Development" to comprehensively deploy upstream and downstream industrial chains. The company aims to build a green circular industrial economy centered on the "sulfur-phosphorus-iron-titanium-lithium" value chain, driving its green and low-carbon transformation while contributing to the achievement of the dual carbon strategic goals.

The Company must comply with the disclosure requirements for the chemical industry as stipulated in the Shenzhen Stock Exchange Listing Rules No. 3—Industry Information Disclosure. Procurement Model for Primary Raw Materials

Unit: CNY

Primary Raw Materials	Procurement Model	Percentage of Total Procurement Amount	Significant Changes in Settlement Methods	Average Price in First Half	Average Price in the Second Half
Domestic titanium concentrate	Procurement based on production plans purchased	28.21%	No	2,215.13	2,321.22
Imported titanium concentrate	Purchased according to production plan purchased	0.72%	No	2,456.40	2,445.04

Reasons for Significant Changes in Raw Material Prices Compared to the Previous Reporting Period There were no significant changes in raw material procurement prices compared to the previous reporting period.

Energy procurement costs account for over 30% of total production costs

Applicable  Not applicable

## Production Technology for Main Products

Primary Products	Stage of Production Technology Development	Core technical personnel	Patented Technologies	Product R&D Advantages
Titanium Dioxide	Mass Production	All are current employees of our company	Co-production Process Titanium Dioxide Production Using Sulfuric Acid Method Production Technology	Domestically Leading
Titanium Dioxide	Mass Production	All are current employees of our company	Clean Production Technology for Integrated Sulfur-Iron-Titanium Production	Leading in China
Titanium Dioxide	Mass production	All are current employees of our company	Titanium Dioxide Seed Preparation Technology	Leading in China
Titanium Dioxide	Mass production	All are current employees of our company	Titanium Dioxide Waste Heat Recovery Technology	Leading in China
Titanium Dioxide	Mass production	All are current employees of our company	Titanium Dioxide Pulping and Filtration Technology	Leading in China
Titanium Dioxide	Mass production	All are current employees of our company	Titanium Dioxide Salt Treatment Technology	Leading in China
Titanium Dioxide	Mass production	All are current employees of our company	Titanium Dioxide Production Technology Using the Sulfuric Acid Process	Leading in China

## Production Capacity of Key Products

Key Products	Design Capacity	Capacity Utilization Rate	Capacity Under Construction	Investment and Construction Status
Titanium Dioxide	550,000 tons/year	58.20%	150,000 tons/year	During the reporting period, the Company implemented a 300,000-ton capacity expansion for titanium dioxide products through Dongfang Titanium Industry as the implementing entity. Phase I (150,000 tons/year of finished titanium dioxide) was completed during the reporting period. Phase II, with an annual capacity of 150,000 tons of finished titanium dioxide, is under construction.
Phosphoric acid iron	100,000 tons/year	1.35%	Details are provided in the Investment and Construction Status table.	During the reporting period, the Company initiated the construction of a 500,000-tonne-per-year ferric phosphate production capacity with Dongfang Titanium Industry as the implementing entity. Phase I (100,000 tonnes/year ferric phosphate) was completed during the reporting period.
Phosphate Ore	500,000 tons/year	16.95%		
Yellow phosphorus	120,000 tons/year	0.19%		During the reporting period, the 30,000-ton/year yellow phosphorus production line operated normally, while the 90,000-ton/year yellow phosphorus capacity underwent technical upgrades.

Note: The company added 150,000 tons of new titanium dioxide capacity in 2023, completed at the end of 2023. As of the reporting period, this capacity had not yet been released, resulting in a lower capacity utilization rate compared to the same period last year

; the newly added 100,000 tons/year iron phosphate capacity in 2023 was completed in the second half of 2023, and as of the end of the reporting period, the capacity had not yet been fully released, resulting in a lower capacity utilization rate

was low. Phosphate ore and yellow phosphorus products are new products formed by the consolidation of Shuangyang Phosphate Mine and Xintianxin Chemical acquired in the second half of 2023, hence the low capacity utilization rate.

## Product Portfolio of Major Chemical Industrial Parks

Major Chemical Industrial Parks	Product Categories
Maanshan Cihu High-Tech Industrial Development Zone	Sulfuric acid process titanium dioxide
Baiyin High-Tech Industrial Development Zone	Sulfate-process Titanium Dioxide, Ferric Phosphate
Gansu Mining Area	Titanium Dioxide (Sulfate Process)
-	Phosphate Ore
-	Yellow Phosphorus

## Status of Environmental Impact Assessment Approvals Applied for or Newly Obtained During the Reporting Period

Applicable  Not Applicable

Serial No.	Project Name	Evaluation Type	Report Title	Review Date	Date of Approval	Document Number	Validity Period
1	Waste Acid Concentration Technical Renovation Project	Environmental Impact Assessment	Environmental Impact Report for Waste Acid Concentration Technical Renovation Project	April 18, 2023	August 9, 2023	Municipal Environmental Review [2023] No. 34 No.	August 9, 2023–August 9, 2028

2	Ferrous Sulfate Heptahydrate Drying Technical Upgrade Project	Environmental Impact Assessment	Environmental Impact Report for the Ferrous Sulfate Heptahydrate Drying Technical Renovation Project	January 11, 2023	April 6, 2023	Municipal Environmental Review [2023] No. 12 No.	April 6, 2023– April 6, 2028
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3	Circular Titanium Dioxide Deep Processing Project (50t Gas-Fired Boiler)	Environmental Impact Assessment	Deep Processing Project for Cyclic Titanium Dioxide (50t Gas-Fired Boiler) Environmental Impact Report	October 10, 2022	January 11, 2023	Municipal Environmental Review [2023] No. 1 No.	January 11, 2023– January 11, 2028
4	"Sulfur, Phosphorus, Iron, Titanium, Lithium" Supporting 2×440th Circulating Fluidized Bed Boiler + 2×59MW Extraction Backpressure Unit Project	Environmental Impact Assessment	Sulfur, Phosphorus, Iron, Titanium, Lithium Support Project: 2×440th Circulating Fluidized Bed Boilers + 2×59MW Extraction Backpressure Units	May 31, 2023	December 29, 2023	Municipal Environmental Review [2023] No. 48 No.	December 29, 2023– December 29, 2028

## Abnormal Production Halts Occurred During the Reporting Period

Applicable  Not Applicable

On March 10, 2023, an accident occurred during confined space maintenance operations at Jinxing Titanium Dioxide, a wholly-owned subsidiary of the Company. Jinxing Titanium Dioxide received the "Notice on Suspension of Work and Production" issued by the Emergency Management Bureau of Ma'anshan Cihu High-Tech Zone on March 10, 2023. To cooperate with the investigation, Jinxing Titanium Dioxide was required to suspend work and production in an orderly manner and conduct a comprehensive inspection of potential safety hazards. In May 2023, Jinxing Titanium Dioxide received the "Notice on Approving the Resumption of Production at the Crude Titanium Dioxide Segment of Anhui Jinxing Titanium Dioxide (Group) Co., Ltd." (Maci Emergency [2023] No. 44) issued by the Ma'anshan Cihu High-Tech Zone Emergency Management Bureau, approving the resumption of production at the crude titanium dioxide segment. This incident did not have a significant impact on the Company's overall business operations.

## Status of Relevant Approvals, Permits, Qualifications, and Validity Periods

Applicable  Not Applicable

No.	Company	Approval/License/Qualification	Certificate Number	Validity Period
1	Gansu Dongfang Titanium Industry Co., Ltd.	Approval for Temporary Laying of 10KV High-Voltage Power Lines and Transmission Pipelines Approval	Baiyin High-Tech District Regulation [2023] No. 12	April 13, 2023– Permanently Valid
2	Gansu Dongfang Titanium Co., Ltd.	Approval for Laying Routes of Rainwater and Sewage Pipelines in the Project Plant Area and Approval for Opening Fire Escape Routes	Bai Gaoxin Gui Fa [2023] No. 41	August 15, 2023– Permanent Validity
3	Gansu Ruiske Lithium Battery Materials Co., Ltd.	Gansu Ruiske Lithium Battery Materials Co., Ltd. and Resource Recycling Project (Energy Assessment Approval)	Gansu Development and Reform Commission Office Letter [2023] No. 9	January 31, 2023– January 31, 2025
4	Gansu Dongfang Titanium Industry Co., Ltd.	Circular Economy Titanium Dioxide Deep Processing Project Construction Engineering Construction Permit	620404202302060103	February 6, 2023– May 6, 2023
5	Gansu Dongfang Titanium Industry Co., Ltd.	Circular Titanium Dioxide Deep Processing Project (50t Gas-Fired Boiler, Waste Acid Concentration, 35KV Substation) Construction Project Planning Permit	Construction Permit No. 620404202300010	June 2, 2023 - June 2, 2024
6	Gansu Zhonghetong Thermal Energy Co., Ltd.	Gansu Zhonghetong Thermal Energy Co., Ltd. "Sulfur-Phosphorus-Iron-Titanium-Lithium" Supporting 2×440 MW Circulating Fluidized Bed Boiler +2-59 Extraction Backpressure Unit Project (Energy Assessment Approval Approved)	Gansu Development and Reform Commission Office Letter [2023] No. 36	July 18, 2023– July 18, 2025
7	Baiyin CNNC Times New Energy Co., Ltd.	Integrated Power Generation, Grid, Load, and Storage Project (Integrated Power Generation, Grid, Load, and Storage Approval Approved)	Gansu Development and Reform Commission Energy Letter [2023] No. 130 No.	July 31, 2023– July 31, 2025
8	Gansu Hecheng Titanium Industry Co., Ltd.	Wastewater Discharge Permit	91620000325325356D001V	July 31, 2023 - July 30, 2028

Engaged in Petroleum Processing and Petroleum Trading

Yes  No

Engaged in the fertilizer industry

Yes  No

Engaged in the pesticide industry

Yes  No

Engaged in the chlor-alkali or soda ash industry

Yes  No

### III. Core Competitiveness Analysis

#### 1. First-mover advantage

The company originated from the Titanium Dioxide Branch of Plant 404 under China National Nuclear Corporation, located within China's largest nuclear production and research base. In the late 1980s, aligning with the national strategy of military-to-civilian conversion, it restructured its industrial portfolio by introducing a titanium dioxide project. Through years of assimilation, absorption, and innovation, it has accumulated substantial technical expertise and R&D capabilities, earning recognition as the "Whampoa Military Academy" of the titanium dioxide industry. By optimizing production processes, refining manufacturing techniques, and leveraging integrated production synergies to achieve economies of scale, the company has substantially reduced production costs for its core products. Through rapid growth in recent years, backed by superior product quality and low production costs, the company has established the following first-mover advantages: (1) When competitors began investing in the titanium dioxide sector, the company had already lowered production costs through scaled manufacturing and process control, enhancing its competitiveness in terms of cost-performance ratio; (2) The company established large-scale titanium dioxide production and sales early on. Through years of market development and brand building, it has cultivated a strong reputation and corporate image among numerous high-quality domestic and international downstream enterprises, creating stable sales channels that ensure balanced production and sales.

#### 2. Raw Material Advantage

The primary raw materials for the company's main product, rutile-type titanium dioxide, are titanium concentrate and sulfuric acid, collectively accounting for over 60% of production costs.

**Titanium Concentrate:** Leveraging proprietary production technology, the company has established long-term exclusive supply agreements with northwest China-based titanium concentrate producers. During the reporting period, this supplier provided nearly 170,000 tons of titanium concentrate at a cost advantage of approximately RMB 600/ton (tax-inclusive) compared to domestically sourced mainstream titanium concentrate.

**Sulfuric acid:** The primary sulfuric acid source for the company's main production base, Dongfang Titanium Industry, is derived from byproducts of smelting products within the industrial park. This approach enables on-site digestion and conversion of hazardous chemicals within the park while significantly reducing external procurement costs for sulfuric acid raw materials.

#### 3. Brand and Product Advantages

The Company's wholly-owned subsidiaries—Jinxing Titanium Dioxide, Dongfang Titanium Industry, and Xintianxin Chemical—are all National High-Tech Enterprises. Jinxing Titanium Dioxide ranks among Anhui Province's Top 100 Private Enterprises and is a registered Anhui Provincial Academician Workstation. The Company's Tao Hua and Jinxing trademarks have been recognized as Famous Trademarks in Gansu and Anhui provinces respectively, enjoying strong industry reputation and high brand recognition among customers.

With two decades of presence in the titanium dioxide market, the company's core products entered domestic and international markets earlier than most domestic competitors, establishing a distinct market leadership advantage.

significant market-leading advantage. Through years of dedicated effort, the company's products are now exported to numerous countries and regions, with major domestic and international clients being industry leaders in their respective fields. The company has earned strong credibility among customers through long-term quality assurance, supply reliability, and service commitment.

Leveraging long-term strategic partnerships with major downstream clients, several of the company's customized products have become the primary supplier for leading enterprises in the decorative base paper industry. During the reporting period, the company secured long-term cooperation agreements with multiple overseas major clients by leveraging its strengths in consistent supply and stable product quality.

During the reporting period, amid a temporary decline in domestic architectural coatings demand, the ratio of domestic to international sales and the balanced distribution of downstream client industries formed the crucial foundation for the company's strong operational performance.

#### 4. Circular Economy Advantages

During the reporting period, in line with its strategic development plan and industry trends, the company implemented the "Sulfur-Phosphorus-Iron-Titanium-Lithium" Coupled Circular Economy Project (see "XI. Outlook for the Company's Future Development" in the "Management Discussion and Analysis" section), coupling waste by-products from the production of the company's main products (such as waste acid and ferrous sulfate) with the phosphorous chemical industry. This initiative not only reduces costs and increases efficiency but also enables clean production of sulfuric acid-based titanium dioxide, laying a solid foundation for the company's sustainable development.

#### 5. Technological, Scientific Research, and Innovation Advantages

Guided by the principle of "accelerating the development of new productive forces and advancing high-quality corporate growth," the Company's technological innovation efforts leverage multiple provincial-level innovation platforms and resources, including the Provincial Enterprise Technology Center, Collaborative Innovation Base, and Provincial Titanium Dioxide Green Manufacturing and Resource Comprehensive Utilization Technology Innovation Center. Upholding the principle that enterprises are the main drivers of technological innovation and adhering to an innovation-driven development strategy, the Company has continuously increased capital investment in product R&D. It has consistently focused on new product development, industrial transformation, and supply chain extension, making significant contributions to the development of high-value-added products and cost reduction and efficiency enhancement.

The company continuously recruits high-end talent and technical teams from both domestic and international sources to support its development. By the end of 2023, it employed over 500 scientific and technical personnel and appointed renowned academicians as chief scientific advisors. Led by the academician team, the company conducts frontier and applied research aligned with its industrial layout in key areas such as key materials for lithium-ion batteries, novel titanium-based composite materials, key materials for photovoltaic power generation, and energy storage technologies.

and energy storage technologies. The company has engaged technical teams from the new energy materials sector to conduct collaborative research projects. Based on global trends in lithium iron phosphate and other power battery cathode materials, these teams provide strategic consulting and technical guidance for the company's "sulfur-phosphorus-iron-titanium-lithium" green circular industrial project, accelerating its development and implementation.

The company has intensified investments in scientific research infrastructure, acquiring advanced instruments like SEM and ICP, and importing production equipment such as flash dryers and sand mills from abroad. Newly expanded R&D facilities support technological innovation. By the end of 2023, the company possessed nearly 500 sets of R&D and testing equipment, with over 5,000 square meters of dedicated R&D space.

To consolidate its industry position in the titanium dioxide sector and newly entered fields, the company maintains collaborative research partnerships with universities including China University of Petroleum, Shenzhen University, Nanjing University of Science and Technology, and Hefei University of Technology. These collaborations focus on addressing technical challenges and enhancing product quality across existing and planned industrial sectors.

In response to market demands and development trends, the company has continuously intensified R&D efforts in new titanium dioxide products, new energy materials, and high-purity, high-value-added yellow phosphorus. Through sustained technological innovation, the company held 187 valid patents by the end of 2023, including 35 authorized invention patents and 152 authorized utility model patents. In the development of new titanium dioxide products, beyond its established mature product series in the titanium dioxide industry, the company has successfully developed R-231. The improved R-217 is used in high-end decorative paper, R-216 in architectural coatings, R-213 in premium color masterbatches, R-219 in powder coatings, and R-219 in oil-based coatings. All these products have received high praise from users. R-217 currently holds a dominant market share, R-216 has obtained quality certifications from internationally renowned companies such as Xuanwei and BASF, with exports reaching Europe and North America. R-213 has been adopted and applied by globally leading manufacturers of high-end color masterbatches, earning excellent market reputation. In new energy materials, we have successfully developed battery-grade iron phosphate products in at least five specifications to meet diverse customer requirements. Numerous technological achievements have been implemented in production, generating significant economic and social benefits for the enterprise.

#### 6. Multi-regional industrial layout advantages

The company fully leverages favorable production factors nationwide. Through methods such as renovation and expansion, it continuously enhances production capacity at bases in Gansu, Anhui, and other regions. By comprehensively utilizing labor, energy consumption, and resource advantages in areas like Gansu and Anhui, while maximizing logistics, information, and market strengths in Jiangsu and Guangzhou, the company continuously improves product output and quality. This approach enhances economies of scale, reduces production costs, and strengthens corporate competitiveness. The company's subsidiary, Zetong Logistics, leverages its dedicated railway line to establish a strategic resource railway trunk line in the Panzhihua region. This initiative further reduces resource procurement logistics costs, enhances transportation capacity, ensures stable supply of the core raw material titanium concentrate for the company's main business, optimizes the logistics environment in Panzhihua, and alleviates local traffic safety concerns.

The company's primary production base is strategically located at the intersection of the Yangtze River Delta, Pearl River Delta, and Bohai Rim regions—areas with high concentrations of downstream titanium dioxide customers. This location offers advanced transportation and logistics networks, enabling the company to respond to customer demands with minimal time and maximum speed, thereby enhancing customer satisfaction. Additionally, the proximity of production facilities to downstream clients facilitates the provision of customized services, creating a mutually beneficial outcome for both the company and its customers.

## IV. Analysis of Main Business Operations

### 1. Overview

#### (I) Overall Operational Performance

In 2023, against a backdrop of unstable global economic recovery and intensifying international geopolitical and economic conflicts, China's GDP exceeded RMB 126 trillion, marking a 5.2% year-on-year increase. While the economy achieved recovery growth, it remained in a state of weak recovery overall. During the reporting period, domestic real estate investment declined by nearly 10% year-on-year. Since August 2023, intensified "real estate stabilization" policies have shown signs of marginal improvement in the property market. Concurrently, rapid development in niche sectors such as home renovation and automotive manufacturing has become a significant driver of incremental demand in the coatings industry, creating favorable demand prospects for the company's core product, rutile titanium dioxide. The new energy sector experienced rapid growth driven by the global energy crisis and the consensus on achieving carbon neutrality. Leveraging advantages such as high industrial concentration and iterative technological innovation, China's production, sales, and exports of power and energy storage batteries surged. This provides favorable market support for the research, production, and sales of the company's existing and under-development new energy materials, including iron phosphate products.

During the reporting period, the company focused on the objectives of "enhancing quality and efficiency while accelerating growth and expansion." Through integrated R&D and production efforts, it optimized production processes to achieve efficient operation of existing capacity. By pursuing external mergers and acquisitions, it rapidly strengthened the industrial chain and supplemented core elements of the circular economy. Furthermore, talent recruitment accelerated the integration of technical teams, ensuring operational efficiency for projects under construction. In 2023, facing challenges such as temporary supply-demand imbalances and potential trade barriers, all production units and functional departments collaborated efficiently to maintain production-sales equilibrium for core products. By optimizing sales strategies and successfully expanding domestic and international customer resources, the company sustained stable operations of its primary business during the downturn. The company completed the acquisition and integration of high-quality assets—Shuangyang Phosphate Mine and Xintianxin Chemical—achieving a breakthrough from zero to one in the consolidated financial statements for its resource business segment. This added production and sales operations for key products like phosphate rock and yellow phosphorus, establishing a second growth curve. Key investment projects—the titanium dioxide capacity expansion and the first phase of the 500,000-ton-per-year ferric phosphate project (with 100,000 tons/year ferric phosphate capacity)—were completed and put into operation, further solidifying and expanding the company's revenue scale.

#### (1) Revenue

In 2023, the company's operating revenue reached approximately RMB 4.947 billion, representing a year-on-year decrease of 9.76%. During the reporting period, the consolidation of Shuangyang Phosphate Mine and Xintianxin Chemical added new revenue streams from phosphate rock, yellow phosphorus phosphorus, and new energy materials. (1) Titanium dioxide product revenue was approximately RMB 4.314 billion; (2) Logistics revenue was approximately RMB 456 million; (3) Phosphorus mineral products: approximately RMB 83.2072 million; (4) Yellow phosphorus products: approximately RMB 4.2357 million; (5) New energy materials: approximately RMB 2.36 million.

#### (2) Capital Structure

During the reporting period, the Company completed its 2021 private placement of shares, raising net proceeds of approximately RMB 5.249 billion. This has laid a solid capital foundation for the Company's development and further strengthened and optimized its asset scale. As of the end of the reporting period, the Company's total assets reached approximately RMB 18.536 billion, representing a year-on-year increase of 58.61%. Net assets attributable to shareholders of the listed company amounted to RMB 11.886 billion, up 71.38% year-on-year. The Company's daily operating cash flow and overall financial structure remained robust.

The company places high importance on shareholder returns and has established a consistent, stable, and proactive dividend policy. During the reporting period, the company completed the implementation of its 2022 equity distribution, totaling

RMB 190,333,609.15 in cash dividends. The Company also implemented a share repurchase plan, repurchasing a cumulative total of 104,257,620 shares in 2023.

**(2) Other Operating Conditions****(1) Safety and Environmental Protection**

The Company consistently adheres to the HSE management principle of "Safety First, Environmental Protection Priority, Full Participation, Continuous Improvement." It comprehensively implements standardized safety production practices, establishes a dual prevention mechanism combining risk classification control and hidden hazard investigation and management, and ensures the implementation of safety responsibilities at all levels and departments. The Company strengthens the construction of its occupational health and safety management system, continuously enhances the occupational health and safety awareness of all employees, and deepens occupational health and safety management. It intensifies supervision, inspection, and assessment efforts, increases investment, and builds a long-term mechanism for safe production.

Over the long term, the company has progressively upgraded production equipment to enhance environmental protection and energy efficiency. Treating environmental protection and energy conservation as two key drivers of clean production, it strives to achieve resource utilization, harmlessness, and reduction of waste. Examples include recycling treated wastewater, concentrating and reusing spent acids, and purifying spent acids for resource recovery. These measures not only conserve raw materials but also reduce wastewater and waste residue generation, truly realizing "energy conservation, consumption reduction, emission reduction, and efficiency enhancement." The company has continuously increased effective investment in environmental protection facilities to enhance its deep treatment capabilities for pollutants. Its comprehensive and stable pollution control equipment effectively treats various pollutants generated during production, such as wastewater and exhaust gases, ensuring compliant discharge. No major environmental issues or government administrative penalties occurred during the reporting period.

**(2) Quality Management**

During the reporting period, the company strengthened quality management in the procurement process from the source, strictly controlling the quality of purchased materials to promote the stability of raw and auxiliary materials. In process management, automation upgrades enhanced control over process products and technical indicators. The Company consistently implemented a comprehensive quality management system, intensified quality indicator assessments, and maintained rigorous process quality control with full employee participation. To meet downstream customer requirements, efforts were increased in evaluating product application performance and developing new products, broadening the application scope of various products and enhancing the Company's core competitiveness. Particularly in the domestic and international markets for high-grade decorative paper-specific titanium dioxide, the Company's products

maintains a leading position in China's titanium dioxide sector. During the reporting period, the quality of the company's titanium dioxide products has significantly improved compared to last year, gaining widespread recognition from domestic and international customers.

**(3) Party and Mass Work**

During the reporting period, the Party-Mass Work Committee adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as its guiding principle, steering corporate development through Party building. Aligning with the overarching requirement of "centering Party building around development and leveraging Party building to drive development," it positioned Party building as the "red engine" and "internal driving force" for corporate growth. The Committee identified the resonance points and key areas where Party building intersects with business development, focusing on addressing shortcomings, enhancing standardization, and promoting improvement. This approach propelled both Party building and business operations to higher levels, transforming the Party's political, organizational, and resource advantages into managerial and developmental strengths for the enterprise. The points of resonance and key areas where Party building and corporate development intersect. Efforts focused on addressing shortcomings, standardizing practices, and driving improvements, thereby advancing both Party building and business operations. This approach transformed the Party's political, organizational, and resource advantages into the company's management, development, and competitive strengths, propelling sustainable and healthy corporate growth.

**(4) Human Resources**

During the reporting period, the company steadfastly adhered to the management philosophy that "corporate competitive advantage relies on talent, sustainable development depends on mechanisms, standardized management hinges on systems, and efficient operations are driven by processes." It continuously deepened human resources reforms by adopting market-oriented, professional, standardized, and systematic operational approaches.

In 2023, the company further tightened personnel admission criteria, progressively improving the overall quality structure of its workforce and enhancing organizational vitality. By establishing long-term partnerships with various recruitment platforms and building a talent pool, the company achieved real-time coordination of group-wide recruitment efforts, concentrating resources on key breakthroughs to meet talent acquisition objectives. Simultaneously, systematic efforts were made to increase employee training frequency, expand course offerings, broaden coverage, and diversify formats to further enhance professional competence and skills. Particular emphasis was placed on safety training to mitigate corporate safety management risks. To support business strategy, the company strengthened talent management foundations by advancing career development pathways and cultivating reserve talent. Leadership selection and development increasingly prioritized youth, professionalism, and standardization.

To deepen management transformation, the company engaged a third-party consulting firm to advance group-wide reforms. Focusing on critical success factors—strategic positioning, industrial structure, organizational restructuring, cost reduction, and talent value creation—the company systematically realigned its strategic blueprint, reshaped its organizational structure, and optimized its talent landscape. This shift in management philosophy and operational approach has upgraded human resource management, comprehensively driving the company's sustainable and healthy development.

**(5) Information Technology Development**

During the reporting period, the company consistently strengthened and deepened its IT infrastructure and digital transformation efforts under the principles of unified planning, construction, management, application, standards, and platforms. It continuously optimized and upgraded various IT systems, leveraging highly integrated information management tools to enhance production and operational management levels and business efficiency. The company intensified the integration of business and financial operations to achieve cost reduction, quality improvement, and efficiency gains, thereby strengthening its core competitiveness and generating greater operational benefits.

The company launched a scientific research project management system to promote the construction of a multi-level R&D planning management system. This initiative drives the transformation of R&D project management toward networked, refined, and intelligent models, continuously improving the company's scientific research capabilities and efficiency.

The company has launched an intelligent finance and taxation platform to advance the informatization of accounting and financial management. This platform establishes an integrated ecosystem encompassing invoices, finances, expenses, taxes, and documentation, helping the company standardize business processes, effectively control and mitigate tax risks, reduce tax costs, and improve operational efficiency.

**2. Revenue and Costs****(1) Revenue Composition**

Unit: CNY

	2023		2022		Year-on-Year Change
	Amount	Percentage of Operating Revenue	Amount	Percentage of Total Revenue	
Total Operating Revenue	4,946,559,389.00	100%	5,481,272,267.60	100%	-9.76%
By Industry					
Fine Chemicals	4,314,105,544.10	87.21%	5,054,463,254.51	92.21%	-14.65%
Logistics Services	456,167,173.70	9.22%	266,446,680.49	4.86%	71.20%

Phosphorus Chemicals	87,442,973.01	1.77%			
New Energy	2,359,985.34	0.05%			
Other	86,483,712.85	1.75%	160,362,332.60	2.93%	-46.07%
By Product					
Titanium Dioxide	4,314,105,544.10	87.21%	5,054,463,254.51	92.21%	-14.65%
Logistics	456,167,173.70	9.22%	266,446,680.49	4.86%	71.20%
Phosphate rock	83,207,249.12	1.68%			
Yellow phosphorus	4,235,723.89	0.09%			
New Energy Materials	2,359,985.34	0.05%			
Other	86,483,712.85	1.75%	160,362,332.60	2.93%	-46.07%
By Region					
Domestic	2,944,008,541.67	59.52%	3,151,041,329.33	57.49%	-6.57%
Overseas	2,002,550,847.33	40.48%	2,330,230,938.27	42.51%	-14.06%
Direct Sales Model					
Direct Sales	3,979,865,961.05	80.46%	4,318,742,284.81	78.79%	-7.85%
Distribution	966,693,427.95	19.54%	1,162,529,982.79	21.21%	-16.85%

**(2) Sectors, products, regions, or sales models accounting for over 10% of the company's operating revenue or operating profit**

Applicable  Not Applicable

The company must comply with the disclosure requirements for the chemical industry as stipulated in the Shenzhen Stock Exchange Listing Rules No. 3: Industry Information Disclosure

Unit: RMB

	Operating Revenue	Cost of Sales	Gross Profit Margin	Year-on-Year Change in Operating Revenue	Year-on-Year Change in Cost of Sales	Change in gross profit margin compared to the same period last year
By Industry						
Fine Chemicals	4,314,105,544.10	3,591,137,803.27	16.76%	-14.65%	-12.67%	-1.88%
By Product						
Titanium Dioxide	4,314,105,544.10	3,591,137,803.27	16.76%	-14.65%	-12.67%	-1.88%
By Region						
Domestic	2,944,008,541.67	2,410,364,419.53	18.13%	8.07%	6.80%	0.97%
Overseas	2,002,550,847.33	1,655,056,866.45	17.35%	-14.06%	-10.81%	-3.02%
Direct Sales Model						
Direct Sales	3,979,865,961.05	3,315,975,040.87	16.68%	-0.65%	1.72%	-1.94%
Distribution	966,693,427.95	749,446,245.11	22.47%	-7.82%	-12.09%	3.76%

When the statistical scope of the company's main business data undergoes adjustments during the reporting period, the main business data adjusted according to the scope at the end of the most recent reporting period

Applicable  Not Applicable

Unit: CNY

Product Name	Production Volume	Sales Volume	Revenue Realization	Price Trend During the Reporting Period	Reasons for Change
Titanium Dioxide	320,085.736 tons	321,053.856 tons	4,314,105,544.10 yuan	Average tax-exclusive sales price in the first half of the year: 13,207.66 yuan; average tax-exclusive sales price in the second half of the year: 13,628.34 yuan.	Market fluctuations

Revenue or net profit generated from overseas operations accounts for more than 10% of the company's audited revenue or net profit for the most recent fiscal year

Yes  No

Name of Overseas Business	Specific Details of Operations	Impact of Tax Policies on Overseas Operations During the Reporting Period	Company's Response Measures
Titanium Dioxide Export	Direct sales/distribution to overseas Sales of titanium dioxide to overseas customers	No significant impact	None

**(3) Is the company's physical sales revenue greater than service revenue?** Yes  No

Industry Classification	Item	Unit	2023	2022	Year-on-Year Change
Titanium Dioxide	Sales Volume	Tons	321,053.86	325,891.32	-1.48%
	Production Volume	tons	320,085.74	334,319.50	-4.26%
	Inventory	tons	20,680.92	21,666.19	-4.55%

Reason for Year-on-Year Change in Relevant Data Exceeding 30%

 Applicable  Not Applicable**(4) Status of Execution for Significant Sales Contracts and Significant Procurement Contracts Signed by the Company as of the Reporting Period** Applicable  Not Applicable**(5) Cost of sales**

breakdown by product category

Unit: CNY

Product Category	Item	2023		2022		Year-on-Year Change
		Amount	Percentage of Operating Costs	Amount	Percentage of Operating Costs	
Titanium Dioxide	Raw Materials	2,286,633,151.88	63.67%	2,756,630,196.80	63.22%	-17.05%
Titanium Dioxide	Energy	629,046,232.11	17.52%	661,438,305.90	15.17%	-4.90%
Titanium Dioxide	Artificial	100,302,821.63	2.79%	102,075,808.86	2.34%	-1.74%
Titanium Dioxide	Manufacturing Overhead, Depreciation Depreciation and Other	575,155,597.65	16.02%	592,200,513.72	13.58%	-2.88%

Note: In prior reporting periods, due to the high proportion of operating costs for the Company's main product, titanium dioxide, in the consolidated operating costs, the calculation method for the proportion of operating costs

was calculated as the sum of all cost items for titanium dioxide products plus freight costs divided by the consolidated statement of operations cost. During the reporting period, the company commissioned new iron phosphate production capacity and consolidated Zhonghe Polyenergy, Shuangyang Phosphate Mine, and Xintianxin Chemical into its financial statements, introducing new operating costs from new energy and phosphate chemical segments. Consequently, the calculation method for the proportion of operating costs has been adjusted to the sum of all cost items for titanium dioxide products plus

freight costs/titanium dioxide operating costs.

**(6) Changes in the scope of consolidation during the reporting period** Yes  No

During the reporting period, the Company acquired controlling interest in Zhonghe Junneng through capital increase and acquired 100% equity in Xintianxin Chemical and Shuangyang Phosphate Mine. These entities were included in the consolidation scope during the period. During the reporting period, Dongfang Titanium Industry contributed RMB 61.5 million to the registered capital of Gansu Zhonghe Tong Thermal Energy Co., Ltd., which was included in the consolidation scope during the period.

During the reporting period, Baiyin Zhonghe Times New Energy Co., Ltd. paid in RMB 500,000 of registered capital to Baiyin Zhonghe Times New Energy Co., Ltd., which was included in the consolidation scope for the period. During the reporting period, the Company invested in establishing Hami Zhonghe Vanadium Titanium Co., Ltd. and Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd., which were included in the consolidation scope.

During the reporting period, the Company transferred its equity interest in Gansu Zetong Weili Technology Co., Ltd. As of the end of the reporting period, this company was no longer included in the scope of consolidation.

In 2023, the Company deregistered Anhui Jinxing New Energy Materials Co., Ltd. and Guangzhou Guanghe Titanium Dioxide Chemical Co., Ltd. At the end of the reporting period, these companies were no longer included in the scope of consolidation.

**(7) Significant Changes or Adjustments to the Company's Business, Products, or Services During the Reporting Period**

Applicable  Not Applicable

**(8)**

Total Sales Amount to Top Five Customers (RMB)	1,513,979,883.78
Sales Amount to Top Five Customers as a Percentage of Total Annual Sales	30.60%
Proportion of Related-Party Sales Among Top Five Customers' Sales to Annual Total Sales	0.00%

Information on the Company's Top 5 Customers

No.	Customer Name	Sales Amount (RMB)	Percentage of Annual Total Sales
1	Customer 1	440,118,584.65	8.89%
2	Client 2	373,837,123.05	7.55%
3	Client Three	296,077,034.93	5.99%
4	Client Four	239,775,866.78	4.85%
5	Client Five	164,171,274.37	3.32%
Total	—	1,513,979,883.78	30.60%

Other Information Regarding Major Customers

Applicable  Not Applicable

**Company's Major Suppliers**

Total Procurement Amount from Top Five Suppliers (RMB)	1,873,276,428.20
Percentage of Top Five Suppliers' Total Procurement Amount to Annual Procurement Total	27.16%
Proportion of Related-Party Purchases from Top Five Suppliers to Annual Total Purchases	0.00%

Information on the Company's Top 5 Suppliers

No.	Supplier Name	Purchase Amount (RMB)	Percentage of Annual Total Purchases
1	Supplier 1	603,206,537.00	8.74%
2	Supplier 2	376,446,883.19	5.46%
3	Supplier Three	323,946,813.33	4.70%
4	Supplier Four	285,290,822.87	4.14%
5	Supplier Five	284,385,371.81	4.12%
Total	—	1,873,276,428.20	27.16%

Additional Information on Major Suppliers

Applicable  Not Applicable

**3. Expenses**

Unit: CNY

	2023	2022	Year-on-Year Change	Explanation of Significant Changes
Selling Expenses	39,077,911.12	36,507,179.29	7.04%	
Administrative Expenses	370,008,885.77	303,670,403.23	21.85%	Primarily attributable to

Financial expenses	-154,219,914.89	-123,801,722.00	-24.57%	Primarily attributable to an increase in interest income during the reporting period. increased during the reporting period.
Research and Development Expenses	127,109,732.71	129,776,541.23	-2.05%	

#### 4. R&D Investment

Applicable  Not Applicable

Primary R&D Project Name	Project Objective	Project Progress	Target Outcomes	Expected Impact on Future Company Development
Development of a Free Water Drying System for Heptahydrate Ferrous Sulfate	This project involves drying ferrous sulfate—a byproduct of titanium dioxide production—using a drying system. The dried product will be sold as iron fertilizer, water treatment agents, etc., expanding the sales radius. This addresses the company's ferrous sulfate sales challenges and production constraints caused by ferrous sulfate. By preventing further dissolution and neutralization treatment, the project extends the lifespan of the slag field.	Project Completed	① Residual titanium in wet ferrous sulfate after disc separation: 0.5-0.6%; ② Moisture content in wet ferrous sulfate before drying: 8%-12%; ③ Residual titanium in wet ferrous sulfate before drying: 0.25-0.30%; ④ Natural gas consumption per ton of dried ferrous sulfate: $\leq 18\text{m}^3/\text{t}$ ; ⑤ Primary combustion chamber T1: 120-130°C; ⑥ Secondary combustion chamber T2: 95-105°C; ⑦ Material discharge temperature from fluidized bed: 30-35°C; ⑧ Discharge temperature at packaging point: 25-30°C; ⑨ Moisture content of dried heptahydrate ferrous sulfate: $\leq 2\%$	Expand the application scope of the company's products and broaden the sales market.
Rough rutile-type titanium dioxide for peelable nail polish R&D	This project employs double-layer stirring to ensure uniform heating of the material solution. By precisely controlling the steam release time in the titanium liquid preheating tank and the addition amount of rutile seed crystals, it improves the tinting strength of crude titanium dioxide and enhances its covering power.	Project Completed	① Hiding power: $\leq 42.5\text{g}$ ; ② Tinting strength: 1670-1680; ③ Rutile content: $\geq 98\%$	Expand the company's product application fields and broaden the titanium dioxide sales market.
Technical Research on High-Degree-of-Dispersion Rutile Titanium Dioxide Crude Product Development	This project primarily focuses on the sulfuric acid process for titanium dioxide production. By investigating the effects of calcination seed addition, aluminum salt dosage in the salt solution, and calcination intensity, it aims to further refine the production process for high-decolorizing rutile titanium dioxide crude material and expand the application market for titanium dioxide.	Project Completed	① Rutile content: $\geq 98.0\%$ ; ② L value: $\geq 94.8\%$ ; ③ b value: $\leq 1.90$ ; ④ Haze: 1780-1840	Expand the company's product application fields and broaden the sales market.
Research and Development of Quicklime Digestion System	This project effectively addresses material temperature requirements. Additionally, the use of a new dust removal device can completely treat dust and steam generated during quicklime digestion, and recover steam heat to enables digestion using ambient-temperature water.	Project completed	① Quicklime residue: 5%; ② Quicklime consumption: 0.9 t/t titanium dioxide; ③ Reclaimed water COD: 40 mg/L	Enhances the company's environmental treatment capabilities and meets clean production requirements
Rough titanium dioxide for rutile-type water-based ink Development	This project effectively enhanced the coloring power and hiding power of titanium dioxide while reducing oil absorption by controlling three key aspects: iron-titanium ratio in pre-water-treatment concentrated titanium solution, bleaching reducing agent, and calcination seed preparation process. It produced titanium dioxide with primary particle sizes ranging from 0.20 to 0.35 micrometers.	Project Completed	① $\text{TiO}_2$ Mass Fraction: $\geq 98.0\%$ (m/m); ② Color (L*): $\geq 95.0$ ; ③ Lightfastness: $\geq 1800$ ; ④ Hiding power: 2.8-3.6; ⑤ Oil absorption: 17-21; ⑥ Rutile crystal phase content: $\geq 98\%$	Expand the application scope of company products and broaden the titanium dioxide sales market.
R&D of Waste Acid Water Pre-Neutralization System	This project involves modifying and improving the waste acid water pre-neutralization system to extend the cleaning cycle of neutralization tanks, maintain stable pH control during neutralization, purify the air environment in the neutralization plant, effectively ensure the stable operation of upstream production processes, and accelerate the treatment of wastewater generated in various processes.	Project completed	① Pre-neutralization pretreatment in the mixing tank reduces scaling in primary neutralization tanks and extends tank cleaning cycles; ② Resolves long-term pH instability in primary and secondary tanks, maintaining outlet pH consistently between 4-5; ③ Improves air quality in the neutralization plant	Enhances the company's environmental treatment capabilities to meet clean production requirements.
Rough-grade rutile titanium dioxide for ultra-low-quantity coated paper Development	This project stabilizes the primary particle size of metatitanate after hydrolysis by adjusting three processes: hydrolysis, bleaching, and calcination seed preparation. It improves the brightness of crude titanium dioxide and enhances its whiteness.	Project completed	① Mass fraction of $\text{TiO}_2$ : $\geq 98.5\%$ ; ② pH of aqueous suspension: 8.0-8.5; ③ Color (L*): $\geq 95.0$ ; ④ b value: $\leq 1.8$ ; ⑤ Particle size ( $\mu\text{m}$ ): 0.3-0.4; ⑥ Rutile crystal phase content $\geq 98.6\%$	Expand the application scope of the company's products and broaden the titanium dioxide sales market.

Concentrated Heat Exchange System Technology R&D	This project employs physical cooling of circulating water via additional cooling towers and circulation tanks. A shell-and-tube exhaust gas condenser utilizes cooling pumps to transfer heat from exhaust gases collected in the shell side, expelling them as condensate. This rapidly and effectively reduces exhaust gas temperature, treating emissions to meet discharge standards while accelerating product formation, enhancing product quality and performance while boosting economic benefits.	Project Completed	① Total titanium in pre-hydrolysis titanium solution: 220-230 (g/l); ② Circulating water tank temperature: <20°C; ③ Concentrated feed temperature: <68°C; ④ Hydrolysis rate: ≥95%; ⑤ First-effect evaporator feed temperature: <70°C; ⑥ Exhaust gas condenser outlet water temperature: <25°C; ⑦ Concentration system vacuum: -8 kPa	Enhancing the company's titanium dioxide production process to drive technological advancement
Rough titanium dioxide (rutile type) for UV-resistant steel coatings R&D	This project employs multi-stage cryogenic crystallization technology, specialized salt treatment formulations, and adjusted negative pressure during rotary kiln calcination to enhance product weather resistance, improve crushability, and increase the whiteness of titanium dioxide crude product.	Project completed	① TiO <sub>2</sub> mass fraction: ≥92.0%(m/m); ② pH value of aqueous suspension: 7.0-8.5; ③ Color (L*): ≥95; ④ b value: ≤1.9; ⑤ TCS (relative to reference sample): ≥1760; ⑥ SCX: 3.5-4.2; ⑦ Rutile crystal phase content: ≥98%	Expand the application scope of the company's products and broaden the titanium dioxide sales market.
Development of High-Efficiency Concentration System	This project enhances material temperature prior to concentration, reduces preheating time in the preheater, lowers steam consumption, decreases scaling rates in primary and secondary preheaters, minimizes concentration cleaning frequency, saves costs, and increases production capacity.	Project completed	① Reduced steam consumption; ② Decreased concentration cleaning frequency, saving costs; ③ Increased production capacity	Enhances the company's titanium dioxide production process and drives technological advancement
R&D of Rough Rutile Titanium Dioxide for Art Pigments	This project controls the heating rate during the initial boiling stage of trivalent titanium in concentrated titanium solution prior to hydrolysis, the boiling point elevation rate during hydrolysis, and the potassium salt dosage during salt treatment. This ensures trivalent titanium content in the metatitanate exceeding 0.5g/L post-hydrolysis, enhancing the color strength of titanium dioxide. It stabilizes the primary particle size of metatitanate after hydrolysis, improving the gloss, particle morphology, and weather resistance of crude titanium dioxide.	Project completed	① TiO <sub>2</sub> mass fraction: ≥98.0%(m/m); ② SCX: ≥2.8, ≤3.6; ③ b value ≤1.85; ④ Rutile crystal phase content: ≥99%; ⑤ Tinting strength ≥1780	Expand the application scope of the company's products and broaden the titanium dioxide sales market.
Development of High-Efficiency Acid Leaching Tail Gas Treatment System	This project employs a three-stage spray system for acid-leaching tail gas purification in sulfuric acid-based titanium dioxide production. It separates the two-stage water recirculation spray and single-stage alkali solution recirculation spray to isolate water and alkali. First, the acid-leaching tail gas is cooled through water-circulating spray before undergoing alkali-circulating spray and mist removal. This effectively eliminates pollutants such as sulfur dioxide and sulfuric acid mist from the tail gas while significantly reducing consumption of circulating water and alkali solution, thereby decreasing system replenishment requirements, thereby effectively lowering production costs.	Project Completed	① Sulfur dioxide: ≤200 mg/m <sup>3</sup> ; ② Sulfuric acid mist: ≤45 mg/m <sup>3</sup> ; ③ Hydrogen sulfide: Complies with malodorous pollutant emission standards; ④ Nitrogen oxides: ≤240 mg/m <sup>3</sup> ; ⑤ Particulate matter: ≤120 mg/m <sup>3</sup>	Enhance the company's environmental treatment capabilities to meet clean production requirements.
PP Polypropylene using rutile-type titanium dioxide crude product research Development	This project controls the temperature of feedstock entering the pre-pipe filter and the negative pressure of the first and second-stage concentration systems. During salt treatment, it regulates material phosphorus content while employing elevated washing in the washing process. This enhances titanium solution filtration speed and purification efficiency, effectively reducing colored impurities in titanium dioxide and improving product whiteness and improve weather resistance.	Project completed	① TiO <sub>2</sub> mass fraction: ≥98.0%(m/m); ② Pre-pipe solids content: ≤0.2 mg/L; ③ Total titanium content: 225-235 g/L; ④ Rutile crystal phase content: ≥98%; ⑤ Decolorizing Power ≥1760	Expand the application scope of the company's products and broaden the sales market for titanium dioxide.
Research and Development of Technology for Effective Removal of Residual Titanium Liquid from Ferrous Sulfate	This project investigates the recovery of titanium solution from ferrous sulfate residues. Building upon existing disc-type solid-liquid separation, centrifugal equipment is added to effectively remove residual titanium solution from ferrous sulfate. A cleaning nozzle is incorporated within the centrifuge for an additional wash cycle, thereby eliminating residual titanium from the solution. This reduces titanium loss, thereby increasing recovery rates.	Project Completed	① Titanium dioxide concentration in titanium solution after ferrous separation: ≥145 g/L; ② Fe/TiO <sub>2</sub> ratio in titanium solution after ferrous iron separation: 0.28-0.32; ③ Residual titanium in ferrous iron: ≤0.3%; ④ Ferrous iron moisture content: ≤10%	Enhance the company's titanium dioxide production process and drive technological advancement
Rough development of rutile-type titanium dioxide for glass flake coatings R&D	This project adjusted aluminum salt dosage during salt treatment to modify product composition, enhancing whiteness and hiding power. Simultaneously, controlling rotary kiln speed effectively improved weather resistance and overall product quality.	Project completed	①: Mass fraction of TiO <sub>2</sub> : ≥92.0% (m/m); ② pH of aqueous suspension: 7.0-8.5; ③ Color (L*): ≥95; ④ b value ≤1.9; ⑤ TCS (relative to reference sample): ≥1760; ⑥ SCX: 3.5-4.2; ⑦ Rutile crystal phase content: ≥98%	Enriching the company's product application fields and expanding the titanium dioxide sales market.
Water-washed high Energy-saving	This project enhances washing efficiency by controlling vacuum levels during the washing process, washing temperature, and trivalent titanium ions in the slurry,	Project Completed	① Vacuum level: -0.05 to -0.06 MPa; ② Washing temperature: 55-65°C; ③ Trivalent titanium content 0.6-0.8 g/l	enhancing the company's titanium white powder

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	thereby enhancing			production process
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Production Technology R&D	water washing efficiency, reduce consumption of production water and sand filter water			Technology, driving the company's technological advancement
Development of Automatic Density Control System for Bleaching Salt Treatment	This project employs density control tanks for bleaching and salt treatment, integrating level gauges with pumps and control valves through interlocking mechanisms. When bleaching or salt treatment density deviates from set values, a weighing module calculates density to automatically execute water replenishment and material return operations. This reduces manual intervention and lowers production costs.	Project Completed	<p>① Stabilizes material density within required ranges via weighing module conversion, ensuring consistent quality in bleaching, salt treatment, and calcination processes.</p> <p>② High-level discharge mode reduces energy consumption, lowers environmental pollution, and saves production costs;</p> <p>③ Reduces labor costs at production stations</p>	Enhanced the company's titanium dioxide production process, driving technological advancement
Research on Rutile-Type Titanium Dioxide Crude Product for Screen Printing Inks Development	This project enhances the activity of calcination seeds and improves the high tinting strength and hiding power of crude titanium dioxide by controlling the solid content of concentrated titanium solution before hydrolysis, the alkali-leaching aging temperature during seed preparation, and the potassium salt dosage during salt treatment.	Project completed	<p>① TiO<sub>2</sub> mass fraction: ≥98.0%(m/m);</p> <p>② b value: ≤1.90; ③ Rutile crystal phase content: ≥98%; ④ Color-removing power: ≥1760</p>	Expand the application fields of the company's products and broaden the sales market for titanium dioxide.
Research and Development of Fractional Treatment Technology for Water-Washed Filtrate	This project employs staged treatment technology for water-washed filtrate to recover concentrated waste acid and titanium dioxide from the acid generated in the initial stages of the first and second washing processes. The wash water from these stages is reused, while the hot water generated from other processes during the first and second washing stages is recycled. This approach reduces energy consumption, lowers the energy costs associated with crude titanium dioxide production, enhances economic efficiency, and facilitates better treatment of waste acid and wastewater generated from subsequent processes.	Project Completed	<p>① Iron content in filter cake after washing (mg/l): ≤150; ② Iron content in filter cake after washing (mg/L): ≤40; ③ Insoluble titanium in CNwasteacid (g/L): ≤0.2; ④ Insoluble titanium in CNwastewater (g/L): ≤0.1</p>	Enhancing the company's titanium dioxide production process to drive technological advancement
Research and Development of High-Matte Titanium Dioxide Crude Product for Synthetic Fiber Applications	This project primarily focuses on the sulfuric acid-based titanium dioxide production process. Research and control efforts will target the influence of acid hydrolysis reaction F-value, impurity content in the titanium solution prior to hydrolysis, and calcination time. Further investigation will be conducted on the production process of rough-grade rutile titanium dioxide with high matting properties, aiming to expand the application market for titanium dioxide.	Project completed	<p>①: TiO<sub>2</sub> content: ≥98%; ②:b: ≤1.9;</p> <p>④ Iron content: ≤50 ppm; ⑤ L: ≥94.8</p>	Expand the application scope of the company's products and broaden the sales market for titanium dioxide.
R&D on Technology to Reduce Solid Particles in Acid Leaching Tail Gas Chimneys	This project investigates techniques to reduce solid phase deposits in exhaust gas chimneys, thereby minimizing solid phase carryover into the fourth-floor horizontal pipe section during the main acidolysis reaction. Preventing solid accumulation in the exhaust stack preserves its internal effective space, enabling timely flue gas passage through the stack for venting after Venturi treatment. Maintaining minimal positive pressure in the stack prevents damage to flexible connections between stacks and eliminates the need to halt production lines or manual entry into the stack for solid-phase material cleanup.	Key parameter validation is currently underway.	<p>①: Solid particles: No increase; ② Sulfur dioxide: &lt;300 mg/Nm<sup>3</sup>; ③ Dust: &lt;30 mg/Nm<sup>3</sup></p>	Enhancing the company's environmental treatment capabilities to meet clean production requirements.
Rough-grade rutile titanium dioxide for pearlescent paint R&D	This project primarily focuses on controlling hydrolysis steam temperature, phosphorus content addition, and calcination intensity to enhance titanium dioxide's gloss, tinting strength, and hiding power.	Key parameter validation in progress	<p>① Rutile content: ≥99.0%; ② Hydrolysis rate: ≥96.0%; ③ Brightness: ≥94.8; ④ Calcination rutile conversion temperature: 880-920°C; ⑤ Color-stopping power: 1780-1840</p>	Expanding the company's product application fields and broadening the titanium dioxide sales market
R&D of Acid Water Neutralization on Exhaust Gas Treatment System	This project's improved neutralization exhaust spray system utilizes an alkali spray tower for scrubbing. Exhaust gases generated from various neutralization lines are collected by centrifugal fans and transported to the spray tower. The centrifugal fans are connected to all neutralization tanks, controlling the flow rate of dilute alkali filtrate to extend spray duration and enhance spray effectiveness. This process treats non-compliant exhaust gases to meet emission standards, improves the internal environment of the neutralization plant, elevates occupational health standards, and optimizes the collection and treatment of exhaust gases generated during wastewater treatment.	Key parameter validation is underway.	Exhaust gas treated to meet emission standards; improved internal environment of neutralization plant and enhanced occupational health standards	Enhance the company's environmental treatment capabilities to meet clean production requirements.

R&D of rutile-type titanium dioxide crude product for decorative paper	This project controls the pressure of the cleaning water in the hydrolysis tank to prevent the formation of undesirable crystallization centers during seed crystal formation, stabilizing the sedimentation height of metatitanate after hydrolysis. It effectively controls the aging temperature during bleaching, increasing the activation energy of various impurity ions in metatitanate, enabling thorough reaction between the iron oxide in metatitanate and the added reducing agent to fully react.	Key parameter validation is currently underway	① TiO <sub>2</sub> mass fraction: $\geq 98.0\%$ ; ② b-value: $\leq 1.85$ ; ③ Rutile crystal phase content: $\geq 98.5\%$ ; ④ SCX 2.5-3.5	Expand the application scope of company products and broaden the titanium dioxide sales market.
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	Reaction; Adjust the salt treatment formulation and add crystal structure stabilizers to incorporate these trace particles into the titanium dioxide crude product lattice. This fills oxygen vacancies within the crude product's crystal structure, enhancing its whiteness and tinting strength while improving particle morphology and weather resistance.			
R&D of Refined Aluminum Sulfate Production Technology for Salt Treatment	This project addresses common issues in aluminum sulfate production lines using enamel-lined reactors, such as equipment leaks due to poor sealing and enamel layer degradation that compromises corrosion resistance, significantly impacting product quality and production costs. Through statistical analysis of equipment failures, the project reduces seal area to lower reactor gas leakage rates and extends service life by replacing the enamel lining material. The new reactor effectively reduces equipment failure rates, lowers production costs, and improves product quality and on-site personnel safety.	Key parameter validation is currently underway.	① Replacing the reactor shell material from carbon steel enameled to carbon steel lined with zirconium extends the reactor's service life, reduces replacement frequency, effectively saves production costs, and increases production capacity. ② The shell and top cover are integrally connected, reducing leak points, ensuring personnel safety, and lowering maintenance frequency.	Advancing the company's titanium dioxide production process and driving technological progress
Development of rutile-type titanium dioxide crude product for wood furniture topcoats	This project controls phosphorus content by adjusting ore blending ratios at the source; efficiently removes soluble metal impurities through optimized secondary washing temperatures; and enhances whiteness, hiding power, weather resistance, and reduces oil absorption by adjusting potassium salt dosage.	Key parameter validation is currently underway	① Mass fraction of TiO <sub>2</sub> : ≥92.0%(m/m); ② Volatile matter at 105°C: ≤0.9%(m/m); ③ pH of aqueous suspension: 7.0-8.5; ④ Residue (45um mesh): ≤0.05%(m/m); ⑤ Water-soluble matter: ≤0.1%(m/m); ⑥ Color(L*): ≥95; ⑦ b value: ≤1.9; ⑧ TCS (relative to reference sample): ≥1760; ⑨ SCC: 2.8-3.5; ⑩ Gold Red Quartz Crystal Content ≥98%	Expand the application scope of the company's products and broaden the titanium dioxide sales market.
Research and development of ferrous sulfate tetrahydrate preparation systems.	This project aims to optimize the disposal pattern of ferrous sulfate by-products, further removing free water and part of the bound water from heptahydrate ferrous sulfate to produce tetrahydrate ferrous sulfate. This will expand product diversity and enable flexible responses to market demands. Simultaneously, it will comprehensively resolve the constraints imposed by ferrous sulfate on titanium dioxide production, enhance the market competitiveness of the company's ferrous sulfate by-product, reduce environmental pollution and technical challenges associated with ferrous sulfate and tetrahydrate ferrous sulfate production, while lowering neutralization costs to generate new economic growth for the company.	① Moisture content of wet ferrous sulfate: 8%-12%; ② Bulk density of wet ferrous sulfate: 850kg/m <sup>3</sup> ;	① Moisture content of wet ferrous sulfate: 8%-12%; ② Bulk density of wet ferrous sulfate: 850 kg/m <sup>3</sup> ; ③ Rotary kiln temperature: 180-220°C; ④ Moisture content of tetrahydrate ferrous sulfate: ≤2%; ⑤ Tetrahydrate ferrous sulfate content: ≥92%	Enhancing the company's titanium dioxide production process to drive technological advancement
Rough titanium dioxide (rutile type) for sunscreen cosmetics Research and Development	This project primarily investigates three aspects: titanium liquid concentration, proportion of seed crystal base water addition, and calcination temperature. It aims to stably control the particle size and crystal morphology of crude titanium dioxide, thereby enhancing its covering power, coloring power, and ultraviolet absorption capacity.	Pilot testing has concluded, and we are currently summarizing the pilot results and refining key parameters. ① TiO <sub>2</sub> mass fraction: ≥98.0%(m/m)	① Mass fraction of TiO <sub>2</sub> : ≥98.0%(m/m); ② Color (L*): ≥95.0; ③ Lightfastness: ≥1800; ④ Hiding power: 2.8-3.6; ⑤ Rutile crystal phase content: ≥98%	Expand the company's product application fields and broaden the titanium dioxide sales market.
Hydrolysis Reaction System R&D	This project employs self-propagating seed hydrolysis technology, strictly controlling low water addition rates and discharge speeds of concentrated titanium solutions. Precise regulation of seed formation timing and conditions ensures both quantity and quality of seeds. Concurrently, DCS automated control technology is introduced to minimize human operational errors, enhance product quality, reduce labor intensity, and decrease personnel costs.	Pilot testing completed; summarizing results and optimizing key parameters	① Hydrolysis rate (%): 95-98; ② Settling height (mm): 40-60; ③ Particle size D50: 1.2-1.6	Enhancing the company's titanium dioxide production process to drive technological advancement
Calcium Slurry Pressing Technology R&D	This project achieves uniform filter cake formation on the press plates by segmenting and varying the feeding frequency during plate-and-frame pressing. This reduces pressure differentials, yields low-moisture cakes that are easier to transport and stack, and stabilizes the current of the feeding pump during segmentation, minimizing equipment damage risks.	Pilot testing concluded; summarizing results and optimizing key parameters ① Filter plate replacement: 40 plates/year	① Filter plate replacement: 40 plates/year; ② Feed pump maintenance frequency: 1 time/3 months; ③ Feed inverter replacement: Rarely required; ④ Filter cake moisture content: 36%-42%	Enhance the company's environmental treatment capabilities to meet clean production requirements.
Rhodochrosite titanium dioxide for water-based fireproof coatings Titanium	The titanium dioxide in this project not only possesses strong covering and decorative properties but more importantly improves the physicochemical properties of the coating, enhances chemical stability, and ultimately increases covering power, tinting strength, corrosion resistance, lightfastness, and weather resistance.	Small-scale testing has concluded, and small-scale testing is currently underway. Summary and	Research and development of titanium dioxide suitable for the coatings industry to meet customer requirements. Also meets fireproofing application requirements.	Expand the company's product application fields and broaden the titanium Sales market for titanium dioxide

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Dioxide for Water-Based Fireproof Coatings		main		
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R&D of Titanium Dioxide	Enhance the mechanical strength and adhesion of paint films. Therefore, developing specialized titanium dioxide not only reduces coating production costs but also achieves optimal color paint performance	Key parameters exploration		Field.
Integrated Mineral Powder Processing System Development	This project employs an integrated mineral powder processing system combining dust removal and collection. It eliminates intermediate conveying equipment such as screw conveyors, pipelines, and star discharge valves, reducing leakage points while maintaining system negative pressure to facilitate environmental maintenance. Featuring a simple structure and compact footprint, it lowers investment and operational costs while meeting the requirements for ilmenite sand grinding Process	Pilot-scale	Upgrading the rotary kiln process to recover titanium dioxide powder scattered during production, thereby improving titanium dioxide production yield	Enhances the company's environmental treatment capabilities and meets clean production requirements.
Rutile-type titanium dioxide for water-based metal anti-corrosion coatings Powder R&D	Develop new products to meet market demand	Pilot testing	Promote the overall advancement of China's titanium dioxide industry and enhance competitiveness in high-end product markets	Expand the application scope of the company's products and broaden the sales market for titanium dioxide.
Three-stage concentration technology for washed waste acid Technology R&D	This project employs multi-effect evaporation to concentrate approximately 23% waste acid from titanium dioxide production (containing 136 g/L ferrous sulfate), elevating the dilute acid concentration to $\geq 55\%$ . Subsequent aging, separation, and filtration processes remove impurities such as ferrous ions from the spent acid. to remove impurities such as ferrous iron from the waste acid.	Pilot-scale	The concentrated and reused production process waste acid can be used for crude titanium dioxide acid hydrolysis and lithium iron phosphate projects.	This will enhance responsiveness to the sulfuric acid market.
Research and Development of Ferrous Sulfate as Battery-Grade Iron Source	Treated ferrous sulfate solid waste can be used to produce battery-grade iron phosphate, which in turn is used to manufacture lithium iron phosphate battery materials. This enhances resource utilization, reduces raw material costs for lithium iron phosphate production, and yields significant synergistic effects.	Pilot-scale testing	Develop iron sources suitable for battery-grade iron phosphate to meet production requirements and reduce production costs.	High-value recovery and utilization of by-products to enhance the company's core competitiveness R&D
Rotary Kiln Desulfurization and Dust Removal System R&D	Energy-saving and environmentally friendly, reducing pollutant emissions while effectively utilizing waste gas thermal energy and by-products, integrating environmental protection with a circular economy.	Pilot testing	Upgrade the rotary kiln desulfurization system to enhance titanium dioxide production yield and ensure compliant emissions of calcination tail gas.	Enhance the company's environmental treatment capabilities to meet clean production requirements.
R&D of rutile titanium dioxide for plastics	Starting from the production of titanium dioxide for plastics, explore control directions for product indicators that meet application performance requirements, address oxidation resistance in actual production, enhance titanium dioxide coverage, and achieve good brightness requirements	Pilot testing	Develop titanium dioxide tailored for high-coverage applications to meet customer demands. Ensure the developed titanium dioxide exhibits high whiteness.	Expand the company's product application fields and broaden the titanium dioxide sales market.
Rutile Titanium Dioxide for Polyvinyl Chloride Powder Coatings R&D	The market prospects for rutile titanium dioxide crude products used in PVC powder coatings are exceptionally broad, with market demand showing an upward trend. Develop new products to meet market needs.	pilot testing	Promoting the overall advancement of China's titanium dioxide industry and enhancing competitiveness in high-end product markets	Expand the company's product application fields and broaden the titanium dioxide sales market.
R&D of Advanced Reclaimed Water Reuse Technology	Achieve corporate energy conservation and emission reduction, scientific wastewater treatment, and compliant discharge to effectively address production capacity expansion. Simultaneously, firmly establish environmental and ecological bottom lines, advance the green and ecological development of the industrial park, and earnestly fulfill corporate social responsibilities and make new contributions to the ecological environment construction of Baiyin.	Pilot testing	Energy conservation and emission reduction, scientific wastewater treatment, and compliant discharge	Enhance the company's environmental treatment capabilities to meet clean production requirements
Research on rutile-type titanium dioxide for high-solid coatings Develop	Develop new products to meet market demand	Pilot testing	Develop titanium dioxide tailored for high-hiding-power applications to meet customer requirements. Ensure the developed titanium dioxide exhibits high whiteness	Expand the company's product application fields and broaden the titanium dioxide sales market.

Multi-stage wastewater treatment system research Development	Fundamentally reduce natural resource consumption and environmental pollution by addressing the root causes at the elemental level. As the primary driver of technological innovation, enterprises will create new economic growth points through the comprehensive development and utilization of water resources. provide new economic growth points for enterprise development, and	Small-scale testing	achieve the economic recycling of water resources	Enhance the company's environmental treatment capabilities to meet clean clean production requirements
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	and also provide favorable conditions for advanced wastewater treatment.			Requirements.
High-purity titanium dioxide for PVC Water-based coating titanium dioxide technology R&D	Develop new technologies to meet market demands.	Pilot testing	Narrow the gap in titanium dioxide production technology between domestic and international standards, increasing the company's product sales volume	Expand the application scope of the company's products and broaden the sales market for titanium dioxide.
Titanium Dioxide for Nitrocellulose High-Gloss Surface Printing Inks Research and Development	Develop new products to meet market demand	Pilot testing	Promoting the overall advancement of China's titanium dioxide industry and enhancing competitiveness in high-end product markets	Expand the application scope of the company's products and broaden the sales market for titanium dioxide.
Technology Development for Enhancing Waste Acid Neutralization Reaction Rates	For every 1 ton of titanium dioxide produced, approximately 5-6 tons of waste sulfuric acid with a concentration of around 20% and a large volume of weakly acidic wastewater are generated as byproducts. Meanwhile, processing 1 ton of titanium dioxide requires an average consumption of 1.5-2 tons of calcium carbonate. Based on chemical reaction equilibrium calculations, a significant amount of alkaline substances are wasted without participating in the neutralization reaction. This not only increases post-treatment costs but also substantially boosts calcium sludge production. Therefore, there is an urgent need to develop a technology to enhance the neutralization reaction rate of waste acid, thereby improving the neutralization efficiency and reducing waste acid treatment costs.	The project has entered the production environment testing phase	Reduce waste acid treatment costs.	Reduce waste acid treatment costs.
High PVC R&D of Titanium Dioxide for Water-Based Coatings	In high PVC coatings, the volume ratio of pigments and fillers is significantly higher. After film formation, pigment and filler particles become highly congested, while the proportion of resin and other film-forming agents is so low that they cannot even form a continuous coating at the microscopic level. This imposes entirely different performance requirements on titanium dioxide compared to conventional coatings. This project aims to design and develop a high-dry-covering, cost-effective heavy-coated titanium dioxide to enhance market competitiveness in the high PVC water-based coating sector.	The project has entered the production-environment testing phase	Developed a PVC water-based coating-grade titanium dioxide that meets customer requirements.	Enriching the company's product portfolio to meet diverse niche customer customization needs.
Enhance calcination rutile seed crystal activity technology R&D.	The quality (activity) of calcined rutile seed crystals and their proportion in metatitanate directly impact the rutile conversion rate and pigment performance of calcined products. However, the high cost of rutile seed crystal preparation means that their dosage directly affects the production cost of crude titanium dioxide. This project aims to develop a technology to reduce the dosage of calcined rutile seed crystals to reduce titanium dioxide production costs.	Project has entered the production environment testing phase	Research a technology to reduce the amount of calcined rutile seed crystals used, thereby lowering titanium dioxide production costs.	Reduce production costs.
Research and Development of Waste Acid Purification and Resource Utilization Technology	The sulfuric acid process is the most widely used method for titanium dioxide production, accounting for over 80% of China's titanium dioxide market. However, its primary drawback is the excessive generation of waste acid, which incurs high treatment costs and causes severe environmental pollution. Some titanium dioxide manufacturers have attempted to address waste acid through concentration, but this approach has been abandoned due to severe corrosion and excessive costs. This project investigates a waste acid dilution and impurity removal technology, with the resulting product usable in post-treatment surface processing steps. This reduces post-treatment costs and protects the environment.	Completed	Comprehensive utilization of waste acid to reduce corporate costs.	Reduced environmental protection costs and enhanced production competitiveness.
Development of rutile titanium dioxide for film-grade masterbatch	Film-grade color masterbatches are extremely thin, requiring high gloss and excellent dispersion. They impose stringent demands on titanium dioxide, with most domestic products currently failing to meet these requirements. This project aims to develop rutile titanium dioxide specifically for film-grade color masterbatches, breaking the market monopoly.	Completed	R&D of titanium dioxide suitable for film masterbatch grade has been completed, meeting customer requirements.	Enriching the company's product portfolio to meet diverse niche customer customization needs.

Rutile Titanium Dioxide for PC Applications R&D	Currently, only chlorination-processed titanium dioxide meets PC requirements. During application, as titanium dioxide content increases, plastic tensile strength and compressive strength decrease sharply  However, titanium dioxide must be added up to 10% to achieve	Completed	We have developed OC-grade titanium dioxide to meet customer needs.	Enriching the company's product portfolio to meet diverse customers.
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	Full coverage is required to achieve optimal whiteness in PC products. Conventional titanium dioxide exhibits poor heat resistance and low tensile strength, limiting its addition to 3-5%. Specialized PC titanium dioxide allows 5-7% addition, though excessive amounts may compromise strength. This project produces rutile titanium dioxide for PC applications using the sulfuric acid process, aiming to replace chlorinated PC titanium dioxide produced by the chloride process.			Requirements.
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## Company R&amp;D Personnel Profile

	2023	2022	Change Percentage
Number of R&D Personnel (persons)	312	254	22.83%
Percentage of R&D Personnel	7.14%	7.28%	-0.14%
Educational Background of R&D Personnel			
Bachelor's Degree	137	117	17.09%
Master's Degree	9	4	125.00%
Age Distribution of R&D Personnel			
Under 30	50	33	51.52%
30-40	215	195	10.26%

## Company R&amp;D Expenditure

	2023	2022	Change Percentage
R&D Expenditure Amount (RMB)	127,260,510.59	129,843,345.11	-1.99%
R&D Expenditure as a Percentage of Operating Revenue	2.57%	2.37%	0.20%
Amount of R&D expenditures capitalized (RMB)	150,777.88	66,803.88	125.70%
R&D expenditure capitalized as a percentage of total R&D expenditure	0.12%	0.05%	0.07%

Reasons for and impact of significant changes in the composition of the company's R&amp;D personnel

 Applicable  Not applicable

Reasons for Significant Change in R&amp;D Expenditure as a Percentage of Revenue Compared to Previous Year

 Applicable  Not Applicable

Reasons for Significant Fluctuations in R&amp;D Capitalization Rate and Explanation of Rationality

 Applicable  Not Applicable**5. Cash Flow**

Unit: RMB

Item	2023	2022	Year-on-Year Change
Subtotal of Cash Flows from Operating Activities	5,194,697,409.06	5,754,513,317.09	-9.73%
Subtotal of Cash Flows Used in Operating Activities	5,531,826,913.97	4,824,398,427.98	14.66%
Net Cash Flow from Operating Activities	-337,129,504.91	930,114,889.11	-136.25%
Subtotal of Cash Flows from Investing Activities	2,841,079,204.94	3,603,083,642.30	-21.15%
Subtotal of Cash Flows Used in Investing Activities	4,774,757,127.90	4,395,467,128.69	8.63%

Net Cash Flow from Investing Activities	-1,933,677,922.96	-792,383,486.39	-144.03%
Subtotal of Cash Flows from Financing Activities	9,019,289,078.46	1,683,341,616.28	435.80%
Subtotal of Cash Flows Used in Financing Activities	3,002,149,996.21	1,819,807,229.76	64.97%
Net Cash Flow from Financing Activities	6,017,139,082.25	-136,465,613.48	4,509.27%
Net increase in cash and cash equivalents	3,750,588,116.33	5,534,589.22	67,666.33%

## Explanation of Key Factors Contributing to Significant Year-on-Year Changes in Relevant Data

Applicable  Not applicable

Total cash inflows from operating activities in 2023 amounted to RMB 5,194.6974 million, representing a decrease of 9.73% compared to RMB 5,754.5133 million in 2022. Total cash outflows from operating activities in 2023 amounted to RMB 5,531.8269 million, an increase of 14.66% compared to RMB 4,824.3984 million in 2022. This primarily resulted from cash outflows from operating activities totaled RMB 5,531,826,900, representing a 14.66% increase from RMB 4,824,398,400 in 2022. This primarily resulted from reduced cash receipts from sales of goods and provision of services, increased cash payments for notes payable due, and higher cash payments for purchases of goods and services received during the reporting period.

The total cash inflow from investing activities in 2023 amounted to RMB 284,107.92 million, a decrease of 21.15% compared to RMB 360,308.36 million in 2022. This was primarily due to a reduction in the redemption of financial products during the reporting period.

The total cash outflow from investing activities in 2023 amounted to RMB 477,475.71 million, an increase of 8.63% compared to RMB 439,546.71 million in 2022, primarily due to increased payments for investments during the reporting period.

In 2023, the total cash inflow from financing activities amounted to RMB 901,928.91 million, representing a 435.80% increase compared to RMB 168,334.16 million in 2022. This was primarily attributable to increased capital raised through non-public share offerings and increased borrowings during the reporting period.

The total cash outflow from financing activities in 2023 amounted to RMB 300,215.00 million, representing a 64.97% increase from RMB 181,980.72 million in 2022. This increase was primarily attributable to higher cash payments for debt repayment during the reporting period.

## Explanation of Significant Differences Between Net Cash Flow from Operating Activities and Net Profit for the Reporting Period

Applicable  Not Applicable

This was primarily due to an increase in the amount of notes payable that matured and were settled during the reporting period.

## V. Analysis of Non-Core Business

Applicable  Not Applicable

## VI. Analysis of Assets and Liabilities

## 1. Significant Changes in Asset Composition

Unit: RMB

	End of 2023		Beginning of 2023		Percentage Change	Explanation of Significant Changes
	Amount	Percentage of Total Assets	Amount	Percentage of Total Assets		
Cash and Cash Equivalents	7,565,019,831.90	40.81%	3,840,298,052.37	32.86%	7.95%	Primarily attributable to proceeds received from the private placement of common shares.
Accounts receivable	828,881,699.98	4.47%	700,820,311.03	6.00%	-1.53%	
Inventories	1,005,830,901.07	5.43%	776,855,844.31	6.65%	-1.22%	Primarily attributable to an increase in inventory at the end of the reporting period.
Long-term equity investments	49,208,023.05	0.27%	4,125,061.39	0.04%	0.23%	Primarily attributable to the increase in equity resulting from acquisitions during the reporting period.
Fixed Assets	3,177,312,785.27	17.14%	2,509,265,030.47	21.47%	-4.33%	Primarily attributable to the increase in construction-in-progress capitalized during the reporting period and the addition of assets from newly consolidated entities.

Construction in Progress	3,358,499,632.69	18.12%	1,701,055,683.27	14.56%	3.56%	Primarily attributable to increased investment in projects during the reporting period. increased investment in projects during the reporting period.
Right-of-use assets	31,004,076.30	0.17%	25,761,133.47	0.22%	-0.05%	Primarily attributable to the increase in leased .

Short-term borrowings	2,172,653,160.10	11.72%	888,027,361.10	7.60%	4.12%	Primarily attributable to financing
Contract liabilities	69,154,334.01	0.37%	31,100,448.39	0.27%	0.10%	Primarily attributable to an increase in advance payments received during the reporting period.
Long-term borrowings	1,115,720,562.37	6.02%	682,884,885.55	5.84%	0.18%	Primarily attributable to increased project increase in project loans during the reporting period.
Lease liabilities	23,192,320.35	0.13%	19,447,074.38	0.17%	-0.04%	
Notes receivable	22,819,146.40	0.12%	165,432,093.41	1.42%	-1.30%	Primarily attributable to a decrease in the acceptance bill pledge business during the reporting period.
Accounts Receivable Financing	119,274,379.08	0.64%	207,826,937.44	1.78%	-1.14%	Primarily attributable to increased endorsement transfers of accepted bills during the reporting period.
Prepayments	188,847,457.35	1.02%	142,092,102.32	1.22%	-0.20%	Primarily attributable to an increase in prepayments for goods purchased during the reporting period.
Other receivables	20,084,992.41	0.11%	11,220,802.80	0.10%	0.01%	Primarily attributable to the increase in consolidated entities due to equity acquisitions during the reporting period
Assets held for sale	0.00	0.00%	21,606,265.50	0.18%	-0.18%	Primarily attributable to the disposal of assets
Other current assets	84,699,696.36	0.46%	54,465,706.20	0.47%	-0.01%	Primarily attributable to the increase in VAT carryforward tax credits during the reporting period.
Intangible Assets	1,014,440,550.03	5.47%	417,767,833.74	3.57%	1.90%	This was primarily attributable to the acquisition of equity interests during the reporting period, which increased the consolidated entities' assets.
Development expenditures	193,258.31	0.00%	147,303.32	0.00%	0.00%	Primarily attributable to increased R&D expenditures during the reporting period.
Goodwill	563,659,615.16	3.04%	416,695,796.96	3.57%	-0.53%	Primarily attributable to goodwill arising from equity acquisitions during the reporting period.
Long-term prepaid expenses	43,905,580.85	0.24%	22,168,687.40	0.19%	0.05%	Primarily due to the increase in deferred expenses of consolidated entities resulting from equity acquisitions during the reporting period.
Deferred income tax assets	72,677,615.95	0.39%	33,026,399.62	0.28%	0.11%	Primarily attributable to the recognition of deferred income tax assets arising from impairment provisions for assets, deductible losses, and changes in the fair value of other equity instruments during the reporting period.
Other non-current assets	67,445,675.30	0.36%	324,305,255.28	2.78%	-2.42%	Primarily attributable to a decrease in prepayments for equipment and engineering materials during the reporting period.
Trading financial liabilities	572,290.11	0.00%	0.00	0.00%	0.00%	Primarily attributable to changes in the fair value of derivatives during the reporting period.

Notes payable	1,426,930,795.54	7.70%	2,243,287,549.36	19.20%	-11.50%	Primarily attributable to financing
Accounts Payable	955,281,858.14	5.15%	579,859,681.08	4.96%	0.19%	Primarily attributable to an increase in accounts payable for construction and equipment during the reporting period.
Employee compensation payable	49,717,557.76	0.27%	37,303,822.61	0.32%	-0.05%	Primarily attributable to the increase in employee compensation payable at the end of the reporting period.

Taxes Payable	58,356,353.57	0.31%	35,261,354.73	0.30%	0.01%	Primarily attributable to the increase in taxes payable at the end of the reporting period.
Other Payables	313,061,139.82	1.69%	58,160,452.59	0.50%	1.19%	Primarily attributable to the increase in equity acquisition payables during the reporting period.
Non-current liabilities due within one year	101,732,738.61	0.55%	24,729,292.81	0.21%	0.34%	Primarily attributable to the increase in long-term borrowings due within one year during the reporting period.
Other current liabilities	10,238,298.55	0.06%	4,071,593.44	0.03%	0.03%	The primary reason is the anticipated increase in output tax carryforward amounts.
Long-term Payables	4,298,165.92	0.02%	13,702,398.66	0.12%	-0.10%	Primarily attributable to the write-off of long-term accounts payable that were no longer due during the reporting period.
Contingent Liabilities	950,075.31	0.01%	0.00	0.00%	0.01%	Primarily attributable to the expansion of entities within the scope of consolidation during the reporting period.
Deferred income tax liabilities	151,354,262.65	0.82%	9,724,585.11	0.08%	0.74%	Primarily attributable to the recognition of deferred tax liabilities arising from the valuation gain on assets in non-controlling interest business combinations during the reporting period.

High proportion of overseas assets

 Applicable  Not applicable**2. Assets and liabilities measured at fair value** Applicable  Not applicable

Unit: Yuan

Item	Opening Balance	Fair value changes for the period	Cumulative Fair Value Changes Recognized in Equity	Impairment Charge for Current Period	Purchase Amount for Current Period	Current Period Sale Amount	Other Changes	Ending Balance
<b>Financial Assets</b>								
1. Trading Financial Assets (excluding derivative financial assets)	0.00				2,800,000,000.00	2,800,000,000.00		0.00
4. Other equity instruments investments	311,650.5 12.52	31,818.36 2.01	33,759.78 4.95	0.00			41,946.75 9.00	321,778.9 09.51
Subtotal of Financial Assets	311,650.5 12.52	31,818.36 2.01	33,759.78 4.95	0.00	2,800,000,000.00	2,800,000,000.00	41,946.75 9.00	321,778.9 09.51
Accounts Receivable	207,826.9 37.44	0.00		0.00	1,975,887,365.25	2,064,439,923.61	0.00	119,274.3 79.08
Financing								
Total of the above	519,477.4 49.96	31,818.36 2.01	33,759.78 4.95	0.00	4,775,887,365.25	4,864,439,923.61	41,946.75 9.00	441,053.2 88.59

Financial liabilities	0.00	572,290.1 1						572,290.1 1
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## Other Changes

On August 15, 2023, the Company disclosed the "Announcement on the Acquisition of 100% Equity Interests in Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. and Guizhou Xintianxin Chemical Co., Ltd." (Announcement No.: 2023-059). As of September 30, 2023, the corporate restructuring was completed, incorporating Shuangyang Phosphate Mine into the consolidation scope. Guizhou Kaiyang Baima Phosphate Fertilizer Co., Ltd., an investment of Shuangyang Phosphate Mine, was accounted for as other equity instruments in the consolidation.

Did the measurement attributes of the Company's major assets undergo any significant changes during the reporting period?

Yes  No

**3. Restrictions on Asset Rights as of the End of the Reporting Period**

Item	Book Balance	Book Value	Type of Restriction	Restriction Details
Cash and Cash Equivalents	402,387,808.17	402,387,808.17	Frozen	Primarily consists of bank acceptance bill deposits and pledged time deposits
Notes receivable	19,766,850.47	19,766,850.47	Pledged	Bill pledges used for issuing accepted bills
Fixed Assets	743,457,442.20	511,450,071.53	Mortgage	Mortgage for loans
Intangible Assets	194,672,087.85	179,851,864.28	Mortgage	Loan Collateral
Total	1,360,284,188.69	1,113,456,594.45		

## VII. Investment Status Analysis

### 1. Overall Situation

Applicable  Not Applicable

Investment Amount During Reporting Period (RMB)	Investment Amount in the Same Period of the Previous Year (RMB)	Change Rate
1,017,276,601.74	613,691,519.33	65.76%

### 2. Significant equity investments acquired during the reporting period

Applicable  Not Applicable

Unit: RMB

Name of investee company	Principal Business	Investment Method	Investment Amount	Shareholding Ratio	Funding Source	Cooperation Partner	Investment Term	Product Type	Progress as of the Balance Sheet Date	Projected Returns	Current Period Investment Gain/Loss	Litigation Status	Disclosure Date (if applicable)	Disclosure Index (if applicable)
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. and Guizhou Xintianxin Chemical Co., Ltd. Co., Ltd.	Processing and sale of phosphate rock; operation of raw materials for phosphate chemicals, etc.	Acquisition	919,414,272.79	100.00%	Proprietary Funds	None	Long term	Phosphate rock, yellow phosphorus	Completed business registration	0.00	0.00	No	2023 Year 08 15	Juchao Information Network Announcement Regarding the Acquisition of 100% Equity Interest in Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. and Guizhou Xintianxin Chemical Co., Ltd. (Announcement No.: 2023-059)
Hami Zhonghe Vanadium-Titanium Co., Ltd.	Mineral washing and processing, etc.	Newly Established	500,000,000.00	100.00%	Own Funds	None	Long term	Not applicable	Completed business registration	0.00	0.00	No	2023 Year 03 18	Juchao Information Network Announcement Overseas Investment to Establish a Company (Announcement No.: 2023-027)
Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd. Co., Ltd.	Technology intermediary services, intellectual property services, technical services, etc.	Newly Established	20,000,000.00	100.00%	Own Funds	None	Long term	Not applicable	Completed business registration	0.00	0.00	No	2023 June 06	Juchao Information Network Announcement on Overseas Investment to Establish a Company and Completion of Business Registration (Announcement No.: 2023-052)
Guangdong Zhonghe Junneng Technology Co., Ltd. Company	Engineering and Technology Research and Experimental Development, Battery Manufacturing	Capital Increase	450,000,000.00	75.39%	Own Investment	Zhaoqing City Liyue Equity Investment Center	Long term	Battery	Completed Business Registration	0.00	0.00	No	2023 Year 06 Month 06	Juchao Information Network Announcement Regarding the Acquisition of 75.385% Equity in Zhaoqing Helinliye Technology Co., Ltd. Through Capital Increase 75.385% Equity Interest Through Capital Increase'

	Manufacturing, Battery Sales and other				Manufacturing, Battery Sales, etc.	(Limited Partnership) (Partners) etc.							Date	(Announcement No.: 2023-049)
Gansu Zetong Weili De Vanadium Materials Co., Ltd.	Road Transport of Dangerous Goods, Metal and Non-Metal Mineral Resources Geological Exploration of Metal and Non-Metal Mineral Resources, etc.	Acquisition	44,000,000.00	95.00%	Own funds	Sichuan Weili Energy Co., Ltd. Co., Ltd.	Long-term	Not applicable	Completed Business Registration	0.00	0.00	No	2023 June 06	Juchao Information Network Announcement on the Acquisition of Controlling Equity in a Subsidiary (Announcement No.: 2023-051)
Baiyin CNNC Times New Energy Co., Ltd.	Power Generation Business, Power Transmission Business, Power (Distribution)	Newly Established	50,000,000.00	100.00%	Own Funds	None	Long-term	Not applicable	Completed Business Registration	0.00	0.00	No	2023 Year 09 07	Juchao Information Network "Regarding the Establishment of an Overseas Investment Company and Project Progress Announcement" (Announcement No.: 2023-066)
Total	—	—	1,983,414,272.79	—	—	—	—	—	—	0.00	0.00	—	—	—

**3. Significant non-equity investments in progress during the reporting period**

Applicable  Not applicable

**4. Financial Asset Investments****(1) Securities Investment**

Applicable  Not Applicable

The Company had no securities investments during the reporting period.

**(2) Derivative Investment**

Applicable  Not Applicable

**1) Derivative investments for hedging purposes during the reporting period**

Applicable  Not Applicable

Unit: RMB 10,000

Derivative Investment Type	Initial Investment Amount	Opening Balance	Fair value changes for the period	Accumulated Fair Value Changes Recognized in Equity	Purchase Amount During the Reporting Period	Amount sold during the reporting period	Ending Balance	Percentage of Investment Amount at End of Period to Company's Net Assets at End of Reporting Period
Foreign Exchange Options and Option Groups Total	103,170.5	0	-639.6	0	103,170.5	81,696.4	21,474.1	1.81%
Forward Exchange Rate Locking	92,504.27	7,880.7	-2,303.3	0	84,623.57	90,345.47	2,158.8	0.18%
Swap	9,059.75	0	7	0	9,059.75	9,059.75	0	0.00%
<b>Total</b>	<b>204,734.52</b>	<b>7,880.7</b>	<b>-2,935.9</b>	<b>0</b>	<b>196,853.82</b>	<b>181,101.62</b>	<b>23,632.9</b>	<b>1.99%</b>
Accounting policies and specific accounting principles for hedging activities during the reporting period, and whether there have been any significant changes compared to the previous reporting period	The Company did not elect hedge accounting for the current period. In accordance with relevant provisions and guidelines such as the Ministry of Finance's Accounting Standard for Business Enterprises No. 22—Recognition and Measurement of Financial Instruments and Accounting Standard for Business Enterprises No. 37—Presentation of Financial Instruments, the Company conducted corresponding accounting and presentation for the proposed foreign exchange derivative transactions. There were no significant changes compared with the previous reporting period.							
Explanation of Actual Gains and Losses During the Reporting Period	Actual gains for the reporting period amounted to -RMB 18.1326 million (including the portion recognized as investment income).							
Explanation of Hedging Effectiveness	The Company's foreign exchange derivative transactions are conducted around its actual foreign exchange receipts and payments, adopting the principle of exchange rate neutrality and relying on specific business operations to guard against adverse effects on the Company caused by significant exchange rate fluctuations and to avoid foreign exchange market risks.							
Derivative Investment Funding Sources	Proprietary funds							

<p>Risk Analysis and Control Measures for Derivative Positions During the Reporting Period (Including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)</p>	<p>(I) Investment Risk Analysis</p> <p>The Company and its subsidiaries conduct foreign exchange hedging operations adhering to the principles of locking in exchange rate risks and hedging. They do not engage in speculative or arbitrage transactions. When entering into contracts, transactions are strictly conducted based on the Company's forecasted payment (receipt) schedules and payment (receipt) amounts. Foreign exchange hedging operations can mitigate the impact of significant exchange rate fluctuations on the Company when exchange rates fluctuate substantially. However, foreign exchange hedging operations also carry certain risks:</p> <p>However, foreign exchange hedging operations also carry certain risks: 1. Exchange rate fluctuation risk: During periods of significant exchange rate volatility, bank exchange rates for settlement and sale may fall below the rates quoted by the company to its customers (suppliers). This prevents the company from locking in rates at its quoted levels, potentially resulting in foreign exchange losses. 2. Internal Control Risk: Foreign exchange hedging operations are highly specialized and complex, potentially exposing the company to risks due to inadequate internal control systems. 3. Customer Default Risk: Delayed collection of customer accounts receivable beyond the forecasted repayment period may result in deferred settlement, causing losses to the company.</p> <p>(II) Risk Control Measures Implemented by the Company</p> <p>1. To mitigate the risk of significant exchange rate fluctuations, the company will enhance its research and analysis of exchange rates, closely monitor changes in international and domestic market conditions, and adjust its operational and business strategies in a timely manner to minimize foreign exchange losses. 2. The company has established the "Derivatives Trading Management System." This system clearly defines the company's foreign exchange hedging business limits, product scope, operational principles, approval authorities, business management and internal operational procedures, information isolation measures, internal risk reporting system, and risk handling procedures. The system complies with relevant regulatory requirements, meets practical operational needs, and incorporates effective risk control measures.</p> <p>The Treasury Department serves as the operational unit for derivative transactions, responsible for establishing the risk management framework, formulating derivative transaction plans, securing funding, executing operations, and managing daily coordination and oversight. The Internal Audit Department reviews and supervises the actual execution of derivative transactions, including fund utilization, profit/loss outcomes, accounting practices, compliance with regulations, and disclosure practices.</p> <p>3. The company's foreign exchange hedging transactions must be based on its actual import and export operations, with the foreign currency amount of contracts not exceeding the projected volume of import and export business. The company will strictly control the total amount of foreign exchange funds and the timing of foreign exchange settlement and sale in accordance with customer payment schedules. At the same time, the company will attach great importance to foreign currency accounts receivable management to avoid the occurrence of overdue accounts receivable.</p> <p>to prevent overdue accounts receivable.</p>
<p>Report changes in market prices or fair values of invested derivatives during the reporting period. Analysis of derivative fair values shall disclose specific methodologies used, along with relevant assumptions and parameter settings.</p>	<p>Derivative gains or losses for the period shall be calculated based on the difference between the contract price and the price determined by financial institutions on the balance sheet date using publicly available market transaction data.</p>
<p>Litigation (if applicable)</p>	<p>None</p>
<p>Date of Board Announcement Disclosing Derivative Investment Approval (if any)</p>	<p>November 21, 2022</p>
<p>Announcement on Shareholders' Meeting Approval for Derivatives Investment (if applicable)</p>	<p>December 10, 2022</p>
<p>Special Opinion of Independent Directors on the Company's Derivatives Investment and Risk Control</p>	<p>The procedures followed by the Company in reviewing this matter comply with relevant national laws, regulations, and the Company's Articles of Association. The Company and its subsidiaries conduct foreign exchange hedging activities in accordance with prudent principles, refraining from speculative foreign exchange transactions. All foreign exchange hedging activities are based on normal production and operations, supported by specific business operations, and aimed at mitigating and preventing exchange rate risks. There are no circumstances that would harm the interests of shareholders, particularly minority shareholders. Concurrently, the Company has established the "Derivatives Trading Management System." By strengthening internal controls and implementing risk prevention measures, specific operational procedures have been formulated for the Company's foreign exchange hedging activities. Therefore, we unanimously agree to the Company conducting foreign exchange hedging transactions with a cumulative amount not exceeding RMB 4 billion and a maximum outstanding balance not exceeding RMB 2.5 billion (or equivalent foreign currency).</p> <p>RMB 2.5 billion (or equivalent in foreign currency) for foreign exchange hedging operations. Within the aforementioned limits and validity period, we authorize the President of the Company to exercise decision-making authority, with the Company's Capital Operations Department serving as the specific executing department.</p> <p>The company's capital operations department shall serve as the specific executing department.</p>

The company shall comply with the disclosure requirements for the chemical industry as stipulated in the "Shenzhen Stock Exchange Listing Rules No. 3 - Industry

Information Disclosure" **2) Derivative investments for speculative purposes during the reporting period**

Applicable  Not Applicable

The Company did not engage in derivative investments for speculative purposes during the reporting period.

**5. Use of Raised Funds**

Applicable  Not Applicable

**(1) Overall Use of Raised Funds**

Applicable  Not Applicable

Unit: RMB 10,000

Year of Raising Funds	Fundraising Method	Total Raised Funds	Net Proceeds	Total Raised Funds Utilized in Current Period	Total Amount of Raised Funds Used to Date	Total Raised Funds Reallocated During the Reporting Period	Total Raised Funds with Cumulative Changes in Purpose	Cumulative proportion of raised funds reallocated	Total amount of raised funds not yet used	Purpose and disposition of unused raised funds	Amount of raised funds idle for over two years
2020	Private Placement	160,000 0.00	158,73 4.15	16,101 .00	160.72 7.67	14,800 .55	14,800 .55	9.32%	0	As of December 2023 December 31, 2020 funds raised through the non-public offering of shares in 2020	0
2023	Private Placement Issuance	528.77 4.40	524.94 4.4	311.69 5.00	311.69 5.00	0	0	0.00%	219.52 3.01	Special Account Deposit Deposits	0
<b>Total</b>	—	688.77 4.40	683.67 8.55	327.79 6.00	472.42 2.67	14,800 .55	14,800 .55	2.15%	219.52 3.01	—	0
<b>Overall Use of Raised Funds</b>											
<p>1. Raised Funds from the 2020 Private Placement of Shares</p> <p>The Company actually utilized RMB 1,275,510,011.03 in raised funds during 2020, RMB 129,561,031.36 in 2021, and RMB 41,195,654.69 in 2022. , the actual amount of raised funds used was RMB 41,195,654.69. The actual amount of raised funds used in the current year is RMB 161,010,005.32, of which RMB 723,346.07 was invested in fundraising projects and RMB 160,286,659.25 was used for permanent working capital supplementation. The balance in the dedicated fundraising account is RMB 0.00.</p> <p>2. Status of Funds Raised from the 2021 Private Placement of Shares</p> <p>As of December 31, 2023, the net proceeds from fundraising amounted to RMB 5,249,443,962.28. After adding accumulated interest on raised funds and deducting bank fees 62,736,141.23 yuan, and after deducting cumulative expenditures of 3,116,950,016.88 yuan, the balance in the dedicated fundraising account was 2,195,230,086.63 yuan.</p>											

**(2) Status of Funded Projects**

Applicable  Not Applicable

Unit: RMB 10,000

Committed Investment Projects and Use of Over-subscribed Funds	Whether Projects Have Been Modified (Including Partial Modifications)	Total Committed Investment Amount from Raised Funds	Adjusted Total Investment Amount (1)	Amount Invested During the Reporting Period	Cumulative Amount Invested as of Period-End (2)	Investment Progress as of Period-End (3) = (2)/(1)	Date the project reaches its intended usable state	Benefits realized during the reporting period	Whether projected benefits were achieved	Significant Changes in Project Feasibility
Committed Investment Projects										
200,000 tons/year Titanium Dioxide Post-Treatment Project	Yes	23,000.00	8,199.45	72.33	8,199.45	100.00%	Note [1]	0	Note [1]	Yes
Supplementary Working capital	No	135,734.15	135,734.15	0	136,499.55	100.56%		0	Not applicable	No
Permanent working capital replenishment Funds	No	0	14,800.55	16,028.67	16,028.67	108.30%		0	Not applicable	No
Deep Processing of Recycled Titanium Dioxide Project	No	79,300.00	59,133.85	28,625.22	28,625.22	48.41%	2025 June 30 Year	0	N/A	No
Water-Soluble Monopotassium Phosphate (Water-Soluble Fertilizer) Resource Circulation Project	No	78,600.00	58,611.86	19,666.97	19,666.97	33.55%	2024 December 31	0	Not applicable	No
Annual production of 500,000 tons of phosphoric acid iron project	No	338,500.00	252,418.75	107,806.28	107,806.28	42.71%	2024 November 30 Year	0	Not applicable	No
Working Capital Working Capital	No	212,700.00	154,779.94	155,596.53	155,596.53	100.53%		0	Not applicable	No
Committed Investment Projects Subtotal	—	867,834.15	683,678.55	327,796.00	472,422.67	—	—	0	—	—
Use of Over-Subscribed Funds										
None										
Total	—	867,834.15	683,678.55	327,796.00	472,422.67	—	—	0	—	—

<p>Sub-project Description : Failure to meet planned progress and projected returns, along with reasons (Including the expected benefits have been achieved )</p> <p>Select 'X' Applicable</p>	<p>The 200,000-ton/year titanium dioxide post-treatment project commenced construction in early 2019. To date, the first phase—a 100,000-ton/year titanium dioxide post-treatment facility—has been completed, reached its anticipated operational status, and transferred to fixed assets. Despite thorough feasibility studies, the project's execution faced multiple factors including construction plan optimizations. To safeguard the interests of all shareholders and preserve the company's long-term operational capacity, while adhering to the principle of rational and effective use of raised funds, the company adopted a more rigorous approach to project advancement. After careful deliberation, the Board of Directors convened meetings on January 15, 2021, and November 18, 2021, respectively, to extend the project deadline to the end of December 2022.</p>
(Reason)	
<p>Circumstances where the project feasibility has undergone significant changes</p> <p>The</p> <p>Note [1]</p>	<p>The 200,000-ton/year titanium dioxide post-treatment project serves as a capacity upgrade initiative for the crude titanium dioxide production of Anhui Jinxing Titanium Dioxide (Group) Co., Ltd., a wholly-owned subsidiary of the Company.</p> <p>Following the commissioning of Phase I (100,000 tons/year), the company's technical team has continuously optimized production line efficiency through technological upgrades. The titanium dioxide post-treatment capacity of the aforementioned project implementation entity now meets production conditions sufficient to cover the company's crude product capacity. Following a comprehensive assessment, to safeguard the interests of all shareholders and enhance the investment efficiency of raised funds, the company convened board meetings and extraordinary shareholder meetings on March 14, 2023, and March 30, 2023, respectively. These meetings approved the termination of the fundraising investment project "200,000 tons/year Titanium Dioxide Post-Treatment Project" from the company's 2020 private placement. The remaining raised funds after project termination (including accumulated bank deposit interest, with the final amount determined by the bank's interest balance on the day of fund transfer) will be permanently allocated to supplement working capital for the company's daily production, operations, and business development.</p>
<p>Amount, Purpose, and Usage Progress of Excess Funds</p>	<p>Not applicable</p>
<p>Changes in the Implementation Location of Funded Projects</p>	<p>Not applicable</p>
<p>Adjustments to the Implementation Method of Raised Funds Investment Projects</p>	<p>Not applicable</p>
<p>Proceeds from Financial Investment Project and</p>	<p>Applicable</p> <p>1. Status of Funds Raised from the 2020 Private Placement of Shares</p> <p>As of September 14, 2020, the actual investment amount of self-raised funds allocated to fundraising investment projects and issuance expenses paid totaled RMB RMB 6,672,032.75. Following the receipt of the raised funds from the 2020 private placement on September 14, 2020, and upon approval by the 31st (Extraordinary) Meeting of the Sixth Board of Directors and the 22nd (Extraordinary) Meeting of the Sixth Board of Supervisors, the Company replaced the previously invested self-raised funds of RMB 6,672,032.75 with the raised funds. For details, please refer to the "Announcement Using Raised Funds to Replace Self-raised Funds Pre-invested in Raised Investment Projects and Issuance Expenses Already Paid" (Announcement No.: 2020-114).</p> <p>The independent directors issued independent opinions on this matter. The sponsor, Zhongtian Guofu Securities Co., Ltd., issued the "Verification Opinion on the Use of Raised Funds by China Nuclear Huayuan Titanium Dioxide Co., Ltd. to Replace Self-raised Funds Pre-invested in Raised Fund Projects and Issuance Expenses Already Paid." XYZH Certified Public Accountants LLP issued the "Special Verification Report on Raised Funds Replacement."</p> <p>2. Status of Raised Funds from the 2021 Private Placement of Shares</p> <p>On March 14, 2023, the Company convened its 10th (Extraordinary) Meeting of the 7th Board of Directors and the 7th (Extraordinary) Meeting of the 7th Board of Supervisors. These meetings reviewed and approved the "Proposal on Using Raised Funds to Replace Self-Raised Funds Pre-Invested in Raised Fund Investment Projects and Pre-Paid Issuance Expenses." The meetings agreed that the Company may use raised funds to replace self-raised funds totaling RMB 958,294,386.32 yuan, and paid issuance expenses of 377,358.49 yuan, totaling RMB 958,671,744.81. For details, please refer to the "Announcement on the Use of Raised Funds to Replace Self-Raised Funds Previously Invested in Raised Funds Investment Projects and Issuance Expenses Paid" published on March 15, 2023, in China Securities Journal, Securities Times, and the China Information Network (<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>).</p> <p>The independent directors have issued independent opinions on this matter. The sponsor, CITIC Securities Co., Ltd., has verified the Company's use of raised funds to replace self-raised funds previously invested in fundraising projects and paid issuance expenses, and issued a verification opinion. Lixin Certified Public Accountants LLP has issued the "Special Verification Report on China Nuclear Huayuan Titanium Dioxide Co., Ltd.'s Use of Raised Funds to Replace Self-Raised Funds Previously Invested in Fundraising Projects and Paid Issuance Expenses."</p>

Replacement Status	Special Attestation Report on the Use of Raised Funds to Replace Self-Raised Funds Pre-Invested in Raised Funds Projects and Issuance Expenses Already Paid by China Nuclear
Use of Idle Raised Funds to Temporarily Supplement Working Capital	Not applicable
Project Implementation	Not applicable
Amount and Reason for Remaining Raised Funds	
Purpose and disposition of unused raised funds	1. Status of Funds Raised from the 2020 Private Placement of Shares As of December 31, 2023, all accounts related to the 2020 private placement fundraising have been closed. 2. 2021 Private Placement Fundraising Status As of December 31, 2023, the balance of raised funds was RMB 2,195,230,086.63 (including interest on raised funds deposits of RMB 62,736,141.23 (net of fees excluding handling fees) held in the dedicated fundraising account.
Issues or Other Circumstances Regarding the Use and Disclosure of Raised Funds	None

### (3) Changes in Raised Funds Projects

Applicable  Not Applicable

Unit: RMB 10,000

Revised Project	Original Commitment Project	Total Funds for Project (1)	Raised Planned Revised	Actual Amount Invested During the Reporting Period	Actual Cumulative Amount Invested as of Period-End (2)	Investment Progress as of Period-End (3) = (2)/(1)	Date the project reaches its intended usable state	Benefits realized during the reporting period	Whether expected benefits have been achieved	Significant changes in project feasibility following modifications
Permanent working capital supplement	200,000 tons/year Titanium Dioxide Post-Treatment Project	14,800.55		16,028.67	16,028.67	108.30%		Not applicable	Not applicable	No
Total	—	14,800.55		16,028.67	16,028.67	—	—		—	—

<p>Reasons for Change, Decision-Making Procedures, and Disclosure Status (by Specific Project)</p>	<p>The 200,000-ton/year titanium dioxide post-treatment project is part of the product upgrade initiative for the crude titanium dioxide production capacity of Anhui Jinxing Titanium Dioxide (Group) Co., Ltd., a wholly-owned subsidiary of the Company.</p> <p>Following the commissioning of Phase I (100,000 tons/year) of the titanium dioxide post-treatment project, the company's technical team has continuously optimized production line efficiency through technological upgrades. The titanium dioxide post-treatment capacity of the aforementioned project implementation entity has now reached production conditions sufficient to cover the company's crude product capacity. After comprehensive evaluation, to safeguard the interests of all shareholders and enhance the investment efficiency of raised funds, the company convened the 10th Meeting of the 7th Board of Directors</p> <p>(Extraordinary) Meeting and the Seventh (Extraordinary) Meeting of the Seventh Supervisory Board. Subsequently, the 2023 First Extraordinary Shareholders' Meeting on March 30, 2023, approved the "Proposal on Terminating Part of the Raised Funds for the Company's 2020 Non-public Offering of Shares Projects and Permanently Supplementing Working Capital with the Remaining Raised Funds," agreeing to terminate the "200,000 Tons/Year Titanium Dioxide Post-Processing Project" investment project under the Company's 2020 private placement of shares. The remaining raised funds of RMB 148,005,466.67 (excluding interest) and the interest income from the raised funds special account will be permanently supplemented to working capital. In March 2023, the remaining raised funds from the "200,000 Tons/Year Titanium Dioxide Post-Processing Project" and the interest income from the raised funds special account totaled RMB 148,005,466.67.</p> <p>In March 2023, the remaining raised funds from <del>the</del> "200,000 tons/year Titanium Dioxide Post-Treatment Project" and the interest income from the raised funds special account, totaling 160,286,659.25 yuan (including 12,281,192.58 yuan in interest from the fundraising special account) were fully transferred to the company's own account and permanently supplemented working capital.</p>
<p>Situations and Reasons for Failure to Meet Planned Progress or Expected Returns (by Specific Project)</p>	<p>During the reporting period, no fundraising investment projects after modification failed to meet planned progress or projected returns.</p>
<p>Explanation of significant changes in the feasibility of the modified projects</p>	<p>No such circumstances occurred during the reporting period.</p>

**VIII. Major Asset and Equity Disposals****1. Sale of Significant Assets**

Applicable  Not Applicable

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

**2. Sale of Significant Equity Interests**

Applicable  Not Applicable

**IX. Analysis of Major Subsidiaries and Affiliates**

Applicable  Not Applicable

Major Subsidiaries and Equity-Accounted Subsidiaries Contributing Over 10% to Net Profit

Unit: RMB

Company Name	Company Type	Primary Business	Registered Capital	Total Assets	Net Assets	Revenue	Operating Profit	Net Profit
Gansu Dongfang Titanium Co., Ltd.	Subsidiary	Titanium Dioxide	1,580,000,000	7,970,496,574.42	1,719,044,468.38	1,851,168,364.39	302,143.448.17	259,723,731.97
Guangzhou Tai'ao Hua Co., Ltd.	Subsidiary	Trade	1,000,000,000	1,328,791,227.01	859,418.388.48	1,999,636,141.23	69,364,092.90	51,900,188.83
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	Subsidiary	Titanium Dioxide	485,000,000	2,336,413,951.15	1,522,804,230.69	1,721,262,085.85	51,449,228.76	53,588,587.23

Acquisitions and Disposals of Subsidiaries During the Reporting Period

Applicable  Not Applicable

Company Name	Method of Acquisition and Disposal of Subsidiaries During the Reporting Period	Impact on Overall Production, Operations, and Performance
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Acquisition	No significant impact during the reporting period
Guizhou Xintianxin Chemical Co., Ltd.	Acquisition	No material impact during the reporting period
Guangdong Zhonghe Junneng Technology Co., Ltd.	Capital Increase	No material impact during the reporting period
Baiyin Zhonghe Times New Energy Co., Ltd.	New establishment	No material impact
Hami Zhonghe Vanadium-Titanium Co., Ltd.	Newly established	No material impact
Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd.	Newly established	No material impact
Gansu Zetong Weili Technology Co., Ltd.	Sale	No material impact
Anhui Jinxing New Energy Materials Co., Ltd.	Dissolution	No material impact
Guangzhou Guanghe Titanium Dioxide Chemical Co., Ltd.	Dissolved	No material impact

Statement on Major Controlled and Participating Companies

Not applicable

**X. Structured Entities Controlled by the Company**

Applicable  Not Applicable

**XI. Outlook for the Company's Future Development****(1) Development Strategy**

Leveraging existing industrial foundations, the company will rapidly expand its footprint in the new energy materials sector, fully capitalize on the historic opportunities presented by the global new energy revolution, and drive high-quality sustainable development. During the 14th Five-Year Plan period, the company plans to adopt a dual-track strategy of "organic growth and external mergers and acquisitions" to focus on four core business segments: "Resources, Chemicals, new materials, and new energy" to comprehensively cover the upstream and downstream of the industrial chain. This will establish a green circular industrial economy centered on the "sulfur-phosphorus-iron-titanium-lithium" value chain. The Company aims to become one of the world's largest sulfuric acid-based titanium dioxide producers and build a competitive new energy battery materials production base. Through horizontal and vertical integration of the industrial chain, it will transform from a chemical raw materials manufacturer with a single core product into a new energy materials supplier with multiple core products.

During the reporting period, the company completed the integration and acquisition of phosphate ore mining and processing enterprises and yellow phosphorus producers, supplementing core resources and adding high-value main products. Key circular industry investment projects were implemented, forming a horizontally and vertically integrated "sulfur-phosphorus-iron-titanium" industrial chain. Leveraging cost advantages, the company has built a moat to effectively withstand cyclical fluctuations.

#### (1) Chemicals and New Materials Business Segment

Following in-depth discussions with relevant government departments and industrial park enterprises in the locations of its three major production subsidiaries, the company plans to leverage the existing 100,000-ton crude titanium dioxide production capacity of its wholly-owned subsidiary, Dongfang Titanium Industry. This initiative aims to collaborate with Baiyin City's chemical enterprises to establish a circular economy industrial closed-loop based on mutual benefit and shared success. The goal is to foster complementary and circular industrial development among regional chemical enterprises, achieving on-site conversion and utilization of local waste acids, slag, hazardous chemicals, and solid waste locally. This initiative will establish a Baiyin Resource Comprehensive Utilization Base integrating enterprise-level, industrial park-level, and industry-wide circular systems.

On February 4, 2021, the Company issued the "Announcement on Investing in Resource Comprehensive Utilization Projects" (Announcement No.: 2021-019) and the "Announcement on Investing in a Circular

Titanium Dioxide Deep Processing Project" (Announcement No.: 2021-020), as well as the "Announcement on Investing in a 500,000-Ton Lithium Iron Phosphate Project" (Announcement No.: 2021-021). Circular Titanium Dioxide Deep Processing Project" (Announcement No.: 2021-020), "Announcement on Investment in the Construction of a 500,000-Ton-Per-Year Lithium Iron Phosphate Project" (Announcement No.: 2021-021), and "Announcement on Investment in the Construction of a Water-Soluble Monoammonium Phosphate (Water-Soluble Fertilizer) Resource Recycling Project" (Announcement No.: 2021-022). The specific details of these four external investment projects include: 1. Construction of a 200,000-ton-per-year crude titanium dioxide production line and supporting ancillary facilities; 2. Construction of a 300,000-ton-per-year tonnes of finished titanium dioxide production line and supporting ancillary projects; 3. Investment in a water-soluble monoammonium phosphate (water-soluble fertilizer) resource recycling project; 4. Construction of a 500,000-tonne lithium iron phosphate project in three phases, primarily involving the construction of lithium iron phosphate production lines and supporting facilities (collectively referred to as the "Series of Investment Projects"). The aforementioned series of investment projects represent the company's critical initiatives to establish sustainable, high-quality development under the new development paradigm of "domestic circulation as the mainstay, with domestic and international dual circulation reinforcing each other," in response to the current domestic and international economic landscape. They constitute the company's overall plan for business transformation and industrial upgrading during the 14th Five-Year Plan period. The company will consistently adhere to a prudent and steady business philosophy, adopting a strategy of "phased implementation, staged investment, and dynamic adjustment" to build its green circular industrial layout. The planning of Dongfang Titanium's green circular industrial layout centers on the concept of "vertical enhancement and horizontal circulation." The series of investment projects being implemented represent the core modules of this layout. Specifically: ① "Vertical Enhancement": Building upon existing crude titanium dioxide production capacity, vertically extending to establish finished product production lines (i.e., the 300,000-ton-per-year finished titanium dioxide project)

project) while moderately increasing crude product capacity (200,000 tons/year crude titanium dioxide project) to enhance the added value and profitability of its core titanium dioxide products; ②

"Horizontal

Recycling": Primarily based on by-products from titanium dioxide production (i.e., waste sulfuric acid, ferrous sulfate, etc.) to implement circular production. Among these, the "Annual 500,000-ton Water-Soluble Monoammonium Phosphate (Water-Soluble Fertilizer) Resource Recycling Project" constitutes the "Waste Acid Recycling" segment, capable of absorbing waste sulfuric acid and acidic wastewater from titanium dioxide production, as well as liquid ammonia within the industrial park; The "Annual 500,000-ton Lithium Iron Phosphate Project" constitutes the "ferrous recycling" segment. This involves using the aforementioned water-soluble monoammonium phosphate from the "waste acid recycling" process and ferrous sulfate from the titanium dioxide production process to produce iron phosphate. This iron phosphate is then combined with lithium carbonate and organic carbon sources through processes including coarse grinding, fine grinding, spray drying, sinter ferrous sulfate produced during titanium dioxide manufacturing to synthesize iron phosphate. This iron phosphate is then combined with lithium carbonate and organic carbon sources through processes including coarse grinding, fine grinding, spray drying, sintering, and pulverization to produce lithium iron phosphate. The "500,000-ton Annual Lithium Iron Phosphate Project" is divided into three phases: Phase I achieves an annual output of 500,000 tons of iron phosphate and 10

tons of lithium iron phosphate. The second and third phases are each designed for an annual capacity of 200,000 tons of lithium iron phosphate. Construction of these phases will proceed cautiously based on the progress of related investment projects

, product market capacity, and demand. Currently, all aforementioned investment projects are progressing in an orderly manner. Among them, the 200,000-ton-per-year crude titanium dioxide project, the first phase of the 500,000-ton-per-year ferric phosphate project (100,000 tons of ferric phosphate per year), and the first phase of the 300,000-ton-per-year finished titanium dioxide project (150,000 tons of finished titanium dioxide per year) have been completed and put into operation during the reporting period. In 2024, while ensuring the stable operation of existing production capacity, the company will accelerate the effective release of new capacity by implementing a brand strategy and leveraging mature, high-quality sales channels.

During the reporting period, the Company completed the integration and acquisition of Xintianxin Chemical to further supplement its industrial chain. Xintianxin Chemical possesses an existing yellow phosphorus production capacity of 30,000 tons per year, with a 90,000-ton-per-year yellow phosphorus technical upgrade project expected to commence operations in 2024. Serving as the phosphorus source for the company's iron phosphate products, the tail gas generated during yellow phosphorus production can also be utilized to manufacture battery-grade carbonates—a key raw material for lithium-ion battery electrolytes. By 2024, the company will possess over 100,000 tons/year of yellow phosphorus production capacity. The release of this capacity will further diversify the company's product portfolio and create favorable growth prospects for both revenue and profits.

#### (2) New Energy Business Segment

Amidst the global push for "carbon peak and carbon neutrality," China has successively introduced dual-control policies for energy consumption. The National Development and Reform Commission issued the "Plan for Improving the Dual-Control System of Energy Consumption Intensity and Total Volume," proposing strict formulation of provincial energy dual-control targets while reserving certain quotas at the national level. The plan explicitly emphasizes resolutely control high-energy-consuming and high-emission projects while encouraging localities to increase renewable energy consumption. Against the backdrop of massive electricity demand for Dongfang Titanium's green circular industry projects, the company established Baiyin Zhonghe Times New Energy Co., Ltd. to advance the investment, construction, and operation of integrated smart new energy projects encompassing photovoltaic, wind power, and energy storage. This marks the commencement of strategic deployment in the new energy business segment. In September 2021, the company disclosed the "Announcement on the Investment Framework Agreement for New Energy Power Generation Projects Signed Between the Subsidiary Joint Venture and the People's Government of Baiyin City" (Announcement No. 2021-089), reaching consensus and signing an investment framework agreement regarding the development of a 2GW "source-grid-load-storage integrated" new energy power generation project. This project aligns with current national industrial development directions and will play a pivotal role in adjusting the company's energy structure.

In 2022, Baiyin CNC Times New Energy Co., Ltd. signed a 2GW integrated power generation, grid, load, and storage new energy project investment framework agreement with the People's Government of Jingtai County, Baiyin City. It also entered into a "Photovoltaic Project Land Lease Contract" with Jingtai Shouli Industrial Investment Development Group Co., Ltd., designated by the Jingtai County Government. Concurrently, it commissioned relevant entities to conduct topographic surveying and geological exploration. The company commissioned a design institute to prepare an integrated power generation, grid, load, and storage implementation plan and constructed a wind measurement tower to collect wind resource data in the wind farm area. During the reporting period, Baiyin CNC Times New Energy Co., Ltd. secured a 600 MW wind power quota.

As a supporting project for the company's "sulfur-phosphorus-iron-titanium-lithium" green circular industry, this integrated source-grid-load-storage new energy project represents a key strategic deployment within the company's new energy business segment. It will significantly increase the proportion of green electricity in the company's energy consumption structure, enabling compliance with energy assessment standards, simultaneously providing the company's circular industries with highly cost-competitive, clean, and low-carbon green energy. This will facilitate carbon footprint certification for planned products like lithium iron phosphate, further reduce production costs, enhance international market recognition for the company's products, and elevate overall profitability.

#### (3) Resources Business Segment

The transformation and upgrading of traditional manufacturing enterprises represent a vital pathway for achieving high-quality development in China's manufacturing sector. While advancing integrated circular economy initiatives and strengthening R&D capabilities to reduce costs, enhance efficiency, and elevate core competitiveness, the company will actively expand its resource portfolio. This includes extending upstream along the industrial chain to achieve comprehensive utilization across the entire value chain, thereby further unlocking enterprise value.

unlock corporate value. During the reporting period, the company completed the acquisition and integration of Shuangyang Phosphate Mine, which possesses an annual production capacity of 500,000 tons of phosphate ore. This acquisition will secure the supply of core raw materials for the company's yellow phosphorus and lithium iron phosphate products. Moving forward, the company will accelerate efforts to secure core raw material resources for its main products through external mergers and acquisitions, including but not limited to strategic partnerships, equity participation, and controlling stakes.

## (II) Operational Plan

(1) (1) Align with development strategies to optimize business structure and project implementation pace, maximize productive capacity, accelerate technological upgrades for key products, and boost operational efficiency and profitability. (2) Refine sales strategies to expand markets while enhancing lean management for improved quality and efficiency. (3) Strengthen R&D capabilities, foster innovation ecosystems, cultivate innovation-driven entities, and leverage brand influence. (4) Establish scientific and standardized systems and mechanisms, optimize internal resource allocation, and strengthen precise performance evaluation and incentives. (5) Strictly adhere to compliance standards, enhance risk management, ensure safe production, and solidify the foundation for development. In 2024, based on annual development objectives, resource allocation priorities, and the actual production and sales performance of 2023, and assuming no significant changes in the external business environment, the company has comprehensively analyzed its operational status and formulated the 2024 Business Plan adhering to principles of reasonableness and feasibility. The company has set key targets for its primary products: titanium dioxide, phosphate rock, and yellow phosphorus.

The company has set production and sales targets for its main products: titanium dioxide, phosphate rock, yellow phosphorus, and iron phosphate. While maintaining stable operations for existing businesses, the company will continue advancing project investments and construction. By implementing resource, talent, brand, and empowerment strategies, it aims to achieve a green transition toward high-quality, sustainable development.

## (3) Potential Risks and Countermeasures

### 1. Risk of Intensified Market Competition

#### Intensified Market Competition

With China's sustained rapid economic growth, demand for titanium dioxide and iron phosphate has surged significantly. This has attracted numerous companies to enter the sector, leading to substantial investment in related industries and creating a highly competitive landscape characterized by overcapacity. In 2023, industry capacity and output reached new highs, and with additional capacity set to come online in the future, market competition is expected to intensify further.

### 2. Risk of Fluctuations in Key Raw Material Procurement Prices

The primary bulk raw materials for the Company's existing and planned products include titanium concentrate, phosphate concentrate, and sulfuric acid, with raw material costs accounting for a significant portion of production expenses. During the reporting period, prices of these raw materials fluctuated considerably due to supply and demand dynamics, which is expected to impact the Company's profitability.

### 3. Risk of Fluctuations in Product Sales Prices

During the reporting period, the Company's primary business was the R&D, production, and sales of titanium dioxide, which accounted for over 87% of its main business revenue. In 2024, the Company plans to expand sales of titanium dioxide, iron phosphate, phosphate rock, and yellow phosphorus products. The sales prices of these products are the most direct and significant factors affecting the Company's profit levels. Due to industry competition, sales prices are expected to fluctuate to a certain extent, which will consequently impact the Company's profitability.

### 4. Exchange Rate Risk

The company has substantial export sales that continue to grow. As the company increasingly becomes an international enterprise, import and export operations will gradually increase. Fluctuations in exchange rates may pose risks of foreign exchange losses.

### 5. Project Investment Progress Risk

Project implementation cycles are lengthy and subject to uncertainties regarding phased construction progress, investment scale, funding sources, and projected returns. These uncertainties stem from multiple factors including market and economic conditions, relevant laws, regulations, policies, and the industrial environment.

To address these potential risks, the company will: - Intensify research into future industry trends and competitive landscapes, increase R&D investment and technology acquisition efforts to enhance competitiveness; - Establish a pricing committee to collectively analyze and determine procurement and sales prices significantly impacting profitability, minimizing deviations; The Company will actively monitor foreign exchange market fluctuations and exchange rate trends, enhance predictive capabilities, and utilize financial instruments to mitigate risks while capturing opportunities. Project implementation progress will be accelerated based on market conditions to ensure risks faced by the Company remain preventable and controllable.

## XII. Activities Received During the Reporting Period (Research Visits, Communications, Interviews, etc.)

Applicable  Not Applicable

Reception Date	Location	Method of Reception	Type of Visitors	Recipient	Main topics discussed and materials provided	Index of Basic Research Findings
May 12, 2023 May 12	Value Online ( <a href="https://www.ir-online.cn/">https://www.ir-online.cn/</a> )	Online Platform Communication	Other	All investors participating online in the company's 2022 Annual Results Presentation	Company's Future Development Strategy, Projects, and Sales Performance	For detailed information, please refer to the "2022 Annual Results Presentation for Investors" published on May 12, 2023, on Interactive Easy and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). Investor Relations Activity Record Form" published on May 12, 2023, on Interactive Easy and China Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ).

## XIII. Implementation Status of the "Quality and Returns Dual Enhancement" Action Plan

Has the company disclosed the "Double Improvement in Quality and Returns" Action Plan?

Yes  No

## Section IV. Corporate Governance

### I. Basic Status of Corporate Governance

The Company strictly complies with the Company Law, Securities Law, Shenzhen Stock Exchange Listing Rules, Shenzhen Stock Exchange Self-Regulatory Guidance No. 1 for Listed Companies—Standardized Operations of Main Board Listed Companies, Shenzhen Stock Exchange Self-Regulatory Guidance No. 5 for Listed Companies—Information Disclosure Management, and other relevant regulations and rules promulgated by the China Securities Regulatory Commission and the Shenzhen Stock Exchange.

the Independent Director System, the Rules of Procedure for Special Meetings of Independent Directors, the Rules of Procedure for Supervisory Board Meetings, the Information Disclosure Management System, and other internal control systems. These measures continuously improve the Company's internal corporate governance structure, optimize the internal control environment, enhance internal management systems, and standardize corporate conduct. The actual state of corporate governance complies with the relevant regulatory requirements for listed companies issued by the CSRC and the SSE.

During the reporting period, the Company formulated or revised regulations including the Articles of Association, the Independent Director System, the Rules of Procedure for Special Meetings of Independent Directors, the Rules of Procedure for the Board Audit Committee, the Rules of Procedure for the Board Nomination Committee, and the Rules of Procedure for the Board Compensation and Evaluation Committee.

In accordance with the latest legal requirements and the overall requirements of modern enterprise systems, the Company has established a relatively sound corporate governance structure, forming a comprehensive and multi-dimensional supervision and decision-making mechanism where the Shareholders' Meeting, Board of Directors, Board of Supervisors, and management each perform their respective duties.

1. Shareholders' Meeting Operations: Three shareholders' meetings were convened during the reporting period. The Company strictly adhered to the provisions and requirements of the Company Law, Articles of Association, and Rules of Procedure for Shareholders' Meetings in standardizing the procedures for convening, holding, and voting at shareholders' meetings. The procedures for convening and holding shareholders' meetings, the qualifications of shareholders attending, and the voting procedures at shareholders' meetings all complied with the Company Law, Rules of Procedure for Shareholders' Meetings, and other laws and regulations. The Company treated all shareholders equally, particularly minority shareholders, ensuring that each shareholder fully exercised their rights.

2. Board of Directors Operations: The Company's Board of Directors consists of nine directors, including three independent directors. The number and composition of the Board comply with the requirements of laws, regulations, and the

Articles of Association. All directors conduct their work in accordance with the Articles of Association, the Rules of Procedure for Board Meetings, the Independent Director System, and the Rules for Independent Director Special Meetings. They attend Board of Directors meetings and shareholders' meetings, diligently and conscientiously fulfill their duties and obligations, and actively participate in relevant training to familiarize themselves with relevant laws and regulations. The Company The Board of Directors has established Audit, Nomination, Compensation and Evaluation, and Strategy Committees. Each specialized committee has provided relevant professional opinions and suggestions for the company's development in accordance with their respective responsibilities, promoting the company's standardized development.

3. Operation of the Board of Supervisors: The Company's Board of Supervisors consists of three supervisors, including one employee supervisor. The number and composition of the Board of Supervisors comply with legal and regulatory requirements. All supervisors perform their duties in accordance with the Rules of Procedure for Board of Supervisors Meetings, faithfully and diligently fulfilling their obligations. They actively participate in relevant training to and gained familiarity with relevant laws and regulations. All supervisors conscientiously performed their duties with a sense of responsibility to shareholders, reviewing and supervising major matters such as the company's periodic reports, the use of proprietary funds to purchase wealth management products, the conduct of foreign exchange hedging operations, profit distribution, and the reappointment of the accounting firm, thereby effectively safeguarding the interests of minority shareholders.

4. Relationship with Controlling Shareholder: The Company maintains operational, personnel, asset, organizational, and financial independence from its controlling shareholder. The Board of Directors, Board of Supervisors, and internal departments operate independently.

5. Performance Evaluation and Incentive-Constraint Mechanisms: The company has established a relatively comprehensive employee performance evaluation and incentive-constraint system, actively fostering a fair and efficient professional environment in management. The appointment and removal of directors, supervisors, and senior management personnel have followed statutory procedures, complying with relevant laws, regulations, and the provisions of the Articles of Association.

6. Stakeholder Relations and Social Responsibility: The Company fully respects and safeguards the lawful rights of creditors, employees, consumers, and other stakeholders. It maintains integrity in dealings with suppliers and customers, strengthens communication and cooperation with all parties, and jointly promotes the Company's sustainable and healthy development.

7. Information Disclosure and Investor Relations: The Company strictly adheres to relevant laws, regulations, and internal policies such as the Information Disclosure Management System to ensure truthful, accurate, timely, fair, and complete disclosure of relevant information. The Board Secretary is designated to comprehensively oversee information disclosure and investor relations management, handling visits and inquiries from investors and relevant parties while coordinating relationships between the Company and its investors.

The company has received an A-level rating in the Shenzhen Stock Exchange's main board information disclosure assessment for two consecutive years. By continuously enhancing standardized operations, the company fosters a positive feedback loop between information disclosure and corporate governance. It actively fulfills its responsibilities as a listed company, achieving higher-quality development through constructive interaction with the market.

The Securities Times, China Securities Journal, and the China Securities Information Network (<http://www.cninfo.com.cn>) serve as the designated newspapers and websites for the Company's information disclosure in 2023, ensuring all shareholders have equal access to corporate information. Concurrently, the Company actively and comprehensively engages with investors through multiple channels, including telephone, email, and investor interaction platforms, to foster sound communication relationships and safeguard the legitimate rights and interests of all shareholders.

Does the actual state of corporate governance differ significantly from laws, administrative regulations, and the China Securities Regulatory Commission's provisions on listed company governance?

Yes  No

There are no material differences between the actual state of corporate governance and the laws, administrative regulations, and CSRC regulations on listed company governance.

## II. The Company's Independence from Controlling Shareholders and Actual Controllers in Terms of Assets, Personnel, Finance, Organization, and Business Operations

During the reporting period, there were no instances of controlling shareholders or actual controllers occupying the company's funds, nor did the company provide guarantees for controlling shareholders or actual controllers. The company possesses independent and complete business operations and autonomous management capabilities, maintaining independence from controlling shareholders and actual controllers in terms of business, assets, personnel, institutions, and finances. The company's board of directors, board of supervisors, and internal departments operate independently.

(1) Business Aspect: The Company possesses an autonomous production, operation, and sales system, maintains independent accounting, and independently bears responsibilities and risks.

(2) Assets: The Company possesses independent and complete assets, including production and operation premises separate from those of the controlling shareholder and actual controller. It holds independent production systems, auxiliary production systems, land use rights, property ownership, and other assets, along with independent procurement and sales systems. The Company exercises full control and disposal rights over all assets. There are no instances of assets or funds being improperly appropriated by the controlling shareholder, actual controller, or other enterprises under their control, thereby harming the Company's interests.

(3) Institutional Aspect: The Company has established a complete governance structure including the Shareholders' Meeting, Board of Directors, and Board of Supervisors. It has set up independent and complete operational management institutions that align with its development needs and actual circumstances. These institutions independently exercise their respective powers in accordance with the Articles of Association and internal management systems. The Company's production, operations, and administrative offices are completely separate, with no instances of mixed operations or co-located offices with the controlling shareholder.

(4) Personnel Aspect: The Company maintains independence from its controlling shareholder and actual controller in labor relations, personnel management, and salary administration. All members of the management team receive compensation solely from the Company.

(5) Financial Aspects: The Company has established independent financial accounting and internal audit departments, implemented separate financial management systems and accounting frameworks, maintains distinct accounting records, operates separate bank accounts, and handles taxes independently. Financial personnel do not hold concurrent positions with shareholder entities. The Company has no instances of monetary funds or other assets being occupied by shareholder entities or their

other related parties, nor does it provide guarantees for its controlling shareholder or its affiliated enterprises.

## III. Situation Regarding Competitive Activities

Applicable  Not Applicable

## IV. Details of Annual and Extraordinary Shareholders' Meetings Held During the Reporting Period

### 1. Shareholders' Meetings Held During the Reporting Period

Meeting Session	Meeting Type	Investor Participation Rate	Date Held	Disclosure Date	Meeting Resolutions
2023 First Extraordinary General Meeting of Shareholders	Extraordinary General Meeting	34.62%	March 2023 30	March 30, 2023 31	For details, please refer to the announcement published on March 31, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Resolution Announcement (2023-029) published on March 31, 2023
Annual General Meeting of Shareholders for the Year 2022	Annual General Meeting	34.69%	May 2023 18	May 2023 19	For details, please refer to the announcement published on May 19, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement (2023-047)
Second Extraordinary General Meeting of Shareholders in 2023	Extraordinary General Meeting	38.81%	December 2023 06	December 2023 07	For details, please refer to the announcement published on December 7, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) (2023-098) published on December 7, 2023, in

### 2. Request by Preferred Shareholders with Restored Voting Rights to Convene an Extraordinary General Meeting

Applicable  Not Applicable

## V. Information on Directors, Supervisors, and Senior Management

### 1. Basic Information

Name	Gender	Age	Position	Employment Status	Term Start Date	End of Term Date	Initial Shareholding (Shares)	Number of Shares Acquired During Term (shares)	Number of shares reduced during the period (shares)	Other Changes (shares)	Number of Shares Held at End of Period (shares)	Reason for Share Increase/Decrease
Yuan Quli	Female	63	Non-Independent Director, Chairperson, President	Current	2018 October 9, 2018	2025 May 17	0	213,900	0	0	213,900	Share Increase
Xie Xinyu	Female	35	Non-Independent Director	Current	2022 May 17	2025 May 17	0	0	0	0	0	
Yu Yikun	Male	39	Non-Independent Director, Vice President Executive	Current	2020 October 20, 2020	2025 May 17	0	0	0	0	0	
Wang Shumin	Male	42	Non-Independent Director	Current	2022 May 17	2025 May 17	0	0	0	0	0	
Shen Xin	Male	49	Non-Independent Director, Vice Chairman Chairman	Current	2023 December 06	2025 May 17	0	0	0	0	0	
Li Jianxun	Female	76	Independent Director	Current	2018 October 09	2025 May 17	0	0	0	0	0	
Peng Guofeng	Male	49	Independent Director	Current	2018 October 09	2025 May 17	0	0	0	0	0	
Zhuo Shuhong	Male	56	Independent Director	Current	2018 October 09	2025 May 17	0	0	0	0	0	
Zhu Shuren	Male	60	Shareholder Representative, Supervisor, Chairman of the Board of Supervisors Chairperson	Current	2022 May 17, 2022	2025 May 17	0	0	0	0	0	
Ren Fengying	Female	34	Shareholder Representative Supervisor	Current	2022 May 17	2025 May 17	0	0	0	0	0	

Xia Zhen	Female	38	Employee Representative Supervisor	Current Position	2022 May 17 2022	2025 May May 17	0	0	0	0	0	
Wang Danni	Female	32	Chief Financial Officer	Current Position	2022 May 17 2022	2025 May May 17	0	0	0	0	0	
Pan Xudang	Male	32	Vice President	Current Position	2019 December 09 2019	2025 May May 17	0	0	0	0	0	
Zhang Benfa	Male	54	Chief Engineer	Current Position	2020 October 20 2020	2025 May May 17	0	0	0	0	0	
Guo Linxia	Female	59	Vice President	Current Position	2023 December 06 2023	2025 May May 17	0	0	0	0	0	
Xie Xinyu	Female	35	Vice President	Current Position	2023 December 06 2023	2025 May May 17	0	0	0	0	0	
Chen Haiping	Male	36	Non-Independent Director	Resigned	2022 May 17 2022	2023 November November November	25,665	0	0	0	25,665	
Han Yuchen	Male	29	Non-Independent Director, Board Secretary, Secretary	Resigned	2020 October 20	2024 February February 23	0	215,400	0	0	215,400	Share Increase
Han Yuchen	Male	29	Vice Chairman	Resigned	2022 May 17 2022	2023 December December 06 Total						
Total	—	—	—	—	—	—	25,665	429,300	0	0	454,965	—

Were there any resignations of directors or supervisors during their terms or dismissals of senior management personnel during the reporting period?

Yes  No

During the reporting period, Mr. Chen Haiping resigned from his position as a non-independent director of the Company's Seventh Board of Directors due to a job change. He will continue to hold other positions within the Company following his resignation.

Changes in Directors, Supervisors, and Senior Management Personnel

Applicable  Not Applicable

Name	Position Held	Type	Date	Reason
Shen Xin	Non-Independent Director	Elected	December 6, 2023	Elected at the Shareholders' Meeting
Shen Xin	Vice Chairman	Elected	December 6, 2023	Board of Directors Election
Guo Linxia	Vice President	Appointed	December 6, 2023	Board of Directors Appointment
Xie Xinyu	Vice President	Appointment	December 6, 2023	The Board of Directors has appointed
Chen Haiping	as a Non-Independent Director	Resignation	November 17, 2023	Work-related reasons
Han Yuchen	Board Secretary	Dismissal	February 23, 2024	Personal Reasons
Han Yuchen	Non-Independent Director	Resignation	February 23, 2024	Personal reasons

Han Yuchen	Vice Chairman	Resignation	December 6, 2023	Work-related reasons
Zhou Yuan	Non-Independent Director	Elected	April 11, 2024	Elected at the Shareholders' Meeting

## 2. Employment Status

Current Directors, Supervisors, and Senior Management of the Company Professional Background, Primary Work Experience, and Current Primary Responsibilities within the Company

### (1) Board of Directors

Ms. Yuan Qiuli, born in 1961, Chinese nationality, member of the Communist Party of China, no permanent residency abroad, holds an associate degree and is a certified accountant. Previously served as Chief Accountant and Board Secretary of China Salt Hunan Zhuzhou Chemical Group Co., Ltd. Currently serves as Non-Independent Director, Chairman, and President of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Yu Yikun, born in 1985, Chinese nationality, no permanent residency abroad. Bachelor of Science in Mathematics and Applied Mathematics from Tsinghua University; Master of Philosophy in Systems Engineering and Engineering Management from The Chinese University of Hong Kong. Previously worked at CITIC Securities Co., Ltd. Investment Banking Department; Morgan Stanley Huaxin Securities Co., Ltd. Investment Banking Department; China Great Wall Asset Management Corporation, successively serving as Deputy Senior Manager of the Healthcare Industry Division, Investment Banking Division; Deputy Senior Manager (in charge of operations) of the International M&A Division; Deputy Senior Manager (in charge of operations) of the Capital Markets Department; General Manager of the Investment Banking Department and General Manager of the Industrial Restructuring Department (Senior Manager level) at Great Wall Guorong Investment Management Co., Ltd. Currently serves as General Manager of the Investment Banking Department and General Manager of the Industrial Restructuring Department (Senior Manager level) at Great Wall Guorong Investment Management Co., Ltd.

(acting), and Deputy Senior Manager of the Capital Markets Department (acting). He also served as General Manager of the Investment Banking Department and General Manager of the Industrial Restructuring Department (senior manager level) at Great Wall Guorong Investment Management Co., Ltd. He currently serves as a Non-Independent Director and Vice President of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Ms. Xie Xinyu, born in 1989, is a Chinese national without permanent residency abroad. She holds a Master's degree from the University of Sheffield, UK. She has served as Management Trainee and Supervisor at subsidiaries of Sinochem Group; Assistant to the Chairman and Director of the Board Office at Gansu Dongfang Titanium Co., Ltd.; Executive Director at Gansu Zhonghetong Thermal Energy Co., Ltd.; and Executive Director at Hami Zhonghe Vanadium Titanium Co., Ltd. Currently serves as Non-Independent Director, Vice President, General Manager of the Procurement Center, and Director of the Engineering Management Center of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.; Executive Director of Baiyin China Nuclear Times New Energy Co., Ltd.; and Executive Director of Baiyin Zhonghe Times New Energy Co., Ltd.

Mr. Wang Shumin, born in 1982, Chinese nationality, probationary member of the Communist Party of China, no permanent residency abroad. College degree. Previously served as Head of Technical Department I at Gansu Hecheng Titanium Industry Co., Ltd.; Assistant General Manager at Gansu Hecheng Titanium Industry Co., Ltd. Currently serves as Non-Independent Director of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Shen Xin, born in 1975, Chinese nationality, no permanent residency abroad, MBA degree. Formerly served as Chairman and President of Guizhou Xinxin Industry and Agriculture Trading Co., Ltd. Currently serves as Chairman and General Manager of Guizhou Xinxin Group, Vice President of Guizhou Chemical Industry Association, and Non-Independent Director of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Zhou Yuan, born in 1996, is a Chinese national without permanent residency abroad. He holds a Bachelor's degree in Finance from Jinan University and a Master's degree in Finance from Zhejiang University. He has obtained the Legal Professional Qualification and is a non-practicing member of the Certified Public Accountants. He currently serves as a Non-Independent Director of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd. and as Executive Director and General Manager of Wuxi China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Ms. Li Jianxun, born in 1948, Chinese nationality, member of the China Democratic National Construction Association, no permanent residency abroad, holds a bachelor's degree and is a professor of finance. She served as a deputy to the 12th Haizhu District People's Congress (1998-2003) and as a member of the 9th and 10th Guangdong Provincial Committee of the Chinese People's Political Consultative Conference (2002-2012). Formerly served as Professor at the School of Finance, Guangdong University of Finance and Economics; Head of the Supervision Group, Director of the Department of Business Administration, and Dean of Academic Affairs at the Huashang College of Guangdong University of Finance and Economics; Professor at the School of Accounting, Huashang College of Guangdong University of Finance and Economics. Retired. Currently serves as Independent Director of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Peng Guofeng, born in 1975, is a Chinese national and member of the Communist Party of China. He holds no permanent residency abroad and possesses a bachelor's degree. He is a Senior Accountant, Computer Software Engineer, Certified Public Accountant, Tax Agent, Asset Appraiser, Cost Engineer, Real Estate Appraiser, and Land Appraiser. Previously served as Head of the Strategic Investment Management Department at Hunan Xingxiang Investment Holding Group Co., Ltd.; Executive Director and General Manager of Hunan Xinda Xing Tax Agent Co., Ltd.; Deputy Director of Hunan Chutian Limited Liability Accounting Firm. Currently serves as Deputy Director of Hunan Guangxin Asset Appraisal, Land and Real Estate Valuation Firm (General Partnership); Deputy Director of Hunan Guanglian Limited Liability Accounting Firm; Independent Director of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Zhuo Shuhong, born in 1968, is a Chinese national with no permanent residency abroad. He holds a bachelor's degree. Previously served as Police Officer at Yuexiu Branch of Guangzhou Public Security Bureau; Partner and Attorney at Guangdong Guozhi Law Firm. Currently serves as Director of Guangdong Yueshang Venture Capital Co., Ltd.; Chairman of Heilongjiang Yuerong Equity Investment Fund Management Co., Ltd.; Director of Shenzhen Zhongchuangxing Asset Management Co., Ltd.; Director of Guangzhou Xinxang Asset Management Co., Ltd.; Independent Director of the Seventh Board of Directors of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

### (2) Board of Supervisors

Mr. Zhu Shuren, born in 1964, is a Chinese national and member of the Communist Party of China with no permanent residency abroad. He holds the titles of Professor, Senior Engineer, and Master's Supervisor. He graduated with a bachelor's degree from the School of Computer Science and Engineering at Southeast University and obtained his master's degree from the School of Economics and Management at Beihang University. He has served as Engineer, Senior Engineer, and Director of the Management Information Systems Office at the Southern Aviation Power Machinery Company under the Ministry of Aviation Industry; Enterprise Science and Technology Special Envoy for the Guangdong Provincial Department of Science and Technology; Professor at Changsha University of Science and Technology; and Professor at Guangdong University of Finance and Economics. He currently serves as the shareholder representative supervisor and chairman of the seventh Supervisory Board of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Ms. Ren Fengying, born in 1990, is a Chinese national and member of the Communist Party of China with no permanent residency abroad. She holds an associate degree. Previously served as Laboratory Technician, Technical Department Statistician, Foreign Trade Department, Marketing Department Customer Service Representative, and Director of the General Manager's Office at Wuxi Haopu Titanium Industry Co., Ltd.; Human Resources Department Supervisor and Deputy Director of the General Manager's Office at China Nuclear Huayuan Titanium Dioxide Co., Ltd. Currently serves as Shareholder Representative Supervisor of the Seventh Supervisory Board of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Ms. Xia Zhen, born in 1986, is a Chinese national and member of the Communist Party of China with no permanent residency abroad. She holds a bachelor's degree and is a Level 1 Human Resources Management Professional. She previously served as Compensation Administrator in the Human Resources Department, Manager of the Human Resources Department, Manager of the Human Resources and Administration Department, Senior Manager, Party Branch Organization Committee Member, Trade Union Legal Committee Member, and Youth League Branch Secretary at Maanshan Liby Daily Chemical Co., Ltd. She currently serves as the Employee Representative Supervisor of the Seventh Supervisory Board of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

### (3) Senior Management

Ms. Yuan Qiuli. For details of her appointment, please refer to "(1) Board of Directors" in this section.

Ms. Wang Dani, born in 1992, holds Chinese nationality and is a member of the Communist Party of China. She does not hold permanent residency abroad. She holds a dual bachelor's degree. From 2015 to 2019, she worked at the Wealth Management Department of GF Securities Co., Ltd. She currently serves as the Chief Financial Officer of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Yu Yikun. For details of his appointment, please refer to "(1) Board of Directors" in this section. Ms. Xie Xinyu. For details of her appointment, please refer to "(1) Board of Directors" in this section.

Mr. Pan Xuxiang, born in 1992, is a Chinese national without permanent residency abroad. He holds a bachelor's degree and graduated from the University of Pittsburgh with a major in Industrial Engineering. He has served as Assistant General Manager and General Manager of the Marketing Center at China Nuclear Huayuan Titanium Dioxide Co., Ltd. He currently serves as Vice President of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Mr. Zhang Benfa, born in 1970, is a Chinese national with no permanent residency abroad. He holds an MBA degree and is a Senior Engineer, recipient of the "National May 1st Labor Medal." He has served as Section Chief, Technician, and Engineer at Chongqing Yuhang Titanium Dioxide Company; Process Director and Workshop Director at Sichuan Longmang Titanium Industry Co., Ltd.; Production Technology Department Director at Wuxi Haopu Titanium Industry Co., Ltd.; Deputy General Manager at Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Currently serves as Chief Engineer at China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Ms. Guo Linxia, born in 1965, Chinese nationality, no permanent residency abroad, holds a Ph.D. Previously served as Vice President of Computer World Media Group, Human Resources Director of SOHU Company's Automotive Division, Vice President of Jingye Investment Group, and Executive Director of Gongxin Hanlin (Beijing) International Technology Co., Ltd. Currently serves as Vice President of China Nuclear Huayuan Titanium Dioxide Co., Ltd.

## Positions Held at Shareholder Entities

Applicable  Not Applicable

## Positions Held in Other Entities

Applicable  Not Applicable

Name of Appointed Personnel	Name of Other Entity	Position held at other organizations	Term Start Date	End Date of Term	Whether Compensation or Allowances Received from Other Organizations
Zhu Shuren	Guangdong University of Finance and Economics	Professor	August 1, 2006		Yes
Peng Guofeng	Hunan Guangxin Asset Appraisal, Land and Real Estate Valuation Firm (General Partnership Partnership)	Deputy Director	August 1, 2018		Yes
Peng Guofeng	Hunan Guanglian Limited Liability Accounting Firm	Deputy Director and Supervisor	September 1, 2019		Yes
Peng Guofeng	Shibang Communications Co., Ltd. Co., Ltd.	Director	September 29, 2020		Yes
Zhuo Shuhong	Guangzhou Xinxiang Asset Management Management Co., Ltd.	Director	August 26, 2015		No
Zhuo Shuhong	Xinjingjie Investment Holding (Guangzhou) Co., Ltd. Co.	Supervisor	November 1, 2022		No
Zhuo Shuhong	Heilongjiang Yuerong Equity Investment Fund Management Co., Ltd. Limited Liability Company	Chairman	June 17, 2015		No
Zhuo Shuhong	Shenzhen Zhongchuangxing Asset Management Co., Ltd.	Director	February 2, 2015		No
Zhuo Shuhong	Guangdong Yueshang Venture Capital Co., Ltd.	President	December 1, 2008		No
Shen Xin	Guizhou Donghua Engineering Co. Co., Ltd.	Supervisor	July 1, 2021		No
Shen Xin	Guizhou Xinxin Coal Chemical Co., Ltd. Co., Ltd.	Chairman	November 1, 2017		Yes
Shen Xin	Guizhou Xinxin Industrial Holding Group Co., Ltd. Company	Chairman and General Manager	November 1, 2017		No
Shen Xin	Guizhou United Cultural Tourism Investment Co., Ltd.	Supervisor	August 1, 2018		No
Shen Xin	Beijing Xinshengye Investment Co., Ltd.	Executive Director	December 1, 2018		No
Shen Xin	Guizhou Xinshengye Industrial Development Consulting Co., Ltd. Company	Executive Director	November 1, 2017		No
Shen Xin	Guizhou Renjuyue Technology Co., Ltd.	Chairman	January 1, 2018		No

Shen Xin	Guizhou Xinxin Industrial and Agricultural Trade Co., Ltd.	Legal Representative	March 1, 1997		No
Statement on Positions Held in Other Organizations	None				

Penalties Imposed by Securities Regulatory Authorities on Current and Former Directors, Supervisors, and Senior Management Personnel During the Reporting Period Over the Past Three Years

Applicable  Not Applicable

### 3. Compensation of Directors, Supervisors, and Senior Management

Decision-making procedures, basis for determination, and actual payment of remuneration for directors, supervisors, and senior management

In accordance with the Company's Articles of Association, the Rules of the Board Compensation and Evaluation Committee, and the 2023 Compensation and Evaluation Measures for Directors, Supervisors, and Senior Management, the Company supervises the work capabilities, performance, and achievement of responsibility targets of directors, supervisors, and senior management, and conducts annual performance evaluations.

Remuneration of Directors, Supervisors, and Senior Management During the Reporting Period

Unit: RMB 10,000

Name	Gender	Age	Position	Employment Status	Total Pre-Tax Compensation Received from the Company	Whether Compensation Was Received from Related Parties of the Company
Yuan Qiuli	Female	63	Non-Independent Director, Chairwoman and President	Current	109	No
Shen Xin	Male	49	Non-Independent Director, Vice Chairman	Current Position	0	No
Han Yuchen	Male	29	Non-Independent Director, Vice Chairman, Board Secretary	Resigned	80.15	No
Yu Yikun	Male	39	Non-Independent Director, Vice President	Current Position	77.88	No
Xie Xinyu	Female	35	Non-Independent Director, Vice President	Current Position	69.09	No
Wang Shunmin	Male	42	Non-Independent Director	Current	87.53	No
Li Jianxun	Female	76	Independent Director	Current	8.4	No
Peng Guofeng	Male	49	Independent Director	Current	8.4	No
Zhuo Shuhong	Male	56	Independent Director	Current	8.4	No
Zhu Shuren	Male	60	Shareholder Representative Supervisor, Chairman of the Board of Supervisors	Current	51.29	No
Ren Fengying	Female	34	Shareholder Representative Supervisor	Current	43.34	No
Xia Zhen	Female	38	Employee Representative Supervisor	Current	43.31	No
Wang Danni	Female	32	Chief Financial Officer	Current	52.29	No
Pan Xuxiang	Male	32	Vice President	Current Position	82.81	No
Zhang Benfa	Male	54	Chief Engineer	Current Position	79.17	No
Guo Linxia	Female	59	Vice President	Current	21.3	No
Chen Haiping	Male	36	Non-Independent Director	Resigned	70.85	No
Total	--	--	--	--	893.21	--

Other circumstances

Applicable  Not Applicable

## VI. Performance of Directors' Duties During the Reporting Period

### 1. Board of Directors Activities During the Reporting Period

Meeting Number	Date Held	Disclosure Date	Resolution
Eighth Meeting of the Seventh Board of Directors (Extraordinary) Meeting	February 7, 2023	February 8, 2023	For detailed content, please refer to the "Announcement of the Resolution of the Eighth (Extraordinary) Meeting of the Seventh Board of Directors" (2023-001) published on February 8, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 003)

Announcement of the Resolution of the Ninth (Extraordinary) Meeting of the Seventh Board of Directors (Extraordinary) Meeting	March 6, 2023	March 7, 2023	For detailed information, please refer to the "Announcement of the Ninth (Extraordinary) Meeting Resolution of the Seventh Board of Directors" (2023-03) published on March 7, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 014
Announcement of the Resolution of the Ninth (Extraordinary) Meeting of the Seventh Board of Directors (Extraordinary) Meeting	March 14, 2023	March 15, 2023	For detailed information, please refer to the announcements published on March 15, 2023 in China Securities Journal, Securities Times, and the China Securities Information Network. Resolution Announcement of the Tenth (Extraordinary) Meeting of the Seventh Board of Directors (2023-017)
Eleventh Meeting of the Seventh Board of Directors	April 26, 2023	April 28, 2023	For detailed information, please refer to the announcement published on April 28, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). Resolution Announcement of the Eleventh Meeting of the Seventh Board of Directors" (2023-035) published on April 28, 2023, in the China Securities Journal, Securities Times, and the China Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ).
Twelfth (Extraordinary) Meeting of the Seventh Board of Directors	June 5, 2023	June 6, 2023	For detailed information, please refer to the "Resolution Announcement of the Twelfth (Extraordinary) Meeting of the Seventh Board of Directors" (2023-036) published on June 6, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 048
Seventh Board of Directors Thirteenth (Extraordinary) Meeting	August 14, 2023	August 15, 2023	For detailed information, please refer to the "Resolution Announcement of the Twelfth (Extraordinary) Meeting of the Seventh Board of Directors" (2023-048) published on August 15, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 058
Fourteenth Meeting of the Seventh Board of Directors	August 28, 2023	August 30, 2023	For detailed information, please refer to the announcement published on August 30, 2023 in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). Resolution Announcement of the Fourteenth Meeting of the Seventh Board of Directors" (2023-061) published on August 30, 2023 in China Securities Journal, Securities Times, and the China Information Network
Fifteenth (Extraordinary) Meeting of the Seventh Board of Directors	September 26, 2023	September 28, 2023	For detailed information, please refer to the "Announcement of the Resolution of the Fifteenth (Extraordinary) Meeting of the Seventh Board of Directors" (2023-10) published on September 28, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 072
Seventeenth (Extraordinary) Meeting of the Seventh Board of Directors	October 18, 2023	October 20, 2023	For detailed information, please refer to the "Resolution Announcement of the 15th (Extraordinary) Meeting of the 7th Board of Directors" (2023-072) published on October 20, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 081
Seventeenth (Extraordinary) Meeting	October 20, 2023		Not applicable
Seventeenth (Extraordinary) Meeting of the Seventh Board of Directors	November 20, 2023	November 21, 2023	For detailed information, please refer to the "Announcement of the Resolution of the 18th (Extraordinary) Meeting of the 7th Board of Directors" (2023-18) published on November 21, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 088
Seventeenth Board of Directors Nineteenth (Extraordinary) Meeting	December 6, 2023	December 7, 2023	For detailed information, please refer to the "Resolution Announcement of the 19th (Extraordinary) Meeting of the 7th Board of Directors" (2023-088) published on December 7, 2023, in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ). 099

Seventh Board of Directors Twentieth (Extraordinary) Meeting	December 22, 2023	December 26, 2023	For detailed information, please refer to the announcement published on December 26, 2023 in China Securities Journal, Securities Times, and the China Securities Information Network. Resolution Announcement of the Twentieth (Extraordinary) Meeting of the Seventh Board of Directors (2023-103)
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**2. Directors' Attendance at Board Meetings and Shareholders' Meetings**

Attendance of Directors at Board Meetings and Shareholders' Meetings							
Director Name	Number of Board Meetings Required to Attend During the Reporting Period	Number of Board Meetings Attended In Person	Number of Board Meetings Attended via Correspondence	Number of Board Meetings Attended by Proxy	Number of Board Meetings Missed	Whether absent from two consecutive board meetings in person	Number of shareholder meetings attended
Yuan Qiuli	13	2	11	0	0	No	3
Shen Xin	2	0	2	0	0	No	1
Han Yuchen	13	2	11	0	0	No	3
Yu Yikun	13	2	11	0	0	No	3
Xie Xinyu	13	2	11	0	0	No	3
Wang Shunmin	13	2	11	0	0	No	3
Li Jianxun	13	2	11	0	0	No	3
Zhuo Shuhong	13	2	11	0	0	No	3
Peng Guofeng	13	2	11	0	0	No	3
Chen Haiping (Resigned)	10	2	8	0	0	No	2

Explanation for Two Consecutive Absences from Board Meetings

During the reporting period, no directors of the Company failed to attend two consecutive board meetings in person.

**3. Directors raising objections to company matters**

Whether directors raised objections to relevant company matters

Yes  No

During the reporting period, the directors did not raise any objections to matters concerning the company.

**4. Additional Explanations Regarding Directors' Performance of Duties**

Whether directors' proposals to the company were adopted

Yes  No

Explanation by directors regarding whether their proposals to the company were adopted or not

During the reporting period, the Company's directors strictly adhered to the Company Law, Securities Law, Shenzhen Stock Exchange Listing Rules, and other relevant laws and regulations, as well as the Company's Articles of Association and Board Meeting Rules. They focused on ensuring the standardization of the Company's operations, faithfully and diligently performed their duties, actively attended relevant meetings on time, carefully deliberated on all proposals, offered suggestions for the Company's business development, fully considered and safeguarded the overall interests of the Company and the legitimate rights and interests of the broad base of minority shareholders, and played a positive role in the standardized operation and healthy development of the Company.

The independent directors issued independent, objective, and impartial opinions on matters requiring their prior approval and independent views during the reporting period, playing a significant role in safeguarding the interests of the company and its shareholders, particularly the public shareholders.

## VII. Status of Special Committees Under the Board of Directors During the Reporting Period

Committee Name	Membership	Number of Meetings Held	Meeting Dates	Meeting Content	Key Opinions and Recommendations Proposed	Other Performance of Duties	Details of any objections (if applicable)
Board Audit Committee	Members of the Audit Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Li Jianxun	6	February 2023 14	Proposal 1: Internal Audit Work Report for the Fourth Quarter of 2022" Proposal 2: Internal Audit Work Report for 2022	Proposal One: The Audit Committee reviewed the "Fourth Quarter 2022 Internal Audit Work Report" and concluded that the Internal Audit Department effectively conducted internal audit work during the fourth quarter of 2022, fully fulfilling its audit oversight functions. All aspects of the company comply with relevant laws, regulations, and corporate policies, with no instances of non-compliance identified. We unanimously approve this proposal. Proposal 2: The Audit Committee reviewed the "2022 Annual Internal Audit Work Report" and determined that the internal audit work conducted by the company during the 2022 fiscal year complied with all relevant laws, regulations, and company policies, with no instances of non-compliance identified. We unanimously approve this proposal.	None	None
Board Audit Committee	Members of the Audit Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Li Jianxun	6	April 2023 12	Proposal 1: Proposal on the Full Text and Summary of the 2022 Annual Report Proposal 2: Proposal on the Internal Audit Work Report for the First Quarter of 2023 Proposal 3: Proposal on the "2022 Annual Internal Control Self-Assessment Report" Proposal 4: Proposal on the Special Report on the Storage and Use of Raised Funds for the Year 2022 Proposal 5: Proposal on the "First Quarter Report for 2023" Proposal 6: Proposal on the 2022 Annual Financial Settlement Report Proposal 7: Proposal on the 2023 Annual Financial Budget Report Proposal 8: Proposal on the Special Statement Regarding the Use of Funds by Controlling Shareholders and Other Related Parties of China Nuclear Titanium Dioxide	Proposal 1: The Audit Committee has carefully reviewed the Company's 2022 Annual Report and its summary, including the 2022 financial statements and other related matters. The Audit Committee unanimously approved this motion. Proposal 2: The Audit Committee has carefully reviewed the Company's First Quarter 2023 Internal Audit Work Report. The Company's practices regarding the deposit and use of raised funds, external guarantees, external investments, and external financial assistance all comply with relevant laws, regulations, and corporate policies, with no instances of non-compliance. The Audit Committee unanimously approved this proposal. Proposal 3: After deliberation, the Audit Committee unanimously approved the "2022 Internal Control Self-Assessment Report." Proposal Four: After deliberation, the Audit Committee unanimously approved the Special Report on the Storage and Use of Raised Funds for the Year 2022. Proposal Five: The Audit Committee carefully reviewed the Company's First Quarter Report for 2023, including the First Quarter Financial Report for 2023 and other related matters, and unanimously approved the proposal, including the first-quarter financial report and other related matters, and unanimously approved this motion; Proposal 6: After deliberation, the Audit Committee unanimously approved the "2022 Annual Financial Settlement Report"; Proposal 7: After deliberation, the Audit Committee unanimously approved the 2023 Financial Budget Report; Proposal 8: After deliberation, the Audit Committee unanimously approved the "CNNC	None	No

					Special Explanation on the Use of Funds by Controlling Shareholders and Other Related Parties of CNNC Titanium Dioxide <del>Special Explanation on the Use of Funds by Controlling Shareholders and Other Related Parties of CNNC</del>		
Board Audit Committee	Members of the Audit Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Li Jianxun	6	July 2023 05	Proposal 1: Proposal on Reviewing the Audit of the Company's 2023 Semi-Annual Financial Report	Proposal 1: The Audit Committee members conducted thorough discussion and analysis of the "Proposal on Reviewing the Audit of the Company's 2023 Semi-Annual Financial Report." To better ensure the independence, objectivity, and fairness of the audit work, and considering the Company's business development plans and future overall audit requirements, the members unanimously approved to approve this proposal.	None	None
Board Audit Committee	Members of the Audit Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Li Jianxun	6	August 2023 16	Proposal 1: Proposal on the "2023 Semi-Annual Report and Its Summary" Proposal 2: Proposal on the "Special Report on the Storage and Use of Raised Funds for the First Half of 2023" Proposal 3: Proposal on the "Internal Audit Work Report for the Second Quarter of 2023"	Proposal 1: The meeting reviewed the 2023 Semi-Annual Report and its Summary , including the 2023 Semi-Annual Financial Report and other related matters. The Audit Committee unanimously approved this proposal. Proposal 2: After deliberation, the Audit Committee unanimously approved the Special Report on the Storage and Use of Raised Funds for the First Half of 2023'. Proposal Three: The meeting reviewed the Internal Audit Work Report for the Second Quarter of 2023 and concluded that the internal audit department has effectively carried out its internal audit work and fully exercised its audit oversight functions. The meeting unanimously approved the proposal.	None	None
Board Audit Committee	Members of the Audit Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Li Jianxun	6	October 2023 12	Proposal 1: Proposal on the "2023 Third Quarter Report" Proposal 2: Proposal on the "2023 Third Quarter Internal Audit Work Report" Proposal Three: Proposal on the Internal Audit Work Plan for 2024	Proposal One: The Audit Committee reviewed the 2023 Third Quarter Report, including the 2023 Third Quarter Financial Report and other related matters, and unanimously approved the proposal. and other related matters, and unanimously approved the proposal; Proposal 2: The meeting reviewed the Third Quarter Internal Audit Work Report for 2023 and determined that the internal audit department effectively carried out its internal audit work and fully exercised its audit oversight functions. The proposal was unanimously approved. Proposal Three: After deliberation, the Audit Committee unanimously approved the the <2024 Internal Audit Work Plan>.		
Board Audit Committee	Members of the Audit Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Li Jian Xun	6	November 2023 16th	Proposal 1: Proposal on the Reappointment of the Accounting Firm	The Audit Committee unanimously approved this proposal.		
Board of Directors Strategy Committee	Members of the Seventh Board of Directors' Strategy Committee: Yuan Qiuli, Yu Yikun, Zhuo Shuhong	3	April 2023 10	Proposal: Proposal on the 2022 Annual Profit Distribution Plan	The Strategy Committee believes that the formulation of the Company's 2022 Profit Distribution Proposal complies with the Company's established profit distribution policy, profit distribution plan, long-term shareholder return strategy, and relevant commitments made. . It is conducive to enabling all shareholders to share in the Company's operating results, meets the needs of the Company's future business development, and does not harm the interests of the Company or its shareholders. the interests of shareholders.	None	None

Board of Directors Strategic	Seventh Board of Directors Strategy	3	May 2023	Proposal 1: Regarding the Capital Increase for Zhaoqing Helinliye	The Strategy Committee believes that the Company's capital increase for Helinliye aligns with	None	None
Committee	Committee Members: Yuan Qiuli, Yu Yikun, Zhuo Shuhong		26th	Proposal on Increasing Capital of Yue Technology Co., Ltd.	The proposal to increase capital in Yueye Technology Co., Ltd. is necessary for the company's future business development and represents a crucial step in advancing into the new energy industry and achieving transformation and upgrading. It will enable the company to rapidly establish its industrial footprint in the new energy battery sector. The proposal was unanimously approved.		
Board of Directors Strategy Committee	Members of the 7th Board of Directors Strategy Committee: Yuan Qiuli, Yu Yikun, Zhuo Shu Hong	3	August 2023 04	Proposal 1: Proposal on the Acquisition of 100% Equity Interests in Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. and Guizhou Xintianxin Chemical Co., Ltd.  Proposal	The Strategy Committee believes that the acquisition of Shuangyang Phosphate Mine and Xintianxin Chemical represents a significant step in implementing the company's 14th Five-Year Development Plan. It holds great significance for enhancing the company's industrial layout in new energy materials.  and unanimously approved the proposal.	None	None
Board Compensation and Evaluation Committee	Members of the 7th Board Compensation and Evaluation Committee: Yuan Qiuli, Peng Guofeng, Zhuo Shuhong	2	April 2023 10	Proposal 1 Proposal on the Performance Evaluation Results of Directors, Supervisors, and Senior Management for the Year 2022 Proposal 2 Proposal on Formulating the <2023 Compensation Assessment Measures for Directors, Supervisors, and Senior Management>	Proposal One: The Compensation and Evaluation Committee unanimously approved this proposal, concluding that the assessment results were determined in accordance with the Company's 2022 compensation and performance evaluation regulations, while comprehensively considering industry compensation levels and the Company's operational performance. Proposal 2: The Compensation and Evaluation Committee unanimously approved this proposal, as it believes the Company's 2023 Compensation Evaluation Measures for Directors and Senior Management fully reflect the Company's actual operating conditions and comprehensively consider compensation levels within the same industry.  and unanimously approved this proposal.	None	None
Board Compensation and Evaluation Committee	Members of the Compensation and Evaluation Committee of the Seventh Board of Directors: Yuan Qiuli, Peng Guofeng, Zhuo Shuhong	2	November 16, 2023 16	Proposal 1: Proposal on Formulating the <2024 Compensation and Performance Evaluation Measures for Directors, Supervisors, and Senior Management>	The Compensation and Evaluation Committee unanimously agrees that the relevant provisions of the Company's 2024 Compensation and Evaluation Measures for Directors and Senior Management fully consider the Company's actual operating conditions and comprehensively take into account compensation levels within the same industry. The procedures for the Company's compensation evaluation comply with relevant laws, administrative regulations, and the provisions of the Articles of Association.  Passed the motion.	None	None
Board Nomination Committee	Members of the Nomination Committee of the Seventh Board of Directors: Li Jianxun, Han Yuchen, Peng Guo Feng	2	November 17, 2023 17	Proposal 1: Proposal on Reviewing the Qualifications of Candidates for Non-Independent Directors of the Seventh Board of Directors	The Nomination Committee carefully reviewed the personal resume and relevant materials of Mr. Shen Xin, candidate for non-independent director of the Company's Seventh Board of Directors. After meticulously verifying his qualifications and inquiring about his personal views, the Nomination Committee unanimously approved this motion.  and unanimously approved this motion.	None	None
Board Nomination Committee	Members of the Nomination Committee of the Seventh Board of Directors: Li Jianxun, Han Yuchen, Peng Gu Feng	2	December 2023 05	Proposal 1: Proposal on Reviewing the Qualifications for the Position of Vice President of the Company	The Nomination Committee has carefully reviewed the personal resumes and relevant materials of Ms. Xie Xinyu and Ms. Guo Linxia, meticulously verified their qualifications, and sought the nominees' personal opinions. The Committee unanimously approved the motion.	None	None

### VIII. Work of the Board of Supervisors

During its supervisory activities within the reporting period, did the Board of Supervisors identify any risks within the company?

Yes  No

The Board of Supervisors has no objections to the supervisory matters during the reporting period.

## IX. Company Employee Status

### 1. Number of Employees, Professional Composition, and Educational Background

Number of employees at the parent company at the end of the reporting period (persons)	233
Number of employees at major subsidiaries at the end of the reporting period (persons)	4,369
Total number of employees at the end of the reporting period (persons)	4,602
Total number of employees receiving compensation during the period (persons)	4,602
Number of retired employees for whom the parent company and major subsidiaries bear expenses (persons)	0
Professional Composition	
Professional composition category	Number of employees by professional composition (persons)
Production Personnel	2,912
Sales Personnel	57
Technical Staff	336
Finance Personnel	72
Administrative Staff	1,225
Total	4,602
Educational Level	
Educational Level Category	Number (persons)
Graduate and above	47
Bachelor's Degree	875
Associate Degree	1,522
Below Associate Degree	2,158
Total	4,602

### 2. Compensation Policy

During the reporting period, the Company's compensation management policy adhered to the principles of fairness and performance-based incentives. The Company is committed to establishing a competitive and sustainable compensation system that ensures employees' compensation is closely aligned with their responsibilities, capabilities, and contributions, thereby stimulating their work enthusiasm and creativity.

### 3. Training Programs

During the reporting period, the company prioritized talent development and training, recognizing it as a cornerstone for advancing strategic growth. The employee training program aligns with strategic needs, aiming to enhance management effectiveness and operational skills among both managerial and frontline staff, thereby elevating overall workforce competence. To this end, the company established a standardized and systematic training framework covering corporate culture, regulations, safety and environmental protection, specialized skills, process workflows, as well as management and operational capabilities. The Company actively incorporates advanced training resources and methodologies to ensure content remains cutting-edge and practical. Throughout the year, the Company conducted training for over 14,700 employee sessions, accumulating 216,600 training hours, thereby providing robust talent support for strategic development.

Simultaneously, the company offers employees robust career development opportunities. Through training programs, promotion pathways, and diverse career trajectories, we assist employees in achieving personal career goals, enhancing overall competitiveness, and creating a win-win situation where individual growth aligns with corporate advancement.

### 4. Labor Outsourcing Status

Applicable  Not Applicable

## X. Profit Distribution and Capital Reserve Conversion to Share Capital

Profit distribution policy during the reporting period, particularly the formulation, implementation, or adjustment of the cash dividend policy

Applicable  Not Applicable

On May 18, 2023, the Company's 2022 Annual General Meeting of Shareholders reviewed and approved the "Proposal on the 2022 Profit Distribution Plan." The Company's 2022 equity distribution plan is as follows: Based on the Company's existing total share capital of 3,806,672,183 shares (after deducting shares held in the Company's repurchase special account), and using the parent company's distributable profits, a cash dividend of RMB 0.50 (tax inclusive) per 10 shares will be distributed to all shareholders. The total cash dividend disbursed amounts to RMB 190,333,609.15, representing 100% of the total profit distribution for this occasion. This equity distribution was completed on June 20, 2023. For details, please refer to the "Announcement on Implementation of 2022 Annual Equity Distribution" (Announcement No.: 2023-053) disclosed by the Company on June 14, 2023.

During the reporting period, the Company's cash dividend policy was implemented effectively, in compliance with the provisions of the Articles of Association and the requirements of the shareholders' meeting resolutions. It aligned with the growth of performance and the Company's future development plans, safeguarding the interests of all shareholders.

Special Explanation on Cash Dividend Policy	
Compliance with the Company's Articles of Association or Shareholders' Meeting Resolutions:	Yes
Are the dividend standards and ratios clearly defined and transparent?	Yes
Are the relevant decision-making procedures and mechanisms complete?	Yes
Have independent directors fulfilled their duties and responsibilities and played their due role?	Yes
If the company did not distribute cash dividends, it should disclose the specific reasons and the measures planned to enhance investor returns in the next step:	Not applicable
Whether minority shareholders have sufficient opportunities to express their opinions and demands, and whether their legitimate rights and interests are adequately protected:	Yes
When adjusting or changing the cash dividend policy, are the conditions and procedures compliant and transparent?	Not applicable

The company reported profits during the reporting period and the parent company had positive distributable profits available to shareholders, yet no cash dividend distribution proposal was submitted

Applicable  Not applicable

Profit distribution and capital reserve conversion to share capital during the reporting period

Applicable  Not applicable

Number of Bonus Shares Issued per 10 Shares (Shares)	0
Cash Dividend per 10 Shares (RMB) (including tax)	0.5
Share capital base for distribution proposal (shares)	3,692,127,788
Cash Dividend Amount (RMB) (including tax)	184,606,389.40
Cash Dividend Amount (RMB) for Other Methods (e.g., Share Repurchase)	501,956,337.85
Total Cash Dividend Amount (including other methods) (RMB)	686,562,727.25
Distributable profits (RMB)	2,314,597,567.77
Total Cash Dividends (including other forms) as a Percentage of Total Profit Distribution	100%

#### Details of the Current Cash Dividend Distribution

When a company is in its growth stage and has significant capital expenditure plans, the proportion of cash dividends in the profit distribution shall be no less than 20%.

#### Detailed explanation of the profit distribution or capital reserve conversion plan

Based on the Company's existing total share capital minus shares held in the repurchase account, totaling 3,692,127,788 shares, a cash dividend of RMB 0.50 per 10 shares (including tax) will be distributed to all shareholders, totaling RMB 184,606,389.40 (tax inclusive). The cash dividend amount constitutes 100% of the total profit distribution for this period and represents 44.05% of the net profit attributable to shareholders of the parent company in the Company's 2023 consolidated financial statements.

Should the Company's total share capital change prior to the implementation of this profit distribution plan due to share repurchases or other reasons, the dividend amount shall be adjusted accordingly based on the principle of "fixed cash dividend amount."

## XI. Implementation Status of Company Equity Incentive Plans, Employee Stock Ownership Plans, or Other Employee Incentive Measures

Applicable  Not

Applicable **1. Equity**

**Incentives** None

## Equity Incentives Received by Directors and Senior Management

Applicable  Not Applicable

## Senior Management Evaluation Mechanism and Incentives

During the reporting period, in accordance with relevant laws, regulations, normative documents, and the provisions of the Articles of Association of China Nuclear Huayuan Titanium Dioxide Co.,

Ltd., the Company reviewed and

the annual "Compensation Assessment Measures for Directors, Supervisors, and Senior Management." These measures encompass and clarify the applicable subjects, guiding principles, compensation composition, standards, calculation methods, and related matters concerning compensation management. The formulation of these measures has promoted the establishment and improvement of the Company's internal incentive and restraint mechanisms, effectively stimulating the initiative and creativity of directors, supervisors, and senior management. To better enhance the operational efficiency and management level of corporate assets, achieve strategic objectives, and safeguard shareholder interests, these measures have yielded positive effects. The work enthusiasm and creativity of directors, supervisors, and senior management. It has played a positive role in enhancing the operational efficiency and management level of corporate assets, achieving strategic objectives, and safeguarding shareholder interests.

## 2. Implementation Status of Employee Stock Ownership Plan

Applicable  Not Applicable

### Status of All Valid Employee Stock Ownership Plans During the Reporting Period

Scope of Employees	Number of Employees	Total Number of Shares Held (Shares)	Changes	Percentage of Total Share Capital of the Listed Company	Funding Source for Implementation Plan
2019 Employee Stock Ownership Plan - Company Portion Directors, supervisors, senior management personnel, core employees serving in the company and its subsidiaries, and other employees recognized by the board as having made outstanding contributions Other Employees	169	0	The initial holding at the beginning of the reporting period was 10,052 shares. During the reporting period, all shares held under this employee stock ownership plan were disposed of through block trades and centralized bidding.	0.00%	Legitimate employee compensation, self-raised funds, and other funds obtained through lawful and compliant means
2020 Employee Stock Ownership Plan - Certain directors, supervisors, senior management personnel, core employees serving in the company and its subsidiaries, and other employees recognized by the board of directors as having made outstanding contributions	473	73,799,563	The number of shares held at the beginning of the reporting period was 73,799,563 shares, with 480 employees holding shares at the beginning of the period. By the end of the reporting period, due to employee resignations and the transfer of shares under the Employee Stock Ownership Plan to other eligible employees, the number of employees holding shares was 473.	1.91%	Employees' lawful remuneration, self-raised funds, and other funds obtained through lawful and compliant means
Fifth Employee Stock Ownership Plan - Company portion Directors, supervisors, senior management personnel, core employees serving in the company and its subsidiaries, and other employees recognized by the board of directors as having made outstanding contributions	98	37,416,159	The number of shares held at the beginning of the reporting period was 37,416,159 shares, with 99 employees holding shares at the beginning of the period. By the end of the reporting period, due to employee resignations and the transfer of shares under the employee stock ownership plan to other eligible employees, the number of employees holding shares was 98.	0.97%	Legitimate employee compensation, self-raised funds, and other funds obtained through lawful and compliant means

### Shareholding status of directors, supervisors, and senior management in the employee stock ownership plan during the reporting period

Name	Position	Number of shares held at the beginning of the reporting period (Shares)	Number of Shares Held at End of Reporting Period (Shares)	Percentage of Total Share Capital of the Listed Company
Yuan Qiuli	Non-Independent Director, Director President	4,716,683.00	4,714,366.00	0.12%
Han Yuchen (Resigned)	Non-Independent Director, Vice President	1,068,097.00	1,638,851.00	0.04%

	and Board Secretary			
Yu Yikun	Non-Independent Director, Vice President	931,349.00	931,349.00	0.02%
Wang Shunmin	Non-Independent Director	291,775.00	291,750.00	0.01%
Chen Haiping (Resigned)	Non-Independent Director	628,697.00	628,666.00	0.02%
Xie Xinyu	Non-Independent Director, Vice President	56,791.00	56,791.00	0.00%
Zhu Shuren	Shareholder Representative Supervisor, Chairman of the Supervisory Committee, Chairman of the Board	1,043,805.00	1,043,805.00	0.03%
Ren Fengying	Shareholder Representative Supervisor	955,932.00	955,674.00	0.02%
Xia Zhen	Employee Representative Supervisor	264,256.00	264,256.00	0.01%
Pan Xuxiang	Vice President	10,290,539.00	10,290,329.00	0.27%
Zhang Benfa	Chief Engineer	943,530.00	943,480.00	0.02%

## Changes in Asset Management Institutions During the Reporting Period

Applicable  Not Applicable

Changes in equity interests during the reporting period due to holders disposing of shares, etc.

Applicable  Not applicable

During the reporting period, all holdings under the 2019 Employee Stock Ownership Plan were fully reduced through block trades and centralized bidding. Shareholder rights exercised during the reporting period

None

Other relevant circumstances and explanations regarding the employee stock ownership plan during the reporting period

Applicable  Not Applicable

1. The 2020 Employee Stock Ownership Plan Management Committee approved the "Proposal on Participating in Securities Lending Business under the 2020 Employee Stock Ownership Plan" at its third meeting.

A total of 58,360,000 shares were lent under securities lending. As of the end of the reporting period, all shares lent under the aforementioned securities lending have been fully recovered.

2. The Third Meeting of the Fifth Employee Stock Ownership Plan Management Committee reviewed and approved the "Proposal on the Fifth Employee Stock Ownership Plan Participating in Securities Lending Business under the Securities Lending Program," authorizing a total of 29,640,000 shares for securities lending. As of the end of the reporting period, all shares lent under the aforementioned securities lending have been fully recovered.

Changes in the Membership of the Employee Stock Ownership Plan Management Committee

Applicable  Not Applicable

Financial Impact of the Employee Stock Ownership Plan on the Listed Company During the Reporting Period and Related Accounting Treatment

Applicable  Not Applicable

Termination of the Employee Stock Ownership Plan During the Reporting Period

Applicable  Not Applicable

During the reporting period, all company shares held under the 2019 Employee Stock Ownership Plan were fully disposed of through block trades and centralized bidding. During the disposal period, strict compliance was maintained with the China Securities Regulatory Commission and Shenzhen Stock Exchange regulations prohibiting stock trading during sensitive information periods, and no insider trading occurred. In accordance with the provisions of the "2019 Employee Stock Ownership Plan (Draft) and Its Summary," all shares subscribed under this employee stock ownership plan have been sold, and the plan has terminated automatically.

Other Notes:

1. The 2020 Employee Stock Ownership Plan was originally scheduled to expire on August 16, 2022. Based on confidence in the Company's future development and recognition of its value, the Management Committee of the Company's 2020 Employee Stock Ownership Plan convened the second meeting of plan holders in February 2022 in accordance with the wishes of the holders. With the approval of more than two-thirds of the shares represented by the attending holders, it was decided to extend the term of the Company's 2020 Employee Stock Ownership Plan by one year, i.e., the term is extended to August 16, 2023.

In February 2023, The Management Committee of the Company's 2020 Employee Stock Ownership Plan convened the third holders' meeting for the 2020 Employee Stock Ownership Plan in accordance with the holders' wishes. With the approval of holders representing more than two-thirds of the shares present at the meeting, it was resolved to extend the term of the Company's 2020 Employee Stock Ownership Plan by one year, extending the term to August 16, 2024; February 2024, The Management Committee of the Company's 2020 Employee Stock Ownership Plan convened the Fourth Holder Meeting of the 2020 Employee Stock Ownership Plan in accordance with the wishes of the holders. With the approval of holders representing more than two-thirds of the shares present at the meeting, it was resolved to extend the term of the Company's 2020 Employee Stock Ownership Plan by one year, extending the term to August 16, 2025.

On February 11, 2022, the Company convened the 47th (Extraordinary) Meeting of the Sixth Board of Directors, which reviewed and approved the "Proposal on Extending the Term of the 2020 Employee Stock Ownership Plan."

to extend the term of the 2020 Employee Stock Ownership Plan. The Board agreed to extend the plan's term by one year beyond its original expiration date of August 16, 2022, to August 16, 2023.

On February 7, 2023, the Company convened the Eighth (Extraordinary) Meeting of the Seventh Board of Directors, which reviewed and approved the "Proposal on Extending the Term of the 2020 Employee Stock Ownership Plan."

to extend the term of the 2020 Employee Stock Ownership Plan by one year from its original expiration date of August 16, 2023, to August 16, 2024.

On February 7, 2024, the Company convened the 21st (Extraordinary) Meeting of the Seventh Board of Directors, which reviewed and approved the "Proposal on Extending the Term of the 2020 Employee Stock Ownership Plan."

to extend the term of the 2020 Employee Stock Ownership Plan, agreeing to extend the plan's term by one year from its original expiration date of August 16, 2024, to August 16, 2025.

2. The fifth employee stock ownership plan was originally scheduled to expire on September 29, 2022. Based on confidence in the company's future development and recognition of its value, the Management Committee of the Fifth Employee Stock Ownership Plan convened the Second Holder Meeting of the Fifth Plan in February 2022 in accordance with the holders' wishes. With the approval of with the approval of holders representing more than two-thirds of the shares, it was decided to extend the term of the Fifth Employee Stock Ownership Plan by one year, ending on September 29, 2023. In February 2023, the Management Committee of the Company's Fifth Employee Stock Ownership Plan convened the third meeting of plan participants. With the approval of holders representing more than two-thirds of the shares present at the meeting, it was resolved to extend the term of the Fifth Employee Stock Ownership Plan by one year, extending the term to September 29, 2024. by holders present at the meeting, it was resolved to extend the term of the Company's Fifth Employee Stock Ownership Plan by one year, extending the term to September 29, 2024; In February 2024, the Management Committee of the Company's Fifth Employee Stock Ownership Plan convened the Fourth Holder Meeting of the Fifth Employee Stock Ownership Plan. With the approval of holders representing more than two-thirds of the shares present at the Holder Meeting, it was decided to extend the term of the Company's Fifth Employee Stock Ownership Plan by one year, extending the term to September 29, 2025. by holders present at the meeting, it was resolved to extend the term of the Company's Fifth Employee Stock Ownership Plan by one year, extending the term to September 29, 2025.

On February 11, 2022, the Company convened the 47th (Extraordinary) Meeting of the Sixth Board of Directors, which reviewed and approved the "Resolution on the Extension of the Fifth Employee Stock Ownership Plan."

The Board of Directors adopted the "Proposal to Extend the Term of the Fifth Employee Stock Ownership Plan," agreeing to extend the term of the Fifth Employee Stock Ownership Plan by one year from its original expiration date of September 29, 2022, to September 29, 2023.

On February 7, 2023, the Company convened the Eighth (Extraordinary) Meeting of the Seventh Board of Directors, which reviewed and approved the "Proposal on Extending the Term of the Fifth Employee Stock Ownership Plan."

to extend the term of the Fifth Employee Stock Ownership Plan by one year from its original expiration date of September 29, 2023, to September 29, 2024.

On February 7, 2024, the Company convened the 21st (Extraordinary) Meeting of the Seventh Board of Directors, which reviewed and approved the "Proposal on the Extension of the Term of the Fifth Employee Stock Ownership Plan"

to extend the term of the Fifth Employee Stock Ownership Plan by one year from its original expiration date of September 29, 2024, to September 29, 2025.

### 3. Other Employee Incentive Measures

Applicable  Not Applicable

## XII. Development and Implementation of Internal Control Systems During the Reporting Period

### 1. Internal Control Development and Implementation

The Company has established a comprehensive internal control system in strict compliance with the requirements of the Company Law, Securities Law, Listed Company Governance Guidelines, Basic Standards for Enterprise Internal Control, and related supporting guidelines. Through the operation, analysis, and evaluation of this internal control system, the Company has effectively mitigated operational risks and advanced the achievement of internal control objectives.

(1) Internal Environment: The Company has established a regulatory framework centered on its Articles of Association, forming a corporate governance structure and decision-making/operational system anchored by the Shareholders' Meeting, Board of Directors, Board of Supervisors, and senior management. The Party Committee plays a core leadership and political role, setting the direction, overseeing the overall situation, ensuring implementation, promoting the Party's policies, and guiding and supervising the company's compliance with national laws and regulations. The power-granting body, decision-making body, supervisory body, and executive body each perform their respective duties, maintaining independence and mutual checks and balances. This effectively safeguards the rights and interests of all shareholders and creditors, ensuring standardized operations.

The company has established and continuously optimized its organizational structure based on its business characteristics and internal control requirements. It has clearly defined the functions of each department, forming an effective internal control system that plays a vital role in organizing production, expanding scale, improving quality, increasing efficiency, and ensuring safety.

(2) Key Control Activities: The company continuously advances business optimization across procurement, finance, sales, assets, budgeting, contracts, and other areas to ensure ongoing refinement of internal controls.

(3) Information and Communication: The company has established an Internal Reporting System for Significant Matters. Leveraging the company's OA system, corporate email, and other channels, it ensures timely information dissemination. This system clarifies procedures and scope for collecting, processing, and transmitting internal control-related information, facilitating proper screening, verification, analysis, and integration of data. This ensures faster, smoother information flow and more efficient, effective communication across all management levels, departments, business units, and between employees and management.

(4) Internal Oversight: The company maintains a comprehensive internal oversight mechanism, with the Board of Supervisors and the Audit and Supervision Department serving as integral components of this system. The Board of Supervisors monitors and inspects the implementation of the company's internal control system.

The Audit Committee established under the Board of Directors is primarily responsible for reviewing the company's internal controls, supervising the effective implementation and evaluation of internal controls, and coordinating internal control audits and other related matters.

The Audit and Supervision Department operates under the Board Audit Committee, reporting to the committee. Based on production and operational characteristics and relevant regulations, the department conducts internal audit oversight of the company's financial management and the establishment and execution of internal control systems.

The company has established relevant audit systems including the Internal Audit System, Internal Control System, Detailed Rules for Internal Audit Work, and Audit and Supervision Department Work Manual. The Audit and Supervision Department independently conducts audit work and exercises audit and supervision authority free from interference by other departments or individuals. It employs dedicated internal audit personnel to inspect and supervise the authenticity and completeness of the company's financial information and the implementation of internal control systems. The department conducts regular and irregular financial audits, internal control audits, and special audits of the operational management, financial status, and internal control execution of all functional departments and subsidiaries. It issues internal audit reports and promptly reports to the Audit Committee of the Board of Directors to ensure standardized operations of all business activities and promote the effective functioning of internal control systems.

The company has established relevant systems such as the Anti-Fraud and Whistleblowing System, building a robust whistleblowing supervision mechanism. By establishing reporting channels—including in-person visits, written correspondence, and email reporting—it oversees violations of rules and regulations, fostering a culture of integrity, anti-corruption, and self-discipline.

## 2. Specific details of significant internal control deficiencies identified during the reporting period

Yes  No

### XIII. Management Control of Subsidiaries During the Reporting Period

Company Name	Integration Plan	Integration Progress	Issues Encountered During Integration	Resolution Measures Taken	Resolution Progress	Follow-up Resolution Plan
Guangdong Zhonghe Junneng Technology Co., Ltd.	Through capital increase, it has become a wholly-owned subsidiary of the company. By integrating and optimizing its internal management systems, and through measures such as dispatching directors and financial officers, the company has achieved integration of assets, personnel, and finances, enabling effective management and control of the consolidated subsidiary.	Completed	None	None	None	None
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	By acquiring equity, it became a wholly-owned subsidiary of the company. Through the integration and optimization of its internal management systems, and by dispatching directors and financial officers, the company achieved integration of assets, personnel, and finances, thereby implementing effective management and control over the consolidated subsidiary.	Completed	None	None	None	None
Guizhou Xintianxin Chemical Co., Ltd.	By acquiring equity, it became a wholly-owned subsidiary of the company. Through the integration and optimization of its internal management systems, and by dispatching directors and financial officers, the company achieved integration of assets, personnel, and finances, thereby realizing effective management and control over the consolidated subsidiary.	Completed	None	None	None	None

### XIV. Internal Control Evaluation Report or Internal Control Audit Report

#### 1. Internal Control Evaluation Report

Date of Full Disclosure of Internal Control Evaluation Report	April 18, 2024
Index for Full Disclosure of Internal Control Evaluation Report	For detailed content, please refer to the "2023 Internal Control Evaluation Report"
Proportion of Total Assets of Units Included in Evaluation to Total Assets in the Company's Consolidated Financial Statements	100.00%
Proportion of operating revenue from units included in the evaluation to the Company's consolidated operating revenue	100.00%
Criteria for Identifying Deficiencies	

Category	Financial reporting	Non-Financial Reporting
Qualitative Criteria	<p>Material Deficiency: A single deficiency or a combination of deficiencies that prevents timely prevention or detection and correction of material misstatements in financial reporting. The following circumstances constitute a material deficiency: (1) ineffective control environment; (2) fraud by directors, supervisors, and senior management; (3) External audit identification of material misstatements in current financial reporting that the company failed to detect during operations; (4) Failure to correct material defects identified and reported to management within a reasonable timeframe; (5) Ineffective oversight of internal controls by the company's audit committee and internal audit function;</p> <p>(6) Other deficiencies that could affect users' ability to make informed judgments. Significant Deficiencies: Individual deficiencies or deficiencies in combination that prevent timely prevention or detection and correction of misstatements in financial reporting. Although these misstatements may not reach or exceed materiality thresholds, they warrant management's attention. General Deficiencies: Other internal control deficiencies that do not constitute significant or material deficiencies.</p>	<p>The following circumstances shall be deemed material defects; other circumstances shall be classified as significant or general defects based on their impact: (1) Serious violations of national laws, regulations, or normative documents; (2) Unreasonable major decision-making procedures; (3) Absence of systems for important operations or systemic failure of such systems; (4) Failure to rectify major or significant defects; (5) Other circumstances with significant impact on the company.</p>
Quantitative Criteria	<p>The quantitative criteria established by the company for evaluating internal control over financial reporting deficiencies are as follows: 1. Potential misstatement of revenue: A material deficiency occurs when the misstatement exceeds 1% of total revenue; a significant deficiency occurs when the misstatement is between 0.5% and 1% of total revenue</p> <p>≤ 1% of total operating revenue; a minor defect refers to misstatement ≤ 0.5% of total operating revenue. 2. Potential misstatement of total profit: A material deficiency occurs when misstatement &gt; 5% of total profit; a significant deficiency occurs when 2.5% of total profit &lt; misstatement ≤ 5% of total profit; a minor defect indicates misstatement ≤ 2.5% of total profit. 3. Potential misstatement of total assets: A material deficiency indicates misstatement &gt; 1% of total assets; a significant deficiency indicates 0.5% &lt; misstatement ≤ 1% of total assets; a minor deficiency indicates misstatement ≤ 0.5% of total assets. 4. Potential misstatements in total owners' equity: A material deficiency indicates misstatements &gt; 2% of total owners' equity; a significant deficiency indicates 1% of total owners' equity &lt; misstatements ≤ 2% of total owners' equity; a minor deficiency indicates misstatements ≤ 1% of total owners' equity.</p> <p>1% of total shareholders' equity.</p>	<p>The quantitative criteria for evaluating non-financial reporting internal control deficiencies determined by the company are as follows: 1. Critical Deficiency: Direct property loss amounting to RMB 20 million or more, causing significant negative impact on the company and disclosed externally via announcement. 2. Significant Deficiency: Direct property loss amounting to RMB 10 million to RMB 20 million (inclusive), subject to penalties by national government authorities but without adverse impact on the company. ), subject to penalties by national government departments but without negative impact on the company. 3. General Defect: Direct property loss amount ≤ RMB 10 million (inclusive), subject to penalties by provincial-level (inclusive) or lower government departments but without negative impact on the company. ), subject to penalties from provincial-level (or lower) government departments but not causing negative impact on the company.</p>
Number of Material Financial Reporting Deficiencies (items)		0
Number of material weaknesses in non-financial reporting (items)		0
Number of Significant Deficiencies in Financial Reporting (units)		0
Number of material deficiencies in non-financial reporting (units)		0

## 2. Internal Control Audit Report

Applicable  Not Applicable

Review Paragraph in Internal Control Audit Report	
In our opinion, as of December 31, 2023, China Nuclear Titanium Dioxide maintained effective internal control over financial reporting in all material respects in accordance with the Basic Specifications for Enterprise Internal Control and relevant regulations.	
Disclosure of Internal Control Audit Report	Disclosure
Full Text of Internal Control Audit Report Disclosure Date	April 18, 2024
Index for Full Disclosure of Internal Control Audit Report	For detailed content, please refer to the "Internal Control Audit Report" published on April 18, 2024, on the China Securities Information Network

	( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
Type of Opinion in Internal Control Audit Report	Standard Unqualified Opinion
Existence of Material Weaknesses in Non-Financial Reporting	No

Did the accounting firm issue an internal control audit report with a non-standard opinion?

Yes  No

Is the opinion in the internal control audit report issued by the accounting firm consistent with the opinion in the Board of Directors' self-assessment report?

Yes  No

#### **XV. Rectification Status of Self-Inspected Issues in the Special Campaign on Listed Company Governance**

During the reporting period, the company did not encounter any issues requiring rectification.

## Section V. Environmental and Social Responsibility

### I. Significant Environmental Issues

Whether the listed company and its subsidiaries are designated as key polluting entities by environmental protection authorities

Yes  No

Environmental Protection Policies and Industry Standards

The company strictly complies with the Environmental Protection Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China, the Water

Pollution Prevention and Control Law of the People's Republic of China,

the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and the Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution. It strictly implements the following standards: Comprehensive Emission Standard for Air Pollutants (GB16297-1996) Emission Standard for Pollutants from Inorganic Chemical Industry (GB 31573-2015) Industrial Furnace and Kiln Air Pollutant Emission Standard (GB9078-1996) Comprehensive Management Plan for Air Pollution from Industrial Furnaces and Kilns (Huan Daqi [2019] No. 56) Sulfuric Acid Industry Pollutant Emission Standard (GB 26132-2010) Comprehensive Wastewater Discharge Standard (GB 8978-1996) Environmental Noise Emission Standard for Boundaries of Industrial Enterprises (GB 12348-2008) and other industry standards.

Environmental Protection Administrative Licensing Status

The company strictly adheres to national environmental protection laws and regulations in conducting environmental impact assessments for construction projects. All completed and operational projects have obtained administrative permits from relevant government departments or passed the "Three Simultaneities" acceptance inspection. Projects under construction have undergone environmental impact assessments in strict compliance with national environmental protection laws and regulations, and are being implemented strictly according to the "Three Simultaneities" requirements.

1. Gansu Zetong New Energy Materials Co., Ltd. strictly complies with national environmental protection laws and regulations in conducting environmental impact assessments for construction projects. The completed project with an annual production capacity of

The 100,000-tonne iron phosphate project has obtained administrative permits from relevant government departments and is currently undergoing environmental acceptance procedures. All projects under construction have undergone environmental impact assessments in strict compliance with national environmental protection laws and regulations, rigorously implementing the "three simultaneous" requirements. Gansu Zetong New Energy Materials Co., Ltd. holds Pollution Discharge Permit No. 91620400MABU40Mt30, issued on September 20, 2023, valid until September 19, 2028.

2. Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. strictly adheres to national environmental protection laws and regulations in conducting environmental impact assessments for construction projects. The completed and operational 400,000 tons/year waste acid purification project has obtained administrative permits from relevant government departments. All projects under construction have undergone environmental impact assessments in strict compliance with national environmental protection laws and regulations, and are being implemented in strict accordance with the "three simultaneous" requirements. In accordance with the requirements of the Regulations on Pollutant Discharge Permit Management, Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. has reapplied for a pollutant discharge permit. Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.'s Pollutant Discharge Permit number is 91340500150522322U001R, issued on January 4, 2024, valid until January 13, 2029.

3. Guizhou Xintianxin Chemical Co., Ltd. Xinqiang Branch: Pollutant Discharge Permit No. 91520121MAAKIB5U6400IV, issued on January 19, 2024

, valid until January 18, 2029. Guizhou Xintianxin Chemical Co., Ltd. Tianxin Branch, original Pollutant Discharge Permit No. 91520121766098726W001R,

issued on December 31, 2020, valid until December 30, 2023; the new permit application procedures have been completed and are awaiting issuance. Guizhou Xintianxin Chemical

Co., Ltd. Tianhe Branch, with Pollution Discharge Permit No. 91520000721020250001V, issued on July 5, 2023, valid until July 4, 2028.

4. Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. holds a Pollutant Discharge Registration Certificate with registration number 9152012162252823X3002Z, issued on September 4, 2023, valid until September 3, 2028. (Transitioned from pollutant discharge permit to registration management)

5. Gansu Dongfang Titanium Co., Ltd. strictly adheres to national environmental protection laws and regulations in conducting environmental impact assessments for construction projects. All completed and operational projects have obtained administrative permits from relevant government departments or passed the "Three Simultaneities" acceptance inspection. Projects under construction have undergone environmental impact assessments in strict compliance with national environmental protection laws and regulations, and are being implemented strictly according to the "Three Simultaneities" requirements. Gansu Dongfang Titanium Co., Ltd.'s Pollutant Discharge Permit number is 91620400571640124Q001V, issued on December 26, 2023, valid until December 25, 2028.

6. Gansu Hecheng Titanium Industry Co., Ltd. holds Pollution Discharge Permit No. 91620000325325356D001V, issued on July 5, 2023, valid until July 30, 2028.

July 30, 2028.

Industry emission standards and specific details of pollutant emissions involved in production and business activities

Company or Subsidiary Name	Types of primary pollutants and characteristic pollutants	Names of primary pollutants and characteristic pollutants	Emission Method	Number of discharge outlets	Distribution of discharge outlets	Emissions Concentration /Intensity	Applicable Pollutant Emission Standards	Total Emissions	Approved Total Emission Volume	Exceedance of Emission Standards
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Anionic surfactants	Continuous Discharge	1	Wastewater discharge point	Compliant	GB-18918-2002	-	-	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Total Nitrogen (as N)	Continuous Discharge	1	Total wastewater discharge point	Compliant	GB-18918-2002	-	-	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Total Phosphorus (as P)	Continuous Discharge	1	Total wastewater discharge point	Compliant	GB-18918-2002	-	-	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Suspended Solids	Continuous Discharge	1	Wastewater discharge point	Compliant	GB-18918-2002	-	-	None

Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Ammonia Nitrogen (NH <sub>3</sub> -N)	Continuous Discharge	1	Wastewater discharge point	Compliant	GB-18918-2002	-	0.58	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	pH Value	Continuous Discharge	1	Total wastewater discharge point	Compliant	GB-18918-2002	Dimensionless	Dimensionless	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Chemical Oxygen Demand	Continuous Discharge	1	Wastewater discharge point	Compliant	GB-18918-2002	-	3.6 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Liquid Pollutants	Five-day biochemical oxygen demand	Continuous discharge	1	Total Wastewater Outfall	Compliant	GB-18918-2002	-	1.2 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Nitrogen Oxides	Continuous Emissions	1	Dry Tail Gas Outlet A1	Compliant	GB-31573-2015	0.662 t	18.90 8t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Nitrogen Oxides	Continuous Emissions	1	Synthesis Drying Tail Gas Outlet A2	Compliant	GB-31573-2015	-	18.90 8t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	Synthetic Exhaust Gas Outlet A1	Compliant	GB-31573-2015	0.02 t	-	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	Dry Tail Gas Outlet A1	Compliant	GB-31573-2015	0.933 t	3.518 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	Synthetic Drying Tail Gas Outlet A2	Compliant	GB-31573-2015	-	3.518 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	Ferrous Purification Outlet A1	Compliant	GB-31573-2015	0.001 t	-	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	Ferrous Purification Outlet A2	Compliant	GB-31573-2015	-	-	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	Disc Nest Mill Exhaust Gas Outlet 1	Compliant	GB-31573-2015	0.004 t	-	None
Gansu Zetong	Gas Pollution	Particulate Matter	Continuous	1	Disc Nest Grinding Tail	Compliant	GB-31573-	-	-	None
New Energy Materials Co., Ltd. Company	Emission		Emission		Gas Outlet 2		2015			
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Particulate Matter	Continuous Emission	1	MVR Exhaust Gas Outlet A2	Compliant	GB-31573-2015	-	2.738 t	None

Gansu Zetong New Energy Materials Co., Ltd. Company	Gaseous Pollutants	Sulfur Dioxide	Continuous Emissions	1	Dry Tail Gas Outlet A1	Compliant	GB-31573-2015	0	2.52 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Sulfur Dioxide	Continuous Emissions	1	Synthetic Drying Tail Gas Outlet A2	Compliant	GB-31573-2015	-	2.52 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Ammonia (NH <sub>3</sub> )	Continuous Emissions	1	Dry Tail Gas Outlet A1	Compliant	GB-14554-93	1.402 t	0.1 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Ammonia (NH <sub>3</sub> )	Continuous Emissions	1	Synthesis Drying Tail Gas Outlet A2	Compliant	GB-14554-93	-	0.1 t	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Ammonia (NH <sub>3</sub> )	Continuous Emissions	2	Wastewater Treatment Plant Outlet A1 MVR Tail Exhaust Gas Outlet AIMVR	Compliant	GB-14554-93	0.142	0.252	None
Gansu Zetong New Energy Materials Co., Ltd. Company	Gas Pollutants	Ammonia (NH <sub>3</sub> )	Continuous Emissions	2	Wastewater Treatment Plant Outlet A2 MVR Tail Exhaust Gas Outlet A2MVR	Compliant	GB-14554-93	-	-	None
Jinxing Titanium Dioxide	Liquid Pollution Substances	pH	Continuous Discharge	1	Total wastewater discharge Outlet	Compliant	(GB26132-2010)	Wuliang Gang	Wuliang Outline	Wuliang
Venus Titanium Dioxide	Liquid Pollution Substances	COD	Continuous Discharge	1	Total Wastewater Discharge Outlet	Compliant	(GB26132-2010)	176.94t	613.813t	None
Venus Titanium Dioxide	Liquid Pollution Substance	Ammonia Nitrogen	Continuous Discharge	1	Total wastewater discharge Outlet	Compliant	(GB26132-2010)	32.820t	78.348t	None
Jinxing Titanium Dioxide	Liquid Pollution Substances	Total Nitrogen	Continuous Discharge	1	Total wastewater discharge Outlet	Compliant	(GB26132-2010)	80.144t	/	None
Venus Titanium Dioxide	Liquid Pollution Substances	Total Phosphorus	Continuous Discharge	1	Total wastewater discharge Outlet	Compliant	(GB26132-2010)	1.393 t	/	None
Venus Titanium Dioxide	Gas Pollutants	Sulfur Dioxide	Continuous Emissions	4	Calcination Exhaust Gas Outlet	Compliant	Comprehensive Plan for Air Pollution Control in Industrial Furnaces and Kilns [2019] No. 56 corresponding emission limit requirements Limit Requirements	16.5862 t	511.48 t	None
Venus Titanium Dioxide	Gas Pollutants	Nitrogen oxides	Continuous Emissions	4	Calcination Exhaust Gas Outlet	Compliant	Comprehensive Plan for Air Pollution Control in Industrial Furnaces and Kilns [2019] No. 56 corresponding emission limit requirements Values	61.64 t	613.78 t	None
Venus Titanium Dioxide	Gas Pollution Matter	Particulate Matter	Continuous Emissions	4	Calcination exhaust gas Emissions Outlet	Compliance	Industrial Furnace Comprehensive	1.949962t	76.72 t	None

							Integrated Management Plan Environmental Protection Department [2019] No. 56 corresponding emission limits Value Requirements			
Jinxing Titanium Dioxide	Gas Pollution emissions	Sulfur Dioxide	Continuous Emission	1	Acid production exhaust gas Emissions Outlet	Compliant	(GB26132-2010)	0.122 4 t	154.3 1t	None
Venus Titanium Dioxide	Gas Pollution Matter	Particulate Matter	Continuous Emissions	1	Acid production exhaust gas Emissions Outlet	Compliant	(GB26132-2010)	0.048 49t	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Particulate Matter	Intermittent Emissions	1	Raw Material Dust Emission Outlet	Compliant emissions	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Arsenic and Its Compounds	Intermittent Emissions	1	Slag Waste Gas Emission Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Fluoride	Intermittent Emissions	1	Slag Discharge Exhaust Outlet	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Phosphorus Pentoxide	Intermittent Emissions	1	Slag Discharge Exhaust Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Arsenic and Its Compounds	Continuous Emission	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Particulate Matter	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	2.08 t /a	4.58 t /a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Ringelmann Scale	Continuous Emission	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB9078-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Fluoride	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	/	0.684 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Phosphorus Pentoxide	Continuous Emissions	1	Desulfurization Waste Gas Outlet	Compliant discharge	DB52/864-2022	/	1.21 t /a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Nitrogen Oxides	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	13.32 t/a	24.34 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Sulfur Dioxide	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant Discharge	GB16297-1996	7.43 t /a	57.6 t /a	None

Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Gaseous Pollutants	Ringelmann Scale	Continuous Emission	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	pH Value	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Sulfides	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Elemental Phosphorus	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Total Arsenic	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Fluoride	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Chemical Oxygen Demand	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	25.12 8 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Total Phosphorus	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB3838-2002	/	0.219 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Ammonia Nitrogen	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	5.827 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Strong Branch	Liquid Pollutants	Suspended Solids	Intermittent discharge	1	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Particulate Matter	Intermittent Emissions	5	Raw Material Dust Emission Outlet	Compliant emissions	GB16297-1996	0	4.58 t /a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Arsenic and its Compounds	Intermittent Emissions	1	Slag Waste Gas Emission Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Fluoride	Intermittent Emissions	1	Slag Discharge Exhaust Outlet	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Phosphorus Pentoxide	Intermittent Emissions	1	Slag-removal exhaust vent	Compliant discharge	DB52/864-2022	/	/	None

Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Arsenic and Its Compounds	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintian	Gaseous Pollutants	Fluoride	Continuous	1	Desulfurization Waste Gas	Compliant discharge	GB16297-	/	/	None
Xin Chemical Co., Ltd. Tian Xin Branch	Chemicals		Discharge		Discharge Outlet	Discharge	1996			
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Phosphorus Pentoxide	Continuous Emissions	1	Desulfurization Waste Gas Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Nitrogen Oxides	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	0.47 t/a	24.34 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Sulfur Dioxide	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	11.03 t/a	57.6 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Particulate Matter	Continuous Emission	1	Desulfurization Exhaust Gas Outlet	Compliant Discharge	GB16297-1996	1.04 t/a	15.1 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Gaseous Pollutants	Ringelmann Scale	Continuous Emission	1	Desulfurization Waste Gas Outlet	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	pH Value	Intermittent discharge	2	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	Arsenic Total	Intermittent discharge	2	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	Fluoride	Intermittent Discharge	2	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	Chemical Oxygen Demand	Intermittent Discharge	2	Rainwater Outfall	Compliant discharge	GB8978-1996	0	0.487 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	Total Phosphorus	Intermittent discharge	2	Rainwater Outfall	Compliant discharge	GB3838-2002	0	0.072 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	Ammonia Nitrogen	Intermittent discharge	2	Rainwater Outfall	Compliant discharge	GB8978-1996	0	0.007 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Xin Branch	Liquid Pollutants	Suspended Solids	Intermittent discharge	2	Rainwater Outfall	Compliant discharge	GB8978-1996	/	/	None

Guizhou Xintianxin Chemical Co., Ltd. Tian Branch Company	Gaseous Pollutants	Particulate Matter	Intermittent Emissions	1	Raw Material Dust Emission Outlet	Compliant emissions	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd.	Gaseous Pollutants Arsenic and Its Compounds	Arsenic and Its Compounds	Intermittent emissions	3	Slag waste gas Emissions Outlet	Compliant discharge Emission	DB52/864-2022	/	/	None
Co., Ltd. Tian Branch										
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Gaseous Pollutants	Fluoride	Intermittent Emissions	3	Slag discharge exhaust outlet	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch Company	Gaseous Pollutants	Phosphorus Pentoxide	Intermittent Emissions	3	Slag discharge exhaust outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Gaseous Pollutants	Arsenic and Its Compounds	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant Discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Gaseous Pollutants	Fluoride	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch Company	Gaseous Pollutants	Phosphorus Pentoxide	Continuous Emissions	1	Desulfurization Waste Gas Outlet	Compliant discharge	DB52/864-2022	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Gaseous Pollutants	Nitrogen Oxides	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	0.51 t/a	24.34 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Gaseous Pollutants	Sulfur Dioxide	Continuous Emissions	1	Desulfurization Waste Gas Emission Outlet	Compliant discharge	GB16297-1996	11.93 t/a	57.6 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Gaseous Pollutants	Ringelmann Scale	Continuous Emission	1	Desulfurization exhaust gas discharge port	Compliant discharge	GB16297-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch Company	Gaseous Pollutants	Particulate Matter	Continuous Emissions	1	Desulfurization Waste Gas Outlet	Compliant discharge	GB16297-1996	/	9.6 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid pollutants	pH value	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	/	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid Pollutants	Arsenic Total	Intermittent discharge	1	Wastewater Discharge Outlet	Compliant discharge	GB8978-1996	0	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid Pollutants	Fluoride	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	0	/	None

Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid Pollutants	Chemical Oxygen Demand	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	0	2.595 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian	Liquid Pollutants	Five-day biochemical oxygen demand	Intermittent Discharge	1	Wastewater Discharge Outlet	Compliant discharge	GB8978-1996	0	/	None
and Branch Companies										
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid Pollutants	Total Phosphorus	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB3838-2002	0	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid Pollutants	Ammonia Nitrogen	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	0	0.389 t/a	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch	Liquid Pollutants	Petroleum	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	0	/	None
Guizhou Xintianxin Chemical Co., Ltd. Tian Branch Company	Liquid Pollutants	Suspended Solids	Intermittent discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	0	/	None
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Liquid Pollutants	pH Value	Continuous Discharge	1	Wastewater Discharge Outlet	Compliant discharge	GB8978-1996	/	/	None
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Liquid Pollutants	Ammonia Nitrogen	Continuous Discharge	1	Wastewater Discharge Outlet	Compliant discharge	GB8978-1996	0.057 2 t/a	18 t/a	None
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Liquid Pollutants	Chemical Oxygen Demand	Continuous Discharge	1	Wastewater Discharge Outlet	Compliant discharge	GB8978-1996	1.286 t/a	120 t/a	None
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Liquid Pollutants	Total Phosphorus	Continuous Discharge	1	Wastewater Discharge Outlet	Compliant discharge	GB3838-2002	/	/	None
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Liquid pollutants	Suspended solids	Continuous discharge	1	Wastewater discharge point	Compliant discharge	GB8978-1996	/	/	None
Oriental Titanium Industry	Gas Pollutants	SO <sub>2</sub>	Continuous Emissions	1	Total Calcination Exhaust Gas Outlet	Compliant	Gansu Province Comprehensive Management Plan for Atmospheric Pollution from Industrial Furnaces and Kilns Plan	9.15 t	220.9 6t	None
Oriental Titanium Industry	Gas Pollutants	NO <sub>x</sub>	Continuous Emissions	1	Total Calcination Exhaust Gas Outlet	Compliant	Gansu Province Comprehensive Management Plan for Atmospheric Pollution from Industrial Furnaces and Kilns Plan	29.78 t	253.5 39 t	None

Oriental Titanium Industry	Gas Pollutants	Particulate Matter	Continuous Emissions	1	Total Calcination Exhaust Gas Outlet	Compliant	Gansu Province Comprehensive Management Plan for Atmospheric Pollution from Industrial Furnaces and Kilns Plan	0.63 t	181.7 83t	None
Oriental Titanium Industry	Gas Pollutants	SO <sub>2</sub>	Continuous Emissions	1	Total Exhaust Gas Outlet No. 2	Compliant	Implementation Plan for Comprehensive Control of Atmospheric Pollution from Industrial Furnaces in Gansu Province Plan	3.83 t	220.9 6 t	None
Oriental Titanium Industry	Gas Pollutants	NO <sub>x</sub>	Continuous Emissions	1	Total Exhaust Gas Outlet No. 2	Compliant	Implementation Plan for Comprehensive Control of Atmospheric Pollution from Industrial Furnaces in Gansu Province Plan	4.35 t	253.5 39t	None
Oriental Titanium Industry	Gas Pollutants	Particulate Matter	Continuous Emissions	1	Total Exhaust Outlet for Calcination Tail Gas No. 2	Compliant	Implementation Plan for Comprehensive Control of Atmospheric Pollution from Industrial Furnaces in Gansu Province Plan	0.14 t	181.7 83t	None
Oriental Titanium Industry	Liquid Pollutants	pH	Indirect emissions	1	Total wastewater discharge point	Compliant	Urban Sewage Treatment Plant Pollutant Discharge Standard Class I A	/	/	None
Oriental Titanium Industry	Liquid Pollutants	COD	Indirect Discharge	1	Wastewater Outfall	Compliant	Urban Sewage Treatment Plant Pollutant Discharge Standard Class A	101.9 t	/	None
Oriental Titanium Industry	Liquid Pollutants	Ammonia Nitrogen	Indirect Discharge	1	Wastewater Outfall	Compliant	Urban Sewage Treatment Plant Pollutant Discharge Standard Class A	10.87 t	/	None
Hecity Titanium Industry	Gas Pollutants	SO <sub>2</sub>	Continuous Emissions	4	Calcination Exhaust Gas Outlet	Compliant	Industrial Furnace and Kiln Air Pollutant Emission Standard GB9078-1996	14.02 01t	430.8 1t	None
Hecheng Titanium Industry	Gas Pollutants	NO <sub>x</sub>	Continuous Emissions	4	Calcination Exhaust Gas Outlet	Compliant	Industrial Furnace and Kiln Air Pollutant Emission Standard GB9078-1996	34.67 1t	102.2 4 t	None
Hecheng Titanium Industry	Gas Pollutants	Particulate Matter	Continuous Emissions	4	Calcination Exhaust Gas Outlet	Compliant	Industrial Furnace and Kiln Air Pollutant Emission Standard GB9078-1996	15.76 5t	304.9 3t	None
Hecheng Titanium Industry	Gas Pollutants	SO <sub>2</sub>	Intermittent Emissions	2	Acid Leaching Tail Gas Outlet	Compliant	Comprehensive Emission Standard for Air Pollutants GB16297-1996	42. 18 tons	430.8 1t	None

Hecheng Titanium Industry	Gas Pollutants	NOx	Intermittent Emissions	2	Acid Leaching Tail Gas Outlet	Compliant	Comprehensive Emission Standard for Air Pollutants GB16297-1996	31.62 t	102.2 4 t	None
Hecheng Titanium Industry	Gas Pollutants	Particulate Matter	Continuous Emissions	1	Grinding Tail Gas Outlet	Compliant	Comprehensive Emission Standard for Air Pollutants GB16297-1996	9,136 t	304.9 3 t	None
Hecheng Titanium Industry	Gas Pollutants	Sulfuric acid mist	Intermittent discharge	2	Acid Leaching Tail Gas Outlet	Compliant	Comprehensive Emission Standard for Air Pollutants GB16297-1996	Dimensionless	Dimensionless	None
Hecheng Titanium Industry	Liquid Pollutants	Total nitrogen	Continuous discharge	1	Wastewater Outfall	Compliant	Integrated Wastewater Discharge Standard GB8978-1996	3.06 t	/	None
Hecheng Titanium Industry	Liquid Pollution	pH	Continuous	1	Total Wastewater Discharge	Compliant	Comprehensive wastewater discharge	/	/	None
	emissions		Discharge		Port		Emission Standard GB8978-1996			
Hecheng Titanium Industry	Liquid Pollutants	COO	Continuous Discharge	1	Wastewater Outfall	Compliant	Integrated Wastewater Discharge Standard GB8978-1996	146.7 71t	/	None

#### Pollutant Treatment

1. Gansu Zetong New Energy Materials Co., Ltd. has continuously increased environmental protection investments, implemented comprehensive oversight of environmental management equipment and processes, and consistently enhanced environmental protection management standards. All pollution control equipment and facilities are fully equipped and operate stably, effectively treating various pollutants generated during production—including wastewater, exhaust gases, and waste residues—to ensure compliant discharge. No environmental incidents or government administrative penalties occurred during the reporting period.

2. Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. has continuously increased environmental protection investments, upgrading environmental treatment equipment, facilities, and processes to enhance environmental protection standards. All pollution control equipment and facilities are well-equipped and operate stably, effectively treating various pollutants such as wastewater, exhaust gases, and waste residues generated during production to ensure compliant discharge. No environmental incidents or government administrative penalties occurred during the reporting period. Online monitoring equipment has been installed at major discharge outlets in strict compliance with pollutant discharge permit management requirements. These systems have undergone acceptance inspections and network integration in accordance with laws and regulations, and pollutant discharge permits were promptly obtained, enabling discharge in strict accordance with permit conditions.

3. Guizhou Xintianxin Chemical Co., Ltd. (Xinqiang Branch, Tianxin Branch, Tianhe Branch) and Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. continuously strengthened environmental protection management requirements and enhanced environmental protection standards. Comprehensive pollution control equipment and facilities operate stably, effectively treating wastewater, exhaust gases, solid waste, and other pollutants generated during production to ensure compliant discharge. Online monitoring equipment has been installed at primary discharge outlets in strict compliance with pollutant discharge permit management requirements. These systems have undergone acceptance inspections and network integration in accordance with laws and regulations, and pollutant discharge permits were promptly obtained. Discharges are conducted strictly in accordance with permit conditions. Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. implements pollutant discharge registration management. On September 4, 2023, it reapplied for a Fixed Pollutant Source Discharge Registration Form, thereby canceling the original pollutant discharge permit.

4. Gansu Dongfang Titanium Industry Co., Ltd. has continuously increased environmental protection investments, upgrading environmental treatment equipment, facilities, and processes to enhance environmental protection standards. All pollution control equipment and facilities are well-equipped and operate stably, effectively treating various pollutants generated during production—including wastewater, exhaust gases, and waste residues—to ensure compliant discharge. No environmental incidents or government administrative penalties occurred during the reporting period. Online monitoring equipment has been installed at primary discharge outlets in strict compliance with pollutant discharge permit management requirements. The company completed acceptance inspections and network connectivity in accordance with laws and regulations, promptly obtained a pollutant discharge permit, and discharges pollutants in compliance with the permit.

5. Gansu Hecheng Titanium Industry Co., Ltd. has continuously increased environmental protection investments, upgrading environmental treatment equipment and processes to enhance environmental protection standards. All pollution control equipment and facilities are well-equipped and operate stably, effectively treating various pollutants generated during production—including wastewater, exhaust gases, and waste residues—to ensure compliant discharge. No environmental incidents or government administrative penalties occurred during the reporting period. Online monitoring equipment was installed at primary discharge outlets in strict compliance with pollutant discharge permit management requirements. These systems underwent regulatory acceptance and network integration as mandated by law, and the company promptly obtained the required pollutant discharge permit, discharging pollutants strictly in accordance with permit conditions.

#### Emergency Response Plan for Environmental Incidents

In accordance with the requirements of the Law of the People's Republic of China on Responding to Emergencies, the National Emergency Response Plan for Environmental Emergencies, the Environmental Protection Law of the People's Republic of China, the Water Pollution Prevention and Control Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China, and other relevant regulations, to prevent and actively respond to potential environmental emergencies, organize rapid, effective, and orderly emergency response efforts, and maintain normal company operations, the company has formulated the Emergency Response Plan for Environmental Emergencies in accordance with the latest national laws, regulations, and relevant requirements, combined with the company's actual conditions. Guided by the principle of "prevention and self-rescue as the main focus, unified command and coordination, responsibility assigned to individuals, and a combination of self-rescue by the unit and social rescue," the plan aims to minimize the impact of emergencies on personnel, equipment, property, and especially the environment, while enhancing the company's capabilities in preventing environmental pollution incidents, responding to emergencies, and handling post-incident situations. The company has formulated the "Emergency Response Plan for Environmental Emergencies" and filed it with the local ecological environment bureau. Specifically: - Gansu Zetong New Energy Materials Co., Ltd. passed the review of its Environmental Emergency Response Plan in January 2023 and filed it with the Baiyin Municipal Ecological Environment Bureau (Filing No.: 620400-2023-03-01); Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. filed its plan with the Maanshan Municipal Ecological Environment Bureau (Filing No.: 340500-2021-018-01); Gansu Hecheng Titanium Industry Co., Ltd. filed its plan with the Gansu Mining Area Ecological Environment Bureau (Filing No.: Gansu Mining Area-2019-01-M); Gansu Dongfang Titanium Co., Ltd. passed the review of its emergency response plan for sudden environmental incidents in December 2021 and filed with the Baiyin Municipal Ecology and Environment Bureau (Filing No.: 620400-2021-101-01-M); Guizhou Xintianxin Chemical Co., Ltd. Xinqiang Branch was filed with the Guiyang Municipal Ecology and Environment Bureau (Filing No.: 520121-2023-669-M); Guizhou Xintianxin Chemical Co., Ltd. Tianxin Branch was filed with the Guiyang Municipal Ecology and Environment Bureau (Filing No.: 520121-2023-260-M); Guizhou Xintianxin Chemical Co., Ltd. Tianhe Branch is registered with the Guiyang Municipal Bureau of Ecology and Environment (Registration No.: 520121-2023-626-M); Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. is registered with the Guiyang Municipal Bureau of Ecology and Environment (Registration No.: 340500-2021-018-H).

Based on the sudden environmental incidents analyzed in the environmental risk assessment, the company has organized environmental accident emergency drills and environmental protection training as required. These activities enhance employees' emergency response awareness for sudden incidents, familiarize them with emergency procedures during accidents, and improve environmental risk prevention awareness and the company's emergency response capabilities.

#### **Environmental Self-Monitoring Plan**

Each subsidiary of the company has formulated environmental self-monitoring plans in accordance with national regulations such as the Ministry of Ecology and Environment's "Measures for Self-Monitoring and Information Disclosure by Key State-Monitored Enterprises (Trial)" and the "Administrative Measures for Pollutant Discharge Permits," conducting regular monitoring of wastewater and exhaust gases within the factory premises.

1. Gansu Zetong New Energy Materials Co., Ltd.'s environmental self-monitoring plan primarily includes: - All production wastewater is treated to compliance standards in the wastewater treatment plant before being fully recycled. - Wastewater from the desalination plant undergoes quarterly manual monitoring for pH, COD, ammonia nitrogen, total phosphorus, total nitrogen, five-day biochemical oxygen demand (BOD<sub>5</sub>), and chemical oxygen demand (COD). - Waste gas monitoring employs self-monitoring

monitoring in compliance with the "Inorganic Chemical Industry Pollutant Emission Standard" (GB 31573-2015). Among these, the drying exhaust gas outlet A1 and the synthesis drying exhaust gas outlet A2 undergo quarterly

once per quarter for ammonia, particulate matter, SO<sub>2</sub>, and NO<sub>x</sub>. Other outlets and pollutants undergo self-monitoring every six months. The company will enhance oversight of environmental protection facility operations, conduct regular inspections, and strengthen operational maintenance management to ensure normal equipment operation and compliant emissions.

2. Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Environmental Self-Monitoring Plan primarily includes: Continuous automatic monitoring of wastewater using online analyzers for CODcr, ammonia nitrogen, total phosphorus, and total nitrogen. Monitoring parameters include pH, COD, ammonia nitrogen, total phosphorus, and total nitrogen, with flow rate monitoring conducted every 2 hours. Self-monitoring is conducted via online automatic monitoring equipment installed at primary emission points: calcination kiln tail gas and sulfuric acid production tail gas. Monitored parameters include particulate matter, SO<sub>2</sub>, and NO<sub>x</sub>. The automatic monitoring equipment has passed acceptance testing, undergoes regular proficiency testing, and is subject to enhanced operational maintenance management to ensure normal operation and data transmission. For other general exhaust emission points, pollutant factors are monitored manually by qualified entities at a frequency of once every six months, as specified in the self-monitoring plan.

3. The environmental self-monitoring plan for Guizhou Xintianxin Chemical Co., Ltd. Xinqiang Branch primarily includes: - Exhaust gas monitoring using online analyzers for sulfur dioxide, nitrogen oxides, particulate matter, and integrated temperature-pressure-flow analyzers. Monitoring parameters include sulfur dioxide, nitrogen oxides, flue gas pressure, flue gas temperature, and flue gas flow rate.

monitoring frequency: real-time monitoring. Wastewater monitoring employs online analyzers for CODcr, ammonia nitrogen, and total phosphorus. Monitoring items include pH, COD, ammonia nitrogen, total phosphorus, and flow rate. Monitoring frequency: triggered when flow is detected. Manual monitoring is conducted quarterly. Waste gas discharge outlets comply with the "Comprehensive Emission Standard for Air Pollutants" (GB16297-1996), the Guizhou Provincial Environmental Pollutant Emission Standard (DB52/864-2022), Guizhou Provincial Environmental Pollutant Emission Standard (GB52/864-2013). Wastewater discharge points comply with the Comprehensive Wastewater Discharge Standard (GB8978-1996) and Surface Water Environmental Quality Standard (GB3838-2002). The automated monitoring equipment employed has passed acceptance inspection, undergoes regular validity audits, and is subject to enhanced operational maintenance management to ensure normal equipment operation and data transmission. Other pollutant factors are monitored manually on a regular basis by qualified entities commissioned under the self-monitoring plan.

4. The environmental self-monitoring plan for Guizhou Xintianxin Chemical Co., Ltd. Tianxin Branch primarily includes: - Exhaust gas monitoring utilizes online analyzers for sulfur dioxide, nitrogen oxides, particulate matter, and integrated temperature-pressure-flow measurement. Monitoring parameters include sulfur dioxide, nitrogen oxides, flue gas pressure, flue gas temperature, and flue gas flow rate.

monitoring frequency: real-time monitoring. For wastewater, CODcr online analyzers, ammonia nitrogen online analyzers, and total phosphorus online analyzers are used. Monitoring items include pH value, COD, ammonia nitrogen, total phosphorus, and flow rate. Monitoring frequency: triggered when flow is detected. Manual monitoring is conducted quarterly. The exhaust gas discharge outlet complies with the "Comprehensive Emission Standard for Air Pollutants"

(GB16297-1996), the Guizhou Provincial Environmental Pollutant Emission Standard (DB52/864-2022), Guizhou Provincial Environmental Pollutant Emission Standard (GB52/864-2013). Wastewater discharge points comply with the Comprehensive Wastewater Discharge Standard (GB8978-1996) and Surface Water Environmental Quality Standard (GB3838-2002). The automated monitoring equipment employed has passed acceptance inspection, undergoes regular validity audits, and is subject to enhanced operational maintenance management to ensure normal equipment operation and data transmission. Other pollutant factors are monitored manually on a regular basis by qualified entities commissioned under the self-monitoring plan.

5. The environmental self-monitoring plan for Guizhou Xintianxin Chemical Co., Ltd. Tianhe Branch primarily includes: For exhaust gas, online analyzers for sulfur dioxide, nitrogen oxides, particulate matter, and integrated temperature-pressure-flow analyzers are employed. Monitoring parameters include sulfur dioxide, nitrogen oxides, flue gas pressure, flue gas temperature, and flue gas flow rate.

monitoring frequency: real-time monitoring. For wastewater, CODcr online analyzers, ammonia nitrogen online analyzers, and total phosphorus online analyzers are used. Monitoring items include pH value, COD, ammonia nitrogen, total phosphorus, and flow rate. Monitoring frequency: triggered when flow is detected. Manual monitoring is conducted quarterly. The exhaust gas discharge outlet complies with the "Comprehensive Emission Standard for Air Pollutants"

(GB16297-1996), the Guizhou Provincial Environmental Pollutant Emission Standard (DB52/864-2022), Guizhou Provincial Environmental Pollutant Emission Standard (GB52/864-2013). Wastewater discharge points comply with the Comprehensive Wastewater Discharge Standard (GB8978-1996) and Surface Water Environmental Quality Standard (GB3838-2002). The automated monitoring equipment employed has passed acceptance inspection, undergoes regular validity audits, and is subject to enhanced operational maintenance management to ensure normal equipment operation and data transmission. Other pollutant factors are monitored manually on a regular basis by qualified entities commissioned under the self-monitoring plan.

6. Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. Environmental Self-Monitoring Plan Mainly includes: Wastewater monitoring employs CODcr online analyzers, ammonia nitrogen online analyzers, and total phosphorus online analyzers. Monitoring parameters include pH, COD, ammonia nitrogen, total phosphorus, suspended solids, and flow rate, with a monitoring frequency of once every 2 hours. Manual wastewater monitoring is conducted quarterly. The wastewater discharge point complies with the Comprehensive Wastewater Discharge Standard (GB8978-1996). The automated monitoring equipment has passed acceptance inspections, undergoes regular validity audits, and is subject to enhanced operational maintenance management to ensure normal equipment operation and data transmission. Manual monitoring for other pollutant factors is regularly commissioned to qualified entities according to the self-monitoring plan.

7. Gansu Dongfang Titanium Co., Ltd. wastewater undergoes continuous automatic monitoring using CODcr and ammonia nitrogen online analyzers. Monitoring parameters include pH, COD, ammonia nitrogen, and flow rate, with a monitoring frequency of every 2 hours. Exhaust gas monitoring employs online analyzers installed at the following points for automatic detection: - Calcination tail gas main outlet - Acid leaching tail gas main outlet - Calcination tail gas secondary outlet Monitored parameters include particulate matter, SO<sub>2</sub>, and NO<sub>x</sub>. An alkali scrubber and venturi are installed at the acid leaching tail gas secondary outlet, achieving a treatment efficiency of 98%. Baghouse dust collectors are installed at the South Raw Ore Crushing Outlet, North Raw Ore Crushing Outlet, Limestone Powder Preparation Outlet, South Raw Ore Crushing Outlet II, North Raw Ore Crushing Outlet II, and Limestone Powder Preparation Outlet II, achieving 99% dust removal efficiency. The automated monitoring equipment has passed environmental protection department acceptance, undergoes regular validity audits, and is subject to enhanced operational maintenance management to ensure normal equipment operation and data transmission.

8. To implement the Ministry of Environmental Protection's Key Pollutant Total Emission Reduction Assessment Measures, in accordance with the Ministry's "Measures for Self-Monitoring and Information

Disclosure by Key National Monitoring Enterprises

(Trial)" (Huan Fa [2013] No. 81), Hecheng Titanium Industry has formulated a self-monitoring plan. The company employs a combination of automated monitoring and outsourced monitoring. For the required monitoring items, the following parameters are measured:

Neutralization Monitoring Station: pH, COD, flow rate. All other monitoring items are outsourced to a third party for manual monitoring.

#### Environmental Management and Protection Investments and Environmental Protection Tax Payments

The company maintains effective investment in environmental protection facilities to enhance pollutant treatment capacity. In accordance with the Environmental Protection Law of the People's Republic of China, environmental impact assessment approvals, and the company's actual emissions, environmental protection taxes were calculated and paid on schedule, totaling RMB 1,915,148.43 for the year.

Measures taken and their effectiveness in reducing carbon emissions during the reporting period

Applicable  Not Applicable

Administrative penalties imposed during the reporting period due to environmental issues

Company or Subsidiary Name	Reason for Penalty	Violation Details	Penalty Result	Impact on the Production and Operations of the Listed Company	Company's Corrective Measures
None	None	None	None	None	None

#### Other Environmental Information Subject to Disclosure

For details, please refer to the "2023 Environmental, Social, and Governance (ESG) Report" published on April 18, 2024, on the China Securities Information Network ([www.cninfo.com.cn](http://www.cninfo.com.cn)).

#### Other Environmental

**Protection Information** None

#### Environmental incidents involving the listed company

None

## II. Social Responsibility

For details on the Company's fulfillment of social responsibilities during the reporting period, please refer to the "2023 Environmental, Social, and Governance (ESG) Report" published on April 18, 2024, on the China Securities Information Network ([www.cninfo.com.cn](http://www.cninfo.com.cn)).

The Company is required to comply with the disclosure requirements for the chemical industry as stipulated in the "Shenzhen Stock Exchange Listing Rules for Industry Information Disclosure (Guideline No. 3)."

For details, please refer to the "2023 Environmental, Social, and Governance (ESG) Report" published on April 18, 2024, on the China Securities Information Network ([www.cninfo.com.cn](http://www.cninfo.com.cn)).

## III. Consolidating and Expanding Poverty Alleviation Achievements and Rural Revitalization

While creating social wealth, the Company remains committed to fulfilling its social responsibilities. For years, it has dedicated itself to participating in local community development, actively engaging in social welfare and charitable causes, sharing the dividends of corporate growth with the public, and creating long-term social value for the enterprise. The Company actively responds to the rural revitalization strategy, cares for rural economic development, and Since 2022, the company has continuously leveraged its strengths to improve basic agricultural production conditions in saline-alkali lands, achieve efficient agricultural production models, inject new vitality into agricultural production, promote further rural economic development, and enhance comprehensive grain production capacity.

## Section 6: Significant Matters

### I. Status of Commitment Implementation

#### 1. Commitments made by the company's actual controller, shareholders, related parties, acquirers, and other relevant parties that were fulfilled during the reporting period and those that remained unfulfilled as of the reporting period's end

Applicable  Not Applicable

Reason for Commitment	Committing Party	Type of Commitment	Commitment Content	Commitment Date	Commitment Period	Performance Status
Commitments made in the acquisition report or equity change report	Wang Zelong	Commitments Regarding Same-Industry Competition, Related-Party Transactions, and Fund Misappropriation	To reduce and standardize potential future related-party transactions and protect the legitimate rights and interests of investors, particularly small and medium-sized investors, I hereby commit as follows: "I. Following this equity change, I and my controlled enterprises will strive to avoid related party transactions with the listed company and its controlled or invested companies. For unavoidable related business dealings or transactions, they will be conducted on an equal and voluntary basis, adhering to the principles of fairness, equity, and equivalent compensation. Transaction prices will be determined based on market-recognized reasonable pricing. II. I will strictly comply with the recusal provisions regarding related-party transactions set forth in the listed company's articles of association and other regulatory documents. All related-party transactions will be conducted in accordance with the prescribed decision-making procedures, and I will fulfill legal procedures and promptly disclose information on related-party transactions. I will not use related-party transactions to transfer or funnel profits, thereby harming the legitimate rights and interests of the listed company and other shareholders. III. This letter shall take effect from the date of issuance and shall remain an irrevocable legal document for the duration of my holding of the listed company's shares. Company.	December 18, 2019	Permanent	During the reporting period, the commitments were fulfilled normally, and no violations of the commitments were found.
Commitments made in the acquisition report or equity change report	Wang Zelong	Commitments Regarding Competitive Activities, Related-Party Transactions, and Fund Appropriation	To safeguard the legitimate rights and interests of investors, particularly small and medium-sized investors, I hereby commit as follows: "During my holding period of shares in the listed company, I shall not directly or indirectly engage in businesses that compete with the listed company or its subsidiaries. I shall also ensure that enterprises under my actual control do not directly or indirectly engage in businesses that compete with the listed company or its subsidiaries. This letter takes effect from the date of issuance and remains an irrevocable legal document throughout my holding period of shares in the listed company." irrevocable legal document."	December 18, 2019	Permanent	During the reporting period, the commitment was fulfilled normally, and no violations were identified.
Commitments made in the acquisition report or equity change report	Wang Zelong	Other Commitments	To ensure the independent operation of the listed company and safeguard the legitimate rights and interests of investors, particularly small and medium-sized investors, I hereby make the following commitment: "I. Following this equity change, I will ensure the listed company maintains its independence in business operations, assets, and finances.	December 18, 2019	Permanent	During the reporting period, normal operations were maintained, and no violations of commitments were identified.

			II. This letter shall take effect from the date of issuance and shall constitute an irrevocable legal document during the period of my shareholding in the listed company.			
Commitments Made During Initial Public Offering or Subsequent Financing	Wang Zelong	Share Lock-up Commitment	1.The shares subscribed by me in this private placement shall not be transferred within 36 months from the completion date of this private placement, nor shall I request China Nuclear Titanium Dioxide to repurchase such shares. 2. Following the completion of this private placement, any additional shares held by me that are related to this subscription due to reasons such as China Nuclear Titanium Dioxide distributing stock dividends or capitalizing reserves into share capital shall also be subject to the aforementioned lock-up period.3. Should any laws, regulations, or rules of the China Securities Regulatory Commission (CSRC) or the Shenzhen Stock Exchange regarding exemption from tender offer obligations for lock-up periods by acquiring parties be amended prior to this private placement, the aforementioned lock-up period shall be adjusted accordingly. 4. If my commitment to the lock-up period above fails to meet the mandatory requirements of the latest regulatory opinions issued by securities regulatory authorities, I hereby undertake to adjust my commitment in accordance with such regulatory opinions. 24 February 2020	February 24, 2020	September 29, 2020 to September 28, 2023	All commitments were fulfilled during the reporting period, with no instances of breach identified.
Commitments made during the initial public offering or subsequent refinancing	Wang Zelong	Letter of Commitment Regarding Matters Related to Dilution of Immediate Returns from the Company's Non-Public Offering of Shares	1. I will not interfere in the Company's management activities beyond my authority. 2. I will not infringe upon the Company's interests. From the date of this commitment until the completion of the Company's private placement of shares, if the China Securities Regulatory Commission (CSRC) issues new regulatory requirements regarding return replenishment measures and related commitments, and if the above commitments fail to meet such CSRC requirements, I hereby commit to issue supplementary commitments in accordance with the latest CSRC regulations at that time.I undertake to faithfully implement the Company's established return replenishment measures and any related commitments I have made. Should I breach such commitments and cause losses to the Company or investors, I agree to bear compensatory liability to the Company or investors in accordance with the law. In the event of a breach or refusal to fulfill the above commitments, I consent to the imposition of relevant measures against me in accordance with the rules and regulations established or issued by securities regulatory authorities such as the CSRC and the Shenzhen Stock Exchange. 24 May 2021	May 24, 2021	May 24, 2021 -Permanent	During the reporting period, the commitments were fulfilled normally, and no violations were identified.
Commitments made during the initial public offering or refinancing	Central Enterprise Rural Industry Investment Fund Co., Ltd., Shanghai Youyou Wealth Investment Management Co., Ltd. - Youcai Xinxing No. 2 Private Securities Investment Fund, Gansu Great Wall Xinglong Silk Road Fund (LLC)	Share Lock-up and Breach of Commitment Handling	1. I/Our company agree(s) not to transfer the subscribed shares for a period of six months starting from the date of completion of this issuance by China National Nuclear Titanium Dioxide Co., Ltd. (referring to the date of listing of the shares issued in this offering), and entrust the board of directors of China National Nuclear Titanium Dioxide Co., Ltd. to apply to China Securities Depository and Clearing Corporation Limited for the lock-up procedures of the aforementioned subscribed shares held by myself/my company, so as to ensure that the aforementioned shares held by myself/my company	February 15, 2023	March 9, 2023 9, 2023 - September 8, 2023 8, 2023	All commitments were fulfilled during the reporting period, with no instances of breach identified.

			shares held by myself/our company shall not be transferred for a period of six months from the date of completion of this issuance. Lock-up			
	China International Capital Corporation Limited, Wei Wei, Fullgoal Fund Management Co., Ltd., Industrial Development Fund for Underdeveloped Regions Co., Ltd.		During this period, any shares acquired as a result of CNNC Titanium Dioxide issuing bonus shares or capitalizing reserves into share capital, I/we also agree to comply with the aforementioned share lock-up arrangements. lock-up arrangements and execute in accordance with the relevant regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange after the restriction period expires. 2. I/We guarantee to compensate other shareholders for any losses incurred as a result of failure to fulfill or incomplete fulfillment of this commitment. In the event of any sale transaction in violation of this commitment, I/We will authorize China Securities Depository and Clearing Corporation Limited to transfer the proceeds from the sale to the account of China Nuclear Titanium Dioxide Co., Ltd. for the benefit of all shareholders. 3. I/We declare that I/We will faithfully fulfill this commitment and assume corresponding legal responsibilities.			
Other Commitments	Wang Zelong	Share Lock-up Commitment	Based on full recognition of the Company's future prospects and long-term investment value, I voluntarily commit: Within six months from October 13, 2023 (i.e., October 13, 2023 to April 12, 2024), if the Company's share price is below RMB 13 per share, I will not reduce my holdings of the Company's shares through centralized bidding on the secondary market or block trading. During the aforementioned commitment period, if my holdings increase due to reasons such as bonus shares, capitalization of reserves, or rights issues , I shall also abide by the aforementioned commitment not to reduce holdings.	October 13, 2023	October 13, 2023 to April 12, 2024 to	During the reporting period, the commitments were fulfilled as normal, and no violations were identified.
Timeliness of Commitment Fulfillment	Yes					
If the commitment has not been fully fulfilled by the deadline, a detailed explanation of the specific reasons for non-fulfillment and the next steps in the work plan should be provided.	Not applicable					

2. If the company has profit forecasts for assets or projects and the reporting period remains within the forecast period, the company shall explain whether the assets or projects have met the original profit forecasts and the reasons therefor.

Applicable  Not Applicable

## II. Non-operational fund occupation by controlling shareholders and other related parties of the listed company

Applicable  Not Applicable

During the reporting period, there were no instances of non-operational fund occupation by controlling shareholders or other related parties.

## III. Non-Compliant External Guarantees

Applicable  Not Applicable

The Company had no non-compliant external guarantees during the reporting period.

## IV. Board of Directors' Explanation Regarding the Most Recent "Non-Standard Audit Report"

Applicable  Not Applicable

## V. Explanation of the Board of Directors, Board of Supervisors, and Independent Directors (if any) Regarding the Accounting Firm's Non-Standard Audit Report for the Reporting Period

Applicable  Not Applicable

## VI. Explanation of Changes in Accounting Policies, Accounting Estimates, or Corrections of Significant Accounting Errors Compared to the Previous Year's Financial Report

Applicable  Not Applicable

### 1. Significant Changes in Accounting Policies

Implementation of the provisions of Interpretation No. 16 of the Accounting Standards for Business Enterprises: "Accounting Treatment for Deferred Income Taxes Related to Assets and Liabilities Arising from Individual Transactions That Do Not Qualify for the Initial Recognition Exemption."

The Ministry of Finance issued Interpretation No. 16 of the Accounting Standards for Business Enterprises (Cai Kui [2022] No. 31, hereinafter referred to as "Interpretation No. 16") on November 30, 2022.

No. 16), which stipulates that "the accounting treatment exempting deferred income taxes related to assets and liabilities arising from a single transaction from initial recognition shall not apply." This provision shall take effect on January 1, 2023.

Interpretation No. 16 stipulates that for single transactions that are not business combinations and that, at the time of the transaction, affect neither accounting profit nor taxable income (or deductible losses), and where the initially recognized assets and liabilities result in equal taxable temporary differences and deductible temporary differences (including lease transactions where the lessee initially recognizes a lease liability and includes it in the right-of-use asset at the commencement date of the lease term, as well as transactions where a provision is recognized due to disposal obligations for fixed assets and included in the related asset cost), are not exempt from the requirement to initially recognize deferred tax liabilities and deferred tax assets. At the transaction date, an enterprise shall recognize the corresponding deferred tax liabilities and deferred tax assets in accordance with relevant provisions such as Accounting Standard for Business Enterprises No. 18—Income Taxes.

For single transactions subject to this provision occurring between the beginning of the earliest period presented in the financial statements and the effective date, as well as for lease liabilities and right-of-use assets recognized at the beginning of the earliest period presented due to single transactions subject to this provision, and for estimated liabilities related to disposal obligations and corresponding related assets recognized, if taxable temporary differences and deductible temporary differences arise, the enterprise shall make adjustments in accordance with this provision.

The impact of implementing the above standard on the Company's financial statement items is as follows:

Name of Affected Statement Item	December 31, 2023	December 31, 2022
Deferred Tax Assets	4,991,715.43	6,254,152.61
Deferred income tax liabilities	5,428,542.10	6,254,152.61
Income tax expense	436,826.67	
Retained Earnings	-436,826.67	

2. No significant changes in accounting estimates.

## VII. Explanation of Changes in the Scope of Consolidated Financial Statements Compared to the Previous Year's Report

Applicable  Not Applicable

During the reporting period, the Company acquired controlling interest in Zhonghe Junneng through capital increase and acquired 100% equity interests in Xintianxin Chemical and Shuangyang Phosphate Mine. These entities were included in the consolidation scope during the period. During the reporting period, Dongfang Titanium Industry contributed RMB 61.5 million to the registered capital of Gansu Zhonghe Tong Thermal Energy Co., Ltd., which was included in the consolidation scope during the period.

During the reporting period, Baiyin Zhonghe Times New Energy Co., Ltd. paid in RMB 500,000 of registered capital to Baiyin Zhonghe Times New Energy Co., Ltd., which was included in the consolidation scope for the period. During the reporting period, the Company invested in establishing Hami Zhonghe Vanadium Titanium Co., Ltd. and Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd., which were included in the consolidation scope.

During the reporting period, the Company transferred its equity interest in Gansu Zetong Weili Technology Co., Ltd. As of the end of the reporting period, this company was no longer included in the scope of consolidation.

In 2023, the Company deregistered Anhui Jinxing New Energy Materials Co., Ltd. and Guangzhou Guanghe Titanium Dioxide Chemical Co., Ltd. At the end of the reporting period, these companies were no longer included in the scope of consolidation.

## VIII. Appointment and Dismissal of Accounting Firms

Currently Engaged Accounting Firm

Domestic Accounting Firm Name	Lixin Certified Public Accountants LLP
Remuneration for Domestic Accounting Firm (RMB 10,000)	115
Number of Consecutive Years of Audit Services Provided by Domestic Accounting Firm	2
Name of Domestic CPA Firm's Certified Public Accountant	Wang Shouyi/Li Yu
Continuous years of audit services provided by domestic accounting firm	2/2

Whether the accounting firm was changed during the current period

Yes  No

Engagement of Internal Control Audit Accounting Firms, Financial Advisors, or Sponsors

Applicable  Not Applicable

During the reporting period, following approval at the Company's 2023 Second Extraordinary General Meeting of Shareholders, Lixin was appointed as the internal control audit institution for the 2023 fiscal year.

internal control audit fee is RMB 150,000 (tax inclusive).

## IX. Delisting Situation Following Annual Report Disclosure

Applicable  Not Applicable

## X. Matters Related to Bankruptcy Reorganization

Applicable  Not Applicable

The Company has not undergone any bankruptcy reorganization matters during the reporting period.

## XI. Significant Litigation and Arbitration Matters

Applicable  Not Applicable

Basic Information on Litigation (Arbitration)	Amount Involved (RMB 10,000)	Provision for Contingent Liabilities Established	Litigation (Arbitration) Progress	Outcome and Impact of Litigation (Arbitration)	Status of Enforcement of Litigation (Arbitration) Judgment	Disclosure Date	Disclosure Index
Disclosure Index Infringement	3,035.76	0	Partially adjudicated, with the remaining portion	No significant impact	Partially in progress, some		not yet applicable
dispute resolution, etc.			Under review		Not yet enforced		
Infringement disputes initiated by the Company as plaintiff Disputes, etc.	1,456.62	0	Partially concluded, partially pending	No significant impact	Partially executed, partially not yet implemented		Not applicable

## XII. Penalties and Rectification Status

Applicable  Not Applicable

The Company had no penalties or rectification matters during the reporting period.

### **XIII. Integrity Status of the Company, Its Controlling Shareholders, and Actual Controllers**

Applicable  Not Applicable

### **XIV. Significant Related-Party Transactions**

#### **1. Related-party transactions related to daily operations**

Applicable  Not Applicable

The Company did not engage in any related party transactions related to daily operations during the reporting period.

#### **2. Related Party Transactions Arising from Asset or Equity Acquisitions/Sales**

Applicable  Not Applicable

The Company did not engage in any related party transactions involving the acquisition or sale of assets or equity interests during the reporting period.

#### **3. Related-party transactions involving joint external investments**

Applicable  Not Applicable

The Company did not engage in any related party transactions involving joint external investments during the reporting period.

#### **4. Related-party debt and credit transactions**

Applicable  Not Applicable

The Company had no related-party debt or credit transactions during the reporting period.

#### **5. Transactions with Affiliated Financial Companies**

Applicable  Not Applicable

The Company has no deposits, loans, credit facilities, or other financial transactions with affiliated financial companies or related parties.

#### **6. Transactions between the Company's Controlled Financial Companies and Related Parties**

Applicable  Not Applicable

The financial company controlled by the Company has no deposits, loans, credit facilities, or other financial transactions with related parties.

## 7. Other Significant Related Party Transactions

Applicable  Not Applicable

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

## XV. Significant Contracts and Their Performance Status

### 1. Custody, Contracting, and Leasing Matters

#### (1) Custody Arrangements

Applicable  Not Applicable

The Company had no custody arrangements during the reporting period.

#### (2) Contractual Arrangements

Applicable  Not Applicable

The Company had no contracting arrangements during the reporting period.

#### (3) Leasing Arrangements

Applicable  Not Applicable

The Company had no leasing arrangements during the reporting period.

### 2. Significant Guarantees

Applicable  Not Applicable

Unit: RMB 10,000

Guarantees Provided by the Company and Its Subsidiaries (Excluding Guarantees to Subsidiaries)										
Name of Guarantee Recipient	Guarantee Amount Date of Relevant Announcement Disclosure	Guarantee Amount	Actual Occurrence Date	Actual Guarantee Amount	Guarantee Type	Collateral (if applicable)	Counter-Guarantee Status (if applicable)	Guarantee Period	Fully Performed	Related-party guarantee
Company Guarantees for Subsidiaries										
Name of Guarantee Recipient	Guarantee Amount Date of Relevant Announcement Disclosure	Guarantee Amount	Actual Occurrence Date	Actual Guarantee Amount	Guarantee Type	Collateral (if applicable)	Counter-Guarantee Status (if applicable)	Guarantee Period	Fully Performed	Related-party guarantee
Jinxing Titanium Dioxide	2021 December 23 2021	10,000	2022 January 17	1,100	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	10,000	2022 January 20	2,696	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	22,000	2022 January 26	8,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Titanium White	2021 December 23	10,000	2022 February 15	2,730	Joint Liability Guarantee	None	None	12 months	Yes	No
	Day		Day							
Venus Titanium Dioxide	2021 December 23	22,000	February 25, 2022 February 25	1,153.77	Joint and several liability guarantee	None	None	12 months	Yes	No

Jinxiang Titanium Dioxide	2021 December 23	10,000	2022 March 09	70	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	22,000	2022 March 22	1,010	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23 December	22,000	2022 April 20	1,945.73	Joint and several liability guarantee	None	None	10 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	6,000	2022 May 12	6,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	8,500	2022 May 17	3,520	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	35,000	2022 May 27	10,000	Joint and several liability guarantee	None	None	36 months	No	No
Jinxiang Titanium Dioxide	2021 December 23	8,500	2022 May 30	4,980	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	14,000	2022 May 31 May	6,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	35,000	2022 June 22	2,900	Joint Liability Guarantee	None	None	36 months	No	No
Jinxiang Titanium Dioxide	2021 December 23	10,000	2022 July 19	956	Joint and Several Liability Guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	10,000	2022 July 22	1,138.22	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	22,000	2022 August 17	689.12	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	10,000	2022 August 17	1,030.42	Joint and several liability guarantee	None	None	12 months	is	No
Jinxiang Titanium Dioxide	2021 December 23	22,000	2022 August 18	847.78	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	22,000	2022 August 24	892.08	Joint and several guarantee	None	None	12 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	22,000	2022 August 24	640	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxiang Titanium Dioxide	2021 December 23	10,000	2022 September 15	999.13	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Titanium White	2021 December 23	35,000	2022 September 22	676.24	Joint Liability Guarantee	None	None	6 months	Yes	No
	Daily		Day							
Venus Titanium Dioxide	December 23, 2021 December 23 December	22,000	2022 September 22	770.79	Joint and several guarantee	None	None	12 months	Yes	No

Jinxing Titanium Dioxide	2021 December 23	35,000	2022 September 23	395.2	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	35,000	2022 September 26	568.57	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	10,000	2022 October 10	3,312	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	20,000	2022 October 19	1,095.33	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	35,000	2022 October 24	1,070.86	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	35,000	2022 October 25	800	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	22,000	2022 November 17	1,452.58	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	35,000	2022 November 25	5,600	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2021 December 23	22,000	2022 November 28	446.46	Joint and several liability guarantee	None	None	12 months	Yes	No
Jinxing Titanium Dioxide	2022 December 10	22,000	2022 December 20	1,968.93	Joint and several liability guarantee	None	None	12 months	is	No
Jinxing Titanium Dioxide	2022 December 10	10,000	2023 January 16	6,930	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2022 December 10	40,000	February 22, 2023 February 22	2,023.72	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2022 December 10	20,000	2023 March 13	10,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2022 December 10	20,000	2023 May 18	1,015.77	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2022 December 10	8,500	2023 June 20	1,156.94	Joint and several liability guarantee	None	None	6 months	Yes	No
Jinxing Titanium Dioxide	2022 December 10 December	8,500	2023 July 11	4,000	Joint and several liability guarantee	None	None	6 months	No	No
Jinxing Titanium Dioxide	2022 December 10	8,500	2023 July 24	1,339.91	Joint and several liability guarantee	None	None	6 months	No	No
Gold Star Titanium White	2022 December 10	10,000	2023 July 31	6,000	Joint Liability Guarantee	None	None	12 months	No	No
	Day		Day							

Venus Titanium Dioxide	2022 December 10	40,000	2023 August 24	984.42	Joint and Several Liability Guarantee	None	None	6 months	No	No
Jinxing Titanium Dioxide	2022 December 10	8,500	2023 September 7	1,060.24	Joint and several liability guarantee	None	None	12 months	No	No
Jinxing Titanium Dioxide	2022 December 10	40,000	2023 October 18 October	5,000	Joint and several liability guarantee	None	None	6 months	No	No
Jinxing Titanium Dioxide	2022 December 10	10,000	2023 October 23	2,040.67	Joint and several liability guarantee	None	None	6 months	No	No
Jinxing Titanium Dioxide	2022 December 10	8,500	2023 November 08	940	Joint and several liability guarantee	None	None	12 months	No	No
Jinxing Titanium Dioxide	2023 December 07	30,000	2023 December 27	7,250	Joint and several liability guarantee	None	None	10 months	No	No
Venus Sales	2021 December 23	20,000	2022 January 19	12,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23	16,000	February 15, 2022 February 15	3,500	Joint and several liability guarantee	None	None	12 months	is	No
Venus Sales	2021 December 23	8,000	2022 May 18	8,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23	10,000	2022 May 23	880	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23	16,000	2022 May 31	2,695	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23	10,000	2022 June 14	10,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23	40,000	2022 June 27	35,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23 December	10,000	2022 July 01	10,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2021 December 23	20,000	2022 August 5	3,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Venus Sales	2022 December 10	13,000	2023 February 6	6,400	Joint and several liability guarantee	None	None	6 months	Yes	No
Venus Sales	2022 December 10	20,000	2023 February 17	17,000	Joint and several liability guarantee	None	None	3 months	Yes	No
Venus Sales	2022 December 10	10,000	2023 February 28	1,000	Joint and several liability guarantee	None	None	12 months	No	No
Venus Sales	2022 December 10	10,000	2023 May 18	9,000	Joint and several liability	None	None	12 months	No	No

					Guarantee					
	Day		Day							
Venus Sales	2022 December 10	20,000	2023 May 19	10,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Venus Sales	2022 December 10	30,000	2023 May 31	10,000	Joint and several liability guarantee	None	None	36 months	No	No
Venus Sales	2022 December 10	30,000	2023 May 31	7,000	Joint and several liability guarantee	None	None	10 months	No	No
Venus Sales	2022 December 10	20,000	2023 June 08	7,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Venus Sales	2022 December 10	13,000	2023 June 15	10,000	Joint and several liability guarantee	None	None	12 months	No	No
Venus Sales	2022 December 10	20,000	2023 June 28	10,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Venus Sales	2022 December 10	50,000	2023 June 30	50,000	Joint and several liability guarantee	None	None	12 months	No	No
Venus Sales	2022 December 10	15,000	2023 August 18	10,000	Joint and several liability guarantee	None	None	6 months	No	No
Venus Sales	2022 December 10	20,000	2023 August 31	10,000	Joint and several liability guarantee	None	None	12 months	No	No
Venus Sales	2022 December 10	9,000	2023 October 11	9,000	Joint and several liability guarantee	None	None	6 months	No	No
Venus Sales	2022 December 10 December	15,000	2023 October 18	5,000	Joint and several liability guarantee	None	None	6 months	No	No
Venus Sales	2022 December 10	20,000	2023 October 26	10,000	Joint and several liability guarantee	None	None	12 months	No	No
Venus Sales	2022 December 10	11,500	2023 November 09	11,500	Joint and several liability guarantee	None	None	12 months	No	No
Venus Sales	2022 December 10	15,000	2023 November 23	4,000	Joint and several liability guarantee	None	None	6 months	No	No
Venus Sales	2022 December 10	20,000	2023 November 28	50	Joint and several liability guarantee	None	None	2 months	No	No
Venus Sales	2023 December 07	30,000	2023 December 13 December	3,000	Joint and several guarantee	None	None	12 months	No	No
Guangzhou Tai'ao Hua	2021 December 23	10,000	2022 January 24	2,132	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	10,000	February 16, 2022 February 16	2,120	Joint and several liability guarantee	None	None	12 months	Yes	No

Guangzhou Tai Aohua	2021 December 23	10,000	2022 March 09	800	Joint Liability Guarantee	None	None	12 months	Yes	No
	Day		Day							
Guangzhou Tai'ao Hua	2021 December 23	10,000	2022 March 16	400	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	11,000	2022 March 22	648	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	10,000	2022 April 19	944	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	11,000	2022 April 24	2,520	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	15,000	2022 May 12	1,640	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	11,000	2022 May 12	1,868	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	11,000	2022 May 19	2,896	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23 December	15,000	2022 May 23	1,624	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 June 15	1,580	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 June 22	1,863	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 July 14	1,580	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 July 20	2,200	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 August 9 August 9	700	Joint and Several Liability Guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	15,000	2022 August 10	1,440	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 August 16	1,080	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 September 5	1,470	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 September 15	1,230	Joint and several liability guarantee	None	None	12 months	Yes	No

Guangzhou Tai'ao Hua	2021 December 23	6,500	2022 September 16	1,280	Joint and several liability guarantee	None	None	12 months	is	No
Guangzhou Tai Aohua	2021 December 23	6,500	2022 September 21	2,576	Joint Liability Guarantee	None	None	12 months	Yes	No
	Day		Day							
Guangzhou Tai'ao Hua	2021 December 23	6,500	2022 September 23	1,144	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 October 19	380	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2021 December 23	20,000	2022 November 23	600	Joint and several liability guarantee	None	None	12 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 January 12	350	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	December 10, 2022 December 10 December	25,000	2023 January 16	1,920	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	15,000	February 10, 2023 February 10	2,944	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	15,000	February 17, 2023 February 17	2,260	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	25,000	February 23, 2023 February 23	1,705.28	Joint and several liability guarantee	None	None	3 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	25,000	2023 April 19	660	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	25,000	2023 April 26 April	1,379	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 April 26	150	Joint and Several Liability Guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	25,000	2023 May 25	660	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10	13,000	2023 May 31	1,474.4	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10	13,000	2023 June 14	640	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10 December	25,000	2023 June 16	2,848.31	Joint and several liability guarantee	None	None	3 months	is	No

Guangzhou Tai'ao Hua	2022 December 10 December	25,000	2023 June 21	350	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 June 27	965	Joint and Several Liability Guarantee	None	None	6 months	Yes	No
Guangzhou Tai'ao Hua	2022 December 10	13,000	2023 June 28	2,516.59	Joint and several liability guarantee	None	None	6 months	Yes	No
Guangzhou Tai Aohua	2022 December 10	10,000	2023 July 11	580	Joint Liability Guarantee	None	None	6 months	No	No
	Day		Day							
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 July 13	340	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	December 10, 2022 December 10 December	10,000	2023 July 18	330	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 July 19	1,290	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 July 26	520	Joint and Several Liability Guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 July 27	3,106	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 August 14	650	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 August 17 August 17	860	Joint and Several Liability Guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 August 23	450	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 August 25	2,209	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 August 30	1,020	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 August 30	380	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 September 13	595	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 September 14	1,000	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 September 14	1,150	Joint and several liability guarantee	None	None	6 months	No	No

Guangzhou Tai'ao Hua	2022 December 10	10,000	2023 September 20	380	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	13,000	2023 September 22	2,985.6	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 October 19	1,690	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10 December	25,000	2023 November 02	1,420.8	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai Aohua	2022 December 10	25,000	2023 November 20	445	Joint Liability Guarantee	None	None	6 months	No	No
	Day		Day							
Guangzhou Tai'ao Hua	2022 December 10	13,000	2023 November 24	2,320	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	11,000	2023 November 27	2,392	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	15,000	2023 November 29	675	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2022 December 10	25,000	2023 December 06 December 06	2,889.74	Joint and several liability guarantee	None	None	3 months	No	No
Guangzhou Tai'ao Hua	2023 December 07	25,000	2023 December 14	540	Joint and several liability guarantee	None	None	6 months	No	No
Guangzhou Tai'ao Hua	2023 December 07	15,000	2023 December 21	4,419	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium	2016 January 8	20,000	2016 September 6	1,646	Joint and several liability guarantee	None	None	78 months	Yes	No
Oriental Titanium Industry	2020 December 26	100,000	2021 July 19	933.24	Joint and several liability guarantee	None	None	84 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 July 21	500	Joint and several liability guarantee	None	None	84 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 July 22	500	Joint and several liability guarantee	None	None	84 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 August 04	1,177.78	Joint and several liability guarantee	None	None	82 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 August 16	500	Joint and several liability guarantee	None	None	82 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 August 20	500	Joint and several liability guarantee	None	None	82 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 August 24	500	Joint and several liability guarantee	None	None	82 months	No	No

Oriental Titanium Industry	2020 December 26 December	100,000	2021 August 25	500	Joint and several liability guarantee	None	None	82 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 August 27	500	Joint and several liability guarantee	None	None	82 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 August 30	500	Joint and several liability guarantee	None	None	81 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 September 06	1,800	Joint and several liability guarantee	None	None	81 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 September 26	500	Joint Liability Guarantee	None	None	81 months	No	No
	Day		Day							
Oriental Titanium Industry	2020 December 26	100,000	2021 September 28 September	563.48	Joint and several liability guarantee	None	None	81 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 September 30	800	Joint and several liability guarantee	None	None	80 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 October 14	500	Joint and several liability guarantee	None	None	80 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 October 19	1,000	Joint and several liability guarantee	None	None	80 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 October 20	500	Joint and several guarantee	None	None	80 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 October 27	1,225.46	Joint and several liability guarantee	None	None	80 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 November 04	1,000	Joint and several liability guarantee	None	None	79 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 November 12	1,170.27	Joint and several guarantee	None	None	79 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 November 12	500	Joint and several liability guarantee	None	None	79 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 November 25	500	Joint and several liability guarantee	None	None	79 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 December 08	1,000	Joint and several liability guarantee	None	None	78 months	No	No
Oriental Titanium Industry	2020 December 26 December	100,000	2021 December 10	500	Joint and several liability guarantee	None	None	78 months	No	No
Oriental Titanium Industry	2020 December 26	100,000	2021 December 13	500	Joint and several liability guarantee	None	None	78 months	No	No

Oriental Titanium Industry	2021 December 23	100,000	2022 January 12	1,884.17	Joint and several liability guarantee	None	None	77 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 January 12	77.3	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 January 19	180.95	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 January 20 January	621.99	Joint Liability Guarantee	None	None	77 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 January 20	6,300	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	January 24, 2022 January 24	199.2	Joint Liability Guarantee	None	None	12 months	Yes	No
	Day		Day							
Oriental Titanium Industry	2021 December 23	20,000	2022 January 24	2,400	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 January 25	500	Joint and several liability guarantee	None	None	77 months	No	No
Oriental Titanium Industry	2021 December 23	20,000	February 7, 2022 February 7	2,400	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	20,000	February 7, 2022 February 7	2,400	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	10,000	February 16, 2022 February 16	4,998	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	February 18, 2022 February 18	1,153.64	Joint and several liability guarantee	None	None	76 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	February 28, 2022 February 28	880.42	Joint and several liability guarantee	None	None	76 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 March 08	500	Joint and several liability guarantee	None	None	75 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 March 14	692.85	Joint and several liability guarantee	None	None	75 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 March 24	500	Joint and several liability guarantee	None	None	75 months	No	No
Oriental Titanium Industry	2021 December 23	26,000	2022 04	5,000	Joint and several liability guarantee	None	None	12 months	Yes	No

Oriental Titanium Industry	2021 December 23	10,000	2022 April 12	2,400	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	10,000	2022 April 15	7,600	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 April 20 April	167.04	Joint and Several Liability Guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 April 21	500	Joint and several liability guarantee	None	None	74 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 April 21	1,386.75	Joint and several liability guarantee	None	None	74 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 April 27	500	Joint and several liability guarantee	None	None	74 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 April 28	27	Joint and Several Liability Guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 April 29	500	Joint Liability Guarantee	None	None	73 months	No	No
	Day		Day							
Oriental Titanium Industry	2021 December 23	100,000	2022 May 09	500	Joint and several liability guarantee	None	None	73 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 May 12	500	Joint and several liability guarantee	None	None	73 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 May 19	500	Joint and several liability guarantee	None	None	73 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 May 25	500	Joint and several liability guarantee	None	None	73 months	No	No
Oriental Titanium Industry	2021 December 23	26,000	2022 May 26	5,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23 December	100,000	2022 May 27	500	Joint and several liability guarantee	None	None	73 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 May 31	1,295.66	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	5,000	2022 June 02	5,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 10	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 10	945	Joint and several liability guarantee	None	None	72 months	No	No

Oriental Titanium Industry	2021 December 23	100,000	2022 June 14 June 14	63.72	Joint and several guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 16	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 17	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 20	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 21	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 23	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 24	500	Joint and several liability guarantee	None	None	72 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 27	37.19	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 June 30	860.23	Joint Liability Guarantee	None	None	72 months	No	No
	Day		Japan							
Oriental Titanium Industry	2021 December 23	100,000	2022 July 12	500	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 12	3,600	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 13	500	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 14	500	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 14	522.51	Joint and several guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 15	500	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 15	1,925.74	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 20 July	500	Joint and Several Liability Guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 28	500	Joint and several liability guarantee	None	None	71 months	No	No

Oriental Titanium Industry	2021 December 23	100,000	2022 July 28	813.08	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 July 28	537.94	Joint and several liability guarantee	None	None	71 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 08	500	Joint and several liability guarantee	None	None	70 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 08	600.48	Joint and several liability guarantee	None	None	70 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 11	500	Joint and several liability guarantee	None	None	70 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 12	500	Joint and several liability guarantee	None	None	70 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 12	390.6	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 16	500	Joint and several liability guarantee	None	None	70 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 19	717.49	Joint and several liability guarantee	None	None	70 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 23	500	Joint Liability Guarantee	None	None	70 months	No	No
	Day		Day							
Oriental Titanium Industry	2021 December 23	100,000	2022 August 24	1,800	Joint and several liability guarantee	None	None	10 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 August 31	1,067.04	Joint and several liability guarantee	None	None	69 months	No	No
Oriental Titanium Industry	2021 December 23	4,000	2022 September 5	4,000	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 September 14	273.3	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2021 December 23	100,000	2022 September 16 September 16	500	Joint and Several Liability Guarantee	None	None	69 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 September 20	500	Joint and several liability guarantee	None	None	69 months	No	No
Oriental Titanium Industry	2021 December 23	100,000	2022 September 22	500	Joint and several liability guarantee	None	None	69 months	No	No
Oriental Titanium	2021 December 23	100,000	2022 September 28	500	Joint and several liability guarantee	None	None	69 months	No	No

Oriental Titanium Industry	2021 December 23	120,000	2022 October 13	480.25	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2021 December 23	26,000	2022 October 14	10,000	Joint and several liability guarantee	None	None	11 months	is	No
Oriental Titanium Industry	2021 December 23	120,000	2022 October 26	162.89	Joint and several liability guarantee	None	None	12 months	Yes	No
Oriental Titanium Industry	2021 December 23	120,000	2022 October 31	500	Joint and several liability guarantee	None	None	67 months	No	No
Oriental Titanium Industry	2021 December 23	120,000	2022 October 31	900	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2021 December 23	120,000	2022 November 09	500	Joint and several liability guarantee	None	None	67 months	No	No
Oriental Titanium Industry	2021 December 23	120,000	2022 November 15	500	Joint and several liability guarantee	None	None	67 months	No	No
Oriental Titanium Industry	2021 December 23 December	120,000	2022 November 16	500	Joint and several liability guarantee	None	None	67 months	No	No
Oriental Titanium Industry	2021 December 23	120,000	2022 November 17	500	Joint and several liability guarantee	None	None	67 months	No	No
Oriental Titanium Industry	2021 December 23	120,000	2022 November 17	458.57	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2021 December 23	120,000	2022 November 30	1,000	Joint Liability Guarantee	None	None	66 months	No	No
	Day		Japan							
Oriental Titanium	2021 December 23	120,000	2022 December 07	500	Joint and several liability guarantee	None	None	66 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2022 December 22 300	300	Joint and Several Liability Guarantee	None	None	66 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2022 December 23	535.78	Joint and several liability guarantee	None	None	66 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2022 December 29	500	Joint and several liability guarantee	None	None	65 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 January 13	790.36	Joint and several liability guarantee	None	None	65 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 January 17	798.18	Joint and several liability guarantee	None	None	65 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 January 17	500	Joint and several liability guarantee	None	None	65 months	No	No

Oriental Titanium Industry	2022 December 10	120,000	2023 January 18	500	Joint and several liability guarantee	None	None	65 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 January 18	169.27	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 January 19	1,000	Joint and several liability guarantee	None	None	65 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 January 19	1,500	Joint and several liability guarantee	None	None	65 months	No	No
Oriental Titanium Industry	2022 December 10	1,000	2023 January 19	1,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	December 10, 2022 December 10 December	10,000	2023 January 20	10,000	Joint and several liability guarantee	None	None	11 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	February 15, 2023 February 15	496.86	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10 December	12,000	2023 February 17	12,000	Joint and several liability guarantee	None	None	10 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 February 17	9,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 February 27	500	Joint and several liability guarantee	None	None	64 months	No	No
Oriental Titanium Industry	2022 December 10 Japan	20,000	2023 February 27	10,000	Joint and Several Liability Guarantee	None	None	12 months	No	No
Oriental Titanium Industry	2022 December 10	18,000	March 14, 2023 March 14	4,000	Joint Liability Guarantee	None	None	12 months	No	No
	Day		Day							
Oriental Titanium Industry	2022 December 10	18,000	2023 March 14	4,000	Joint and several liability guarantee	None	None	12 months	No	No
Oriental Titanium Industry	2022 December 10	18,000	2023 March 15	4,000	Joint and several liability guarantee	None	None	12 months	No	No
Oriental Titanium Industry	2022 December 10	18,000	2023 March 15	3,000	Joint and several liability guarantee	None	None	12 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 March 15	500	Joint and Several Liability Guarantee	None	None	63 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 March 29	500	Joint and several liability guarantee	None	None	62 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 April 10	500	Joint and several liability guarantee	None	None	62 months	No	No

Oriental Titanium Industry	2022 December 10	120,000	2023 April 17	500	Joint and several liability guarantee	None	None	62 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 April 25	500	Joint and several liability guarantee	None	None	62 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 April 26	272.99	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 April 27	3,600	Joint Liability Guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 May 12	2,700	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 May 15	589.88	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 May 18	1,017.53	Joint and several liability guarantee	None	None	61 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 May 18	379.82	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10 December	26,000	2023 May 23	5,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 May 24	500	Joint and several liability guarantee	None	None	61 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 May 30	558.97	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	25,500	2023 May 31	5,000	Joint and several liability guarantee	None	None	36 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 June 05	2,700	Joint Liability Guarantee	None	None	6 months	Yes	No
	Daily		Day							
Oriental Titanium Industry	2022 December 10	120,000	2023 June 7	3,150	Joint and Several Liability Guarantee	None	None	5 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 June 15	444.6	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	120,000	2023 June 16	1,208.71	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	5,000	2023 June 27	4,900	Joint and several liability guarantee	None	None	6 months	Yes	No
Oriental Titanium Industry	2022 December 10	5,000	2023 June 27	100	Joint and several liability guarantee	None	None	12 months	No	No

Oriental Titanium Industry	2022 December 10	25,500	2023 June 29	5,000	Joint and Several Liability Guarantee	None	None	35 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 July 06	2,700	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 July 14	372.47	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 July 27	2,700	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	20,000	2023 August 08	9,999.99	Joint and Several Liability Guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 August 15	598.51	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 August 18	777.36	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	25,500	2023 August 30	5,000	Joint and several liability guarantee	None	None	33 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 September 04	3,600	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 September 15	334.41	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 September 20	429.44	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 October 10	3,600	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 October 16	280.78	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 October 17	4,500	Joint Liability Guarantee	None	None	6 months	No	No
	Day		Day							
Oriental Titanium Industry	2022 December 10	120,000	2023 October 23	3,600	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	26,000	2023 October 24	10,000	Joint and several liability guarantee	None	None	11 months	No	No
Oriental Titanium Industry	2022 December 10	20,000	October 25, 2023 October 25	8,000	Joint and Several Liability Guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 November 02	4,500	Joint and several liability guarantee	None	None	6 months	No	No

Oriental Titanium Industry	2022 December 10	120,000	2023 November 13	4,500	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	26,000	2023 November 21	5,000	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 November 24	1,391.94	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2022 December 10	25,500	2023 November 28	5,000	Joint and Several Liability Guarantee	None	None	30 months	No	No
Oriental Titanium Industry	2022 December 10	120,000	2023 November 28	3,600	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2023 December 07	120,000	2023 December 14	375.87	Joint and several liability guarantee	None	None	6 months	No	No
Oriental Titanium Industry	2023 December 07	26,000	2023 December 19	5,000	Joint and several liability guarantee	None	None	9 months	No	No
Oriental Titanium Industry	2023 December 07	120,000	2023 December 20	439.43	Joint and several liability guarantee	None	None	6 months	No	No
Hecheng Titanium Industry	2022 December 10	10,000	2023 March 6	7,000	Joint and several liability guarantee	None	None	6 months	Yes	No
Hecheng Titanium Industry	2022 December 10	10,000	2023 March 24	10,000	Joint and several liability guarantee	None	None	12 months	No	No
Hecheng Titanium Industry	2022 December 10	5,000	2023 June 29	4,900	Joint and several liability guarantee	None	None	6 months	Yes	No
Hecheng Titanium Industry	2022 December 10	5,000	2023 June 29	100	Joint and Several Liability Guarantee	None	None	12 months	No	No
Total Guarantee Amounts Approved for Subsidiaries During the Reporting Period (B1)		2,400,000		Total actual guarantees extended to subsidiaries during the reporting period (B2)		516,328.76				
Total approved guarantee limits for subsidiaries at the end of the reporting period (B3)		2,400,000		Total actual guarantee balance for subsidiaries at the end of the reporting period (B4)		422,197.14				
Guarantees provided by subsidiaries to other subsidiaries										
Name of Guarantee Recipient	Guarantee Amount Date of Relevant Announcement Disclosure	Guarantee Amount	Actual Occurrence Date	Actual Guarantee Amount	Guarantee Type	Collateral (if applicable)	Counter-Guarantee Status (if Applicable)	Guarantee Period	Fully Performed	Related-party guarantee
Total Company Guarantees (i.e., sum of the top three items)										
Total Guarantee Amounts Approved During the Reporting Period (A1 + B1 + C1)		2,400,000		Total Actual Guarantee Amounts Incurred During the Reporting Period (A2 + B2 + C2)		516,328.76				
Total approved guarantee amount at the end of the reporting period (A3+B3+C3)		2,400,000		Total Actual Guarantee Balance at the End of the Reporting Period (A4 + B4 + C4)		422,197.14				

Actual guarantee amount (i.e., A4+B4+C4) as a percentage of the company's net assets	35.52%
Of which:	
Outstanding guarantees provided to shareholders, actual controllers, and their affiliates (D)	0
Outstanding debt guarantees provided directly or indirectly to guaranteed parties with a debt-to-asset ratio exceeding 70% (E)	335,944.76
Amount of guarantees exceeding 50% of net assets (F)	0
Total of the above three guarantee amounts (D+E+F)	335,944.76
For outstanding guarantee contracts, description of any guarantee liabilities incurred during the reporting period or evidence indicating potential joint and several liability (if any)	None
Explanation of guarantees provided externally in violation of prescribed procedures (if any)	None

### 3. Cash Asset Management Entrusted to Third Parties

#### (1) Entrustment of asset management

Applicable  Not Applicable

Overview of Entrusted Asset Management During the Reporting Period

Unit: RMB 10,000

Specific Type	Funds for Entrusted Investment Source	Total Amount of Entrusted Investments	Outstanding Balance	Overdue Uncollected Funds Amount	Overdue Unrecovered Wealth Management Impairment Provision
Bank wealth management products	Proprietary funds	150,000	0	0	0
Total		150,000	0	0	0

Specific circumstances of high-risk entrusted asset management with significant individual amounts or lower security and liquidity

Applicable  Not Applicable

Entrusted investments where principal is expected to be unrecoverable or other circumstances exist that may lead to impairment

Applicable  Not Applicable

#### (2) Commissioned loan situations

Applicable  Not Applicable

The Company had no entrusted loans during the reporting period.

#### 4. Other Significant Contracts

Applicable  Not Applicable

The Company had no other significant contracts during the reporting period.

#### XVI. Explanation of Other Significant Matters

Applicable  Not Applicable

##### 1. Completion of 2022 Profit Distribution

Disclosure Date	Announcement Title	Announcement Number	Description
April 28, 2023	Resolution Announcement of the Eleventh Meeting of the Seventh Board of Directors	2023-035	Based on the Company's existing total share capital of 3,806,672,183 shares (after deducting shares held in the Company's share repurchase account), the parent company will distribute a cash dividend of RMB 0.50 per 10 shares (tax inclusive), totaling RMB 190,333,609.15 in cash dividends representing 100% of the total profit distribution for this period.
April 28, 2023	Announcement of the Resolution of the Eighth Meeting of the Seventh Supervisory Board	2023-036	
April 28, 2023	Announcement on the 2022 Annual Profit Distribution Proposal	2023-039	
May 19, 2023	Announcement on Resolutions of the 2022 Annual General Meeting of Shareholders	2023-047	
June 14, 2023	Announcement on Implementation of 2022 Annual Equity Distribution	2023-053	

##### 2. Matters Related to the Non-Public Offering of A-Shares

Disclosure Date	Announcement Title	Announcement Number	Description
February 24, 2023	Report on the Issuance of Non-Publicly Offered A-Shares		On August 12, 2022, the Company received the "Approval for the Non-Public Offering of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit [2022] No. 1734) issued by the China Securities Regulatory Commission, approving the Company to issue no more than 893,200,000 new shares through a non-public offering. This private placement involves the issuance of 893,200,000 new shares at an offering price of RMB 5.92 per share. The newly issued shares were registered and deposited with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on February 27, 2023, and listed on the Shenzhen Stock Exchange on March 9, 2023.
February 24, 2023	Reminder Announcement on the Issuance of Non-Publicly Offered A-Shares	2023-008	
March 3, 2023	Report on the Issuance of Non-Publicly Offered A-Shares and Listing Announcement		
March 3, 2023	Summary of the Report on the Issuance of Non-Publicly Offered A-Shares and Listing Announcement	2023-011	registered and deposited with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on February 27, 2023, and listed on the Shenzhen Stock Exchange on March 9, 2023. The subscribers for this private placement include Central Enterprise Rural Industry Investment Fund Co., Ltd., Shanghai Youyou Wealth Investment Management Co., Ltd., Youcai Xinxing No. 2 Private Securities Investment Fund, Gansu Great Wall Xinglong Silk Road Fund (Limited Partnership), Golden Eagle Fund Management Co., Ltd., UBS AG, Guo Weisong, Huatai Securities Co., Ltd., Everbright Securities Co., Ltd., Haitong Securities Co., Ltd., Guotai Junan Securities Co., Ltd., Caitong Fund Management Co., Ltd., Nord Fund Management Co., Ltd., China International Capital Corporation Limited, Wei Wei Fuguo Fund Management Co., Ltd., and Underdeveloped Region Industrial Development Fund Co., Ltd., totaling 16 entities.

September 16, 2023	Notice Regarding the Release of Restrictions on Non-Publicly Issued Shares and Their Listing for Trading	2023-068	The shares subject to this lifting of restrictions and admission to trading are A-shares issued by the Company through a private placement in 2021. The number of shares released from restrictions is 893,200,000 shares, representing 23.0740% of the Company's total share capital. The date of admission to trading for these shares is Wednesday, September 20, 2023. (Wednesday).
October 14, 2023	Notice Regarding the Release of Restrictions and Listing for Trading of Non-Publicly Issued Shares	2023-078	The shares subject to this lifting of restrictions and listing for trading are A-shares issued through the Company's 2020 private placement. The number of shares subject to lifting of restrictions is 670,520,230 shares, representing 17.3215% of the Company's total share capital. The listing date for these shares is October 17, 2023 (Tuesday).

## 3. External Investment

Disclosure Date	Announcement Title	Announcement Number	Description
June 6, 2023	Announcement on Overseas Investment to Establish a Company and Completion of Business Registration	2023-052	To optimize resource allocation, enhance strategic positioning, and promote healthy industrial development, the Company has invested in establishing Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd. with a registered capital of RMB 20 million. The Company holds 100% equity in the subsidiary.
March 18, 2023	Announcement on Overseas Investment to Establish a Company	2023-027	To optimize resource allocation, enhance strategic positioning, and promote healthy industrial development, the Company has invested in establishing Hami Zhonghe Vanadium Titanium Co., Ltd. with a registered capital of RMB 500 million. The Company holds 100% equity in this subsidiary.
September 7, 2023	Announcement on Overseas Investment to Establish a Company and Project Progress	2023-066	To optimize resource allocation, enhance strategic positioning, and promote healthy industrial development, Baiyin Zhonghe Times New Energy Co., Ltd. was established by Baiyin Zhonghe Times New Energy Co., Ltd., a subsidiary of China Nuclear Huayuan Titanium Dioxide Co., Ltd., with a registered capital of RMB 50 million. Baiyin Zhonghe Times New Energy Co., Ltd. holds 100% equity in the new company.

## 4. Purchase and Sale of Assets

Disclosure Date	Announcement Title	Announcement Number	Description
June 6, 2023	Announcement on the Acquisition of Equity in a Controlling Company	2023-051	The Company and Sichuan Weili Energy Co., Ltd. (hereinafter referred to as "Sichuan WeiliDe") "Share Transfer Agreement for Gansu Zetong Weili Energy Vanadium Materials Co., Ltd." to acquire 44% of the equity in Gansu Zetong Weili Energy Vanadium Materials Co., Ltd. held by Sichuan Weili at a consideration of RMB 0. The Company shall fulfill the corresponding capital contribution obligations for the registered capital. Upon completion of this transaction, the Company will hold 95% of the equity in Zetong Weili.
June 6, 2023	Announcement on the Acquisition of 75.385% Equity Interest in Zhaoqing Helin Liyue Technology Co., Ltd. through Capital Increase	2023-049	The Company entered into a Capital Increase Agreement with Zhaoqing Helinliye Technology Co., Ltd. (hereinafter referred to as "Helinliye") and all its shareholders committing to a phased capital increase of RMB 450 million in Helinliye. Upon completion of this transaction, the Company will hold a 75.385% equity interest in Helinliye which will become a wholly-owned subsidiary of the Company and be consolidated into the Company's consolidated financial statements. During the reporting period, Helinliye
			was renamed Zhonghe Junneng.

June 6, 2023	Announcement on the Sale of Controlling Equity in a Subsidiary	2023-050	The Company will transfer its 51% equity interest in Gansu Zetong Weili De Green Energy Co., Ltd. (corresponding to a subscribed registered capital of RMB 52,040,816 and a paid-in capital of RMB 3,000,000 ) to Sichuan Weili De for RMB 3 million.
August 15, 2023	Announcement on the Acquisition of 100% Equity Interests in Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. and Guizhou Xintianxin Chemical Co., Ltd.	2023-059	The Company entered into the "Share Transfer Agreement for Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd." and the "Share Transfer Agreement for Guizhou Xintianxin Chemical Co., Ltd." with Shuangyang Phosphate Mine Xintianxin Chemical, and all their shareholders respectively. The Company acquired 100% equity interests in Shuangyang Phosphate Mine and Xintianxin Chemical for RMB 478,116,572.79 and RMB 441,297,700 respectively to acquire 100% equity interests in Shuangyang Phosphate Mine and Xintianxin Chemical (the final equity transfer price is subject to adjustments based on matters stipulated in the equity transfer agreements and supplementary audit results) (hereinafter collectively referred to as "the Transactions"). Upon completion of the Transaction, the Company holds 100% equity interest in Shuangyang Phosphate Mine and Xintianxin Chemical, which become wholly-owned subsidiaries of the Company and are included in the Company's consolidated financial statements.

## 5. Derecognition of Subsidiary

Disclosure Date	Announcement Title	Announcement Number	Description
April 28, 2023	Announcement on the Deregistration of a Wholly-Owned Subsidiary	2023-042	To optimize the allocation of corporate resources and safeguard investor interests, the Company has prudently decided to dissolve Guangzhou Guanghe Titanium Dioxide Chemical Co., Ltd., a wholly-owned subsidiary of its wholly-owned subsidiary Tai'ao Hua. The Company's management is hereby authorized to handle all relevant dissolution procedures in accordance with applicable laws and regulations.

## 6. Adjustment of Equity Structure in Wholly-Owned Subsidiary

Disclosure Date	Announcement Title	Announcement Number	Description
April 15, 2023	Announcement on Adjusting the Equity Structure of a Wholly-Owned Subsidiary	2023-033	Due to business development needs, the Company has transferred its 100% equity interest in Gansu Ruiskuo to its wholly-owned subsidiary, Tai'ao Hua. The equity transfer reference date is March 31, 2023. March 31, 2023, at net book value. Upon completion of this transfer, Tai'ao Hua will directly hold 100% equity in Gansu Ruiskuo. Gansu Ruiskuo will transition from a wholly-owned subsidiary of the Company to a wholly-owned grand subsidiary.
November 25, 2023	Announcement on Adjusting the Equity Structure of a Wholly-Owned Subsidiary	2023-096	Due to business development needs, the Company has transferred its 100% equity interest in Hecheng Titanium Industry to Jinxing Titanium Dioxide (hereinafter referred to as "the Transfer"). The transfer base date is September 30, 2023. Upon completion of the Transfer, Jinxing Titanium Dioxide will directly hold 100% equity interest in Hecheng Titanium Industry. Hecheng Titanium Industry will transition from a wholly-owned subsidiary of the Company to a wholly-owned grand subsidiary. Jinxing Titanium Dioxide will directly hold 100% equity interest in Hecheng Titanium Industry. Consequently, Hecheng Titanium Industry will transition from a wholly-owned subsidiary of the Company to a wholly-owned sub-subsidiary of the Company.

## 7. Share Repurchase

Disclosure Date	Announcement Title	Announcement Number	Description
September 28, 2023	Announcement on the Share Repurchase Plan	2023-073	The Company repurchased shares through centralized competitive bidding using its own funds. The Company repurchased its issued RMB ordinary shares (A-shares) through centralized competitive bidding transactions using its own funds. The total repurchase amount shall not exceed RMB 1 billion, not less than RMB 500 million, with a repurchase price not exceeding RMB 7.8 per share. The repurchase period shall commence on the date the Company's Board of Directors reviews the relevant repurchase plan, i.e., from September 26, 2023, to December 26, 2023. (i.e., from September 26, 2023, to December 25, 2023). ).
December 26, 2023	Announcement on Progress of Share Repurchase and Extension of Implementation Period for Share Repurchase Plan	2023-104	The total transaction amount of the Company's share repurchase has reached the lower limit of the repurchase amount. Based on confidence in the Company's future development prospects and taking into account the Company's financial condition and the purpose of the repurchase, the Board of Directors has agreed to extend the implementation period of the share repurchase plan. purpose of the repurchase, the Board of Directors has agreed to extend the implementation period of this repurchase by six months, until June 25, 2024. . No other adjustments will be made to the terms of this repurchase plan. .

## 8. Resignation of Non-Independent Director and Election of Replacement Director

Disclosure Date	Announcement Title	Announcement Number	Description
November 21, 2023	Announcement on Resignation of Company Director and Election of Replacement Director	2023-094	Mr. Chen Haiping has resigned from his position as a director of the Company's Seventh Board of Directors due to work-related changes. Following nomination by the Seventh Board of Directors and qualification review by the Nomination Committee of the Seventh Board of Directors, the Company convened the Eighteenth Meeting of the Seventh Board of Directors on November 20, 2023, and the Nineteenth Meeting of the Seventh Board of Directors on November 21, 2023, respectively.
December 7, 2023	Announcement on Resolutions of the Second Extraordinary General Meeting of Shareholders in 2023	2023-098	2023. (Extraordinary) Meeting of the Seventh Board of Directors on November 20, 2023, and convened the The Second Extraordinary General Meeting of Shareholders in 2023 was convened, during which the "Proposal on the By-election of Non-Independent Directors for the Seventh Board of Directors" was deliberated and approved. Mr. Shen Xin was elected as a non-independent director of the Seventh Board of Directors, with his term commencing from the date of approval at the Second Extraordinary General Meeting of Shareholders in 2023 and ending upon the expiration of the Seventh Board of Directors' term.

## 9. Appointment of Senior Management Personnel

Disclosure Date	Announcement Title	Announcement Number	Description
December 7, 2023	Announcement on the Appointment of Senior Management Personnel	2023-102	At the 19th (Extraordinary) Meeting of the 7th Board of Directors held on December 6, 2023, the Company reviewed and approved the "Proposal on Appointing Vice Presidents of the Company." Upon nomination by Ms. Yuan Qiuli, President of the Company, and review and approval by the Nomination Committee of the Board of Directors, it is agreed to appoint Ms. Guo Linxia and Ms. Xie Xinyu as Vice Presidents of the Company. Their term of office shall commence from the date of approval by this Board meeting and continue until the expiration of the term of the Seventh Board of Directors.

## 10. Reappointment of Accounting Firm

Disclosure Date	Announcement Title	Announcement Number	Description
November 21, 2023	Announcement on the Proposed Reappointment of the Accounting Firm	2023-093	Following approval at the Company's Second Extraordinary General Meeting of Shareholders in 2023 to reappoint Lixin as the Company's audit institution for the 2023 fiscal year.

## XVII. Significant Matters Concerning Subsidiary Companies

Applicable  Not Applicable

Disclosure Date	Announcement Title	Announcement Number	Description
March 12, 2023	Announcement Regarding an Accidental Incident During Confined Space Maintenance Operations at a Subsidiary	2023-016	<p>During the reporting period, the Company's wholly-owned subsidiary, Jinxing Titanium Dioxide Co., Ltd.,</p> <p>An accident occurred during confined space maintenance operations at a subsidiary.</p> <p>Following the incident, Jinxing Titanium Dioxide initiated emergency response procedures and implemented all necessary emergency response measures, organizing rescue and promptly reported the incident to relevant local government departments in accordance with procedures and actively cooperated in completing all necessary tasks.</p>
May 11, 2023	Progress Announcement on Full Resumption of Operations at Subsidiary	2023-046	<p>Following the incident, the company established a dedicated task force to fully cooperate with the investigation into the cause of the incident, arrange for follow-up work, and urged Jinxing Titanium Dioxide to complete corrective actions as required.</p> <p>. During the reporting period, Jinxing Titanium Dioxide received the Emergency Management Bureau of Ma'anshan Cihu High-Tech Zone issued</p> <p>Notice on Approval for Resumption of Production at the Titanium Dioxide Crude Product Segment of Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.</p> <p>Resuming Production of Crude Titanium Dioxide Segment" (Maci Emergency [2023] No. 44), approving Jinxing resume production at the crude titanium dioxide segment. This incident</p> <p>This incident has not significantly impacted the company's overall operations.</p> <p>impact on the company's overall business operations.</p>

## Section VII: Share Changes and Shareholder Information

## I. Shareholding Changes

## 1. Shareholding Changes

Unit: Shares

	Before this change		Increase/decrease in this change (+, -)					After this change	
	Quantity	Percentage	New share issuance	Stock Dividends	Capital reserve conversion	Other	Subtotal	Quantity	Ratio
I. Restricted Shares	670,539, 478	22.52%				- 670,191, 838	- 670,191, 838	347,640	0.01%
1. State-owned shares									
2. State-owned legal entity holdings									
3. Other Domestic Shareholders	670,539, 478	22.52%				- 670,191, 838	- 670,191, 838	347,640	0.01%
Of which: Domestic Legal Entity Holdings									
Domestic natural person holdings	670,539, 478	22.52%				- 670,191, 838	- 670,191, 838	347,640	0.01%
4. Foreign Shareholding									
Of which: Foreign Legal Entities									
Foreign natural person holdings									
II. Shares with No Restrictions on Transfer	2,307,28 6,837	77.48%	893,200, 000			670,191, 838	1,563,39 1,838	3,870,67 8,675	99.99%
1. Class A ordinary shares	2,307,28 6,837	77.48%	893,200, 000			670,191, 838	1,563,39 1,838	3,870,67 8,675	99.99%
2. Foreign shares listed domestically									
3. Foreign shares listed overseas									
4. Other									
III. Total Number of Shares	2,977,82 6,315	100.00%	893,200, 000			0	893,200, 000	3,871,02 6,315	100.00%

## Reason for Share Change

Applicable  Not Applicable

1. During the reporting period, the Company completed its 2021 private placement of shares. The 893,200,000 shares issued were released from lock-up restrictions and became tradable on September 20, 2023.
2. During the reporting period, 670,520,230 shares from the Company's 2020 private placement of A-shares were released from lock-up and listed for trading on October 17, 2023;
3. During the reporting period, certain directors and senior executives collectively increased their holdings of the Company's shares by 429,300 shares. In accordance with the lock-up requirements for directors, supervisors, and senior management, an additional 321,975 shares were subject to lock-up for directors, supervisors, and senior management during the reporting period.  
shares.
4. During the reporting period, Mr. Chen Haiping resigned from his position as a director. All shares held by him were locked up, resulting in an increase of 6,417 shares in the lock-up shares held by directors, supervisors, and senior management during the reporting period.

## Approval Status of Share Changes

Applicable  Not Applicable

During the reporting period, the Company privately placed 893,200,000 A-shares. This was approved by resolutions of the Company's 2021 Third Extraordinary General Meeting and 2022 Second Extraordinary General Meeting, and authorized by the China Securities Regulatory Commission's "Approval on the Private Placement of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit

[2022] No. 1734).

## Transfer Status of Share Changes

Applicable  Not Applicable

During the reporting period, the Company privately placed 893,200,000 shares. The newly issued shares were registered and deposited with China Securities Depository and Clearing Corporation Limited, Shenzhen Branch on February 27, 2023,

and were listed on the Shenzhen Stock Exchange on March 9, 2023. The private placement involved 16 subscribers,

The lock-up period for the shares subscribed by the 16 underwriters commenced on the date of listing and lasted for 6 months, ending on September 20, 2023, when the shares became tradable.

## Impact of Share Changes on Financial Indicators Including Basic and Diluted Earnings Per Share, and Net Assets Per Share Attributable to Common Shareholders for the Most Recent Fiscal Year and Period

Applicable  Not applicable

During the reporting period, the Company issued 893,200,000 shares through a private placement, resulting in a decrease in basic earnings per share, diluted earnings per share, and net assets per share attributable to ordinary shareholders of the Company.

## Other information deemed necessary by the Company or required for disclosure by securities regulatory authorities

Applicable  Not applicable

**2. Changes in Restricted Shares**

Applicable  Not Applicable

Unit: Shares

Shareholder Name	Number of Restricted Shares at Beginning of Period	Increase in Restricted Shares During Current Period Shares	Number of shares released from restrictions during the period Shares	Number of restricted shares at end of period	Reason for Restriction	Date of Restriction Release
Wang Zelong	670,520,230	0	670,520,230	0	Private Placement Lock-Up Fixed	October 2023 17
Chen Haiping	19,248	6,417	0	25,665	Lock-up Period for Directors, Supervisors, and Senior Management	In accordance with relevant regulations governing share lock-up for directors, supervisors, and senior management, and subject to confirmation of their departure status
Yuan Qiuli	0	160,425	0	160,425	Lock-up Period for Directors, Supervisors, and Senior Management	In accordance with relevant regulations governing the lock-up of shares held by directors, supervisors, and senior management, and subject to the circumstances of their departure

Han Yuchen	0	161,550	0	161,550	Lock-up period for directors, supervisors, and senior management	In accordance with relevant regulations on executive share lock-up and the circumstances of their departure
Central Enterprise Rural Industry Investment Fund Co., Ltd.	0	118,243,243	118,243,243	0	Lock-up period for non-public offering	September 20, 2023
Shanghai Youyou Wealth Investment Management Co., Ltd. - Youcai Xinxinyi No. 2 Private Securities Investment Fund	0	33,783,783	33,783,783	0	Lock-up period for private placement	September 20, 2023
Gansu Great Wall Xinglong Silk Road Fund (Limited Partnership) (Limited Partnership)	0	35,472,972	35,472,972	0	Lock-up for Private Placement	September 20, 2023
Golden Eagle Fund Management Co., Ltd.	0	48,310,810	48,310,810	0	Lock-up period for non-public offering Determined	September 20, 2023 UBSAG
UBS AG	0	77,871,621	77,871,621	0	Private Placement Lock-Up Determined	September 20, 2023
Guo Weisong	0	50,675,675	50,675,675	0	Private Placement Lock-Up Determined	September 20, 2023
Huatai Securities Co., Ltd. Co., Ltd.	0	56,756,756	56,756,756	0	Lock-up period for non-public offering Determined	September 20, 2023
Everbright Securities Co., Ltd. Co., Ltd.	0	57,770,270	57,770,270	0	Lock-up period for non-public offering Determined	September 20, 2023
Haitong Securities Co., Ltd. Co., Ltd.	0	92,398,648	92,398,648	0	Lock-up period for non-public offering Determined	September 20, 2023 Date
Guotai Junan Securities Co., Ltd. Co., Ltd.	0	61,317,567	61,317,567	0	Lock-up period for non-public offering Determined	September 20, 2023 Date
Caitong Fund Management Co., Ltd. Co., Ltd.	0	49,113,175	49,113,175	0	Lock-up period for non-public offering Determined	September 20, 2023 Date
Nord Fund Management Co., Ltd. Co., Ltd.	0	55,743,243	55,743,243	0	Lock-up period for non-public offering Determined	September 20, 2023 Date
CICC Co., Ltd. Co., Ltd.	0	93,327,702	93,327,702	0	Lock-up period for non-public offering Determined	September 20, 2023
Wei Wei	0	34,290,540	34,290,540	0	Private Placement Lock-Up Determined	September 20, 2023 Date
Fullgoal Fund Management Co., Ltd. Co., Ltd.	0	15,202,702	15,202,702	0	Lock-up period for non-public offering Determined	September 20, 2023 Date
Industrial Development Fund for Underdeveloped Regions Co., Ltd. Co., Ltd.	0	12,921,293	12,921,293	0	Lock-up period for non-public offering	September 20, 2023
<b>Total</b>	<b>670,539,478</b>	<b>893,528,392</b>	<b>1,563,720,230</b>	<b>347,640</b>	<b>—</b>	<b>—</b>

## II. Securities Issuance and Listing

### 1. Securities Issuance (Excluding Preferred Shares) During the Reporting Period

Applicable  Not Applicable

Name of Stock and Related Derivative Securities	Issue Date	Issue Price (or Interest Rate)	Number Issued	Listing Date	Approved Trading Quantity	Trading Termination Date	Disclosure Index	Disclosure Date
Equity Category								
China Nuclear Titanium Dioxide 2021 Non-public Offering of Shares	2023 Year 02 16	5.92  RMB per share	893,200,000	2023 Year 03 09	893,200,000		For detailed information, please refer to the announcement published on March 3, 2023 in China Securities Journal, Securities Times, and the China Securities Information Network ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on March 3, 2023.	2023 March 03 March 3

## Explanation of Securities Issuance (Excluding Preferred Shares) During the Reporting Period

Pursuant to the "Approval for the Non-public Offering of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit No. [2022] No. 1734), the Company privately placed 893,200,000 shares of Class A ordinary shares to 16 investors at an offering price of RMB

5.92. The newly issued shares completed registration and custody procedures with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on February 27, 2023 and were listed on the Shenzhen Stock Exchange on March 9, 2023. The lock-up period for these newly issued shares is six months from the date of their listing.

## 2. Changes in the Company's Total Number of Shares and Shareholder Structure, and Changes in the Company's Asset and Liability Structure

Applicable  Not Applicable

During the reporting period, pursuant to the approval granted by the China Securities Regulatory Commission in its "Approval for the Non-public Offering of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit [2022] No. 1734), the newly issued shares were registered and deposited with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on February 27, 2023.

Complete registration and custody procedures. Listed on the Shenzhen Stock Exchange on March 9, 2023, with an issuance price of RMB 5.92 per share. Following this capital increase, the company's registered capital (shares) increased from 2,977,826,315 shares to 3,871,026,315 shares.

) increased from 2,977,826,315 shares to 3,871,026,315 shares.

Prior to this issuance, Wang Zelong, the Company's controlling shareholder and actual controller, held 43.48% of the Company's equity. Following this issuance, Wang Zelong holds 33.45% of the Company's equity and remains the controlling shareholder and actual controller. There will be no change in the controlling shareholder and actual controller. Upon receipt of the raised funds, the Company's total assets and net assets will increase simultaneously, while the debt-to-equity ratio will decrease. This will enhance the Company's ability to withstand financial risks, further optimize its asset structure, reduce financial costs and risks, and strengthen its future sustainable operating capacity.

## 3. Current Status of Existing Employee Shares

Applicable  Not Applicable

## III. Shareholders and Controlling Shareholders

### 1. Number of Shareholders and Shareholding Situation

Unit: Shares

Shareholder Name	Shareholder Type	Shareholding Ratio	Number of Shares Held at End of Reporting Period	Changes During the Reporting Period	Number of Shares Subject to Restrictions on Transfer	Number of shares held without restrictions on transfer	Pledged, marked, or frozen status	
							Share status	Quantity
Total Number of Common Shareholders at the End of the Reporting Period	131,198	Total Number of Common Shareholders at the End of the Month Prior to the Annual Report Disclosure Date	128,491	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any) (See Note 8)	0	Total number of preferred shareholders with restored voting rights as of the end of the month preceding the disclosure date of the annual report (if any) (See Note 8)	0	0
Shareholding status of shareholders holding 5% or more of the shares or the top 10 shareholders (excluding shares lent through securities lending)								
Wang Zelong	Domestic natural person	33.45%	1,294,745,230.00	0	0	1,294,745,230.00	Not applicable	0
Central Enterprise Rural Industry Investment Fund Co., Ltd. Company	State-owned Legal Entity	3.05%	118,243.243.00	118,243.243.00	0	118,243.243.00	Not applicable	0
China Nuclear Huayuan Titanium Dioxide Co., Ltd. -Phase IV Employee Stock Ownership	Other	1.91%	73,799.563.00	9,950,000.00	0	73,799.563.00	N/A	0
Planned								
Huatai Securities Co., Ltd. Company	State-owned Legal Entity	1.28%	49,604.865.00	49,604.865.00	0	49,604.865.00	Not applicable	0

Everbright Securities Co., Ltd. Co., Ltd.	State-owned Legal Entity	1.19%	46,090.08 9.00	46,090.08 9.00	0	46,090.08 9.00	Not applicable	0
Golden Eagle Fund - GF Securities Co., Ltd. - Golden Eagle Preferred No. 83 Single Asset Management Plan	Other	1.19%	45,945.94 5.00	45,945.94 5.00	0	45,945.94 5.00	Not applicable	0
Hong Kong Central Clearing Limited Company	Overseas Legal Entities	1.09%	42,264.82 3.00	7,320,117 .00	0	42,264.82 3.00	Not applicable	0
China Nuclear Huayuan Titanium Dioxide Co., Ltd. - Fifth Employee Stock Ownership Plan	Other	0.97%	37,416.15 9.00	5,050,000 .00	0	37,416.15 9.00	Not applicable	0
Gansu Great Wall Xinglong Silk Road Fund Management Co., Ltd. - Gansu Great Wall Xinglong Silk Road Fund (Limited Partnership)	Other	0.92%	35,472.97 2.00	35,472.97 2.00	0	35,472.97 2.00	Not applicable	0
Galaxy Derui Capital Management Ltd.	Domestic Non-State-Owned Legal Entity	0.78%	30,199.86 2.00	30,199.86 2.00	0	30,199.86 2.00	Not applicable	0
Strategic investors or general legal entities becoming top 10 shareholders due to new share allotment (if any) (see Note 3)	None							
Explanation of Related Party Relationships or Concerted Actions Among the Above Shareholders	It is unknown whether there are any related party relationships or concerted actions among the aforementioned shareholders.							
Explanation of proxy voting rights or waiver of voting rights by the above shareholders	None							
Special Note Regarding Repurchase Accounts Among Top 10 Shareholders (if applicable) (See Note 10)	As of the reporting period, the Company's repurchase special securities account held 168,611,752 shares of the Company (including shares repurchased in 2022 and 2023 repurchases), representing 4.36% of the Company's total issued share capital at the end of the reporting period.							
Shareholding Details of the Top 10 Shareholders with Unrestricted Sale Conditions								
Shareholder Name	Number of Unrestricted Shares Held at the End of the Reporting Period	Share Type						
		Type of Shares	Quantity					
Wang Zelong	1,294,745,230.00	RMB Ordinary Shares Common Shares	1,294,745,230.00					
Central Enterprise Rural Industry Investment Fund Co., Ltd.	118,243,243.00	RMB Common Common Shares	118,243.243.00					

China Nuclear Huayuan Titanium Dioxide Co., Ltd. - Fourth Employee Stock Ownership Plan	73,799,563.00	RMB Ordinary Shares	73,799,56 3.00
Huatai Securities Co., Ltd.	49,604,865.00	RMB Ordinary Shares Common Shares	49,604,86 5.00
Everbright Securities Co., Ltd.	46,090,089.00	RMB Ordinary Shares Common Shares	46,090,08 9.00
Golden Eagle Fund - GF Securities Co., Ltd. - Golden Eagle Preferred No. 83 Single Asset Management Plan	45,945,945.00	Class A Shares	45,945,94 5.00
Hong Kong Securities Clearing Company Limited	42,264,823.00	RMB Ordinary Shares Shares	42,264,82 3.00
China Nuclear Huayuan Titanium Dioxide Co., Ltd. - Fifth Employee Stock Ownership Plan	37,416,159.00	RMB Ordinary Shares	37,416,15 9.00
Gansu Great Wall Xinglong Silk Road Fund Management Co., Ltd. - Gansu Great Wall Xinglong Silk Road Fund (Limited Partnership Partnership)	35,472,972.00	Class A Common Shares	35,472,97 2.00
Galaxy Derui Capital Management Co., Ltd. Company	30,199,862.00	RMB Common Common Shares	30,199,86 2.00
Top 10 unrestricted circulating shares , as well as the top 10 shareholders of unrestricted shares Explanation of Affiliated Relationships or Concerted Actions between the Top 10 Unrestricted Circulating Shareholders and the Top 10 Shareholders	It is unknown whether there are any related party relationships or concerted actions among the aforementioned shareholders.		
Statement on the participation of the top 10 common shareholders in margin trading and short selling (if any) (see Note 4)	Galaxy Derui Capital Management Co., Ltd. holds 100,000 shares through its client credit trading collateral securities account.		

## Top Ten Shareholders' Participation in Securities Lending Business

 Applicable  Not Applicable

Unit: Shares

Top Ten Shareholders' Participation in Securities Lending								
Shareholder Name (Full Name)	Opening Balance of Common Account and Margin Account Holdings		Initial Securities Lending Shares Outstanding		Ending Balance of Shares Held in Ordinary Accounts and Margin Accounts		Ending Securities Lending Shares Pledged Through Securities Lending and Borrowing and Not Yet Returned	
	Total Quantity	Percentage of Total Shares Outstanding	Total quantity	Percentage of Total Shares Outstanding	Total quantity	Percentage of Total Shares	Total quantity	Percentage of Total Shares
China Nuclear Huayuan Titanium Dioxide Co., Ltd. - Fourth Employee Stock Ownership Plan	63,849,563	2.14%	9,950,000	0.33%	73,799,563.00	1.91%	0	0.00%
China Nuclear Huayuan Titanium Dioxide Co., Ltd. - Fifth Employee Stock Ownership Plan	32,366,159	1.09%	5,050,000	0.17%	37,416,159.00	0.97%	0	0.00%

## Changes in Top Ten Shareholders Compared to Previous Period

 Applicable  Not Applicable

Unit: Shares

Changes in the Top Ten Shareholders Compared to the End of the Previous Period					
Shareholder Name (Full Name)	New additions/exits during the reporting period	Number of Shares Lending Out via Securities Lending at Period-End That Have Not Yet Been Returned		Number of Shares Held in Ordinary Accounts, Margin Accounts, and Transferred for Lending but Not Yet Returned at the End of the Period	
		Total Quantity	Percentage of Total Shares	Total Quantity	Percentage of Total Shares Outstanding
Central Enterprise Rural Industry Investment Fund Joint Stock Company	Newly Added	0	0.00%	118,243,243.00	3.05%
Huatai Securities Co., Ltd. Co., Ltd.	New	0	0.00%	49,604,865.00	1.28%
Everbright Securities Co., Ltd. Co., Ltd.	New	0	0.00%	46,090,089.00	1.19%
Golden Eagle Fund - GF Securities Co., Ltd. - Golden Eagle Preferred No. 83 Single Asset Management Plan	New	0	0.00%	45,945,945.00	1.19%
Gansu Great Wall Xinglong Silk Road Fund Management Co., Ltd. - Gansu Great Wall Xinglong Silk Road Fund (Limited Partnership)	New	0	0.00%	35,472,972.00	0.92%
Galaxy Derui Capital Management Co., Ltd.	New	0	0.00%	30,199,862.00	0.78%
Bank of Communications Co., Ltd. - Fuguo Balanced Preferred Hybrid Securities Investment Fund Securities Investment Fund	Exit	0	0.00%	0	0.00%
Agricultural Bank of China Co., Ltd. - Fuguo Growth Pioneer Hybrid Securities Investment Fund	Exit	0	0.00%	0	0.00%
China Construction Bank Corporation - Fuguo Low-Carbon New Economy Hybrid Securities Investment Fund Fund	Exit	0	0.00%	0	0.00%
CITIC Securities Co., Ltd. Co., Ltd.	Exit	0	0.00%	0	0.00%
Jin Jianqiang	Withdraw	0	0.00%	0	0.00%
Jiang Ming	Exit	0	0.00%	0	0.00%

Did the company's top 10 common shareholders and top 10 unrestricted common shareholders engage in any agreed repurchase transactions during the reporting period?

 Yes  No

The top 10 common shareholders and top 10 unrestricted common shareholders of the company did not engage in any agreed repurchase transactions during the reporting period.

**2. Controlling Shareholder Information**

Nature of Controlling Shareholder: Natural  
 Person Controlling Shareholder Type: Natural  
 Person

Name of Controlling Shareholder	Nationality	Residency Status in Other Countries
Wang Zelong	China	No
Primary Occupation and Position	2017-present: Executive Director and General Manager of Zhejiang Dongyang Haomei Film Co., Ltd. 2023-present: Director of Shenzhen Tingyan Biotechnology Co., Ltd.	
Equity Interests in Other Listed Companies (Domestic and Overseas) Controlled or Participated in During the Reporting Period	As of December 31, 2023, Mr. Wang Zelong did not hold or control equity interests in other listed companies within or outside China that reached or exceeded 5% of the issued shares of such companies.	

Changes in Controlling Shareholders During the Reporting Period

Applicable  Not applicable

The Company's controlling shareholder remained unchanged during the reporting period.

### 3. Actual Controlling Person and Persons Acting in Concert

Nature of Actual Controller: Domestic Natural

Person Type of Actual Controller: Natural Person

Name of Actual Controller	Relationship with Controlling Shareholder	Nationality	Whether obtained residency rights in other countries
Wang Zelong	Himself	China	No
Primary Occupation and Position	2017-present: Executive Director and General Manager of Zhejiang Dongyang Haomei Film Co., Ltd. 2023-present: Director of Shenzhen Tingyan Biotechnology Co., Ltd.		
Listed Companies Controlled Within the Past 10 Years	None		

Changes in Actual Controlling Person During the Reporting Period

Applicable  Not applicable

The Company's actual controller remained unchanged during the reporting period.

Block Diagram of Property Rights and Control Relationships Between the Company and Its Controlling Shareholder



The actual controller exercises control over the company through trusts or other asset management arrangements

Applicable  Not Applicable

**4. The cumulative number of shares pledged by the controlling shareholder or largest shareholder and its concerted parties has reached 80% of the total shares held by them in the company.**

Applicable  Not applicable

**5. Other corporate shareholders holding 10% or more of the shares**

Applicable  Not Applicable

**6. Shareholding restrictions on the controlling shareholder, actual controller, restructuring party, and other parties subject to commitments**

Applicable  Not Applicable

#### IV. Specific Implementation of Share Repurchases During the Reporting Period

Progress of Share Repurchase Implementation

Applicable  Not Applicable

Plan Disclosure Date	Number of Shares Proposed for Repurchase (Shares)	Percentage of Total Shares Outstanding	Proposed Repurchase Amount (RMB 10,000)	Proposed Repurchase Period	Purpose of Repurchase	Number of Shares Already Repurchased (shares)	Percentage of Repurchased Quantity Relative to Total Shares Under the Equity Incentive Plan (if applicable)
September 2023 28	Based on the Company's share repurchase plan and the "Share Repurchase Report" and other relevant provisions, with the repurchase amount capped at RMB 1 billion, the estimated number of shares to be repurchased is no less than 128,205,128 shares. Based on the lower limit of RMB 500 million, the estimated number of shares to be repurchased is no less than 64,102,564 shares.	Based on the maximum repurchase amount of RMB 1 billion, it is estimated to account for approximately 3.31%; based on the lower limit of RMB 500 million, it is estimated to account for approximately 1.66% of the Company's total issued share capital. , it represents approximately 1.66% of the Company's total issued share capital.	The total repurchase funds shall not exceed RMB 1 billion, and not less than RMB 500 million.	The repurchase period shall be from September 26, 2023, to September 26, 2023, to December 25, 2023. The Company . 2023. The Company The company completed the repurchase on 2023. , the Company convened the 20th (Extraordinary) Meeting of the Seventh Board of Directors on December 22, 2023, and approved the "Proposal Extending the Implementation Period of the Company Share Repurchase Plan," extending the implementation period of this repurchase by 6 months to June 25, 2024.	The purpose of this repurchase is for employee stock ownership plans or equity incentives, and conversion of convertible bonds issued by the company into shares. ••	104,257,620	0.00%

Implementation Progress of Reducing Repurchased Shares via Centralized Auction Trading

Applicable  Not Applicable

## Section VIII: Preferred Stock Information

Applicable  Not Applicable

The Company had no preferred shares during the reporting period.

## Section IX: Bond-Related Information

Applicable Not Applicable

## Section X Financial Reports

### I. Audit Report

Type of Audit Opinion	Standard Unqualified Opinion
Audit Report Date	April 16, 2024
Name of Audit Firm	Lixin Certified Public Accountants LLP
Audit Report Document Number	Xin Hui Shi Bao Zi [2024] No.ZL10079
Certified Public Accountant Names	Wang Shouyi, Li Yu

Audit Report Body

#### To All Shareholders of China Nuclear Huayuan Titanium

##### Dioxide Co., Ltd.: I. Audit Opinion

We have audited the financial statements of China Nuclear Huayuan Titanium Dioxide Co., Ltd. (hereinafter referred to as "CNTC"), which comprise the consolidated and parent company balance sheets as of December 31, 2023, the consolidated and parent company income statements, consolidated and parent company cash flow statements, consolidated and parent company statements of changes in equity for the year ended December 31, 2023, and related notes to the financial statements.

In our opinion, the accompanying financial statements have been prepared in all material respects in accordance with the Enterprise Accounting Standards and fairly present the consolidated and parent company financial position of CNNC Titanium Dioxide as of December 31, 2023

and the results of operations and cash flows for the year ended December 31, 2023.

##### II. Basis for the Audit Opinion

We conducted our audit in accordance with Chinese Auditing Standards for Certified Public Accountants. ■ Responsibilities of the Certified Public Accountant for the Audit of Financial Statements ■ in the audit report further describes our responsibilities under these standards. In accordance with the Chinese Code of Ethics for Certified Public Accountants, we are independent of CNNC Titanium Dioxide and have fulfilled other ethical responsibilities. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### III. Key Audit Matters

Key audit matters are matters that, in our professional judgment, were of most significance in the audit of the financial statements for the current period. These matters are addressed in the context of our audit of the financial statements as a whole and our formation of an audit opinion. We do not express a separate opinion on these matters.

The key audit matters identified during our audit are summarized as follows:

Key Audit Matters	How the Matter Was Addressed in the Audit
<b>(a) Fixed Assets and Construction in Progress</b>	
<p>As disclosed in Notes 5(12) and 5(13) to the financial statements, as of</p> <p>As of December 31, 2023, the carrying amounts of fixed assets and construction in progress at CNNC Titanium Dioxide were</p> <p>amounted to RMB 6,535,812,400, representing 35.26% of total assets, constituting a significant portion of CNTCs</p> <p>(2) Conducting physical counts of significant fixed assets and construction in progress to verify the accuracy of fixed asset and construction in progress records.</p> <p>In accordance with accounting policies, CNTC management should assess the status of each fixed asset and construction-in-progress project at each balance sheet date and understand its usage, including whether there are any signs of impairment.</p> <p>(3) Conduct visits and confirmation procedures with suppliers of significant fixed assets and construction in progress;</p> <p>For assets with impairment indicators, estimate their recoverable amounts. Determine</p> <p>Recoverable amount involves forecasting the present value of future cash flows, and management</p> <p>Significant accounting estimates and judgments are required, while also considering fixed assets and</p> <p>The significance of construction in progress to the financial statements as a whole. Therefore, we will</p> <p>(6) Engage external appraisal agencies to assess the physical progress and payment status</p> <p>of the company's major construction-in-progress projects.</p>	<p>The audit procedures we performed primarily included:</p> <p>(1) Design of key internal controls related to the valuation and allocation of fixed assets and construction in progress</p> <p>evaluated and tested for accounting and operational effectiveness;</p> <p>(2) Conducted physical inventory checks on significant fixed assets and construction in progress to verify the accuracy of fixed asset and construction in progress</p> <p>and understand their usage status, including whether there are any signs of impairment;</p> <p>(3) Conduct supplier visits and confirmation procedures for major fixed assets and construction in progress suppliers;</p> <p>(4) Obtain the basis for CNTC management's judgment on whether assets are impaired, and separately</p> <p>Analyze and evaluate its reasonableness;</p> <p>(5) For assets showing signs of impairment, obtain management's basis for impairment provisions and reassess</p> <p>(6) For fixed assets and construction in progress, we will assess the appropriateness of their impairment by verifying the reasonableness of the imp</p> <p>(6) Engage external appraisal agencies to assess the physical progress, payment progress, and</p>

	to verify the project progress at the end of the period and issue a consulting report;  (7) Review the related presentation and disclosures in the notes to the financial statements.
<b>(II) Revenue Recognition</b>	
As disclosed in Note V, (43) to the financial statements, CNNC Titanium Dioxide primarily engaged in the production and sale of titanium dioxide products. During 2023, CNNC Titanium Dioxide consolidated operating revenue of RMB 4,946,559,400. The effectiveness of CNNC Titanium Dioxide's operating revenue  Given the significant amount of revenue and its status as a key performance indicator, we have prioritized revenue recognition as a key audit matter.	The audit procedures we performed primarily included:  (1) Understanding and evaluating the design and operating effectiveness of key internal controls related to revenue recognition established by management.  (1) Understanding and evaluating the design and operating effectiveness of key internal controls over revenue recognition established by management;  (2) In accordance with the company's revenue recognition policy, we verified revenue recognition by cross-checking invoices, reviewing sales contracts, and examining  We verified the authenticity of sales revenue and the accuracy of revenue recognition timing through procedures such as examining delivery confirmation slips, export customs declarations, and bills of lading, and reconciling these with accounting records.  to verify the authenticity of sales revenue and the accuracy of revenue recognition timing;  (3) For current-year revenue and accounts receivable, we selected samples for confirmation to verify the accuracy of current-period sales amounts and accounts receivable balances.  and the accuracy of the accounts receivable balance;  (4) Perform analytical procedures to analyze the reasons for fluctuations in gross profit margin and implement further audit procedures based on the analysis results.  conduct further audit procedures;  (5) Verify the reasonableness of transactions by reviewing industrial and commercial records of major customers and key new customers, interviewing relevant personnel, and analyzing transaction amounts and prices against current sales volumes and pricing.  and analyzing transaction quantities and prices to assess transaction reasonableness;  (6) Conduct on-site visits to major clients to confirm their actual business operations, understand  basic information, business cooperation with the company, and whether related-party relationships exist;  and verify the fairness of customer purchase prices;  (7) Perform cut-off testing for revenues recorded around the balance sheet date to evaluate whether  whether revenue is recorded in the appropriate accounting period.

#### IV. Other Information

The management of China National Nuclear Titanium Dioxide Co., Ltd. (hereinafter referred to as "Management") is responsible for the Other Information. The Other Information includes the information covered in China National Nuclear Titanium Dioxide Co., Ltd.'s 2023 Annual Report, but excludes the financial statements and our audit report.

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

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

Based on the work we have performed, if we determine that the other information contains a material misstatement, we are required to report that fact. In this regard, we have nothing to report.

#### V. Management and Governance Responsibilities for the Financial Statements

Management is responsible for preparing the financial statements in accordance with the Enterprise Accounting Standards to achieve a fair presentation, and for designing, implementing, and maintaining internal controls necessary to prevent or detect material misstatements in the financial statements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing CNNC Titanium Dioxide's ability to continue as a going concern, disclosing matters related to going concern (if applicable), and using the going concern assumption unless liquidation, cessation of operations, or no other realistic alternative is planned.

The governance body is responsible for overseeing the financial reporting process of CNNC Titanium Dioxide.

#### VI. Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes an audit opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. A misstatement may arise from fraud or error. A misstatement is generally considered material if, individually or in the aggregate, it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

In conducting the audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also perform the following procedures:

(1) Identifying and assessing the risks of material misstatement in the financial statements, whether due to fraud or error; designing and performing audit procedures responsive to those risks; and obtaining sufficient appropriate audit evidence to provide a basis for the audit opinion. Because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal controls, the risk of failing to detect material misstatements due to fraud is higher than the risk of failing to detect material misstatements due to error.

(2) Understand internal controls relevant to the audit to design appropriate audit procedures.

(3) Evaluate the appropriateness of management's selection of accounting policies and the reasonableness of accounting estimates and related disclosures.

(iv) Form a conclusion on the appropriateness of management's use of the going concern assumption. Concurrently, based on the audit evidence obtained, we conclude whether there is a material uncertainty that may cast significant doubt on CNTC Titanium Dioxide's ability to continue as a going concern. If we conclude that a material uncertainty exists, audit standards require us to draw the users' attention to the related disclosures in the financial statements in our audit report. If the disclosures are inadequate, we are required to issue a non-qualified opinion. Our conclusion is based on information available as of the date of the audit report. However, future events or circumstances may cause China Nuclear Titanium Dioxide to cease to be a going concern.

(5) Evaluate the overall presentation (including disclosures), structure, and content of the financial statements, and assess whether the financial statements fairly present the relevant transactions and events.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of CNNC Titanium Dioxide entities or business activities to express an audit opinion on the consolidated financial statements. We are responsible for directing, supervising, and performing the group audit and bear overall responsibility for the audit opinion.

We communicate with governance regarding planned audit scope, timing, and significant audit findings, including communicating internal control deficiencies identified during the audit that warrant attention.

We also provide management with a statement regarding compliance with ethical requirements related to independence and communicate with management all relationships and other matters that could reasonably be perceived as affecting our independence, along with related safeguards (if applicable).

From the matters communicated with management, we determine which are most significant to the audit of the current period's financial statements and thus constitute key audit matters. We describe these matters in our audit report unless laws or regulations prohibit their public disclosure, or in rare circumstances where we determine that communicating a matter in the audit report would reasonably be expected to cause more harm than benefit to the public interest.

**Lixin Certified Public Accountants LLP**

**China CPA: Wang Shouyi**

**(Project Partner)**

**Shanghai, China**

**Chinese CPA: Li Yu April 16, 2024**

## II. Financial Statements

The currency unit for the financial statements in the notes is: Yuan

## 1. Consolidated Balance Sheet

Prepared by: China Nuclear Huayuan Titanium Dioxide Co., Ltd.

December 31, 2023

Unit: RMB

Item	December 31, 2023	January 1, 2023
Current Assets:		
Cash and Cash Equivalents	7,565,019,831.90	3,840,298,052.37
Settlement Reserves		
Funds placed		
Trading financial assets		
Derivative financial assets		
Notes receivable	22,819,146.40	165,432,093.41
Accounts receivable	828,881,699.98	700,820,311.03
Accounts Receivable Financing	119,274,379.08	207,826,937.44
Prepayments	188,847,457.35	142,092,102.32
Premiums receivable		
Reinsurance receivables		
Reinsurance Contract Reserves Receivable		
Other receivables	20,084,992.41	11,220,802.80
Of which: Interest receivable		
Dividends receivable	2,125,000.00	
Financial assets under purchase and resale agreements		
Inventories	1,005,830,901.07	776,855,844.31
Contract assets		
Assets held for sale		21,606,265.50
Non-current assets due within one year		
Other current assets	84,699,696.36	54,465,706.20
Total current assets	9,835,458,104.55	5,920,618,115.38
Non-current assets:		
Loans and Advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	49,208,023.05	4,125,061.39
Other equity instruments investments	321,778,909.51	311,650,512.52
Other non-current financial assets		
Investment property		
Fixed Assets	3,177,312,785.27	2,509,265,030.47
Construction in Progress	3,358,499,632.69	1,701,055,683.27
Productive biological assets		
Oil and gas assets		
Right-of-use assets	31,004,076.30	25,761,133.47
Intangible Assets	1,014,440,550.03	417,767,833.74

Development Expenditures	193,258.31	147,303.32
Goodwill	563,659,615.15	416,695,796.96
Deferred Expenses	43,905,580.85	22,168,687.40
Deferred income tax assets	72,677,615.95	33,026,399.62
Other non-current assets	67,445,675.30	324,305,255.28
Total Non-Current Assets	8,700,125,722.41	5,765,968,697.44
Total Assets	18,535,583,826.96	11,686,586,812.82
Current Liabilities:		
Short-term borrowings	2,172,653,160.10	888,027,361.10
Loans from the Central Bank		
Funds received under repo agreements		
Financial liabilities held for trading	572,290.11	
Derivative financial liabilities		
Notes payable	1,426,930,795.54	2,243,287,549.36
Accounts payable	955,281,858.14	579,859,681.08
Advance Receipts		
Contract liabilities	69,154,334.01	31,100,448.39
Financial assets under repurchase agreements		
Deposits and Interbank Placements		
Securities brokerage		
Securities underwriting agency		
Employee compensation payable	49,717,557.76	37,303,822.61
Taxes payable	58,356,353.57	35,261,354.73
Other Payables	313,061,139.82	58,160,452.59
Of which: Interest payable		
Dividends Payable	3,209,641.08	
Fees and commissions payable		
Reinsurance payables		
Liabilities held for sale		
Current portion of non-current liabilities	101,732,738.61	24,729,292.81
Other current liabilities	10,238,298.55	4,071,593.44
Total current liabilities	5,157,698,526.21	3,901,801,556.11
Non-current liabilities:		
Insurance Contract Reserves		
Long-term borrowings	1,115,720,562.37	682,884,885.55
Bonds payable		
Of which: Preferred stock		
Perpetual Bonds		
Lease liabilities	23,192,320.35	19,447,074.38
Long-term payables	4,298,165.92	13,702,398.66
Long-term employee compensation payable		

Contingent Liabilities	950,075.31	
Deferred income	59,104,924.31	68,476,630.72
Deferred income tax liabilities	151,354,262.65	9,724,585.11
Other non-current liabilities		
Total non-current liabilities	1,354,620,310.91	794,235,574.42
Total Liabilities	6,512,318,837.12	4,696,037,130.53
Shareholders' equity:		
Share Capital	3,871,026,315.00	2,977,826,315.00
Other Equity Instruments		
Of which: Preferred stock		
Perpetual bonds		
Capital surplus	5,436,006,668.39	1,080,213,489.43
Less: Treasury stock	1,005,005,693.15	502,999,610.86
Other Comprehensive Income	-27,676,384.95	-1,941,422.94
Special Reserve	778,403.34	48.18
Retained Earnings	250,314,656.49	250,314,656.49
General Risk Reserve		
Retained Earnings	3,360,673,825.81	3,131,926,705.31
Total Equity Attributable to Owners of the Parent Company	11,886,117,790.93	6,935,340,180.61
Minority interests	137,147,198.91	55,209,501.68
Total Shareholders' Equity	12,023,264,989.84	6,990,549,682.29
Total Liabilities and Shareholders' Equity	18,535,583,826.96	11,686,586,812.82

Legal Representative: YuanQili

Person in Charge of Accounting: WangDani

Head of Accounting Department: TianAihua

## 2. Parent Company Balance Sheet

Unit: Yuan

Item	December 31, 2023	January 1, 2023
Current Assets:		
Cash and Cash Equivalents	1,550,756,807.36	282,089,257.35
Trading Financial Assets		
Derivative Financial Assets		
Notes receivable		
Accounts receivable	14,443,699.86	28,476,761.19
Accounts Receivable Financing		36,312,028.57
Prepayments	4,178,218.19	3,377,358.49
Other receivables	3,600,028,126.27	230,006,300.00
Of which: Interest receivable		
Dividends receivable	398,183,000.00	
Inventories		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	8,474,069.94	160,128.17
Total current assets	5,177,880,921.62	580,421,833.77

Non-current assets:		
Debt investments		
Other Debt Investments		
Long-term receivables		
Long-term equity investments	6,309,729,436.61	5,175,420,089.46
Other equity instruments investments	250,666,400.00	275,000,000.00
Other non-current financial assets		
Investment property		
Fixed Assets	965,800.87	1,042,443.55
Construction in Progress		
Productive Biological Assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	672,565.96	591,583.06
Development expenditures		
Goodwill		
Prepaid expenses		
Deferred income tax assets	6,315,859.46	
Other Non-Current Assets		
Total Non-current Assets	6,568,350,062.90	5,452,054,116.07
Total Assets	11,746,230,984.52	6,032,475,949.84
Current Liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts Payable	2,942,713.75	20,398,422.14
Advance receipts		
Contract liabilities	503,311.81	2,473,231.23
Employee compensation payable	2,449,624.94	2,541,581.18
Taxes payable	5,436,730.21	1,284,133.96
Other Payables	228,027,502.23	531,162.35
Of which: Interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	13,225,000.00	
Other current liabilities	167,986.13	321,520.06
Total current liabilities	252,752,869.07	27,550,050.92
Non-current liabilities:		
Long-term borrowings	116,775,000.00	
Bonds payable		

Of which: Preferred stock		
Perpetual Bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Contingent liabilities		
Deferred income		
Deferred income tax liabilities		
Other Non-Current Liabilities		
Total non-current liabilities	116,775,000.00	
Total liabilities	369,527,869.07	27,550,050.92
Shareholders' equity:		
Share Capital	3,871,026,315.00	2,977,826,315.00
Other Equity Instruments		
Of which: Preferred stock		
Perpetual bonds		
Capital surplus	5,861,107,219.80	1,504,863,257.52
Less: Treasury stock	1,005,005,693.15	502,999,610.86
Other Comprehensive Income	-18,250,200.00	
Special Reserve		
Retained Earnings	353,227,906.03	269,935,591.46
Retained Earnings	2,314,597,567.77	1,755,300,345.80
Total Shareholders' Equity	11,376,703,115.45	6,004,925,898.92
Total Liabilities and Shareholders' Equity	11,746,230,984.52	6,032,475,949.84

### 3. Consolidated Income Statement

Unit: RMB

Item	2023	2022
I. Total Operating Revenue	4,946,559,389.00	5,481,272,267.60
Of which: Operating Revenue	4,946,559,389.00	5,481,272,267.60
Interest Income		
Earned Premiums		
Fees and commissions		
II. Total Operating Expenses	4,509,432,273.89	4,765,990,057.37
Of which: Operating Costs	4,065,421,285.98	4,360,696,380.63
Interest Expense		
Fees and Commissions Expense		
Surrender Value		
Net claims paid		
Net provision for insurance liability contracts		
Amount		
Policy dividends paid		
Reinsurance Expenses		
Taxes and surcharges	62,034,373.20	59,141,274.99
Sales Expenses	39,077,911.12	36,507,179.29

Administrative Expenses	370,008,885.77	303,670,403.23
Research and Development Expenses	127,109,732.71	129,776,541.23
Financial expenses	-154,219,914.89	-123,801,722.00
Of which: Interest expense	60,558,049.11	26,792,535.79
Interest Income	209,708,325.71	110,927,514.42
Plus: Other Income	112,008,186.34	18,064,946.71
Investment income (losses to be entered with a "-" sign)	31,394,221.71	27,527,071.81
Of which: Investment income from associates and joint ventures	11,100,324.21	-1,556,471.89
Gain on derecognition of financial assets measured at amortized cost	-3,153,024.51	
Foreign exchange gains (losses) (with a "-" sign)		
Net exposure hedge gains (losses indicated with "-")		
Gains (losses) on changes in fair value (losses indicated with "-")	-29,359,082.81	
Credit impairment loss (losses to be entered with "-")	4,028,557.98	16,998.68
Asset impairment loss (losses indicated with "-")	-61,153,921.03	-1,980,246.90
Gain on disposal of assets (losses indicated by "-")	8,552,279.58	-11,534.86
III. Operating Profit (Losses indicated by "-")	502,597,356.88	758,899,445.67
Plus: Non-operating income	10,252,631.65	3,170,366.61
Less: Non-operating Expenses	20,652,198.14	12,527,656.60
IV. Total Profit (Total Loss indicated by "-")	492,197,790.39	749,542,155.68
Less: Income tax expense	72,552,329.55	104,043,959.96
V. Net Profit (Net Loss to be indicated by "-")	419,645,460.84	645,498,195.72
(a) By Going Concern Basis		
1. Net profit from continuing operations (net loss indicated with a "-" sign)	419,645,460.84	645,498,195.72
"-" for net loss		
2. Net profit from discontinued operations (net loss to be indicated by "-")		
"-" for net loss		
(2) By Ownership Classification		
1. Net profit attributable to shareholders of the parent company	419,080,729.65	643,177,990.94
2. Minority interest	564,731.19	2,320,204.78

VI. Net Comprehensive Income, Net of Tax	-25,734,962.01	
Net comprehensive income attributable to owners of the parent company	-25,734,962.01	
Net amount after tax		
(a) Other comprehensive income not reclassifiable to profit or loss	-25,734,962.01	
Comprehensive Income		
1. Remeasurement of changes in defined benefit plans		
Amount		
2. Other comprehensive income not reclassifiable to profit or loss under the equity method		
Comprehensive Income		
3. Fair value changes on other equity instruments	-25,734,962.01	
Changes		
4. Fair Value of the Enterprise's Own Credit Risk Changes		
5. Other		
(2) Other comprehensive income reclassified to profit or loss		
1. Other comprehensive income available for reclassification to profit or loss under the equity method		
1. Other Comprehensive Income Reclassified to Profit or Loss Under the Equity Method		
(1) Fair value changes on equity investments accounted for using the equity method		
2. Fair value changes on other debt investments		
3. Amounts from reclassification of financial assets to other comprehensive income		
4. Credit impairment allowance for other debt investments		
4. Credit impairment allowance for other debt investments		
5. Cash flow hedge reserve		
6. Foreign currency translation differences		
7. Other		
Other comprehensive income attributable to minority interests		
Net after tax		
VII. Total Comprehensive Income	393,910,498.83	645,498,195.72
Total comprehensive income attributable to owners of the parent company	393,345,767.64	643,177,990.94
Amount		
Total comprehensive income attributable to minority interests	564,731.19	2,320,204.78
VIII. Earnings Per Share		
(1) Basic earnings per share	0.1150	0.2186
(b) Diluted Earnings Per Share	0.1150	0.2186

Legal Representative: YuanQiuli

Person in Charge of Accounting: WangDani

Head of Accounting Department: TianAihua

#### 4. Parent Company Income Statement

Unit: Yuan

Item	2023	2022
I. Operating Revenue	70,915,976.10	155,204,272.01
Less: Cost of Sales	57,063,330.32	105,094,207.12
Taxes and Surcharges	2,050,011.75	2,055,474.15
Selling Expenses		

Administrative Expenses	11,726,141.33	7,141,856.39
Research and Development Expenses		
Financial Expenses	-46,642,876.36	-2,458,596.79
Of which: Interest Expense	367,055.56	
Interest Income	47,048,332.38	2,893,528.96
Plus: Other income	104,573.35	61,042.88
Investment income (losses to be entered with a "-" sign)	803,094,424.60	532,516,637.62
Of which: Investment income from associates and joint ventures		-19,123.55
Gains (losses) on termination of financial assets measured at amortized cost		
Gains (losses) on termination of financial assets measured at amortized cost (Report with a "-" sign)		
Net exposure hedge gains (losses recorded with a "-" sign)		
Gain (loss) from changes in fair value (losses are indicated with a "-")		
Credit impairment loss (losses to be entered with a "-")	-103,693.50	30,134.96
Asset impairment loss (losses "-")	-13,786,650.00	
Gain on disposal of assets (losses indicated by "-")		
II. Operating profit (losses indicated with a "-" sign)	836,028,023.51	575,979,146.60
Add: Non-operating Income	778,324.22	
Less: Non-operating Expenses	0.12	88,325.95
III. Total Profit (Total Loss indicated with a "-" sign)	836,806,347.61	575,890,820.65
Less: Income tax expense	3,883,201.92	
IV. Net Profit (Net Loss to be entered with a "-" sign)	832,923,145.69	575,890,820.65
(a) Net profit from continuing operations (net loss to be entered with a "-" sign)	832,923,145.69	575,890,820.65
(b) Net profit from discontinued operations (net loss to be entered with a "-" for net loss)		
V. Net comprehensive income, net of tax	-18,250,200.00	
(a) Other comprehensive income not reclassifiable to profit or loss	-18,250,200.00	
Comprehensive Income		
1. Remeasurement of changes in defined benefit plans		
Amount		
2. Other comprehensive income not reclassifiable to profit or loss under the equity method		
Comprehensive Income		

3. Fair value changes on other equity instruments Changes	-18,250,200.00	
4. Fair value changes on own credit risk Changes		
5. Other		
(2) Other comprehensive income reclassified to profit or loss		
1. Other comprehensive income available for reclassification to profit or loss under the equity method		
1. Other Comprehensive Income Reclassified to Profit or Loss Under the Equity Method		
(1) Fair value changes in other comprehensive income under equity method		
2. Fair value changes on other debt investments		
3. Amounts from reclassification of financial assets to other comprehensive income		
Reclassified to Other Comprehensive Income		
4. Credit Impairment Allowance for Other Debt Investments		
5. Cash Flow Hedge Reserve		
6. Foreign currency translation differences		
7. Other		
VI. Total Comprehensive Income	814,672,945.69	575,890,820.65
VII. Earnings Per Share		
(a) Basic Earnings Per Share		
(b) Diluted Earnings Per Share		

## 5. Consolidated Cash Flow Statement

Unit: Yuan

Item	2023	2022
<b>I. Cash Flows from Operating Activities:</b>		
Cash received from sales of goods and provision of services	4,730,601,258.01	5,592,836,333.18
Net increase in customer deposits and interbank placements		
Net increase in borrowings from the central bank		
Net increase in funds borrowed from other financial institutions		
Cash received from premiums on direct insurance contracts		
Net cash received from reinsurance operations		
Net increase in policyholder deposits and investment funds		
Cash received from interest, fees, and commissions		
Net increase in borrowed funds		
Net increase in repurchase agreement funds		
Net cash received from securities brokerage		
Tax and fee refunds received	96,605,531.38	21,577,939.26
Other cash received from operating activities	367,490,619.67	140,099,044.65
Subtotal of cash inflows from operating activities	5,194,697,409.06	5,754,513,317.09
Cash paid for purchases of goods and services	4,560,641,452.67	3,940,006,726.78
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and other financial institutions		
Cash paid for claims under original insurance contracts		
Net increase in funds placed		
Cash paid for interest, fees, and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	379,789,401.33	330,092,210.08
Taxes and fees paid	247,163,291.49	468,888,698.17
Cash paid for other operating activities	344,232,768.48	85,410,792.95
Subtotal of cash outflows from operating activities	5,531,826,913.97	4,824,398,427.98
Net Cash Flow from Operating Activities	-337,129,504.91	930,114,889.11
<b>II. Cash Flows from Investing Activities:</b>		
Cash received from recovery of investments	2,802,986,592.30	3,570,000,000.00
Cash received from investment income	12,440,560.98	30,677,114.68
Cash received from disposal of fixed assets, intangible assets, and other long-term assets	25,278,136.73	1,395,128.81
Assets		
Net cash received from disposal of subsidiaries and other business units		
Net cash received from disposal of subsidiaries and other operating units		
Cash received from other activities related to investing activities	373,914.93	1,011,398.81
Subtotal of cash inflows from investing activities	2,841,079,204.94	3,603,083,642.30
Cash paid for acquisition of property, plant and equipment, intangible assets, and other long-term assets	1,304,956,698.34	1,450,467,128.69
Assets		
Cash paid for investments	2,800,000,000.00	2,945,000,000.00
Net increase in pledged loans		

Cash paid to acquire subsidiaries and other business units	647,050,563.77	
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid for other activities related to investing activities	22,749,865.79	
Subtotal of cash outflows from investing activities	4,774,757,127.90	4,395,467,128.69
Net Cash Flow from Investing Activities	-1,933,677,922.96	-792,383,486.39
III. Cash Flows from Financing Activities:		
Cash received from investment activities	5,287,744,000.00	43,000,000.00
Of which: Cash received from minority shareholders' investment in subsidiaries from minority shareholders		43,000,000.00
Cash received from obtaining loans	3,691,104,176.82	1,475,632,517.92
Cash received from other financing activities	40,440,901.64	164,709,098.36
Subtotal of cash inflows from financing activities	9,019,289,078.46	1,683,341,616.28
Cash paid for debt repayment	1,988,860,000.00	1,082,890,000.00
Cash paid for dividends, profits, or interest payments	407,012,181.94	201,501,412.50
Of which: Dividends paid by subsidiaries to minority shareholders or profits		
Other cash payments related to financing activities	606,277,814.27	535,415,817.26
Subtotal of cash outflows from financing activities	3,002,149,996.21	1,819,807,229.76
Net Cash Flow from Financing Activities	6,017,139,082.25	-136,465,613.48
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	4,256,461.95	4,268,799.98
Impact on Cash and Cash Equivalents		
V. Net Increase in Cash and Cash Equivalents	3,750,588,116.33	5,534,589.22
Plus: Cash and cash equivalents at beginning of period	3,400,159,412.95	3,394,624,823.73
VI. Cash and Cash Equivalents at End of Period	7,150,747,529.28	3,400,159,412.95

## 6. Parent Company Cash Flow Statement

Unit: CNY

Item	2023	2022
I. Cash Flows from Operating Activities:		
Cash received from sales of goods and services	95,136,251.11	49,272,871.67
Tax and fee refunds received	1,670,909.69	6,426,130.32
Other cash received from operating activities	277,304,688.32	4,961,528.31
Subtotal of cash inflows from operating activities	374,111,849.12	60,660,530.30
Cash paid for purchases of goods and services	48,096,962.90	35,100,174.14
Cash paid to employees and for employee benefits	91,956.24	274,669.35
Taxes and fees paid	2,682,178.57	20,295,014.66
Cash paid for other operating activities	3,218,596,445.62	9,874,492.70
Subtotal of cash outflows from operating activities	3,269,467,543.33	65,544,350.85
Net Cash Flow from Operating Activities	-2,895,355,694.21	-4,883,820.55
II. Cash Flows from Investing Activities:		
Cash received from recovery of investments	5,500,162.46	26,589,430.00
Cash received from investment income	400,019,032.34	1,167,730,482.20
Cash received from disposal of fixed assets, intangible assets, and other long-term assets		
Assets		
Proceeds from disposal of subsidiaries and other business units		
Net cash received from disposal of subsidiaries and other operating units		
Cash received from other activities related to investing activities		
Subtotal of cash flows from investing activities	405,519,194.80	1,194,319,912.20
Cash paid for acquisition of property, plant and equipment, intangible assets, and other long-term assets	200,000.00	25,935,007.98

Net cash flow from investing activities	-520,918,524.34	770,408,712.22
III. Cash Flows from Financing Activities:		
Cash received from investment activities	5,287,744,000.00	
Cash received from borrowings	130,000,000.00	
Cash received from other financing activities		
Subtotal of cash inflows from financing activities	5,417,744,000.00	
Cash paid to repay debt		
Cash paid for dividends, profits, or interest payments	190,333,609.15	164,293,865.68
Cash		
Cash paid for other financing activities	542,468,622.29	503,376,969.35
Subtotal of cash outflows from financing activities	732,802,231.44	667,670,835.03
Net Cash Flow from Financing Activities	4,684,941,768.56	-667,670,835.03
IV. Impact of Exchange Rate Fluctuations on Cash and Cash Equivalents		-417,195.83
Impact		
V. Net Increase in Cash and Cash Equivalents	1,268,667,550.01	97,436,860.81
Add: Cash and cash equivalents at beginning of period	282,089,257.35	184,652,396.54
VI. Cash and Cash Equivalents at End of Period	1,550,756,807.36	282,089,257.35

## 7. Consolidated Statement of Changes in Equity

Amount for the Period

Unit: RMB

Item	2023														
	Equity Attributable to Owners of the Parent Company												Minority Interests	Total Shareholders' Equity	
	Common Stock	Other Equity Instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserves	Retained earnings	General Risk Reserve	Retained Earnings	Other			Subtotal
	Preferred stock	Perpetual Bonds	Other												
I. Balance at End of Previous Year	2,977.8 26,315. 00				1,080.21 3,489.43	502,999, 610.86	- 1,941.42 2.94	48.18	250,314.6 56.49		3,131.92 6,705.31		6,935,340 ,180.61	55,209.50 1.68	6,990,549.68 2.29
Add: Changes in accounting policies															
Correction of prior period errors															
Other															
II. Opening Balance for Current Year	2,977.8 26,315. 00				1,080.21 3,489.43	502,999, 610.86	- 1,941.42 2.94	48.18	250,314.6 56.49		3,131.92 6,705.31		6,935,340 ,180.61	55,209.50 1.68	6,990,549.68 2.29
III. Current Period Increase/Decrease Amount (Decreases indicated with "••")	893,200 ,000.00				4,355.79 3,178.96	502,006, 082.29	- 25,734.9 62.01	778.35 5.16			228,747, 120.50		4,950,777 ,610.32	81,937.69 7.23	5,032,715.30 7.55
(1) Total Comprehensive Income							- 25,734.9 62.01				419,080, 729.65		393,345.7 67.64	564,731.1 9	393,910,498. 83
(2) Contributions	893,200 ,000.00				4,355.79 3,178.96	502,006, 082.29							4,746,987 ,096.67	93,088.30 5.20	4,840,075.40 1.87

Capital increases and decreases															
1. Common stock contributed by owners	893,200				4,356,24								5,249,443	93,088.30	5,342,532.26
	,000.00				3,962.28								,962.28	5.20	7.48
2. Capital contributed by holders of other equity instruments															
3. Amounts recognized in equity for share-based payments															
4. Other					450,783.	502,006,							502,456,8		502,456,865.
					32	082.29							65.61		61
(3) Profit Distribution										190,333,			190,333,6	2,907,871	193,241,480.
										609.15			09.15	.50	65
1. Transfer to retained earnings															
2. General Risk Reserve															
3. Distribution to Owners (or Shareholders)										190,333,			190,333,6	2,907,871	193,241,480.
										609.15			09.15	.50	65
4. Other															
(IV) Internal Transfer of Owner's Equity															
1. Capital Surplus															
Capital reserve															

Capital (or Share Capital)															
2. Transfer of Retained Earnings to Capital (or Share Capital)															
3. Use retained earnings to offset losses															
4. Transfer of changes in defined benefit plans to retained earnings															
5. Transfer of other comprehensive income to retained earnings															
6. Other															
(V) Special Reserves							778,355.16					778,355.16		778,355.16	
1. Current Period Accrual							18,863,775.31					18,863,775.31		18,863,775.31	
2. Current period usage							18,085,420.15					18,085,420.15		18,085,420.15	
(VI) Other													8,807,467.66	8,807,467.66	
IV. Closing Balance for the Period	3,871.00				5,436.00	1,005.00	27,676.384.95	778.40	250,314.656.49		3,360.67		11,886.11	137,147.198.91	12,023,264.989.84

Previous Period Amount

Unit: Yuan

Project	2022 Annual													Minority Interests	Total Shareholders' Equity
	Equity Attributable to Owners of the Parent Company														
	Common Stock	Other Equity Instruments			Capital surplus	Less: Treasury stock	Other comprehensive income	Special reserves	Retained earnings	General Risk Reserve	Retained Earnings	Other	Subtotal		
	Pref erred stock	Per petual Bonds	Oth er												
I. Balance at End of Previous Year	2,053,673. 321.00				2,004,31 4,925.11		1,941,42 2.94		250,314. 656.49		2,653.04 2,580.05		6,959.4 04,059. 71		6,959,404.0 59.71
Add: Changes in accounting policies															
Correction of Prior Errors															
Other															
II. Opening Balance for the Current Period	2,053,673. 321.00				2,004,31 4,925.11		1,941,42 2.94		250,314, 656.49		2,653.04 2,580.05		6,959.4 04,059. 71		6,959,404.0 59.71
III. Current Period Increase/Decrease Amount (Decreases indicated with "-")	924,152.99 4.00				924,101, 435.68	502,999 ,610.86		48.18			478,884, 125.26		24,063, 879.10	55,209.50 1.68	31,145,622. 58
(1) Total Comprehensive Income											643,177, 990.94		643,177 ,990.94	2,320,204 .78	645,498,195 .72
(2) Capital contributions and reductions by owners					51,558.3 2	502,999 ,610.86							502,948 ,052.54	52,889.29 6.90	450,058,755 .64
1. Common stock contributed by owners															
2. Other equity instrument holders															

Contributed capital															
3. Share-based payments recognized in equity															
4. Other					51,558.32	502,999,610.86						502,948,052.54	52,889.296.90	450,058,755.64	
(3) Profit Distribution															
1. Transfer to retained earnings															
2. General Risk Reserve															
3. Distribution to owners (or shareholders)															
4. Other															
(IV) Internal Transfer of Owner's Equity	924,152,994.00					-924,152,994.00									
1. Capital Surplus to Capital (or Share Capital)	924,152,994.00					-924,152,994.00									
2. Capitalization of retained earnings (or Share Capital)															
3. Use of retained earnings to offset losses															
4. Transfer of changes in defined benefit plans to retained earnings															
5. Other comprehensive															

Income to Retained Earnings															
6. Other															
(V) Special Reserves							48.18					48.18		48.18	
1. Current Period Allocation							2,179,381.70					2,179,381.70		2,179,381.70	
2. Current period usage							2,179,333.52					2,179,333.52		2,179,333.52	
(VI) Other															
IV. Balance at End of Current Period	2,977,826.315.00				1,080,213,489.43	502,999,610.86	1,941.422.94	48.18	250,314,656.49		3,131.926,705.31	6,935.340,180.61	55,209.501.68	6,990,549.682.29	

#### 8. Statement of Changes in Equity of the Parent Company

Amount for the Period

Unit: Yuan

Item	2023											Total Shareholders' Equity
	Share Capital	Other Equity Instruments			Capital Surplus	Less: Treasury shares	Other Comprehensive Income	Special reserves	Retained earnings	Retained Earnings	Other	
		Prefere d stock	Perpetual debt	Other								
I. Balance at End of Previous Year	2,977,826.315.00				1,504,863,257.52	502,999,610.86			269,935,591.46	1,755,300,345.80		6,004,925,898.92
Plus: Accounting policy change												
Correction of prior period errors												
Other												

II. Opening Balance for the Current Year	2,977,826.315.00				1,504,863,257.52	502,999,610.86			269,935,591.46	1,755,300,345.80		6,004,925,898.92
III. Changes in Amounts for the Current Period (Decreases indicated with "-")	893,200.00				4,356,243,962.28	502,006,082.29	18,250,200.00	-	83,292,314.57	559,297,221.97		5,371,777,216.53
(I) Total Comprehensive Income							18,250,200.00	-		832,923,145.69		814,672,945.69
(2) Capital Contributions and Reductions by Owners	893,200.00				4,356,243,962.28	502,006,082.29						4,747,437,879.99
1. Common stock contributed by owners	893,200.00				4,356,243,962.28	502,006,082.29						4,747,437,879.99
2. Capital contributed by holders of other equity instruments												
3. Amounts recognized in equity for share-based payments												
4. Other												
(3) Profit Distribution									83,292,314.57	-273,625,923.72		-190,333,609.15
1. Appropriation to Retained Earnings									83,292,314.57	-83,292,314.57		
2. Distribution to Owners (or Shareholders)										-190,333,609.15		-190,333,609.15
3. Other												
(IV) Internal Transfer of Owner's Equity												

1. Capital Surplus to Capital (or Share Capital)												
2. Transfer of Retained Earnings to Capital (or Share Capital)												
3. Use of Retained Earnings to Cover Losses												
4. Transfer of changes in defined benefit plans to retained earnings												
5. Transfer of other comprehensive income to retained earnings												
6. Other												
(V) Special Reserves												
1. Current Period Allocation												
2. Current Period Utilization												
(VI) Other												
IV. Current Period Closing Balance	3,871,026.315.00				5,861,107,219.80	1,005,005,693.15	18,250,200.00	-	353,227,906.03	2,314,597,567.77		11,376,703,115.45

Previous Period Amount

Unit: Yuan

Item	2022 Annual											
	Share Capital	Other Equity Instruments			Capital Surplus	Less: Treasury shares	Other Comprehensive Income	Special reserves	Retained earnings	Retained Earnings	Other	Total Shareholders' Equity
		Preferred stock	Perpetual debt	Other								

I. Previous Period	2,053,673. 321.00				2,429,016,251.52				212,346,509.39	1,401,292,472.90		6,096,328,554.8 1
Balance at End of Period												
Add: Changes in Accounting Policies												
Correction of prior period errors												
Other												
II. Opening Balance for Current Year	2,053,673. 321.00				2,429,016,251.52				212,346,509.39	1,401,292,472.90		6,096,328,554.8 1
III. Increase/Decrease in Current Period (Decreases indicated with •• -)	924,152.99 4.00				-924,152,994.00	502,999,610.86			57,589,082.07	354,007,872.90		-91,402,655.89
(I) Total Comprehensive Income										575,890,820.65		575,890,820.65
(II) Capital Contributions and Reductions by Owners	924,152.99 4.00				-924,152,994.00	502,999,610.86						-502,999,610.86
1. Common stock contributed by owners	924,152.99 4.00				-924,152,994.00							
2. Capital contributed by holders of other equity instruments												
3. Amounts recognized in equity for share-based payments												
4. Other						502,999,610.86						-502,999,610.86
(3) Profit Distribution									57,589,082.07	-221,882,947.75		-164,293,865.68
1. Appropriation to Retained Earnings									57,589,082.07	-57,589,082.07		

2. Dividends to Owners (or Shareholders)										-164,293,865.68		-164,293,865.68
Distribution												
3. Other												
(IV) Internal Transfer of Owner's Equity												
1. Capital Surplus to Paid-in Capital (or Share Capital)												
2. Transfer of Retained Earnings to Capital (or Share Capital)												
3. Use of Retained Earnings to Cover Losses												
4. Transfer of changes in defined benefit plans to retained earnings												
5. Transfer of other comprehensive income to retained earnings												
6. Other												
(V) Special Reserves												
1. Current Period Accrual												
2. Current Period Utilization												
(VI) Other												
IV. Current Period Closing Balance	2,977,826. 315.00				1,504,863,257.52	502,999,610.86			269,935,591.46	1,755,300,345.80		6,004,925,898.9 2

### III. Basic Company Information

#### (I) Company Overview

China Nuclear Huayuan Titanium Dioxide Co., Ltd. (hereinafter referred to as "the Company" or "CNTC") was established in February 2001. Its registered address is No. 504, South Ring Road, Baiyin District, Baiyin City, Gansu Province.

The Company operates in the titanium dioxide production industry, primarily engaged in the production and operation of titanium dioxide, ferrous sulfate, modified polyacrylamide, waste heat power

generation, and sulfuric acid slag; research, development, production, and sales of new chemical products; chemical engineering design; chemical equipment design, processing, and manufacturing; as well as technology development, consulting, transfer, and services (excluding those restricted by the state)

The company's historical development is as follows: 1. Establishment and Listing

Approved by the State Economic and Trade Commission under Document No. Guojingmaoqi [2001] No. 88, the company was established as a joint-stock corporation through a joint investment by Gansu Huayuan Enterprise Corporation (now renamed China Nuclear 404 Co., Ltd.) China Cinda Asset Management Co., Ltd., China Orient Asset Management Co., Ltd., Gansu Provincial Electric Power Company Baolingshan Power Plant (now renamed Gansu Datang Baolingshan Thermal Power Co., Ltd.) Gansu Mining Area Grain and Oil Purchase and Sales Company. The initial registered capital was RMB 130 million.

In July 2007, approved by the China Securities Regulatory Commission under Document No. 180 [2007], the company conducted its initial public offering of 60 million RMB ordinary shares at an offering price of RMB 5.58 per share, raising RMB 334 million. This was verified by the capital verification report XYZH/2007A7006 issued by ShineWing Certified Public Accountants Co., Ltd. The shares from the initial public offering commenced trading on the SME Board of the Shenzhen Stock Exchange on August 3, 2007, under the stock code 002145.

#### 2. Jinxing Titanium Dioxide's Custodial Management of Zhonghe Titanium Dioxide

On August 8, 2011, China Nuclear Titanium Dioxide convened its 38th (Extraordinary) Meeting of the Third Board of Directors, approving the proposal for Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.

(hereinafter referred to as Jinxing Titanium Dioxide) to implement custodial management of its overall assets. The entrusted management period was from September 1, 2011 to August 31, 2012.

During this period, Jinxing Titanium Dioxide would assume full responsibility for the company's daily production and operations. This proposal was reviewed and approved at the Second Extraordinary Shareholders' Meeting of 2011 held on August 25, 2011.

Following the entrusted management arrangement, CNTC appointed Mr. Li Jianfeng, Chairman of Jinxing Titanium Dioxide, as General Manager of CNTC; Ms. You Cuichun as Deputy General Manager overseeing production; and Mr. Hu Jianlong as Deputy General Manager overseeing sales operations.

#### 3. Restructuring of CNNC Titanium Dioxide

Pursuant to an application filed by the Lanzhou Tianlan Electromechanical Products Trading Department of Tianshui No. 213 Machine Tool & Electrical Appliance Factory, the Jiayuguan City People's Court issued Civil Ruling No. (2012)

Jiafa Minzheng No. 01-1, accepting the restructuring case of the debtor China Nuclear Huayuan Titanium Dioxide Co., Ltd. On the same day, it issued (2012) Jiafa

Civil Ruling No. 01-2 of the People's Court of Jiayuguan City, approving the restructuring of China Nuclear Huayuan Titanium Dioxide Co., Ltd. and concurrently designating the liquidation group of China Nuclear Huayuan Titanium Dioxide Co., Ltd. as the administrator.

On July 31, 2012, the Jiayuguan City People's Court issued Civil Ruling No. 01-5 (2012) approving the "Reorganization Plan of China Nuclear Huayuan Titanium Dioxide Co., Ltd."

The execution period of the reorganization plan was four months, from August 1, 2012 to November 30, 2012.

According to the reorganization plan, China Cinda Asset Management Co., Ltd., the largest shareholder of CNNC Titanium Dioxide, transferred its 45 million shares of CNNC Titanium Dioxide at a price of RMB 3.3 per share

to shareholders Li Jianfeng, Chen Fuqiang, and Hu Jianlong of Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Specifically: Li Jianfeng acquired 30 million shares, representing 15.79%; Chen Fuqiang acquired 8 million shares, representing 4.21%; Hu Jianlong acquired 7 million shares, representing 3.68%. China Cinda Asset Management Co., Ltd., the largest shareholder of CNNC Titanium Dioxide, transferred its 31,479,232 shares in CNNC Titanium Dioxide to financial investors at a price of RMB 3.3 per share. Specifically: Wuhan Jiuzhou Hongyang Investment Development Co., Ltd. acquired

21,479,232 shares, representing 11.31%, while Wuhan Purui Real Estate Co., Ltd. acquired 10,000,000 shares, representing 5.26%. Following the completion of the share transfer, China Cinda Asset Management Co., Ltd.

Asset Management Co., Ltd. will no longer hold any shares in CNNC Titanium Dioxide, and Li Jianfeng will become the largest shareholder of CNNC Titanium Dioxide. The transfer of the above shares was registered with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on August 13, 2012. After this share transfer, Li Jianfeng and his concerted parties, Chen Fuqiang and Hu Jianlong, collectively hold 23.68% of the shares in CNNC Titanium Dioxide.

#### 4. Major Asset Restructuring of CNNC Titanium Dioxide

On August 9, 2012, the 17th meeting of the Decision-Making Committee of CNNC Titanium Dioxide's management team was convened, during which the "Proposal on Planning a Major Asset Restructuring of CNNC Huayuan Titanium Dioxide Co., Ltd." was reviewed and approved.

On September 27, 2012, CNTC signed the "CNTC Huayuan Titanium Dioxide Co., Ltd. Share Issuance for Asset Acquisition Agreement" with Li Jianfeng, Zheng Zhifeng, Chen Fuqiang, Hu Jianlong, and Zhangjiagang Yinuo Equity Investment Enterprise (Limited Partnership) (hereinafter referred to as "Yinuo Investment").

"Yinuo Investment" on September 27, 2012. CNTC Titanium Dioxide issued 192,121,212 shares to acquire 100% equity interest in Anhui Jinxing Titanium Dioxide held by Li Jianfeng, Zheng Zhifeng, Chen Fuqiang, Hu Jianlong, and Zhangjiagang Yinuo Investment. On the same day, CNNC Titanium Dioxide convened its Second (Extraordinary) Meeting of the Fourth Board of Directors, which reviewed and approved the proposal. On October 15, 2012, the Third Extraordinary Shareholders' Meeting of China Nuclear Titanium Dioxide Co., Ltd. in 2012 passed resolutions on the following motions: "On the Company Meeting the Conditions for Issuing Shares to Purchase Assets and Raising Supporting Funds and Related Party Transactions," "On China Nuclear Huayuan Titanium Dioxide Co., Ltd. Signing Conditional Effective Agreements with Li Jianfeng, Zheng Zhifeng, Chen Fuqiang, Hu Jianlong, and Zhangjiagang Yinuo Investment, Including the Proposal on the Issuance of Shares to Purchase Assets Agreement and Profit Forecast Compensation Agreement" signed by China Nuclear Huayuan Titanium Dioxide Co., Ltd. and Li Jianfeng, Zheng Zhifeng, Chen Fuqiang, Hu Jianlong, and Zhangjiagang Yinuo Investment.

On December 19, 2012, the Mergers and Acquisitions Review Committee of the China Securities Regulatory Commission approved CNNC Titanium Dioxide's application for share issuance to acquire assets and raise supporting funds at its 38th meeting of 2012. On January 16, 2013, the China Securities Regulatory Commission issued Document No. 31 [2013]

"Approval for Zhonghe Huayuan Titanium Dioxide Co., Ltd. to Issue Shares to Li Jianfeng et al. for Asset Acquisition and Raising Supporting Funds," approved the share issuance. Pursuant to the approved share issuance plan, Li Jianfeng, Zheng Zhifeng, Chen Fuqiang, Hu Jianlong, and Zhangjiagang Yinuo Investment subscribed for 192,121,212 shares issued by the company at a price of

3.3 yuan per share. The 192,121,212 new shares issued in this private placement for asset acquisition were registered with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on January 24, 2013

24, 2013, with the Company's total share capital increasing from 190,000,000 shares to 382,121,212 shares.

Following the completion of the aforementioned share issuance for asset acquisition transaction, the Company was approved by the China Securities Regulatory Commission to issue shares to specific investors (not exceeding 10) to raise supplementary funds.

As of February 4, 2013, the Company issued 27,990,728 non-publicly offered ordinary shares of RMB, each with a par value of RMB 1. These shares were subscribed by the following entities: CNNC Titanium Dioxide Private Placement Investment Collective Fund Trust, Gu Weijuan, and Tiandi Innovation (Tianjin) Asset Management Partnership (Limited Partnership) at a price of RMB 7.55 per share

7.55 yuan per share. The aforementioned 27,990,728 shares of RMB ordinary shares issued in the private placement completed the pre-registration procedures with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on February 19, 2013.

, 2013, at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. The Company's total share capital increased from 382,121,212 shares to 410,111,940 shares.

#### 5. 2014 Private Placement

On November 22, 2013, the Company convened the Seventeenth (Extraordinary) Meeting of the Fourth Board of Directors, which passed a resolution to conduct a private placement of shares. On December 12, 2013,

the Company convened its Sixth Extraordinary Shareholders' Meeting of 2013 to deliberate and approve the private placement of shares.

On September 10, 2014, the Company received the China Securities Regulatory Commission's "Approval for the Private Placement of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit No. [2014] No. 908), approving the private placement of shares by the Company.

A total of three institutions subscribed to this issuance and remitted funds to the designated bank. On October 27, 2014, XYZH issued Verification Report No. XYZH/2014XAA1013-1. Upon verification, Xinda Securities received subscription payments totaling RMB 401,909,993.61 from investors allocated shares in the private placement. On October 28, 2014, XYZH issued Capital Verification Report No. XYZH/2014XAA1013-2. Following capital verification, as of October 28, 2014, the issuer raised total funds of RMB 401,909,993.61. After deducting issuance expenses totaling RMB 16,700,000.00, the net proceeds amounted to RMB 385,209,993.61.

, the issuer raised a total of RMB 401,909,993.61. After deducting issuance expenses of RMB 16,700,000.00, the net proceeds raised

RMB 385,209,993.61. This amount included RMB 40,070,787.00 for increased registered capital (share capital) and RMB

RMB 345,139,206.61.

#### 6. 2015 Private Placement of Shares

On April 29, 2015, the Company's 35th (Extraordinary) Meeting of the Fourth Board of Directors reviewed and approved the "2015 Restricted Stock Incentive Plan (Draft)" and its summary. On June 3, 2015, the Company's Second Extraordinary Shareholders' Meeting of 2015 reviewed and approved the "2015 Restricted Stock Incentive Plan (Draft)" and its summary, the "2015 Restricted Stock Incentive Plan Implementation Assessment Management Measures," and the "Proposal on Authorizing the Board of Directors to Handle Matters Related to the 2015 Restricted Stock Incentive Plan."

On June 8, 2015, the Company's 37th (Extraordinary) Meeting of the Fourth Board of Directors reviewed and approved the "Proposal Adjusting Matters Related to the 2015 Restricted Stock Incentive Plan" and the "Proposal Granting Restricted Stock to the Recipients."

As of June 8, 2015, the initial grant of restricted shares by the Company was completed. On June 10, 2015, XYZH Certified Public Accountants conducted an audit of the initial grant of restricted shares.

The newly registered capital raised through the issuance of restricted shares has been verified, and Capital Verification Report No. XYZH/2015XAA10091 has been issued. Upon verification, as of June 10, 2015,

, China Nuclear Titanium Dioxide issued 10.12 million shares of RMB ordinary stock through a private placement. Each share has a par value of RMB 1. The shares were subscribed by directors and senior

management members You Cuichun, Mei Kechun, Fan

Xicheng, Pu Jianzhong, and Xia Yunchun, as well as 197 mid-level managers and core technical (business) personnel including Chen Xiuyan and Zhang Liang, at a price of RMB 9.67 per share.

The total funds raised amounted to RMB 97,860,400.00. After deducting issuance expenses of RMB 222,476.65, the net proceeds received were RMB

97,637,923.35 yuan, of which RMB 10,120,000.00 was allocated to increase registered capital (share capital) and RMB 87,517,923.35 to capital surplus.

#### 7. 2015 Private Placement of Shares

On December 2, 2014, the Fourth Extraordinary General Meeting of Shareholders in 2014 reviewed and approved the "Proposal on the Company's Non-public Offering of A-shares," raising funds by issuing shares to specific investor Li Jianfeng.

On June 18, 2015, the 38th Meeting of the Fourth Board of Directors reviewed and approved an adjustment to the fundraising amount for this private placement.

The number of shares issued in this private placement was 75,342,465 shares, with the subscribers paying in cash.

On July 30, 2015, the China Securities Regulatory Commission approved the private placement of up to 75,342,465 new shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd. through Document No. 1835 [2015]

of the CSRC, "Approval for the Private Placement of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd."

to raise funds through a private placement of no more than 75,342,465 new shares. The Company applied to

to increase its registered capital (share capital) by RMB 75,342,465.00, resulting in a post-change registered capital (share capital) of RMB 535,645,192.00.

This additional issuance was subscribed by shareholder Li Jianfeng, with funds remitted to the designated bank. On September 16, 2015, XYZH issued Verification Report No. XYZH/2015XAA1009

Verification Report. Upon verification, as of September 16, 2015, Zhonghe Titanium Dioxide issued 75,342,465 shares of Class A ordinary shares with a par value of RMB 1.00 per share through a private placement.

subscribed by Li Jianfeng at RMB 10.22 per share, raising a total of RMB 770,000,000.00. After deducting issuance expenses of RMB 14,474,398.61, the net proceeds

Net proceeds amounted to RMB 755,525,601.39, of which RMB 75,342,465 was allocated to increase registered capital, and RMB 680,183,136.39 was allocated to capital surplus.

Following the aforementioned share issuance, as of December 31, 2015, the registered capital (share capital) of China Nuclear Titanium Dioxide Co., Ltd. stood at RMB 535,645,192.

Following this private placement, Li Jianfeng and his concerted parties Chen Fuqiang and Hu Jianlong collectively held 44.84% of CNTC's equity, with Li Jianfeng serving as the actual controller of CNTC.

#### 8. Changes in Share Capital in 2016

##### (1) Repurchase of 4.456 million restricted shares

As of December 31, 2015, the Company's registered capital was RMB 535,645,192, and its share capital was RMB 535,645,192. Pursuant to the Board resolution on the "Proposal for Repurchasing and Canceling Certain

Restricted Shares" adopted at the Tenth (Extraordinary) Meeting of the Fifth Board of Directors on April 6, 2016, and the amended provisions of the Articles of Association, the repurchased restricted shares were canceled.

Board Resolution on Repurchasing and Canceling Certain Restricted Shares, adopted at the Tenth (Extraordinary) Meeting of the Fifth Board of Directors on April 6, 2016, and the amended Articles of Association, 4.456 million restricted shares were repurchased and canceled, representing 0.83% of the Company's total shares prior to the repurchase and cancellation of which 3.776 million shares were repurchased and canceled due to failure to meet the vesting conditions for the first vesting period of the initial grant under the equity incentive plan. Additionally, 680,000 shares were canceled due to the departure of incentive recipients who no longer met the incentive conditions

. The Company consequently reduced its registered capital (share capital) by RMB 4,456,000. After the capital reduction, the Company's registered capital is

The share capital has been adjusted to RMB 531,189,192. This capital reduction was verified by XYZH Certified Public Accountants LLP, which issued Capital Verification Report No. XYZH/2016XAA10427 on April 15, 2016.

##### (2) Capital Reserve Conversion to Share Capital

Pursuant to the "2015 Profit Distribution Plan" approved at the Company's 2015 Annual General Meeting of Shareholders on April 19, 2016, and the amended provisions of the Company's Articles of Association,

the Company issued 1,062,378,384 bonus shares to all shareholders at a ratio of 20 bonus shares for every 10 shares held, with a par value of RMB 1 per share. The Company's registered capital increased to RMB 1,593,578,384. The bonus share issuance was effective as of May 6, 2016.

by RMB 1,062,378,384. The record date for the capitalization was May 6, 2016, and the registered capital after the change was RMB 1,593,567,576. The capitalization was verified by ShineWing Certified Public

Accountants

Special General Partnership, with the capital verification report XYZH/2016XAA10432 issued on May 13, 2016.

As of December 31, 2016, the Company's cumulative registered capital amounted to RMB 1,593,567,576.00, with a book equity of RMB 1,593,567,576.00.

On April 6, 2016, Li Jianfeng, Chen Fuqiang, and Hu Jianlong jointly signed the Agreement on Termination of the Concerted Action Agreement, terminating the Concerted Action Agreement signed by the three parties on September 27,

2012.

Following the termination of the concerted action relationship, Li Jianfeng remained the controlling shareholder and actual controller. As of December 31, 2016,

Li Jianfeng held 37% of the Company's equity.

9. Changes in Share Capital for 2017  
Repurchase of 1,746,000 restricted shares

As of December 31, 2016, the Company's registered capital was RMB 1,593,567,600, and its share capital was RMB 1,593,567,600. Pursuant to the Board resolution

Board Resolution "On Repurchasing and Canceling Certain Restricted Shares" approved at the Tenth (Extraordinary) Meeting of the Fifth Board of Directors on April 27, 2017, and the amended Articles of Association, 1,746,000 restricted shares were repurchased and canceled, representing 0.1096% of the Company's total shares prior to repurchase and cancellation, including 180,000 shares repurchased due to the replacement of supervisors who did not meet incentive eligibility criteria. The cancellation of 1,566,000 shares was due to individuals resigning for personal reasons and completing relevant departure procedures, thereby no longer

1.566 million shares of restricted stock held by incentive recipients who resigned for personal reasons and completed the relevant departure procedures, and no longer meet the incentive conditions. The Company therefore reduces its registered capital (share capital) by RMB 1.746 million.

the company's registered capital (share capital) to RMB 1,591,821,600. This capital reduction was verified by ShineWing CPA LLP (Special General Partnership), which issued Capital Verification Report No. XYZH/2017XAA10416 on May 8, 2017.

As of December 31, 2017, the Company's cumulative registered capital was RMB 1,591,821,576.00, with a book equity capital of RMB 1,591,821,576.00. 10. Changes in Equity Capital for the Year 2018

Repurchased 576,000 shares of restricted stock

As of December 31, 2017, the Company's registered capital was RMB 1,591,821,576.00, with a book value of share capital of RMB 1,591,821,576.00. Pursuant to the resolution passed at the 30th Meeting of the Fifth Board of Directors held on March 7, 2018, the Company approved the "Proposal on Repurchasing and Canceling Certain Restricted Stocks."

The number of restricted shares repurchased and canceled this time was 576,000 shares, accounting for 0.0362% of the total number of shares of the company before the repurchase and cancellation. Among them, the repurchase was due to the failure of the re-elected supervisor to meet the incentive conditions. The number of restricted shares repurchased and canceled in this transaction was 576,000 shares, representing 0.0362% of the total number of shares of the company prior to the repurchase and cancellation. Among these, 495,000 shares were repurchased due to incentive recipients holding restricted shares who did not meet the incentive conditions after the election of additional supervisors; 81,000 shares were canceled due to incentive recipients holding restricted shares who no longer met the incentive conditions after leaving the company. As a result, the company's registered capital (share capital) was reduced by RMB 576,000. After the capital reduction, the company's registered capital (share capital) became RMB 1,591,245,600. The capital reduction matter was approved by the shareholders' meeting held on December 31, 2017.

RMB 576,000 from its registered capital (share capital), resulting in a post-reduction registered capital (share capital) of RMB 1,591,245,600. This capital reduction was verified by XYZH Certified Public Accountants LLP

and a capital verification report (No. XYZH/2018XAA10231) was issued on March 28, 2018.

As of December 31, 2018, the Company's cumulative registered capital was RMB 1,591,245,576.00, with a book equity of RMB 1,591,245,576.00. 11. 2020 Private Placement of Shares

On February 25, 2020, the Company convened the Nineteenth (Extraordinary) Meeting of the Sixth Board of Directors, which resolved to approve a private placement of shares. On March 12, 2020, the Company convened its First Extraordinary Shareholders' Meeting of 2020, which reviewed and approved the private placement of shares.

On August 4, 2020, the Company received the China Securities Regulatory Commission's "Approval for the Private Placement of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit No. [2020]1655, [2020] No. 1655), approving the private placement of shares by the Company.

The subscriber for this private placement is Wang Zelong, who subscribed for all shares offered through cash payment. On September 14, 2020,

After verification, as of September 14, 2020, the Company actually issued 462,427,745 shares of RMB ordinary shares through the private placement

462,427,745 shares of RMB ordinary shares through a private placement, raising a total of RMB 1,599,999,997.70. After deducting issuance expenses of RMB 12,658,490.57, the net proceeds raised

. This resulted in an increase in registered capital (share capital) of RMB 462,427,745.00 and capital surplus of RMB

RMB 1,124,913,762.13.

12. Changes in Share Capital in 2022

(1) Capitalization of Capital Surplus

On May 17, 2022, the Company's 2021 Annual General Meeting of Shareholders approved the "Proposal on the 2021 Profit Distribution and Capital Reserve Transfer to Share Capital Plan."

Based on the total share capital of 2,053,673,321 shares as of December 31, 2021, the parent company distributed a cash dividend of RMB 0.8 per 10 shares (tax inclusive) to all shareholders from profits available for distribution.

capitalization of RMB 2,977,826,315.00,

with share capital of RMB 2,977,826,315.00.

(2) Share Repurchase Status

On May 17, 2022, the Company convened the First (Extraordinary) Meeting of the Seventh Board of Directors, which reviewed and approved the "Proposal on the Share Repurchase Plan," authorizing the Company to repurchase its shares through centralized competitive bidding using self-raised funds. The repurchase was completed on June 7, 2022. Through a dedicated securities account, the Company repurchased a total of 64,354,132 shares via centralized competitive bidding, representing 2.1611% of the Company's current total share capital. The highest transaction price was RMB

8.18 yuan per share, with a minimum transaction price of 7.43 yuan per share. The total transaction amount was 502,939,255.80 yuan (excluding transaction fees), including transaction fees

The total transaction amount including transaction fees was

RMB 502,999,610.86. 13. Changes in Share Capital for 2023

(1) Private Placement of Shares

The Company convened the 37th (Extraordinary) Meeting of the Sixth Board of Directors on May 24, 2021, the Third Extraordinary Shareholders' Meeting of 2021 on June 9, 2021, the Second (Extraordinary) Meeting of the Seventh Board of Directors on June 7, 2022, and the Second Extraordinary Shareholders' Meeting of 2022 on June 24, 2022.

, the Second Extraordinary Shareholders' Meeting of 2022 held on June 7, 2022, and the Second Extraordinary Shareholders' Meeting of 2022 held on June 24, 2022. The issuance was approved by the China Securities Regulatory Commission in its "Approval for the Non-public Offering of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit No. [2022] No. 1734), the Company issued 893,200,000 shares of stock to specific investors through a private placement. Investors subscribed for all shares of this private placement in cash.

Upon verification, the Company actually issued 893,200,000 shares of Class A ordinary shares through the private placement, raising a total of RMB 5,287,744,000.00. After deducting

RMB 38,300,037.72 in issuance expenses, the net proceeds raised amounted to RMB 5,249,443,962.28. This sum increased the share capital by RMB 893,200,000,

and RMB 4,356,243,962.28 was allocated to capital reserves.

(2) Share Repurchase Status

On September 26, 2023, the Company convened the Fifteenth (Extraordinary) Meeting of the Seventh Board of Directors, which reviewed and approved the "Proposal on the Share Repurchase Plan." The meeting authorized the Company to repurchase its issued Class A ordinary shares through centralized competitive bidding using its own funds. The total repurchase amount shall not exceed RMB 1 billion and shall not be less than RMB 500 million, with a repurchase price not exceeding RMB 7.8 per share. As of December 31, 2023, the Company has repurchased a total of 104,257,620 shares through centralized competitive bidding via the dedicated repurchase securities account, representing 2.693% of the Company's current total share capital. The highest transaction price was RMB 5.10 per share, and the lowest transaction price was RMB 5.10 per share.

, representing 2.693% of the Company's current total share capital. The highest transaction price was RMB 5.10 per share, and the lowest transaction price was RMB 4.29 per share

, with a total transaction value of RMB 501,956,337.85 (excluding transaction fees). Including transaction fees, the total transaction value amounted to RMB 502,006,082.29.

As of December 31, 2023, the Company's cumulative total issued share capital amounted to 3,871,026,315 shares, with a registered capital of RMB 3,871,026,315.

These financial statements were approved for issuance by the Company's Board of Directors on April 16, 2024.

(2) Scope of Consolidated Financial Statements

Information regarding the Company's subsidiaries is detailed in Note X: "Interests in Other Entities." Changes in the scope of consolidation during the reporting period are detailed in Note IX: "Changes in the Scope of Consolidation."

#### IV. Basis of Preparation of Financial Statements

##### 1. Basis of Preparation

These financial statements have been prepared in accordance with the "Basic Accounting Standards for Enterprises" issued by the Ministry of Finance, along with various specific accounting standards, application guidelines for enterprise accounting standards, interpretations of enterprise accounting standards, and other relevant regulations (hereinafter collectively referred to as the "Enterprise Accounting Standards"), as well as the relevant provisions of the China Securities Regulatory Commission's "Rules for the Preparation and Disclosure of Information by Companies Issuing Securities to the Public No. 15—General Provisions for Financial Reporting."

##### 2. Going Concern

These financial statements have been prepared on a going concern basis.

#### V. Significant Accounting Policies and Accounting Estimates

Specific Accounting Policies and Accounting Estimates:

##### 1. Statement of Compliance with Enterprise Accounting Standards

These financial statements comply with the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance and present fairly and completely the consolidated and parent company

financial position as of December 31, 2023, and the consolidated and parent company operating results and cash flows for the year ended December 31, 2023.

##### 2. Accounting Period

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

##### 3. Operating Cycle

The Company's operating cycle is 12 months.

##### 4. Functional Currency

The Company adopts the Renminbi (RMB) as its functional currency.

##### 5. Methodology and Basis for Determining Materiality Thresholds

Applicable  Not Applicable

Item	Materiality Threshold
Significant provision for or reversal of asset impairment	The impact on the company's current period profit or loss accounts for more than 10% of the absolute value of the audited net profit in the company's most recent consolidated financial statements for the fiscal year, and the absolute amount exceeds RMB 1 million RMB
Significant Balance Sheet Contingent Liabilities/Subsequent Events/Other Significant Matters	The Company classifies subsequent events with an absolute value exceeding 10% of the audited net profit for the most recent fiscal year as material subsequent events. Significant accounts receivable, other payables, and prepayments with an aging period exceeding one year
Significant accounts payable, other payables, and prepayments with an aging period exceeding one year	Accounts payable, other payables, and prepayments with an aging period exceeding one year for a single supplier and an amount reaching RMB 10 million Other payables, prepayments
Significant non-wholly owned subsidiaries	Revenue from non-wholly owned subsidiaries exceeding 10% of total consolidated revenue and amounting to exceeding RMB 50 million
Significant construction-in-progress projects	Construction-in-progress projects with cumulative investments reaching 0.5% of the company's total assets
Significant joint ventures or associates	Equity interest of 20% or more

##### 6. Accounting treatment for business combinations under common control and non-common control

Business combinations under common control: Assets and liabilities acquired by the acquirer in the business combination (including goodwill arising from the ultimate controlling party's acquisition of the acquiree) are measured based on the carrying amounts of the acquiree's assets and liabilities in the ultimate controlling party's consolidated financial statements as of the acquisition date. The difference between the carrying amount of net assets acquired in the merger and the carrying amount of merger consideration paid (or the total par value of shares issued) shall adjust the share premium in capital surplus. If the share premium in capital surplus is insufficient to cover the difference, retained earnings shall be adjusted.

Non-controlling interest in business combinations: The cost of the merger is the fair value of the assets transferred, liabilities incurred or assumed, and equity securities issued by the acquirer to obtain control of the acquiree at the acquisition date.

and the fair value of any equity securities issued. The excess of the cost of the acquisition over the fair value share of the acquiree's identifiable net assets acquired in the acquisition is recognized as goodwill. The deficiency in the cost of the acquisition over the fair value share of the acquiree's identifiable net assets acquired in the acquisition is recognized in profit or loss for the period. Identifiable assets, liabilities, and contingent liabilities of the acquiree acquired in the acquisition that meet

are measured at fair value on the acquisition date.

Transaction costs directly attributable to the business combination are recognized in profit or loss when incurred. Transaction costs related to the issuance of equity securities or debt securities for the business combination are included in the initial recognition amount of the equity securities or debt securities.

## 7. Criteria for Determining Control and Methodology for Preparing Consolidated Financial Statements

### 1. Criteria for Determining Control

The scope of consolidation for consolidated financial statements is determined based on control, encompassing the parent company and all subsidiaries. Control refers to the power exercised by the company over the investee, enabling it to receive variable returns through participation in the investee's activities and the ability to influence the amount of those returns by exercising its power over the investee.

### 2. Consolidation Procedures

The Company treats the entire enterprise group as a single accounting entity and prepares consolidated financial statements in accordance with uniform accounting policies to reflect the overall financial position, operating results, and cash flows of the enterprise group. The effects of internal transactions between the Company and its subsidiaries, as well as among subsidiaries, are eliminated. Internal transactions that indicate impairment of related assets

If internal transactions indicate impairment losses on related assets, such losses are recognized in full. Where a subsidiary's accounting policies or accounting periods differ from those of the Company, necessary adjustments are made in accordance with the Company's accounting policies and accounting periods when preparing the consolidated financial statements.

The minority interest share of a subsidiary's equity, net profit or loss for the period, and comprehensive income for the period shall be separately disclosed under the equity section of the consolidated balance sheet, the net profit item of the consolidated income statement, and the total comprehensive income item, respectively. Where the current period loss borne by minority shareholders of a subsidiary exceeds the minority interest share in the subsidiary's equity at the beginning of the period, the resulting balance shall be offset against the minority interest equity.

The balance arising when the share of current losses borne by minority shareholders in the subsidiary exceeds their share of the subsidiary's equity at the beginning of the period is credited to minority interest.

#### (1) Addition of Subsidiaries or Businesses

During the reporting period, when subsidiaries or businesses are added through business combinations under common control, the operating results and cash flows of the subsidiaries or businesses from the beginning of the period of the business combination to the end of the reporting period are included in the consolidated financial statements. Concurrently, adjustments are made to the opening balances and relevant items in the comparative financial statements of the consolidated financial statements, as if the reporting entity after the combination had existed since the point in time when the ultimate controlling party first exercised control.

During the reporting period, if a subsidiary or business is added due to a business combination not under common control, it shall be included in the consolidated financial statements from the acquisition date based on the fair value of all identifiable assets, liabilities, and contingent liabilities determined at the acquisition date.

#### (2) Disposal of Subsidiaries

##### ① General Treatment Method

When control over an investee is lost due to the disposal of part of an equity investment or other reasons, the remaining equity investment after disposal is remeasured at its fair value as of the date control is lost. The difference between the sum of the consideration received from the disposal and the fair value of the remaining equity interest, and the sum of the share of the net assets of the original subsidiary calculated based on the original equity interest ratio from the acquisition date or consolidation date and goodwill, is recognized as investment income in the period of loss of control. Other comprehensive income that may subsequently be reclassified to profit or loss, and changes in other equity under the equity method, related to the original equity investment in the subsidiary shall be converted to investment income for the period in which control is lost.

##### ② Step-by-Step Disposal of Subsidiary

Where control over an equity investment in a subsidiary is lost through multiple transactions conducted in stages, the terms, conditions, and economic effects of each transaction relating to the disposal of the equity investment in the subsidiary typically indicate that the multiple transactions constitute a single transaction if one or more of the following conditions are met:

i. These transactions are entered into simultaneously or with mutual consideration of their effects;

ii. The transactions collectively achieve a complete commercial outcome;

iii. The occurrence of one transaction depends on the occurrence of at least one other transaction;

iv. A transaction is uneconomical when considered in isolation but becomes economical when considered together with other transactions.

Where transactions constitute a single transaction, they shall be accounted for as a single disposal of the subsidiary and loss of control. The difference between the proceeds from each disposal prior to loss of control and the share of the subsidiary's net assets corresponding to the investment disposed of shall be recognized in other comprehensive income in the consolidated financial statements and transferred to profit or loss in the period of loss of control.

Where transactions do not constitute a package transaction, prior to loss of control, accounting treatment shall be applied as if the equity investment in the subsidiary were being partially disposed of without loss of control. Upon loss of control, accounting treatment shall follow the general method for disposing of subsidiaries.

**(3) Acquisition of Minority Interests in Subsidiaries**

The difference between the newly acquired long-term equity investment from purchasing minority interests and the share of the subsidiary's net assets calculated based on the new ownership percentage from the acquisition date or consolidation date is adjusted against the share premium in capital surplus on the consolidated balance sheet. If the share premium in capital surplus is insufficient, retained earnings are adjusted.

**(4) Partial Disposal of Equity Investment in Subsidiary Without Loss of Control**

The difference between the disposal proceeds and the share of the subsidiary's net assets calculated continuously from the acquisition date or consolidation date corresponding to the disposed long-term equity investment shall adjust the share premium in capital surplus on the consolidated balance sheet. If the share premium in capital surplus is insufficient, retained earnings shall be adjusted.

**3. Explanation of the Company's Preparation of Consolidated Financial Statements Based on a Reverse Acquisition**

Approved by the China Securities Regulatory Commission, the Company implemented a major asset restructuring with Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. in 2013. The Company issued shares to Li Jianfeng, Zheng Zhifeng, Chen Fuqiang, Hu Jianlong, and Zhangjiagang Yinuo Equity Investment Enterprise (Limited Partnership) to acquire their 100% equity interest in Jinxing Titanium Dioxide. Pursuant to Accounting Standard for Business Enterprises No. 20—Business Combinations, the Interpretation of Accounting Standards for Business Enterprises (2010), and the Circular of the Accounting Department of the Ministry of Finance [2009] No. 17 Regarding the Accounting Treatment for Indirect Listings Achieved Through Non-listed Companies Acquiring Shares of Listed Companies, the aforementioned major asset restructuring constitutes a reverse acquisition. The Company adheres to the following principles in preparing its consolidated financial statements:

the following principles in preparing the consolidated financial statements:

In the consolidated financial statements, the assets and liabilities of legal subsidiaries shall be recognized and measured at their carrying amounts prior to the merger.

Retained earnings and other equity balances in the consolidated financial statements shall reflect the retained earnings and other equity balances of the legal subsidiaries prior to the merger.

The amount of equity instruments in the consolidated financial statements shall reflect the par value of shares outstanding prior to the merger of the legal subsidiary and the amount of equity instruments assumed to be newly issued in determining the cost of the business combination. However, the equity structure in the consolidated financial statements shall reflect the equity structure of the legal parent company, i.e., the number and types of equity securities outstanding issued by the legal parent company.

The comparative information in the consolidated financial statements is the comparative information of the legal subsidiaries (i.e., the prior-period consolidated financial statements of the legal subsidiaries).

For business combinations where the legal parent retains assets and liabilities, the difference between the cost of the business combination and the fair value of the share of the acquiree's identifiable net assets acquired shall be recognized as goodwill or included in profit or loss for the period.

**8. Classification of Joint Arrangements and Accounting for Joint Ventures**

Joint arrangements are classified as joint ventures or joint operations.

A joint operation is a joint arrangement in which the joint operators have rights to the assets and obligations for the liabilities of the arrangement. The Company recognizes the following items related to its share of interests in joint operations:

- (1) Assets held solely by the Company, and jointly held assets recognized according to the Company's share;
- (2) Recognition of liabilities solely incurred by the Company, as well as jointly incurred liabilities recognized according to the Company's share;
- (3) Recognition of revenue from the sale of the Company's share of the joint operation's output;
- (4) Recognition of revenue from the sale of output by the joint operation, based on the Company's share;
- (5) Recognition of expenses incurred solely by the Company, as well as recognition of expenses incurred by the joint operation in proportion to the Company's share.

The Company accounts for its investment in the joint venture using the equity method. For details, please refer to Note V.(15) Long-term Equity Investments.

**9. Criteria for Determining Cash and Cash Equivalents**

Cash refers to the Company's cash on hand and deposits that can be readily converted into cash for payment. Cash equivalents refer to short-term, highly liquid investments held by the Company that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

**10. Foreign Currency Transactions and Foreign Currency Financial Statement Translation****1. Foreign Currency Transactions**

Foreign currency transactions are converted into RMB for accounting purposes using the spot exchange rate prevailing on the first day of each month.

Balances of monetary items denominated in foreign currencies as of the balance sheet date are translated at the spot exchange rate prevailing on that date. The resulting exchange differences are recognized in profit or loss for the period, except for exchange differences arising from foreign currency borrowings specifically used for the acquisition or construction of assets meeting capitalization criteria, which are capitalized as borrowing costs.

**2. Translation of Foreign Currency Financial Statements**

Assets and liabilities on the balance sheet are translated using the spot exchange rate on the balance sheet date. For equity items, all items except "Retained Earnings" are translated using the spot exchange rate prevailing at the time of transaction. Income and expense items on the income statement are translated using the spot exchange rate prevailing on the transaction date.

Upon disposal of a foreign operation, the translation differences arising from the foreign currency financial statements related to that operation are transferred from equity items to profit or loss for the period of disposal.

## 11. Financial Instruments

The Company recognizes a financial asset, financial liability, or equity instrument when it becomes a party to the contract for the financial instrument. 1. Classification of Financial Instruments

Based on the Company's business model for managing financial assets and the contractual cash flow characteristics of such assets, financial assets are classified upon initial recognition as: financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss.

The Company classifies financial assets that simultaneously meet the following conditions and are not designated as financial assets at fair value through profit or loss as financial assets measured at amortized cost:

- \_\_\_\_\_ The business model is aimed at collecting contractual cash flows;
- \_\_\_\_\_ The contractual cash flows consist solely of payments of principal and interest based on the outstanding principal amount.

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

- \_\_\_\_\_ The business model aims to collect contractual cash flows and sell the financial asset;
- \_\_\_\_\_ Contract cash flows consist solely of payments of principal and interest based on the outstanding principal amount.

For non-trading equity investments, the Company may irrevocably designate them at initial recognition as financial assets at fair value through other comprehensive income (equity instruments). This designation is made on an individual investment basis, and the relevant investment meets the definition of an equity instrument from the issuer's perspective. Except for the aforementioned financial assets measured at amortized cost and those measured at fair value through other comprehensive income, the Company classifies all other financial assets as financial assets at fair value through profit or loss. Upon initial recognition, the Company may irrevocably designate a financial asset that would otherwise be classified as measured at amortized cost or at fair value through other comprehensive income as a financial asset at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

Financial liabilities are initially classified as either financial liabilities at fair value through profit or loss or financial liabilities measured at amortized cost. A financial liability may be designated at initial measurement as a financial liability at fair value through profit or loss if any of the following conditions are met:

1) Such designation eliminates or significantly reduces an accounting mismatch.

2) Financial liabilities are managed and evaluated on a fair value basis in accordance with the enterprise's risk management or investment strategy documented in formal written records. This basis is also used for reporting to key management personnel within the enterprise.

3) This financial liability contains an embedded derivative that must be separated.

### 2. Basis for Recognition and Measurement Methods of Financial Instruments

#### (1) Financial assets measured at amortized cost

Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, debt investments, etc. These are initially measured at fair value, with related transaction costs included in the initial recognition amount. Accounts receivable without significant financing components, as well as accounts receivable where the Company elects not to consider financing components with a maturity of one year or less, are initially measured at the contract transaction price.

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

Upon recovery or disposal, the difference between the proceeds received and the carrying amount of the financial asset is recognized in profit or loss for the period.

#### (2) Financial Assets at Fair Value Through Other Comprehensive Income (Debt Instruments)

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

Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred out of other comprehensive income and recognized in profit or loss for the period.

#### (3) Financial Assets at Fair Value Through Other Comprehensive Income (Equity Instruments)

Financial assets at fair value through other comprehensive income (equity instruments), including other equity investments, are initially measured at fair value, with transaction costs included in the initial recognition amount. These assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income. Dividends received are recognized in profit or loss for the period.

Upon derecognition, the cumulative gains or losses previously recognized in other comprehensive income are transferred out of other comprehensive income and recognized in retained earnings.

#### (4) Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss include trading financial assets, derivative financial assets, and other non-current financial assets. They are initially measured at fair value, with related transaction costs recognized in profit or loss. Subsequently, these financial assets are measured at fair value, with changes in fair value recognized in profit or loss.

#### (5) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include trading liabilities and derivative liabilities. They are initially measured at fair value, with related transaction costs recognized in profit or loss. Subsequently, these liabilities are measured at fair value, with changes in fair value recognized in profit or loss.

Upon derecognition, the difference between the carrying amount and the consideration paid is recognized in profit or loss for the period.

#### (6) Financial Liabilities Measured at Amortized Cost

Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, bonds payable, and long-term payables. They are initially measured at fair value, with related transaction costs included in the initial recognition amount.

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

Upon derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognized in profit or loss for the period.

### 3. Basis for Derecognition of Financial Assets and Recognition of Financial Asset Transfers

The Company derecognizes a financial asset when any of the following conditions is met:

—— Contractual rights to receive cash flows from the financial asset are terminated;

—— The financial asset has been transferred, and substantially all risks and rewards of ownership have been transferred to the transferee;

—— The financial asset has been transferred, and although the Company has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, it has not retained control over the financial asset.

If the Company modifies or renegotiates the contract with the counterparty and the modification constitutes a substantive modification, the original financial asset is derecognized, and a new financial asset is recognized in accordance with the modified terms.

When a financial asset is transferred, if the Company retains substantially all the risks and rewards of ownership, the financial asset is not derecognized. In determining whether a financial asset transfer meets the above derecognition criteria, the principle of substance over form is applied.

The Company classifies transfers of financial assets as either transfers of the entire financial asset or partial transfers. When a transfer of the entire financial asset meets the derecognition criteria, the difference between the following two amounts is recognized in profit or loss for the period:

(1) The carrying amount of the transferred financial asset;

(2) The consideration received for the transfer, plus the cumulative amount of changes in fair value previously recognized directly in equity (where the transferred financial asset is a debt instrument measured at fair value with changes recognized in other comprehensive income).

For partial transfers of financial assets that meet the criteria for derecognition, the carrying amount of the transferred financial asset is allocated between the derecognized portion and the retained portion based on their respective relative fair values. The difference between the following two amounts is recognized in profit or loss for the period:

(1) The carrying amount of the portion derecognized;

(2) The consideration received for the derecognized portion, plus the portion of the cumulative fair value changes previously recognized directly in equity corresponding to the derecognized portion (where the transferred financial asset is a financial asset at fair value through other comprehensive income (debt instrument)).

If the transfer of a financial asset does not meet the conditions for derecognition, the financial asset continues to be recognized, and the consideration received is recognized as a financial liability.

### 4. Derecognition of Financial Liabilities

A financial liability is derecognized in whole or in part when its present obligation is extinguished. If the Company enters into an agreement with a creditor to replace an existing financial liability with a new financial liability, and the contractual terms of the new liability are substantially different from those of the existing liability, the existing liability is derecognized and the new liability is recognized simultaneously.

If the existing financial liability undergoes a substantive modification to all or part of its contractual terms, the existing liability or part thereof is derecognized, and the modified liability is recognized as a new financial liability.

When a financial liability is derecognized in whole or in part, the difference between the carrying amount of the derecognized liability and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) is recognized in profit or loss for the period.

If the Company repurchases part of a financial liability, the carrying amount of the liability as a whole is allocated on the repurchase date based on the relative fair values of the portion retained and the portion derecognized. The difference between the carrying amount allocated to the portion derecognized and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) is recognized in profit or loss for the period.

### 5. Methods for Determining the Fair Value of Financial Assets and Financial Liabilities

For financial instruments with an active market, fair value is determined based on quoted prices in that market. For financial instruments without an active market, fair value is determined using valuation techniques. In valuation, the Company employs valuation techniques that are appropriate in the current circumstances and supported by sufficient available data and other information. Input values selected align with the characteristics of the asset or liability considered by market participants in transactions involving the relevant asset or liability, with priority given to observable inputs. Unobservable inputs are used only when relevant observable inputs are unavailable or impracticable to obtain.

### 6. Impairment Testing Methods and Accounting Treatment for Financial Instruments

The Company applies impairment accounting based on expected credit losses for financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (debt instruments), and financial guarantee contracts.

The Company considers reasonable and supportable information regarding past events, current conditions, and forecasts of future economic conditions. It calculates the probability-weighted amount of the present value of the difference between the contractual cash flows and the expected cash flows, weighted by the risk of default, to recognize expected credit losses.

For receivables and contract assets arising from transactions regulated by Accounting Standard for Business Enterprises No. 14 — Revenue, regardless of whether they contain significant financing components, the Company consistently measures loss allowances at an amount equivalent to the expected credit losses over the entire remaining life of the contract.

For lease receivables arising from transactions governed by Accounting Standard for Business Enterprises No. 21—Leases, the Company elects to consistently measure the allowance for credit losses at an amount equivalent to the expected credit losses over the entire remaining term.

For other financial instruments, the Company assesses changes in the credit risk of the relevant financial instruments since initial recognition at each balance sheet date.

The Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the risk of default at the balance sheet date with the risk of default at the date of initial recognition to determine the relative change in the risk of default over the expected life of the instrument. Generally, if a financial instrument is past due for more than 30 days, the Company considers that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since initial recognition.

If the credit risk of a financial instrument is low at the balance sheet date, the Company considers that the credit risk of the financial instrument has not significantly increased since initial recognition. The Company directly writes down the carrying amount of a financial asset when it no longer reasonably expects to collect all or part of the contractual cash flows.

The specific policies for major accounts are as follows:

### (1) Notes Receivable

Based on the credit risk of the acceptor of the notes receivable as a common risk characteristic, they are classified into different pools, and the accounting estimate policy for expected credit losses is determined:

Portfolio Classification	Expected Credit Loss Accounting Policy
Bank Accepted Bills Portfolio, Financial Corporate Accepted Notes Portfolio	Management assesses these items as having low credit risk
Commercial Accepted Bills Portfolio	Impairment provisions are calculated based on expected loss rates, consistent with the portfolio classification approach applied to accounts receivable and contract assets

### (2) Accounts Receivable

Based on the relationship between counterparties in accounts receivable and other receivables as a common risk characteristic, they are classified into different portfolios, and accounting policies for expected credit losses are determined:

Portfolio Classification	Accounting Policies for Expected Credit Losses
Low-risk portfolio	Management assesses these items as having low credit risk (e.g., deposits, guarantees, advances, withholding taxes)
The company references historical credit loss experience to compile a table correlating days past due with fixed provision rates, which serves as the basis for calculating credit losses on overdue accounts. Ageing Portfolio	Accounts receivable aging is used as a credit risk characteristic
Accounts Receivable Aging	Accounts Receivable Provisioning Ratio (%) Other Receivables Provision Rate (%)
0-6 months (including 6 months, same below)	0.00 0.00
6 months-1 year	5.00 5.00
1-2 years	10.00 10.00
2-3 years	20.00 20.00
3-4 years	50.00 50.00
4-5 years	80.00 80.00
5+ years	100.00 100.00

### (3) Accounts Receivable Financing

The basis for recognizing the receivables financing portfolio and the method for calculating expected credit losses are as follows:

Item	Pool Classification	Accounting Estimate Policy for Expected Credit Losses
Notes Receivable	Bank-accepted bills portfolio, finance company-accepted bills Portfolio	Management assesses that these items carry a low credit risk
	Commercially accepted bills portfolio	Impairment provisions are calculated based on expected loss rates, following the same portfolio classification as accounts receivable and contract assets
	Low-risk portfolio	Management assesses these items as having low credit risk
Accounts Receivable	Ageing portfolio	Credit risk characteristics based on the aging of accounts receivable

## 12. Contract Assets

### 1. Recognition Method and Criteria for Contract Assets

The Company presents contract assets or contract liabilities on the balance sheet based on the relationship between the fulfillment of performance obligations and customer payments. The Company presents as contract assets the right to receive consideration for goods delivered or services rendered to customers (where such right is subject to factors other than the passage of time). Contract assets and contract liabilities under the same contract are presented on a net basis. The Company presents as a separate account receivable the unconditional right (subject only to the passage of time) to receive consideration from customers.

assets and liabilities under the same contract are presented on a net basis. The Company's unconditional right (dependent solely on the passage of time) to receive consideration from customers is presented separately as accounts receivable.

#### 2. Methodology for Determining and Accounting for Expected Credit Losses on Contract Assets

The determination method and accounting treatment for expected credit losses on contract assets are detailed in this note under "(XI) 6. Testing Method and Accounting Treatment for Impairment of Financial Instruments."

### 13. Inventories

#### 1. Classification and Cost of Inventories

Inventories are classified as: raw materials, finished goods, work in progress, goods issued, contract fulfillment costs, etc.

Inventories are initially measured at cost, which includes purchase costs, processing costs, and other expenditures incurred to bring the inventories to their present location and condition. **2.**

#### Valuation Method for Dispatched Inventories

Raw materials, finished goods, work in progress, and goods dispatched are valued using the weighted average method at the end of the month. **3. Inventory Counting System**

Perpetual inventory system is adopted.

#### 4. Amortization Method for Low-Value Consumables and Packaging Materials

- (1) Low-value consumables are expensed in full upon issuance.
- (2) Packaging materials are expensed in full upon issuance.

#### 5. Recognition Criteria and Provision Method for Inventory Valuation Allowance

At the balance sheet date, inventory shall be measured at the lower of cost and net realizable value. When inventory cost exceeds its net realizable value, an allowance for inventory impairment shall be provided. Net realizable value refers to the estimated selling price of inventory in the ordinary course of business, less estimated costs to complete, estimated selling expenses, and related taxes.

For finished goods, merchandise, and materials held for sale—inventories directly intended for sale—the net realizable value is determined by estimating the selling price less estimated selling expenses and related taxes during normal operations. For materials requiring processing, the net realizable value is determined by estimating the selling price of the finished goods produced less estimated costs to complete production, estimated selling expenses, and related taxes during normal operations.

The net realizable value of finished goods is determined as the estimated selling price less the estimated costs to be incurred until completion, estimated selling expenses, and related taxes. For inventory held to fulfill sales or service contracts, the net realizable value is calculated based on the contract price. If the quantity of inventory held exceeds the quantity specified in the sales contract, the net realizable value of the excess inventory is calculated based on the general selling price.

, the net realizable value of the excess quantity shall be calculated based on the general selling price.

After provisioning for inventory impairment, if factors that previously reduced inventory value no longer exist, resulting in the net realizable value exceeding the carrying amount, the provision shall be reversed within the original provision amount, with the reversal recognized in profit or loss for the period.

### 14. Assets Held for Sale

A non-current asset or disposal group is classified as held for sale when its carrying amount is expected to be recovered principally through sale (including non-monetary exchanges with commercial substance) rather than through continuing use.

The Company classifies a non-current asset or disposal group as held for sale when all of the following conditions are met:

- (1) The asset or disposal group is readily available for sale in its present condition, consistent with customary practice for similar transactions;

(2) The sale is highly probable, meaning the Company has made a resolution regarding a sale plan and obtained a firm commitment to purchase, with the sale expected to be completed within one year. Where regulations require approval from the Company's relevant governing bodies or regulatory authorities prior to sale, such approval has been obtained.

For non-current assets (excluding financial assets and deferred tax assets) or disposal groups classified as held for sale, if their carrying amount exceeds their fair value less costs to sell, the carrying amount is written down to the fair value less costs to sell. The amount of the write-down is recognized as an impairment loss on assets, recorded in profit or loss for the period, and an impairment provision for assets held for sale is accrued.

### 15. Long-Term Equity Investments

#### 1. Criteria for Judging Joint Control and Significant Influence

Joint control refers to shared control over an arrangement based on relevant agreements, where decisions regarding the arrangement's activities require unanimous consent from all parties sharing control. When the Company and other joint venture partners jointly control an investee and hold rights to the investee's net assets, the investee is classified as the Company's joint venture.

Significant influence refers to the power to participate in the financial and operating policy decisions of an investee, but not to control or jointly control such policy decisions with others. Where the Company can exert significant influence over an investee, the investee is classified as an associate of the Company.

#### 2. Determination of Initial Investment Cost

- (1) Long-term equity investments arising from business combinations

For long-term equity investments in subsidiaries arising from business combinations under common control, the initial investment cost is determined at the acquisition date based on the proportionate share of the carrying amount of the acquiree's equity interests in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration paid shall adjust the share premium in capital surplus. If the share premium in capital surplus is insufficient to offset the difference, retained earnings shall be adjusted. Where additional investments or other reasons enable

For long-term equity investments in subsidiaries arising from business combinations under common control, the initial investment cost recognized according to the above principles shall be adjusted by the difference between the book value of the long-term equity investment prior to the combination and the book value of the additional consideration paid for acquiring further shares on the combination date. This adjustment shall be made to share premium. If share premium is insufficient, retained earnings shall be reduced.

For long-term equity investments in subsidiaries arising from business combinations not under common control, the acquisition cost determined at the acquisition date shall be recognized as the initial investment cost. If additional investments enable control over the investee not under common control, the initial investment cost shall be the sum of the carrying amount of the original equity investment and the cost of the new investment.

(2) Long-term equity investments acquired through means other than business combinations

For long-term equity investments acquired by payment of cash, the initial investment cost shall be the actual purchase price paid.

Long-term equity investments acquired by issuing equity securities shall be measured at the fair value of the equity securities issued as the initial investment cost.

3. Subsequent Measurement and Profit/Loss Recognition Method

(1) Long-term equity investments accounted for using the cost method

The Company accounts for long-term equity investments in subsidiaries using the cost method, unless the investment qualifies as held for sale. Except for cash dividends or profits declared but not yet distributed included in the actual purchase price or consideration paid upon acquisition, the Company recognizes current investment income based on cash dividends or profits declared and distributed by the investee.

(2) Long-Term Equity Investments Accounted for Using the Equity Method

Long-term equity investments in associates and joint ventures are accounted for using the equity method. Any excess of the initial investment cost over the Company's share of the investee's identifiable net assets at fair value at the time of investment is not adjusted against the initial investment cost of the long-term equity investment. Conversely, any deficiency of the initial investment cost relative to the Company's share of the investee's identifiable net assets at fair value is recognized in profit or loss for the period and simultaneously adjusts the cost of the long-term equity investment.

The company recognizes investment income and other comprehensive income based on its share of the investee's net profit or loss and other comprehensive income, respectively, while adjusting the carrying amount of the long-term equity investment. The portion attributable to the declared profits or cash dividends of the investee is calculated and the carrying amount of the long-term equity investment is reduced accordingly. For all other changes in the investee's equity other than net profit or loss, other comprehensive income, and profit distribution (referred to as "other changes in equity"), the carrying amount of the long-term equity investment is adjusted and recognized in equity.

When recognizing the share of the investee's net profit, other comprehensive income, and other changes in equity, the fair value of the investee's identifiable net assets at the time of investment acquisition shall serve as the basis. Adjustments shall be made to the investee's net profit and other comprehensive income in accordance with the company's accounting policies and accounting period before recognition.

Unrealized gains or losses on internal transactions between the company and its associates or joint ventures are allocated to the company based on its ownership interest and offset accordingly. Investment income is recognized on this basis, except when the assets transferred or sold constitute a business. Unrealized losses on internal transactions with investees that constitute asset impairment losses are recognized in full.

The Company's share of net losses incurred by a joint venture or associate is limited to the lower of the carrying amount of the long-term equity investment and other long-term interests that in substance constitute net investment in the joint venture or associate, unless the Company has an obligation to bear additional losses. If the joint venture or associate subsequently generates net profits, the Company resumes recognizing its share of profits after the share of profits has offset the unrecognized share of losses.

(3) Disposal of Long-Term Equity Investments

The difference between the carrying amount of a long-term equity investment and the actual proceeds received upon disposal is recognized in profit or loss for the period.

When a portion of an equity-method long-term equity investment is disposed of and the remaining equity is still accounted for using the equity method, the other comprehensive income previously recognized under the equity method shall be transferred proportionally based on the same basis as the investee's direct disposal of related assets or liabilities. All other changes in equity shall be transferred proportionally to profit or loss for the period.

When joint control or significant influence over an investee is lost due to the disposal of equity investments or other reasons, the other comprehensive income recognized from the original equity investment under the equity method shall be accounted for using the same basis as the direct disposal of related assets or liabilities of the investee when discontinuing the equity method. All other changes in equity shall be transferred to profit or loss for the period when discontinuing the equity method.

When control over an investee is lost due to reasons such as the disposal of a portion of an equity investment, if the remaining equity interest can exert joint control or significant influence over the investee when preparing separate financial statements, the remaining equity interest shall be accounted for using the equity method, with adjustments made as if the equity method had been applied since acquisition. Other comprehensive income recognized prior to obtaining control shall be proportionally transferred on the same basis as the direct disposal of related assets or liabilities by the investee. All other changes in equity recognized under the equity method shall be proportionally transferred to profit or loss for the period. If the residual equity interest cannot be used to exercise joint control or significant influence over the investee, it shall be recognized as a financial asset. The difference between its fair value and carrying amount at the date of loss of control shall be recognized in profit or loss for the period. All other comprehensive income and changes in equity recognized prior to obtaining control over the investee shall be fully transferred.

Where control over a subsidiary is lost through multiple transactions disposing of equity investments in a step-by-step manner, and such transactions constitute a single package transaction, each transaction is accounted for as a single disposal of the equity investment in the subsidiary resulting in loss of control. For each disposal prior to loss of control, the difference between the disposal proceeds and the carrying amount of the long-term equity investment corresponding to the disposed equity interest shall be recognized in other comprehensive income in the separate financial statements. Upon loss of control, this amount shall be transferred to profit or loss for the period in which control is lost. If the transactions do not constitute a single transaction, each transaction shall be accounted for separately.

## 16. Investment Property

The investment property measurement model is not applicable.

## 17. Fixed Assets

### (1) Recognition Criteria

Fixed assets refer to tangible assets held for the production of goods, provision of services, leasing, or management, with a useful life exceeding one accounting period. Fixed assets are recognized when all of the following conditions are met:

1. The economic benefits associated with the asset are likely to flow to the enterprise;
2. The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (taking into account the estimated disposal costs).

Subsequent expenditures related to a fixed asset are capitalized when it is probable that the related economic benefits will flow to the enterprise and the cost can be measured reliably. For the portion that is replaced, the carrying amount is derecognized. All other subsequent expenditures are recognized in profit or loss when incurred.

### (2) Depreciation Method

Category	Depreciation Method	Depreciation Period	Residual Value Rate	Annual Depreciation Rate
Buildings and Structures	Straight-line method	15-35	5.00%	2.71%-6.33%
Machinery and Equipment	Straight-line method	5-14	5.00%	6.79%-19.00%
Transportation Equipment	Straight-line method	4-8	5.00%	11.88%-23.75%
Office Equipment and Other	Straight-line method	3-8	5.00%	11.88%-31.67%

### (3) Disposal of Fixed Assets

When a fixed asset is disposed of, or when it is no longer expected to generate economic benefits through use or disposal, the fixed asset is derecognized. The proceeds from the sale, transfer, scrapping, or destruction of a fixed asset, net of its carrying amount and related taxes, are recognized in profit or loss for the period.

The Company shall comply with the disclosure requirements for the chemical industry as stipulated in the Shenzhen Stock Exchange Listing Rules No. 3—Industry Information Disclosure.

## 18. Construction in Progress

The Company shall comply with the disclosure requirements for the chemical industry as stipulated in the Shenzhen Stock Exchange Listing Rules No. 3: Industry Information Disclosure.

Construction in progress is measured at actual cost. Actual cost includes construction costs, installation costs, borrowing costs meeting capitalization criteria, and other necessary expenditures incurred to bring the construction in progress to its intended usable state. Construction in progress is transferred to fixed assets upon reaching its intended usable state and begins depreciation from the following month. The Company's criteria and timing for transferring construction in progress to fixed assets are as follows:

Category	Criteria and Timing for Transfer to Fixed Assets
Buildings and Structures	(1) The main construction project and supporting projects have been completed; (2) For construction projects that have reached their intended usable state but have not yet completed final settlement, they are transferred to fixed assets at their estimated value based on the actual project cost from the date they reach their intended usable state.
Machinery and Equipment Requiring Installation and Commissioning	(1) Relevant equipment and other supporting facilities have been fully installed; (2) Equipment has reached its intended usable state.

## 19. Borrowing Costs

### 1. Recognition Principles for Capitalizing Borrowing Costs

Borrowing costs incurred by the company that are directly attributable to the acquisition, construction, or production of assets meeting capitalization criteria shall be capitalized and included in the cost of the related assets. Other borrowing costs shall be recognized as expenses when incurred and included in profit or loss for the period.

Assets meeting capitalization criteria refer to fixed assets, investment properties, inventories, and other assets that require a substantial period of construction, production, or acquisition activities to reach their intended usable or saleable state.

### 2. Borrowing Costs Capitalization Period

The capitalization period refers to the time from when borrowing costs begin to be capitalized until the point when capitalization ceases, excluding any periods during which capitalization is suspended. Borrowing costs shall be capitalized when both of the following conditions are met:

- (1) Asset expenditures have been incurred, including expenditures made in the form of cash payments, transfers of non-cash assets, or assumption of interest-bearing debt for the acquisition, construction, or production of assets meeting capitalization criteria;
- (2) Borrowing costs have been incurred;
- (3) Construction or production activities necessary to bring the asset to its intended usable or saleable state have commenced.

Capitalization of borrowing costs ceases when the asset being acquired, constructed, or produced reaches its intended usable or saleable condition.

### 3. Period of Suspension of Capitalization

If the construction or production of an asset meeting capitalization criteria is interrupted abnormally for a continuous period exceeding three months, capitalization of borrowing costs is suspended. However, if the interruption is a necessary step for the asset to reach its intended usable or saleable state, capitalization of borrowing costs continues. Borrowing costs incurred during the suspension period are recognized as current period expenses until capitalization resumes upon the restart of the asset's construction or production activities.

### 4. Calculation Methods for Borrowing Costs Capitalization Rate and Capitalized Amount

For specific borrowings incurred to acquire or construct assets meeting capitalization criteria, the capitalized amount of borrowing costs is determined as the actual borrowing costs incurred during the period, less interest income earned on unused funds deposited in banks or investment income from temporary investments.

For general borrowings used for the acquisition, construction, or production of assets meeting capitalization criteria, the capitalized borrowing costs are calculated by multiplying the weighted average of asset expenditures exceeding the special borrowings by the capitalization rate of the general borrowings used. The capitalization rate is determined based on the weighted average effective interest rate of the general borrowings.

During the capitalization period, exchange differences arising from the principal and interest of foreign currency specific borrowings shall be capitalized and included in the cost of assets meeting capitalization criteria. Exchange differences arising from the principal and interest of foreign currency borrowings other than specific borrowings shall be recognized in profit or loss for the period.

## 20. Intangible Assets

### (1) Useful Life, Basis for Determination, Estimates, Amortization Method, or Review Procedures 1. Valuation Method for Intangible Assets

- (1) The Company initially measures intangible assets at cost.

The cost of purchased intangible assets includes the purchase price, related taxes, and other expenditures directly attributable to bringing the asset to its intended use.

- (2) Subsequent Measurement

The useful life of an intangible asset is analyzed and determined upon acquisition.

Intangible assets with finite useful lives are amortized over the period during which they are expected to generate economic benefits for the enterprise. If the period during which an intangible asset is expected to generate economic benefits cannot be reliably estimated, it is treated as an intangible asset with an indefinite useful life and is not amortized.

### 2. Estimation of the useful life of intangible assets with finite useful lives

The estimated useful life and amortization method for intangible assets with finite useful lives are reviewed annually at the end of each fiscal year. Any changes are treated as changes in accounting estimates. The estimated useful life of intangible assets with indefinite useful lives is reviewed at each accounting period. If evidence indicates the asset has a finite useful life, its useful life is estimated and amortized over that period.

### (2) Scope of Aggregation and Related Accounting Treatment for R&D Expenditures 1. Specific Criteria for Distinguishing Research and Development Phases

The Company classifies expenditures for internal research and development projects into research phase expenditures and development phase expenditures.

Research Phase: The phase involving original, planned investigations and research activities aimed at acquiring and understanding new scientific or technical knowledge.

Development stage: Activities involving the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, etc., prior to commercial production or use.

### 2. Specific Conditions for Capitalizing Development Phase Expenditures

Research phase expenditures are recognized as expenses in the period incurred. Development phase expenditures are capitalized as intangible assets only if they meet all of the following conditions. Development phase expenditures that do not meet these conditions are recognized as expenses in the period incurred:

- (1) It is technically feasible to complete the intangible asset so that it can be used or sold;
- (2) There is an intention to complete the intangible asset and use or sell it;
- (3) The manner in which the intangible asset will generate economic benefits, including evidence of a market for products produced using the asset or a market for the asset itself; if the asset will be used internally, evidence of its usefulness;
- (4) Sufficient technical, financial, and other resources are available to complete the development of the intangible asset and to use or sell it;
- (5) Expenditures attributable to the development stage of the intangible asset can be measured reliably.

Where expenditures cannot be distinguished between the research and development phases, all R&D expenditures incurred shall be recognized as an expense in the current period.

## 21. Impairment of Long-Term Assets

Long-term assets such as long-term equity investments, property, plant, and equipment, construction in progress, right-of-use assets, intangible assets with finite useful lives, and oil and gas assets shall undergo impairment testing if there are indications of impairment at the balance sheet date. If the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, an impairment allowance shall be recognized for the difference and recorded as an impairment loss. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of its estimated future cash flows. Impairment provisions are calculated and recognized on an individual asset basis. If estimating the recoverable amount for an individual asset is impractical, the recoverable amount is determined for the asset group to which the asset belongs. An asset group is the smallest group of assets that generates cash inflows independently.

Goodwill arising from business combinations, intangible assets with indefinite useful lives, and intangible assets not yet available for use shall undergo impairment testing at least annually at the end of each fiscal year, regardless of whether there are indications of impairment.

The Company conducts goodwill impairment tests. For goodwill arising from a business combination, the carrying amount is allocated to relevant asset groups using a reasonable method from the acquisition date. Where allocation to specific asset groups is impractical, it is allocated to a group of relevant asset groups. Relevant asset groups or groups of asset groups are those that benefit from the synergies of the business combination.

When conducting impairment tests on asset groups or groups of assets containing goodwill, if impairment indicators exist for the asset group or group of assets related to goodwill, impairment tests are first performed on the asset group or group of assets not containing goodwill. The recoverable amount is calculated and compared with the related carrying amount to recognize the corresponding impairment loss. Subsequently, the asset group or group of assets containing goodwill shall undergo impairment testing. The carrying amount shall be compared with the recoverable amount. If the recoverable amount is less than the carrying amount, the impairment loss amount shall first reduce the carrying amount of goodwill allocated to the asset group or portfolio. Subsequently, the carrying amounts of other assets within the asset group or portfolio shall be proportionally reduced based on their respective proportions of the total carrying amount of all assets in the group or portfolio. Once recognized, such impairment losses shall not be reversed in subsequent accounting periods.

## 22. Deferred Expenses

Deferred expenses are costs that have been incurred but are to be allocated over a period of more than one year and are to be borne by the current and subsequent periods.

## 23. Contract Liabilities

The Company presents contract assets or contract liabilities on the balance sheet based on the relationship between the fulfillment of performance obligations and customer payments. The Company's obligation to transfer goods or provide services to customers in exchange for consideration received or receivable is presented as a contract liability. Contract assets and contract liabilities arising from the same contract are presented on a net basis.

## 24. Employee Compensation

### (1) Accounting Treatment for Short-Term Compensation

The Company recognizes actual short-term compensation incurred during the accounting period in which employees provide services to the Company as a liability, and includes it in current period profit or loss or related asset costs. Social insurance premiums and housing provident fund contributions paid by the Company on behalf of employees, as well as union dues and employee education funds extracted in accordance with regulations, are calculated based on the prescribed accrual basis and accrual ratio to determine the corresponding employee compensation amount during the accounting period in which employees provide services to the Company.

The Company recognizes employee benefits incurred by the Company when they are actually incurred, based on the actual amount incurred, and includes them in the current period's profit or loss or the cost of related assets. Non-monetary benefits are measured at fair value.

Employee welfare expenses incurred by the Company are recognized in profit or loss for the period or included in the cost of related assets when actually incurred, based on the actual amount incurred. Non-monetary benefits are measured at fair value.

### (2) Accounting Treatment for Post-Employment Benefits

#### 1. Defined Contribution Plans

The Company contributes to basic pension insurance and unemployment insurance for employees in accordance with local government regulations. During the accounting period in which employees provide services to the Company, the amounts payable are calculated based on the locally prescribed contribution bases and rates, recognized as liabilities, and included in current period profit or loss or the cost of related assets. Additionally, the Company participates in enterprise annuity plans/supplementary pension insurance funds approved by relevant national authorities. The Company contributes a certain percentage of the total employee salary to the pension plan/local social insurance institutions, and the corresponding expenses are recognized in current period profit or loss or the cost of related assets.

#### 2. Defined Benefit Plans

The Company attributes the benefit obligations arising from defined benefit plans to the periods in which employees render service using a formula determined under the projected unit credit method, and recognizes them in current period profit or loss or the cost of related assets.

The present value of defined benefit plan obligations, less the fair value of defined benefit plan assets, results in a deficit or surplus recognized as a net liability or net asset of the defined benefit plan. Where a surplus exists, the Company measures the net asset of the defined benefit plan at the lower of the surplus and the asset ceiling of the defined benefit plan.

All defined benefit plan obligations, including those expected to be paid within twelve months after the end of the reporting period in which the employee rendered service, are discounted using the market yield on government bonds or high-quality corporate bonds in an active market that matches the term and currency of the defined benefit plan obligation as of the balance sheet date.

Service costs arising from the defined benefit plan and net interest on the net liability or net asset of the defined benefit plan are recognized in profit or loss for the period or in the cost of related assets. Changes arising from the remeasurement of the net liability or net asset of the defined benefit plan are recognized in other comprehensive income and are not reversed to profit or loss in subsequent accounting periods. Upon termination of the original defined benefit plan, the portion originally recognized in other comprehensive income is fully transferred to retained earnings within equity.

Upon settlement of a defined benefit plan, a settlement gain or loss is recognized based on the difference between the present value of the defined benefit obligation determined at the settlement date and the settlement price.

(3) Accounting for Termination Benefits

When the Company provides termination benefits to employees, it recognizes the employee compensation liability arising from such benefits in profit or loss for the current period at the earlier of: when the Company cannot unilaterally withdraw the termination benefits offered due to a plan to terminate employment relationships or a redundancy proposal; or when the Company recognizes costs or expenses related to restructuring involving the payment of termination benefits.

## 25. Contingent Liabilities

The Company recognizes a provision for contingent liabilities when the obligation related to the contingent event meets all of the following conditions:

- (1) The obligation is a present obligation of the Company;
- (2) It is probable that an outflow of economic benefits will be required to settle the obligation;
- (3) The amount of the obligation can be reliably measured.

Provision liabilities are initially measured at the best estimate of the expenditure required to settle the present obligation.

In determining the best estimate, factors such as the risks and uncertainties associated with the contingent liability and the time value of money are considered comprehensively. Where the time value of money has a significant effect, the best estimate is determined by discounting the related future cash outflows.

Where the required expenditure falls within a continuous range and the likelihood of each outcome within that range is equally probable, the best estimate is determined as the midpoint of that range. In other cases, the best estimate is determined as follows:

- For a single item, the best estimate is the amount most likely to occur.
- If the contingent liability involves multiple items, the best estimate is calculated based on the various possible outcomes and their associated probabilities.

Where all or part of the expenditure required to settle an estimated liability is expected to be reimbursed by a third party, the reimbursement amount is recognized as an asset separately when it is virtually certain to be received, provided that the recognized amount does not exceed the carrying amount of the estimated liability.

The Company reviews the carrying amount of the contingent liability at the balance sheet date. If there is conclusive evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the current best estimate.

## 26. Share-Based Payments

The Company's share-based payments are transactions in which equity instruments are granted or liabilities based on equity instruments are incurred to obtain services from employees or other parties. The Company's share-based payments are classified as equity-settled share-based payments and cash-settled share-based payments.

### 1. Equity-settled Share-based Payments and Equity Instruments

Equity-settled share-based payments exchanged for employee services are measured at the fair value of the equity instruments granted. For share-based payment transactions that are immediately exercisable upon grant, the fair value of the equity instruments is recognized as an expense or cost on the grant date, with a corresponding increase in capital surplus. For share-based payment transactions exercisable only after completion of service during a vesting period or fulfillment of specified performance conditions, the Company recognizes the services received during each balance sheet date of the vesting period as an expense or cost based on the best estimate of the number of exercisable equity instruments, using the grant date fair value, with a corresponding increase in capital surplus.

If the terms of an equity-settled share-based payment are modified, the services acquired are recognized at least as if the terms had not been modified. Additionally, any modification that increases the fair value of the granted equity instruments, or any change favorable to employees at the modification date, results in recognition of additional services acquired.

During the vesting period, if granted equity instruments are canceled, the Company treats the cancellation as accelerated vesting. The amount that would have been recognized over the remaining vesting period is immediately recognized in profit or loss for the period, with a corresponding recognition in capital surplus. However, if new equity instruments are granted and the new instruments are deemed to replace the forfeited instruments on the grant date, the replacement instruments shall be accounted for in the same manner as modifications to the original instruments' terms and conditions.

### 2. Cash-settled share-based payments and equity instruments

Cash-settled share-based payments are measured at the fair value of the liability determined based on shares or other equity instruments assumed by the Company. For share-based payment transactions exercisable immediately upon grant, the Company recognizes the fair value of the liability assumed as a related cost or expense on the grant date, with a corresponding increase in the liability. For share-based payment transactions exercisable only upon completion of service during a vesting period or fulfillment of specified performance conditions after grant, the Company recognizes the fair value of the liability incurred at each balance sheet date during the vesting period. Based on the best estimate of exercisability, the fair value of the liability is used to recognize the services received during the period as related costs or expenses, with a corresponding increase in the liability. The fair value of the liability is remeasured at each balance sheet date prior to settlement and at the settlement date, with any changes recognized in profit or loss for the period.

When the Company modifies the terms and conditions of a cash-settled share-based payment agreement to make it equity-settled, on the modification date (whether occurring during or after the vesting period), the Company measures the equity-settled share-based payment at the fair value of the equity instruments granted on that date. The services received are recognized in capital surplus, while the liability recognized for the cash-settled share-based payment is derecognized on the modification date. The difference between the two is recognized in profit or loss for the period. If the modification extends or shortens the vesting period, the Company accounts for the modified vesting period.

## 27. Revenue

### 1. Disclosure of Accounting Policies for Revenue Recognition and Measurement by Business Type

The Company recognizes revenue when it fulfills its performance obligations under a contract, i.e., when the customer obtains control of the relevant goods or services. Obtaining control of the relevant goods or services means being able to direct the use of the goods or services and obtain substantially all of the economic benefits from them.

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

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to the customer, excluding amounts collected on behalf of third parties and amounts expected to be

The Company determines the transaction price based on the contract terms and its past practices, considering factors such as variable consideration, significant financing components in the contract, non-cash consideration, and consideration payable to the customer. The Company determines the transaction price for a transaction with variable consideration by an amount not exceeding the cumulative amount that is highly unlikely to be reversed when the related uncertainty is resolved.

The Company recognizes revenue when it is highly probable that no significant reversal of the revenue recognized to date will occur. Where a contract contains a significant financing component, the Company determines the transaction price based on the amount that would be payable if the customer paid cash at the time the Company obtains control of the goods or services. The difference between this transaction price and the contract consideration is then amortized over the contract period using the effective interest method.

A performance obligation is considered to be satisfied over time if any of the following conditions are met; otherwise, it is considered to be satisfied at a point in time:

- Customers obtain and consume the economic benefits derived from our company's performance while we fulfill our obligations.
- The customer has control over the goods in progress during the Company's performance.

• The goods produced during the Company's performance have non-substitutable uses, and the Company has the right to collect payments for the portion of performance completed to date throughout the entire contract period.

For performance obligations fulfilled over time, the Company recognizes revenue over that period based on the stage of completion, except when the stage of completion cannot be reasonably determined. The Company determines the stage of completion using either the output method or the input method, considering the nature of the goods or services. When the stage of completion cannot be reasonably determined, if the costs incurred are expected to be recoverable, the Company recognizes revenue based on the amount of costs incurred until the stage of completion can be reasonably determined.

For performance obligations fulfilled over time, the Company recognizes revenue when the customer obtains control of the relevant goods or services. In determining whether the customer has obtained control, the Company considers the following indicators:

- The Company has a present right to receive payment for the goods or services, meaning the customer has a present obligation to pay for them.
- The Company has transferred legal title of the goods to the customer, meaning the customer has legal ownership of the goods.
- The Company has transferred physical possession of the goods to the customer, meaning the customer has physical possession of the goods.
- The Company has transferred the significant risks and rewards of ownership of the goods to the customer, meaning the customer has assumed the significant risks and rewards of ownership of the goods.
- The customer has accepted the goods or services, etc.

The Company determines its role as principal or agent in a transaction based on whether it retains control over the goods or services prior to their transfer to the customer. If the Company retains control over the goods or services prior to transfer, it acts as principal and recognizes revenue based on the total consideration received or receivable. Otherwise, the Company acts as an agent and recognizes revenue based on the amount of commission or fee it is expected to be entitled to receive.

There are no instances where similar business activities employ different operating models involving distinct revenue

recognition methods or measurement approaches.

The Company must comply with the disclosure requirements for the chemical industry as stipulated in the Shenzhen Stock Exchange Listing Rules No. 3: Industry Information Disclosure.

## 28. Contract Costs

Contract costs include contract fulfillment costs and contract acquisition costs.

Costs incurred by the Company to fulfill a contract that do not fall within the scope of relevant standards for inventory, fixed assets, or intangible assets are recognized as contract fulfillment costs and recorded as an asset when the following conditions are met:

- The cost is directly attributable to a current or expected contract.
- The cost increases the resources available to the Company for fulfilling its performance obligations in the future.
- The costs are expected to be recoverable.

Incremental costs incurred by the Company to obtain a contract are recognized as an asset as contract acquisition costs if their recovery is expected.

Assets related to contract costs are amortized on the same basis as the related goods or services revenue recognition; however, if the amortization period for contract acquisition costs does not exceed one year, the Company recognizes them in profit or loss for the period in which they are incurred.

For assets related to contract costs, if the carrying amount exceeds the difference between the following two items, the Company recognizes an impairment loss on the excess amount:

1. The remaining consideration expected to be received from the transfer of goods or services related to the asset;
2. The estimated costs to be incurred to transfer the related goods or services.

If factors that caused impairment in prior periods subsequently change such that the aforementioned difference exceeds the asset's carrying amount, the Company reverses the previously recognized impairment allowance and recognizes it in profit or loss for the period. However, the asset's carrying amount after reversal shall not exceed the carrying amount that would have been recognized for the asset on the reversal date had no impairment allowance been recognized.

## 29. Government Grants

### 1. Types

Government grants are monetary or non-monetary assets received by the Company from the government without consideration. They are classified as asset-related government grants and income-related government grants.

Asset-related government grants refer to grants received by the Company for the acquisition, construction, or other formation of long-term assets. Income-related government grants refer to grants other than those classified as asset-related.

### 2. Recognition Timing

Government grants are recognized when the Company satisfies the conditions attached to them and is able to receive them.

### 3. Accounting Treatment

Asset-related government grants reduce the carrying amount of the related asset or are recognized as deferred income. When recognized as deferred income, they are allocated over the useful life of the related asset using a reasonable and systematic method to current period profit or loss (included in other income if related to the Company's ordinary activities; included in non-operating income if unrelated to the Company's ordinary activities).

Government grants related to income that compensate for future costs, expenses, or losses incurred by the Company are recognized as deferred income. They are recognized in profit or loss in the period when the related costs, expenses, or losses are recognized (if related to the Company's ordinary activities, they are recognized in other income; those unrelated to the Company's ordinary activities are recognized as non-operating income) or offset against related costs, expenses, or losses; those compensating for costs, expenses, or losses already incurred by the Company are recognized directly in profit or loss for the period (those related to the Company's ordinary activities are recognized as other income; those unrelated to the Company's ordinary activities are recognized as non-operating income) or offset against related costs, expenses, or losses.

The Company's policy-based preferential loan interest subsidies shall be accounted for separately under the following two scenarios:

- (1) Where the finance department allocates the interest subsidy funds to the lending bank, which then provides loans to the Company at the preferential policy interest rate, the Company shall record the actual amount of funds received as the carrying amount of the loan and calculate the related borrowing costs based on the principal amount and the preferential policy interest rate.
- (2) Where the fiscal authority disburses the interest subsidy funds directly to the Company, the Company shall offset the corresponding interest subsidy against the related borrowing costs.

## 30. Deferred Income Tax Assets/Deferred Income Tax Liabilities

Income taxes comprise current income taxes and deferred income taxes. Except for income taxes arising from business combinations and transactions or events recognized directly in equity (including other comprehensive income), the Company recognizes current income taxes and deferred income taxes in profit or loss for the period.

Deferred tax assets and deferred tax liabilities are recognized based on the difference between the tax basis and the carrying amount of assets and liabilities (temporary differences).

For deductible temporary differences, deferred tax assets are recognized to the extent that it is probable that taxable income will be available in future periods to utilize the deductible temporary differences. For tax loss carryforwards and tax credits that can be carried forward to future years, deferred tax assets are recognized to the extent that it is probable that future taxable income will be available to utilize the tax loss carryforwards and tax credits.

For taxable temporary differences, deferred tax liabilities are recognized except in specific circumstances.

Specific circumstances where deferred tax assets or deferred tax liabilities are not recognized include:

- Initial recognition of goodwill;
  - Transactions or events that neither result from a business combination nor affect accounting profit and taxable income (or deductible losses) at the time of occurrence, and where the initially recognized assets and liabilities do not give rise to equal taxable temporary differences and deductible temporary differences.
- Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures, unless the Company can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. For deductible temporary differences related to investments in subsidiaries, associates, and joint ventures, a deferred tax asset is recognized when it is probable that the temporary difference will reverse in the foreseeable future and it is probable that taxable income will be available in the future to utilize the deductible temporary difference.

At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the related assets are recovered or the related liabilities are settled, in accordance with tax laws.

At the balance sheet date, the Company reviews the carrying amount of deferred tax assets. If it becomes probable that sufficient taxable income will not be available in future periods to utilize the benefits of the deferred tax assets, the carrying amount of the deferred tax assets is written down. When it becomes probable that sufficient taxable income will be available, the amount written down is reversed.

Current income tax assets and current income tax liabilities are presented net of each other when there is a legally enforceable right to offset them and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

At the balance sheet date, deferred tax assets and deferred tax liabilities are presented on a net basis when both of the following conditions are satisfied:

- The taxpayer has a legally enforceable right to net current tax assets and current tax liabilities;
- The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxpayer, or relate to different taxpayers but where, in each future period in which a material deferred tax asset or liability is reversed, the taxpayers involved intend to settle the current tax assets and liabilities on a net basis or simultaneously acquire assets and settle liabilities.

## 31. Leases

### (1) Accounting Treatment for Leases as a Lessee

#### 1. Right-of-Use Assets

At the commencement date of the lease term, the Company recognizes a right-of-use asset for leases other than short-term leases and leases of low-value assets. The right-of-use asset is initially measured at cost. This cost includes:

- The initial measurement amount of the lease liability;
- Lease payments made on or before the lease commencement date, less the amount of any lease incentives received;
- Initial direct costs incurred by the Company;
- The Company's estimated costs to dismantle and remove the leased asset, restore the site where the leased asset is located, or return the leased asset to the condition required by the lease terms, excluding costs incurred for the production of inventory.

The Company subsequently depreciates right-of-use assets using the straight-line method. Where it can be reasonably determined that ownership of the leased asset will be obtained at the end of the lease term, the Company depreciates the asset over its remaining useful life. Otherwise, the asset is depreciated over the shorter of the lease term and its remaining useful life.

The Company determines whether right-of-use assets are impaired in accordance with the principles described in Note V.(21) Impairment of Long-Term Assets and accounts for any identified impairment losses.

## 2. Lease Liabilities

At the commencement date of the lease term, the Company recognizes a lease liability for leases other than short-term leases and leases of low-value assets. The lease liability is initially measured at the present value of the lease payments not yet paid. Lease payments include:

- Fixed payments (including payments that are effectively fixed), less any lease incentives received;
- Variable lease payments that depend on an index or ratio;
- Estimated payments based on the residual value guaranteed by the Company;
- The exercise price of a purchase option, provided the Company reasonably determines it will exercise the option;
- The amount payable to exercise a termination option, provided the lease term reflects the company's intention to exercise that option.

The Company uses the implicit interest rate of the lease as the discount rate. However, if the implicit interest rate cannot be reasonably determined, the Company uses its incremental borrowing rate as the discount rate.

The Company calculates interest expense on the lease liability for each period of the lease term at a fixed periodic rate and recognizes it in profit or loss or as part of the cost of the related asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss or as part of the cost of the related asset when incurred.

After the commencement date of the lease term, the Company re-measures the lease liability and adjusts the corresponding right-of-use asset if any of the following circumstances occur. If the carrying amount of the right-of-use asset has been reduced to zero but the lease liability still requires further reduction, the difference is recognized in profit or loss for the period:

- When the assessment of a purchase option, renewal option, or termination option changes, or when the actual exercise of such options differs from the original assessment, the Company remeasures the lease liability using the present value calculated based on the revised lease payments and the updated discount rate;
- When there is a change in the substantive fixed payment amount, the estimated amount payable for the residual value guarantee, or the index or ratio used to determine the lease payment amount, the Company remeasures the lease liability based on the present value calculated using the revised lease payment amount and the original discount rate. However, if the change in the lease payment amount is attributable to a change in the floating interest rate, the present value is calculated using the revised discount rate.

## 3. Short-term leases and leases of low-value assets

The Company elects not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. Instead, the related lease payments are recognized in profit or loss or in the cost of the related asset on a straight-line basis over the lease term. A short-term lease is defined as a lease with a lease term not exceeding 12 months at the commencement date and without a purchase option. A low-value asset lease is defined as a lease where the individual leased asset is of low value when new. If the Company subleases or expects to sublease the leased asset, the original lease does not qualify as a low-value asset lease.

## 4. Lease Modifications

The Company accounts for a lease modification as a separate lease when the modification: Expands the scope of the lease by adding one or more lease assets;

The additional consideration is equivalent to the separate price for the expanded portion of the lease scope, adjusted for the specific circumstances of the contract.

If a lease modification is not accounted for as a separate lease, the Company reallocates the consideration for the modified contract, re-determines the lease term, and re-measures the lease liability at the present value of the modified lease payments discounted at the revised discount rate as of the effective date of the modification.

Where a lease modification reduces the scope of the lease or shortens the lease term, the Company reduces the carrying amount of the right-of-use asset accordingly and recognizes the related gain or loss from partial or full termination of the lease in profit or loss for the period. Where other lease modifications result in the remeasurement of the lease liability, the Company adjusts the carrying amount of the right-of-use asset accordingly.

### (2) Accounting Treatment for Leases as a Lessor

At the lease commencement date, the Company classifies leases as either finance leases or operating leases. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of the leased asset, regardless of whether ownership ultimately transfers. An operating lease is any lease that is not a finance lease. When the Company acts as a sublessor, it classifies the sublease based on the right-of-use asset arising from the original lease.

#### 1. Accounting for Operating Leases

Lease payments under operating leases are recognized as rental income on a straight-line basis over the lease term. Initial direct costs incurred in connection with operating leases are capitalized and allocated to profit or loss over the lease term on the same basis as rental income recognition. Variable lease payments not included in lease payments are recognized in profit or loss when incurred. When an operating lease is modified, the Company treats the modified lease as a new lease from the effective date of the modification. Prepaid or receivable lease payments related to the pre-modification lease are treated as payments under the new lease.

#### 2. Accounting for Finance Leases

At the commencement date of the lease, the Company recognizes a receivable for the finance lease and derecognizes the finance lease asset. When initially measuring the receivable for the finance lease, the Company uses the net lease investment as the carrying amount of the receivable. The net lease investment is the sum of the unguaranteed residual value and the present value of lease payments not yet received at the commencement date of the lease term, discounted at the implicit interest rate of the lease.

The Company calculates and recognizes interest income for each period during the lease term using a fixed periodic interest rate. The derecognition and impairment of finance lease receivables are accounted for in accordance with Note V.(11) Financial Instruments.

Variable lease payments not included in the measurement of the net investment in the lease are recognized in profit or loss when incurred.

The Company accounts for changes to finance leases as separate leases when all of the following conditions are met:

- The modification expands the scope of the lease by adding one or more lease assets;
- The additional consideration is equivalent to the adjusted contract price for the expanded portion of the lease scope.

If a change in a finance lease is not accounted for as a separate lease, the Company treats the modified lease as follows:

- If the modification takes effect on the lease commencement date and the lease would be classified as an operating lease, the Company accounts for it as a new lease from the effective date of the modification, using the net investment in the lease prior to the modification as the carrying amount of the leased asset;
- If the modification takes effect on the lease commencement date and the lease would be classified as a finance lease, the Company accounts for it in accordance with the policy for modifying or renegotiating contracts described in Note V.(11) Financial Instruments.

### (3) Sale-and-Leaseback Transactions

The Company evaluates whether the transfer of assets in a sale-and-leaseback transaction constitutes a sale in accordance with the principles described in Note V.(XXVII) Revenue.

#### 1. As a Lessee

Where the asset transfer in a sale-and-leaseback transaction constitutes a sale, the Company, as the lessee, measures the right-of-use asset arising from the sale-and-leaseback at the portion of the original asset's carrying amount related to the right-of-use acquired under the lease. The Company recognizes a gain or loss only on the rights transferred to the lessor.

Where the asset transfer in a sale-and-leaseback transaction does not constitute a sale, the Company, as the lessee, continues to recognize the transferred asset and simultaneously recognizes a financial liability equal to the transfer proceeds. The accounting treatment for the financial liability is detailed in Note V.(11) Financial Instruments.

#### 2. As Lessor

Where the asset transfer in a sale-and-leaseback transaction constitutes a sale, the company, as the lessor, accounts for the asset purchase and accounts for the asset lease in accordance with the policy described in "2. The Company as Lessor" above. Where the asset transfer in a sale-and-leaseback transaction does not constitute a sale, the company, as the lessor, does not recognize the transferred asset but recognizes a financial asset equal to the transfer proceeds. The accounting treatment for financial assets is detailed in Note 5.(11) Financial Instruments.

## 32. Changes in Significant Accounting Policies and Estimates

### (1) Changes in Significant Accounting Policies

Applicable Not Applicable

(1) Implementation of Accounting Standards Interpretation No. 16: Accounting Treatment for Deferred Income Taxes Related to Assets and Liabilities Arising from Individual Transactions Not Subject to Initial Recognition Exemption.

The Ministry of Finance issued Interpretation No. 16 of the Accounting Standards for Business Enterprises (Cai Kui [2022] No. 31, hereinafter referred to as "Interpretation No. 16") on November 30, 2022.

"on "Accounting Treatment for Deferred Income Taxes Related to Assets and Liabilities Arising from Individual Transactions Not Subject to Initial Recognition Exemption," which takes effect on January 1, 2023.

Interpretation No. 16 stipulates that for single transactions that are not business combinations, do not affect accounting profit or taxable income(or deductible losses), and where the initial recognition of assets and liabilities results in equal amounts of taxable temporary differences and deductible temporary differences (including lease transactions where the lessee initially recognizes a lease liability and includes it in the right-of-use asset at the commencement date of the lease term, as well as transactions where a provision is recognized due to disposal obligations for fixed assets and included in the cost of the relevant asset), are not exempt from the requirement to recognize deferred tax liabilities and deferred tax assets upon initial recognition. At the time of the transaction, an enterprise shall recognize the corresponding deferred tax liabilities and deferred tax assets in accordance with relevant provisions such as Accounting Standard for Business Enterprises No. 18—Income Taxes.

For individual transactions subject to this provision that occur between the beginning of the earliest period presented in the financial statements and the date of implementation, as well as for lease liabilities and right-of-use assets recognized at the beginning of the earliest period presented in the financial statements due to such transactions, and for estimated liabilities related to disposal obligations and corresponding related assets recognized, if taxable temporary differences and deductible temporary differences arise, an enterprise shall make adjustments in accordance with this provision.

The impact of implementing the above standard on the Company's financial statement items is as follows:

Name of Affected Statement Item	December 31, 2023	December 31, 2022
Deferred Tax Assets	4,991,715.43	6,254,152.61
Deferred income tax liabilities	5,428,542.10	6,254,152.61
Income tax expense	436,826.67	
Retained Earnings	-436,826.67	

**(2) Significant Accounting Estimate Changes**

Applicable Not Applicable

**VI. Tax Items****1. Major Tax Categories and Rates**

Tax Type	Tax Base	Tax Rate
Value-Added Tax	Output tax is calculated based on the revenue from the sale of goods and taxable services as determined by tax laws. After deducting the input tax eligible for deduction in the current period, the difference constitutes the output tax payable. VAT payable.	13.00%, 9.00%, 6.00%
Consumption Tax	/	/
Urban Maintenance and Construction Tax	Calculated based on actual VAT and consumption tax paid	7.00%, 5.00%, 1.00%
Corporate Income Tax	Calculated based on taxable income	25.00%, 15.00%, 20.00%
Education surcharge	Calculated based on actual VAT and consumption tax paid	3.00%
Local Education Surcharge	Calculated based on actual VAT and consumption tax paid	2.00%
Property Tax	Levied on the assessed value, calculated as 1.2% of the property's original value after deducting 30% 1.2% of the residual value	1.20%
Land Use Tax	Land area used	Tax rates vary based on land location

Disclosure of entities subject to different corporate income tax rates

Name of Taxpayer	Income Tax Rate
China Nuclear Huayuan Titanium Dioxide Co., Ltd.	25.00%
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	15.00%
Shanghai Sicheng Titanium Dioxide Chemical Co., Ltd.	20.00%
Wuxi CNNC Huayuan Titanium Dioxide Co., Ltd.	20.00%
Nantong Baoju Pigment Co., Ltd.	20.00%
Gansu Dongfang Titanium Industry Co., Ltd.	15.00%
Gansu Zetong New Energy Materials Co., Ltd.	20.00%
Gansu Zhonghetong Thermal Energy Co., Ltd.	20.00%
Gansu Hecheng Titanium Industry Co., Ltd.	25.00%
Baiyin Zhonghe Times New Energy Co., Ltd.	20.00%
Baiyin Zhonghe Times New Energy Co., Ltd.	20.00%
Wuxi Tiejie Investment Co., Ltd.	20.00%
Anhui Jinxing Titanium Dioxide Sales Co., Ltd.	25.00%
Guangzhou Tai'ao Hua Co., Ltd.	25.00%
Panzhihua Zetong Logistics Co., Ltd.	15.00%
Gansu RuiSke Lithium Battery Materials Co., Ltd.	20.00%
Gansu Zetong Weili De Vanadium Materials Co., Ltd.	20.00%
Huili Vanadium Energy Mining Co., Ltd.	25.00%
Hami Zhonghe Vanadium-Titanium Co., Ltd.	25.00%
Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd.	20.00%
Guangdong Zhonghe Junneng Technology Co., Ltd.	15.00%
Guizhou Xintianxin Chemical Co., Ltd.	15.00%
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	25.00%

**2. Tax Incentives**

1. Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. (hereinafter referred to as "Jinxing Titanium Dioxide")

Jinxing Titanium Dioxide is subject to a corporate income tax rate of 15%. Following its re-evaluation as a high-tech enterprise in 2023, Jinxing Titanium Dioxide obtained the High-Tech Enterprise Certificate (No. GR202334001014) jointly approved by the Anhui Provincial Department of Science and Technology, Anhui Provincial Department of Finance, and the State Taxation Administration of Anhui Province. Upon application, Jinxing Titanium Dioxide is entitled to a 15% corporate income tax rate for high-tech enterprises during the period from 2023 to 2025, in accordance with the State Taxation Administration Circular

[2017] No. 24, "Announcement of the State Taxation Administration on Issues Concerning the Implementation of Preferential Income Tax Policies for High-Tech Enterprises," to enjoy a preferential high-tech enterprise income tax rate of 15% during the period from 2023 to 2025.

2. Gansu Dongfang Titanium Industry Co., Ltd. (hereinafter referred to as "Dongfang Titanium")

Dongfang Titanium Industry applies an income tax rate of 15%. Following its high-tech enterprise re-evaluation in 2023, Dongfang Titanium Industry obtained the High-Tech Enterprise Certificate (No. GR202362000174), jointly reviewed and approved by the Gansu Provincial Department of Science and Technology, the Gansu Provincial Department of Finance, and the State Taxation Administration of Gansu Province. Upon application, Dongfang Titanium Industry, in accordance with State Taxation Administration Letter Announcement [2017] No. 24 of the State Taxation Administration on Issues Concerning the Implementation of Preferential Income Tax Policies for High-Tech Enterprises, Oriental Titanium Industry will enjoy a preferential income tax rate of 15% for high-tech enterprises during the period from 2023 to 2025.

3. Panzhihua Zetong Logistics Co., Ltd. (hereinafter referred to as "Zetong Logistics")

Zetong Logistics is subject to a 15% corporate income tax rate. Pursuant to the "Catalogue of Encouraged Industries in Western Regions (2020 Edition)" (Order No. 40 of 2021), from January 1, 2011 to December 31, 2030, enterprises engaged in encouraged industries located in the western region shall be subject to a reduced corporate income tax rate of 15%.

4. Guizhou Xintianxin Chemical Co., Ltd. (hereinafter referred to as "Xintianxin Chemical")

Xintianxin Chemical applies a corporate income tax rate of 15%. In 2022, Xintianxin Chemical obtained the High-Tech Enterprise Certificate (No. GR202252000382) jointly reviewed and approved by the Guizhou Provincial Department of Science and Technology, the Guizhou Provincial Department of Finance, and the Guizhou Provincial Taxation Bureau of the State Taxation Administration. Upon application, Xintianxin Chemical is entitled to the 15% preferential corporate income tax rate for high-tech enterprises during the period from 2022 to 2024, in accordance with Document No. 24 [2017] of the State Taxation Administration, "Announcement of the State Taxation Administration on Issues Concerning the Implementation of Preferential Corporate Income Tax Policies for High-Tech Enterprises," and will enjoy a 15% high-tech enterprise income tax rate during the period from 2022 to 2024.

5. Guangdong Zhonghe Junneng Technology Co., Ltd. (hereinafter referred to as "Zhonghe Junneng")

Zhonghe Junneng's applicable income tax rate is 15%. Zhonghe Junneng obtained the High-Tech Enterprise Certificate (No. GR202344016059) jointly reviewed and approved by the Guangdong Provincial Department of Science and Technology, the Guangdong Provincial Department of Finance, and the Guangdong Provincial Taxation Bureau of the State Taxation Administration in 2023. Upon application, the company will enjoy a 15% high-tech enterprise income tax rate for the period from 2023 to 2025 in accordance with the State Taxation Administration Document [2017] No. 24, "Announcement of the State Taxation Administration on Issues Concerning the Implementation of Preferential Income Tax Policies for High-Tech Enterprises." **Announcement [2017] No. 24** of the State Taxation Administration on Issues Concerning the Implementation of Preferential Income Tax Policies for High-Tech Enterprises, it will enjoy a 15% enterprise income tax rate from 2023 to 2025.

6. Other Taxpayers Subject to the 20% Income Tax Rate

Pursuant to the "Notice on Implementing Inclusive Tax Reduction Policies for Small and Micro Enterprises" (Cai Shui [2019] No. 13) issued by the Ministry of Finance and the State Taxation Administration, State Taxation Administration Announcement No. 12 of 2021, and State Taxation Administration Announcement No. 13 of 2022, the portion of the annual taxable income of small and low-profit enterprises not exceeding RMB 1 million shall be included in the taxable income at a reduced rate of 12.5% and subject to a 20% corporate income tax rate; For the portion of annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million, the taxable income shall be calculated at a reduced rate of 25% and subject to a corporate income tax rate of 20%.

## VII. Notes to Consolidated Financial Statement Items

### 1. Cash and Cash Equivalents

Unit: RMB

Item	Ending Balance	Opening Balance
Bank Deposits	7,150,747,465.00	3,400,159,411.34
Other monetary funds	414,272,366.90	440,138,641.03
Total	7,565,019,831.90	3,840,298,052.37

Details of monetary funds with restricted usage due to mortgages, pledges, or freezes are as follows:

Item	Ending Balance	Balance at End of Previous Year
Bank Accepted Bill Margin	379,754,895.46	413,240,403.86
Forward Foreign Exchange Settlement and Sale Margin	6,875,789.00	
Time Deposits Used for Pledging	5,980,000.00	19,830,000.00
Geological Environment Management and Restoration Fund	3,412,115.58	
Project	Ending Balance	Balance at End of Previous Year
Land Reclamation Guarantee Deposit	1,846,660.50	
Performance Bond Deposit		5,000,000.00
Other	4,518,347.63	2,068,235.56
Total	402,387,808.17	440,138,639.42

### 2. Notes Receivable

**(1) Classified Presentation of Notes Receivable**

Unit: Yuan

Item	Ending Balance	Beginning Balance
Bank Accepted Notes	19,766,850.47	159,987,373.37
Financial company accepted bills	3,052,295.93	5,444,720.04
Total	22,819,146.40	165,432,093.41

**(2) Notes receivable pledged by the company at the end of the period**

Unit: CNY

Item	Amount pledged at end of period
Bank Accepted Notes	19,766,850.47
Total	19,766,850.47

**(3) Notes receivable endorsed or discounted by the company at the end of the period and not yet due on the balance sheet date**

Unit: Yuan

Item	Amount derecognized at end of period	Amount not derecognized at end of period
Banker's Acceptances	950,274,933.81	
Commercial Accepted Notes	6,910,914.13	
Total	957,185,847.94	

**3. Accounts Receivable****(1) Disclosed by Age**

Unit: CNY

Accounts Receivable Aging	Balance at End of Period	Opening Balance
Within 1 year (including 1 year)	822,789,825.72	699,286,375.25
Of which: Within 6 months	820,672,536.41	699,178,073.26
7-12 months	2,117,289.31	108,301.99
1 to 2 years	5,182,709.69	6,723.20
2 to 3 years		9,402.21
3 years or more	10,457,803.75	10,447,769.70
3 to 4 years	9,561.65	431,866.53
4 to 5 years	432,338.93	6,796.00
Over 5 years	10,015,903.17	10,009,107.17
Total	838,430,339.16	709,750,270.36

**(2) Classified Disclosure by Bad Debt Provision Method**

Unit: CNY

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful		Book Value	Book Balance		Allowance for Doubtful		Book value
			Accounts					Accounts		
	Amount	Ratio	Amount	Provision Ratio	Amount	Ratio	Amount	Provision Ratio		

Accounts receivable for which bad debt allowance is provided on an individual basis	10,457. 803.75	1.25%	8,924.5 03.75	85.34%	1,533.3 00.00	10,457. 171.91	1.47%	8,923.8 71.91	85.34%	1,533.3 00.00
Of which:										
Individual accounts receivable that are not material in amount but for which individual allowance for doubtful accounts is provided Accounts Receivable	675,660 .21	0.08%	675,660 .21	100.00%		675,028 .37	0.10%	675,028 .37	100.00%	
Significant individual accounts receivable for which bad debt provisions are made individually Accounts Receivable	9,782.1 43.54	1.17%	8,248.8 43.54	84.33%	1,533.3 00.00	9,782.1 43.54	1.38%	8,248.8 43.54	84.33%	1,533.3 00.00
Accounts receivable for which bad debt allowance is provided by portfolio	827,972 ,535.41	98.75%	624,135 .43	0.08%	827,348 ,399.98	699,293 ,098.45	98.53%	6,087.4 2	0.00%	699,287 ,011.03
Of which:										
Age Group	827,972	98.75%	624,135	0.08%	827,348	699,293	98.53%	6,087.4	0.00%	699,287
Total	,535.41		.43		,399.98	,098.45		2		,011.03
Total	838,430 ,339.16	100.00%	9,548.6 39.18		828,881 ,699.98	709,750 ,270.36	100.00%	8,929.9 59.33		700,820 ,311.03

Provision for bad debts calculated on an item-by-item basis:

Unit: CNY

Name	Opening Balance		Ending Balance			
	Book Balance	Allowance for Doubtful Accounts	Book Balance	Allowance for Doubtful Accounts	Allowance Ratio	Reason for Provision
Guangdong CNNC Jinsheng Titanium Co., Ltd.	9,782,143.54	8,248,843.54	9,782,143.54	8,248,843.54	84.33%	Expected to be unable to fully recover recovered
Shanghai Weishi Chemical Co., Ltd.	205,530.00	205,530.00	205,530.00	205,530.00	100.00%	Expected to be Uncollectible
Hangzhou Huawang New Material Technology Co., Ltd. Co., Ltd.	200,000.00	200,000.00	200,000.00	200,000.00	100.00%	Expected to be Uncollectible
Jiangsu Nostra Environmental Technology Co., Ltd. Company	180,924.70	180,924.70	180,924.70	180,924.70	100.00%	Expected to be Uncollectible
CHEMIK CO., LTD.	27,858.40	27,858.40	28,330.80	28,330.80	100.00%	Expected to be Uncollectible
Deqing Lingying Chemical Trading Co., Ltd. Co., Ltd.	23,083.38	23,083.38	23,083.38	23,083.38	100.00%	Expected to be Uncollectible

Shanghai Heceng Construction Engineering Co., Ltd.	13,140.00	13,140.00	13,140.00	13,140.00	100.00%	Expected to be Uncollectible
Brenntag Argentina SA	9,402.21	9,402.21	9,561.65	9,561.65	100.00%	Expected to be Uncollectible
Shanghai Siji Chemical Technology Co., Ltd. Company	8,166.13	8,166.13	8,166.13	8,166.13	100.00%	Expected to be Uncollectible
Wuxi Nenglv Zhishui Technology Co., Ltd.	6,700.00	6,700.00	6,700.00	6,700.00	100.00%	Expected to be Uncollectible
Wuxi Haoxi Chemical Product Co., Ltd.	127.50	127.50	127.50	127.50	100.00%	Expected to be Uncollectible
Suzhou Hongfeng Titanium Co., Ltd.	96.00	96.00	96.00	96.00	100.00%	Expected to be Uncollectible
Suzuka Composite Building Materials (Shanghai) Co., Ltd. Co., Ltd.	0.05	0.05	0.05	0.05	100.00%	Expected to be Uncollectible
<b>Total</b>	<b>10,457,171.9</b>	<b>8,923,871.91</b>	<b>10,457,803.7</b>	<b>8,924,503.75</b>		
	1		5			

## Notes on Individual Bad Debt Provision:

As of December 31, 2023, Guangdong CNNC Jinxing Titanium Co., Ltd. had an accounts receivable year-end balance of RMB 9,782,143.54, with an aging period exceeding 5 years. The bad debt provision The year-end balance of the allowance for doubtful accounts was RMB 8,248,843.54, resulting in a net accounts receivable balance of RMB 1,533,300.00. This receivable is secured by two properties

mortgaged by Guangdong

China Nuclear Jinxing Titanium Industry Co., Ltd. pledged the property located at No. 659, Phase III, Haiqinwan Garden, Xingui Middle Road, Yunlu Community Residents Committee, Daliang Subdistrict Office, Shunde District, Foshan City, along with a parking space under its name. The company has obtained the mortgage rights certificate (Guangdong 2016 Shunde District Real Estate Certificate Nos. 1316058018-2, 3)The Company plans to auction the property and parking space, with the estimated auction value exceeding the net amount of the receivable by RMB 1,533,300.00. No full provision for bad debts has been made for this receivable at this time.

Allowance for doubtful accounts by portfolio:

Unit: RMB

Name	Balance at End of Period		
	Book Balance	Bad Debt Allowance	Allowance Ratio
Within 1 Year	822,789,825.72	105,864.46	
Of which: Within 6 months	820,672,536.41		
7-12 months	2,117,289.31	105,864.46	5.00%
1 to 2 years	5,182,709.69	518,270.97	10.00%
2 to 3 years			20.00%
3 to 4 years			50.00%
4 to 5 years			80.00%
5 years or more			100.00%
<b>Total</b>	<b>827,972,535.41</b>	<b>624,135.43</b>	

If the allowance for doubtful accounts is calculated using the expected credit loss general model:

Applicable  Not applicable

**(3) Current period provision, recovery, or reversal of bad debt allowance**

Current period provision for bad debts:

Unit: RMB

Category	Opening Balance	Current Period Changes				Ending Balance
		Accrual	Recoveries or Reversals	Write-off	Other	
Bad Debts on Accounts Receivable Provision	8,929,959.33	352,686.68			265,993.17	9,548,639.18
Total	8,929,959.33	352,686.68			265,993.17	9,548,639.18

**(4) Top Five Accounts Receivable and Contract Assets by Debtor at Period-End**

Unit: CNY

Company Name	Accounts Receivable Ending Balance	Contract Assets Ending Balance	Balance of Accounts Receivable and Contract Assets at Period-End	Percentage of Total Balance of Accounts Receivable and Contract Assets	Balance of Allowance for Doubtful Accounts and Impairment Reserve for Contract Assets at End of Period
Customer 1	107,978,955.78		107,978,955.78	12.88%	
Customer 2	45,806,237.79		45,806,237.79	5.46%	
Client Three	34,207,328.00		34,207,328.00	4.08%	
Client Four	30,159,935.68		30,159,935.68	3.60%	
Client Five	26,999,999.84		26,999,999.84	3.22%	
Total	245,152,457.09		245,152,457.09	29.24%	

**4. Receivables Financing****(1) Accounts Receivable Financing Classification**

Unit: CNY

Item	Ending Balance	Beginning Balance
Notes Receivable	119,274,379.08	207,826,937.44
Total	119,274,379.08	207,826,937.44

Unit: CNY

**(2) Changes in Accounts Receivable Financing and Fair Value Changes for the Current Period**

Item	Balance at End of Previous Year	Current Period Additions	Derecognized During Current Period	Other Changes	Balance at End of Period	Accumulated loss allowance recognized in other comprehensive income
Notes receivable	207,826,937.44	1,975,887,365.25	2,064,439,923.61		119,274,379.08	
Total	207,826,937.44	1,975,887,365.25	2,064,439,923.61		119,274,379.08	



Provision for bad debts calculated on an item-by-item basis:

Unit: CNY

Name	Opening Balance		Ending Balance			
	Book Balance	Allowance for Doubtful Accounts	Book Balance	Allowance for Doubtful Accounts	Provision Ratio	Reason for Provision
Changzhou Suli Drying Equipment Co., Ltd. Co.			709,800.00	709,800.00	100.00%	Expected to be Uncollectible
Shanghai Zhuocheng Technology Co., Ltd.	23,700.00	23,700.00	23,700.00	23,700.00	100.00%	Expected to be Uncollectible
Hefei Shuangye Electromechanical Co., Ltd. Co., Ltd.	9,807.69	9,807.69	9,807.69	9,807.69	100.00%	Expected to be Uncollectible
Wucheng County Xiao Ye Catering Company			3,842.48	3,842.48	100.00%	Expected to be Uncollectible
Changzhou Changtu Chemical Co., Ltd.	340.00	340.00	340.00	340.00	100.00%	Expected to be Uncollectible
Rugao Fuli Auto Automobile Trading Co., Ltd. Ltd.	20.00	20.00	20.00	20.00	100.00%	Expected to be Uncollectible
Company						
Zhenjiang New District Tianhong Logistics	1.00	1.00	1.00	1.00	100.00%	Expected to be Uncollectible
Other	2,220.00	2,220.00	1,356.84	1,356.84	100.00%	Expected to be

						Uncollectible
Total	36,088.69	36,088.69	748,868.01	748,868.01		

Allowance for Doubtful Accounts by Portfolio:

Unit: CNY

Name	Ending Balance		
	Book Balance	Bad Debt Allowance	Allowance Ratio
Within 1 Year	1,733,068.29	206.54	
Of which: Within 6 months	1,728,937.54		
7-12 months	4,130.75	206.54	5.00%
1 to 2 years	1,293,055.59	129,305.56	10.00%
2 to 3 years	348,251.00	69,650.20	20.00%
3 to 4 years	2,971,872.77	1,485,936.39	50.00%
4 to 5 years	1,533,908.29	1,227,126.63	80.00%
Over 5 years	7,177,942.49	7,177,942.49	100.00%
Total	15,058,098.43	10,090,167.81	

Provision for Bad Debts by Portfolio:

Unit: CNY

Name	Ending Balance		
	Book Balance	Bad Debt Allowance	Allowance Ratio
Deposits and Guarantees	8,789,215.23		
Contingency funds	977,393.48		
Withholding and Collection Payments	3,225,453.08		
Total	12,992,061.79		

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

Unit: CNY

Bad Debt Allowance	Stage 1	Stage 2	Stage 3	Total
	Expected Credit Loss Over the Next 12 Months	Expected Credit Loss Over the Entire Life (No Credit Impairment)	Expected Credit Loss Over the Entire Life (Credit Impaired)	
Balance as of January 1, 2023	6,635,805.06		36,088.69	6,671,893.75
Balance as of January 1, 2023 Current Period				
Current Period Accrual	-4,365,760.09			-4,365,760.09
Reversal for the Period			863.16	863.16
Other Changes	7,820,122.84		713,642.48	8,533,765.32
Balance as of December 31, 2023	10,090,167.81		748,868.01	10,839,035.82

Significant Changes in Book Value of Loss Allowance for Current Period

 Applicable  Not Applicable

**4) Current Period Provision, Recovery, or Reversal of Bad Debt Allowance**

Current Period Provision for Bad Debts:

Unit: CNY

Category	Opening Balance	Current Period Changes				Closing Balance
		Accrual	Recovered or reversed	Write-off or Write-down	Other	
Individual Loan Loss Provision Account provision	36,088.69			863.16	713,642.48	748,868.01
Provision for Bad Debts by Portfolio 6,635,805.06	6,635,805.06	- 4,365,760.09			7,820,122.84	10,090,167.8 1
Total	6,671,893.75	- 4,365,760.09		863.16	8,533,765.32	10,839,035.8 2

**5) Top Five Other Receivables by Debtor at Period-End Balance**

Unit: CNY

Entity Name	Nature of the Amount	Ending Balance	Ageing	Percentage of Total Other Receivables at End of Period	Balance of Allowance for Doubtful Accounts at End of Period
Unit 1	Accounts Receivable	2,400,000.00	3-4 years	8.33%	1,200,000.00
Unit 2	Deposit and Security Deposit	2,000,000.00	4-5 years, 5 years or more	6.94%	
Unit Three	Deposits and Guarantees	2,000,000.00	1-2 years	6.94%	
Unit 4	Deposits and Guarantees	1,999,714.83	2-3 years	6.94%	
Unit Five	Accounts Receivable	1,300,000.00	Over 5 years	4.51%	1,300,000.00
Total		9,699,714.83		33.66%	2,500,000.00

**6. Prepayments****(1) Prepayments by aging**

Unit: CNY

Account Age	Ending Balance		Beginning Balance	
	Amount	Ratio	Amount	Percentage
Within 1 year	185,345,317.54	98.15%	141,941,963.44	99.89%
1 to 2 years	3,370,000.93	1.78%	29,871.82	0.02%
2 to 3 years	11,871.82	0.01%	39,397.06	0.03%
Over 3 years	120,267.06	0.06%	80,870.00	0.06%
Total	188,847,457.35		142,092,102.32	

**(2) Top Five Prepayments by Payee at the End of the Period**

Payee	Balance at End of Period	Percentage of Total Prepayments at End of Period (%)
Supplier 1	63,332,490.68	33.54
Supplier 2	18,045,880.10	9.56
Supplier Three	17,850,690.38	9.45

Prepaid Entities	Ending Balance	Percentage of Total Prepayments at End of Period (%)
Supplier IV	12,269,596.35	6.50
Supplier Five	7,929,222.62	4.20
Total	119,427,880.13	63.25

## 7. Inventory

Does the company need to comply with disclosure requirements for the real estate industry? No

### (1) Inventory Classification

Unit: CNY

Item	Ending Balance			Beginning Balance		
	Book Balance	Inventory Valuation Allowance or Contract Performance Cost Impairment Reserve	Book Value	Book Balance	Inventory valuation allowance or provision for contract fulfillment costs	Carrying Amount
Raw materials	326,050,419.42	39,619,028.59	286,431,390.83	263,732,435.32	32,435,164.64	231,297,270.68
In stock	100,178,353.23	125,946.74	100,052,406.49	105,709,747.35		105,709,747.35
Inventory	577,326,420.00	10,123,188.23	567,203,231.77	416,743,948.22		416,743,948.22
Contract fulfillment costs	2,656,800.71		2,656,800.71	5,305,330.82		5,305,330.82
Goods Dispatched	50,440,715.64	2,591,929.25	47,848,786.39	17,799,547.24		17,799,547.24
Processed Materials	1,638,284.88		1,638,284.88			
Total	1,058,290.993.88	52,460,092.81	1,005,830.901.07	809,291,008.95	32,435,164.64	776,855,844.31

### (2) Inventory Valuation Allowance and Contract Performance Cost Impairment Reserve

Unit: CNY

Item	Opening Balance	Increase for the Period		Current Period Decrease		Ending Balance
		Accrual	Other	Reversal or Write-off	Other	
Raw Materials	32,435,164.64	13,353,777.19	6,635,656.54	12,805,569.78		39,619,028.59
Work in Progress		125,946.74				125,946.74
Inventory		4,824,360.51	5,322,177.22	23,349.50		10,123,188.23
Goods Dispatched			3,286,417.59	694,488.34		2,591,929.25
Total	32,435,164.64	18,304,084.44	15,244,251.35	13,523,407.62		52,460,092.81

### (3) Other debt investments due within one year

Applicable  Not applicable

## 8. Other Current Assets

Unit: CNY

Item	Ending Balance	Beginning Balance
VAT Carryforward	62,763,381.44	42,572,396.48
Prepaid corporate income tax	85.55	9,025,971.67
Other	21,936,229.37	2,867,338.05
Total	84,699,696.36	54,465,706.20

## 9. Other equity instruments investments

Unit: CNY

Item Name	Ending Balance	Beginning Balance	Gains Recognized in Other Comprehensive Income for the Period	Losses recognized in other comprehensive income for the period	Cumulative Gains Recognized in Other Comprehensive Income at End of Current Period	Cumulative Losses Recognized in Other Comprehensive Income at End of Current Period	Dividend income recognized in the current period	Reason for designation as at fair value through other comprehensive income
Qinghai Jintai Potash Fertilizer Co., Ltd.	175,666.4 00.00	200,000.0 00.00		24,333.60 0.00		24,333.60 0.00		No control, joint control, or significant influence over such investments, and not intended for short-term trading for short-term trading purposes.
Shenzhen Benzhenfangcheng Graphene Technology Co., Ltd.	75,000.00 0.00	75,000.00 0.00						No control, joint control, or significant influence over such investments, and not intended for short-term trading Purpose
Guizhou Kaiyang Baima Phosphate Fertilizer Co., Ltd.	41,946.75 9.00							No control, joint control, or significant influence over these investments, and not intended for short-term trading Purpose
Ma'anshan Rural Commercial Bank	27,500.00 0.00	27,500.00 0.00					2,541,000.00	No control, joint control, or significant influence over such investments, and not intended for short-term trading
Jiangsu Hezhi New Energy Materials Technology Co., Ltd. Limited	1,665,750.51	9,150,512.52		7,484,762.01		9,426,184.95		No control, joint control, or significant influence



## 11. Fixed Assets

Unit: RMB

Item	Ending Balance	Beginning Balance
Fixed Assets	3,177,312,785.27	2,509,265,030.47
Disposal of Fixed Assets		
Total	3,177,312,785.27	2,509,265,030.47

## (1) Fixed Assets

Unit: Yuan

Item	Buildings and Structures	Machinery and Equipment	Transportation Equipment	Office Equipment and Other	Total
I. Original Book Value:					
1. Beginning Balance	1,888,657,922.12	2,082,362,329.35	53,995,083.28	59,421,384.70	4,084,436,719.45
2. Increase for the period Amount	649,538,694.47	478,875,987.43	12,043,650.05	13,922,035.89	1,154,380,367.84
(1) Acquisition	216,926.46	11,519,333.96	5,159,101.30	9,700,606.99	26,595,968.71
(2) Transfer from Construction in Progress	408,327,767.93	173,819,927.13		103,133.62	582,250,828.68
(3) Increase from business combinations	240,994,000.08	293,536,726.34	6,884,548.75	4,118,295.28	545,533,570.45
3. Decrease for the period Amount	11,123,384.22	69,961,060.66	1,709,938.09	3,259,585.74	86,053,968.71
(1) Disposal or Scrapping	11,123,384.22	58,494,852.55	1,269,597.91	3,193,338.60	74,081,173.28
(2) Disposal of Subsidiary		109,734.51	440,340.18	66,247.14	616,321.83
(3) Transfer to Construction in Progress Projects		11,356,473.60			11,356,473.60
4. Ending Balance	2,527,073,232.37	2,491,277,256.12	64,328,795.24	70,083,834.85	5,152,763,118.58
II. Accumulated Depreciation					
1. Beginning Balance	631,053,601.59	846,356,585.45	24,772,760.42	27,874,719.46	1,530,057,666.92
2. Increase for the period Amount	128,595,236.76	227,455,274.34	9,340,512.67	7,959,936.98	373,350,960.75
(1) Provision	74,250,248.56	130,785,181.60	5,573,455.98	6,476,698.79	217,085,584.93
(2) Increase from business combinations Addition	54,344,988.20	96,670,092.74	3,767,056.69	1,483,238.19	156,265,375.82
3. Decrease for the period Amount	4,462,807.99	56,923,380.25	1,265,713.91	3,109,913.29	65,761,815.44
(1) Disposal or Scrapping	4,462,807.99	47,576,691.16	1,208,080.28	3,097,504.16	56,345,083.59
(2) Disposal of Subsidiary		8,687.70	57,633.63	12,409.13	78,730.46
(3) Transfer to Construction in Progress Projects		9,338,001.39			9,338,001.39

4. Ending Balance	755,186,030.36	1,016,888,479.54	32,847,559.18	32,724,743.15	1,837,646,812.23
III. Impairment Reserve					
1. Beginning Balance	10,392,043.06	34,644,487.45	53,164.45	24,327.10	45,114,022.06
2. Increase for the period	28,166,126.08	73,502,144.13		649,887.31	102,318,157.52
Amount					
(1) Provision	2,724,121.01	15,564,826.17		646,883.18	18,935,830.36
(2) Business Combination Increase Addition	25,442,005.07	57,937,317.96		3,004.13	83,382,327.16
3. Decrease for the period	4,142,620.94	5,486,037.56			9,628,658.50
Amount					
(1) Disposal or Scrapping	4,142,620.94	4,035,389.03			8,178,009.97
(2) Transfer to Construction in Progress Projects		1,450,648.53			1,450,648.53
4. Ending Balance	34,415,548.20	102,660,594.02	53,164.45	674,214.41	137,803,521.08
IV. Carrying Value					
1. Book Value at End of Period Value	1,737,471,653.81	1,371,728,182.56	31,428,071.61	36,684,877.29	3,177,312,785.27
2. Opening Balance Value	1,247,212,277.47	1,201,361,256.45	29,169,158.41	31,522,338.14	2,509,265,030.47

## (2) Status of Temporarily Idle Fixed Assets

Unit: Yuan

Item	Original Book Value	Accumulated Depreciation	Impairment Reserve	Book Value	Remarks
Buildings and structures	27,588,800.02	13,528,017.52	12,658,530.62	1,402,251.88	
Machinery and Equipment	127,596,078.56	105,586,752.78	12,069,167.97	9,940,157.81	
Office Equipment and Other	77,997.98	53,098.34	20,999.67	3,899.97	
Total	155,262,876.56	119,167,868.64	24,748,698.26	11,346,309.66	

## (3) Status of Fixed Assets Without Property Certificates

Unit: Yuan

Item	Book Value	Reason for Unprocessed Property Rights Certificate
Buildings and Structures	628,636,320.85	In process, factory premises owned by the company
Transportation Equipment	3,762,288.17	In process
Total	632,398,609.02	

## (4) Impairment Testing of Fixed Assets

 Applicable  Not Applicable

### 12. Construction in Progress

Unit: Yuan

Project	Ending Balance	Beginning Balance
Construction in Progress	3,022,125,920.94	1,372,928,995.12
Construction Materials	336,373,711.75	328,126,688.15

Total	3,358,499,632.69	1,701,055,683.27
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**(1) Construction in Progress**

Unit: CNY

Project	Ending Balance			Beginning Balance		
	Book Balance	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Book Value
New Materials Project	1,639,023.59 6.03		1,639,023.59 6.03	546,536,351. 34		546,536,351. 34
Gansu Dongfang Titanium Co., Ltd. Rutile-Type Titanium Rutile Titanium He Li Yong Phase II Project	695,668,765. 65		695,668,765. 65	644,699,450. 14		644,699,450. 14
Phosphorus-Carbon Chemical Green Production Demonstration Technical Renovation Project Item	286,396,136. 31	155,575.84	286,240,560. 47			
Gansu Dongfang Titanium Co., Ltd. Circular Titanium Dioxide Powder Deep Processing Project Project	223,170,776. 88		223,170,776. 88	45,706,209.1 3		45,706,209.1 3
Technical Renovation Project Item	47,014,446.3 4		47,014,446.3 4	48,535,454.9 5		48,535,454.9 5
Zetong Logistics Environmental Protection Remediation Project Conservation and Improvement Project Railway Dedicated Line Yard Environmental Upgrade Construction Engineering	30,611,277.9 7		30,611,277.9 7	5,298,840.36		5,298,840.36
Xinjiang Plant Annual Annual Production	26,381,768.3		26,381,768.3			



New Materials Project	16,306,705,800.00	546.536,351.34	1,092,533,625.22	46,380.53		1,639,023,596.03	10.05%	10.00%				Other
Gansu Comprehensive Utilization of Rutile Titanium Dioxide Resources at Dongfangg Titanium Industry Co., Ltd. Phase II	932.345.700.00	644.699.450.14	407.710.445.91	356.741.130.40		695.668.765.65	112.88%	99%	48.954,737.39	29.753,625.59	4.20%	Other
Term Items Item												
Phosphorus-Carbon Green Production Demonstration Plant Technical Renovation Project	503.700,000.00		286.396.136.31			286.396.136.31	56.86%	57.00%				Other
Gansu Dongfangg Titanium Industry Co., Ltd. Circular Titanium Dioxide Deep Processing Project	978.841.100.00	45.706,209.13	183.670.592.78	6,206,025.03		223.170,776.88	23.43%	23.00%				Other
Total	18,721,592,600.00	1,236,942,010.61	1,970,310,800.22	362.993,535.96		2,844,259,274.87			48,954,737.39	29.753,625.59		

**(3) Impairment Testing of Construction in Progress**

Applicable  Not Applicable

**(4) Construction Materials**

Unit: CNY

Project	Ending Balance			Beginning Balance		
	Book Balance	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Book Value
Specialized Materials and Equipment	336,373,711. 75		336,373,711. 75	328,126,688. 15		328,126,688. 15
Total	336,373,711. 75		336,373,711. 75	328,126,688. 15		328,126,688. 15

**13. Right-of-Use Assets****(1) Right-of-Use Assets**

Unit: CNY

Item	Buildings and Structures	Total
I. Original Carrying Value		
1. Beginning Balance	39,223,158.70	39,223,158.70
2. Current Period Increases		
(1) New leases	9,793,793.29	9,793,793.29
(2) Revaluation Adjustment	4,551,698.42	4,551,698.42
3. Decrease for the Period		
4. Ending Balance		
	53,568,650.41	53,568,650.41
II. Accumulated Depreciation		
1. Beginning Balance	13,462,025.23	13,462,025.23
2. Current Period Increase		
(1) Provision	9,102,548.88	9,102,548.88
3. Decrease for the Period		
(1) Disposals		
4. Ending Balance		
	22,564,574.11	22,564,574.11
III. Impairment Reserve		
1. Beginning Balance		
2. Current Period Increase		
(1) Provision		
3. Decrease for the Period		
(1) Disposals		
4. Closing Balance		
IV. Carrying Value		
1. Carrying Amount at End of Period	31,004,076.30	31,004,076.30
2. Beginning Book Value	25,761,133.47	25,761,133.47

**(2) Impairment Testing of Right-of-Use Assets**
 Applicable  Not Applicable
**14. Intangible Assets****(1) Intangible Assets**

Unit: Yuan

Item	Land Use Rights	Patent Rights	Non-Patented Technology	Mining Rights	Software	Trademark usage rights	Total
I. Original Book Value							
1. Beginning of Period Balance	474,336.04 2.32	570,906.99	151,784.99		3,437,741. 41	166,034.91	478,662.51 0.62
2. Increase for the period	154,456.59 8.37	63,754,052 .63		431,767.50 0.00	842,676.22	2,800.00	650,823.62 7.22
(1) Acquisition	14,538,882 .60				353,982.30		14,892,864 .90
(2) Internal R&D		90,584.67					90,584.67
(3) Increase from business combinations	139,518.20 5.98	63,663,467 .96		431,767.50 0.00	488,693.92	2,800.00	635,440.66 7.86
(4) Other	399,509.79						399,509.79
3. Decrease for the Period	696,421.72	11,290.00			323,982.90	166,034.91	1,197,729. 53
(1) Disposal	696,421.72	11,290.00			323,982.90	166,034.91	1,197,729. 53
4. End of period Balance	628,096.21 8.97	64,313,669 .62	151,784.99	431,767.50 0.00	3,956,434. 73	2,800.00	1,128,288. 408.31
II. Accumulated Amortization							
1. Beginning of Period Balance	57,787,553 .38	176,083.96	134,626.96		2,630,377. 67	66,496.80	60,795,138 .77
2. Increase for the period	16,648,364 .72	4,018,501. 24	7,100.04	31,998,470 .36	541,001.16	163.33	53,213,600 .85
(1) Provision	10,764,882 .68	3,726,353. 03	7,100.04	4,318,283. 52	348,456.27	163.33	19,165,238 .87
(2) Enterprise Consolidated Increase	5,809,308. 68	292,148.21		27,680,186 .84	192,544.89		33,974,188 .62
(3) Other	74,173.36						74,173.36
3. Decrease for the Period	100,940.10	11,290.00			323,982.90	66,496.80	502,709.80
(1) Disposal	100,940.10	11,290.00			323,982.90	66,496.80	502,709.80
4. End of Period Balance	74,334,978 .00	4,183,295. 20	141,727.00	31,998,470 .36	2,847,395. 93	163.33	113,506,02 9.82
III. Impairment Reserve							
1. Beginning of Period Balance						99,538.11	99,538.11
2. Current Period Increase		341,828.46					341,828.46
(1) Provision							

		341,828.46					341,828.46
3. Decrease for the Period						99,538.11	99,538.11
(1) Disposal						99,538.11	99,538.11
4. End of Period Balance		341,828.46					341,828.46
IV. Book Value Value							
1. End-of-period Book Value	553,761.24 0.97	59,788,545 .96	10,057.99	399,769.02 9.64	1,109,038. 80	2,636.67	1,014,440. 550.03
2. Beginning Book Value	416,548.48 8.94	394,823.03	17,158.03		807,363.74		417,767.83 3.74

The proportion of intangible assets formed through internal R&D at the end of the period accounted for 0.01% of the total intangible asset balance.

## (2) Status of land use rights without completed property rights certificates

Unit: Yuan

Item	Book Value	Reason for Unregistered Property Rights Certificate
Land Use Rights	14,514,651.13	In process
Total	14,514,651.13	

Note: The land use right certificate was finalized on January 29, 2024.

## 15. Goodwill

### (1) Original Book Value of Goodwill

Unit: RMB

Name of investee or transaction giving rise to goodwill	Opening Balance	Increase for the Period		Current Period Decrease		Closing Balance
		Goodwill arising from business combinations		Disposals		
Reverse acquisitions	416,695,796. 96					416,695,796. 96
Guangdong Zhonghe Junneng Technology Co., Ltd.		43,255,093.0 8				43,255,093.0 8
Guizhou Kaiyang Shuangyang Phosphate Mining Co., Ltd.		113,109,461. 34				113,109,461. 34
Guizhou Xintianxin Chemical Co., Ltd.		13,913,262.8 4				13,913,262.8 4
Total	416,695,796. 96	170,277,817. 26				586,973,614. 22

### (2) Goodwill impairment reserve

Unit: CNY

Name of investee or transaction giving rise to goodwill	Opening Balance	Increase for the Period		Current Period Decrease		Closing Balance
		Accrual		Disposals		
Guangdong Zhonghe Junneng Technology Co., Ltd.		23,313,999.0 7				23,313,999.0 7

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Total		23,313,999.0				23,313,999.0
		7				7

## Goodwill Impairment Explanation

1. Based on the Asset Valuation Report issued by the Titanium Dioxide Business Group of Anhui Jinxing Titanium Dioxide (Group) Co., Ltd., Gansu Dongfang Titanium Co., Ltd., and Gansu Hecheng Titanium Co., Ltd. Involved in the Goodwill Impairment Testing Proposed by China Nuclear Huayuan Titanium Dioxide Co., Ltd. (Yinxin Pingbao Zi (2024) No. B00093) the recoverable amount of the asset group containing the goodwill was determined using the income approach. The pre-tax free cash flow of the asset group combination was adopted as the income forecast indicator. When forecasting future net cash flows, the analysis was based on the current status of the assets and pre-tax metrics. The weighted average cost of capital (WACC) was used as the discount rate, converting the post-tax discount rate to a pre-tax discount rate. Based on a comprehensive analysis of the company's revenue-cost structure, capital structure, capital expenditures, investment returns, and risk levels, combined with macroeconomic policies and industry cycles, the forecast period was reasonably determined as 2024 to 2028, with an indefinite useful life. During the reporting period, no significant adverse changes occurred in the asset group containing the goodwill, thus no impairment exists.

2. During the reporting period, the Company entered into a Capital Increase Agreement with Zhaqing Helinliye Technology Co., Ltd. (now renamed Guangdong Zhonghe Junneng Technology Co., Ltd., hereinafter referred to as "Zhonghe Junneng") and all its shareholders, committing to a phased capital increase of RMB 450 million (hereinafter referred to as "this transaction").

Upon completion of this transaction, the Company holds a 75.385% equity interest in Zhonghe Junneng. As of December 31, 2023, the Company has contributed RMB 150 million, representing a paid-in capital ratio of 53.417%. According to the "Fair Value Appraisal Report on Identifiable Assets, Liabilities, and Contingent Liabilities of Zhaqing Helinliye Technology Co., Ltd. Involved in the Proposed Merger Consideration Allocation of China Nuclear Huayuan Titanium Dioxide Co., Ltd." issued by Yinxin Asset Appraisal Co., Ltd. (Yinxin Financial Report No. (2023) B00655) the transaction resulted in consolidated goodwill of RMB 43,255,093.88. According to the "Asset Valuation Report on the Recoverable Amount of the Asset Group Including Goodwill of Guangdong Zhonghe Junneng Technology Co., Ltd. Involved in the Goodwill Impairment Test for Financial Reporting Purposes of China Nuclear Huayuan Titanium Dioxide Co., Ltd." (Yinxin Pingbao Zi (2024) No. B00096) the recoverable amount of the asset group containing goodwill was determined using the income approach. The projected period for the assessment was set at 5 years.

Under the assumptions and limitations stated in the appraisal report, the recoverable amount of the Zhonghe Junneng asset group containing goodwill, determined using the income approach, is RMB 108 million.

RMB. Therefore, the impairment loss on goodwill for the reporting period amounted to RMB 23,313,999.07.

3. During the reporting period, the Company entered into a Share Transfer Agreement for Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. (hereinafter referred to as "Shuangyang Phosphate Mine") with all shareholders of Shuangyang Phosphate Mine. The agreement stipulates that the Company will acquire 100% equity interest in Shuangyang Phosphate Mine for RMB 478,116,572.79. It further specifies that profits and losses during the transition period shall be borne by the original shareholders, with such profits or losses directly deducted from the transaction consideration. Based on the "Asset Valuation Report on the Entire Equity Interest Value of Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. Proposed for Acquisition by China Nuclear Huayuan Titanium Dioxide Co., Ltd." issued by China United Asset Appraisal Group Co., Ltd. (Zhonglian Pingbao Zi [2023] No. 2904) and the "Special Audit Report on Transition Period Profit and Loss of Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd." issued by Lixin Certified Public Accountants (Xin Huishi Bao Zi [2023] No. 2904), [2023] No. 2904) the Special Audit Report on Transition Period Profit and Loss of Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. issued by Deloitte Touche Tohmatsu CPA Co., Ltd. [Xin Huishi Bao Zi (2023) No. ZL50206] and the

"Report on Performing Agreed-Upon Procedures Regarding the Impact of Disposing Assets During the Transition Period of Shuangyang Phosphate Mine on the Purchase Price of the Equity Acquisition" [Xin Huishi Bao Zi No. ZL10436]. In this transaction, as the fair value of Shuangyang Phosphate Mine's identifiable assets exceeded their original carrying amount (tax basis) on the acquisition date, the company recognized a corresponding deferred income tax liability, resulting in goodwill of RMB 113,109,461.34. According to the "Asset Valuation Report on the Recoverable Amount of the Asset Group Including Goodwill of Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. Involved in the Goodwill Impairment Test for Financial Reporting Purposes of China Nuclear Huayuan Titanium Dioxide Co., Ltd." issued by Yinxin Asset Appraisal Co., Ltd. (Yinxin Pingbao Zi (2024) No. B095) no significant adverse changes occurred in the asset group containing goodwill during the reporting period. Therefore, no impairment of goodwill exists.

4. During the reporting period, the Company entered into a Share Transfer Agreement for Guizhou Xintianxin Chemical Co., Ltd. with all shareholders of Xintianxin Chemical. The agreement stipulates that the Company shall acquire

RMB 441,297,700.00 for the acquisition of 100% equity interest in Xintianxin Chemical, with an agreement that profits and losses during the transition period shall be borne by the original shareholders. Such transition period profits and losses shall be directly deducted from the transaction consideration. Based on the "Asset Valuation Report on the Proposed Acquisition of Equity Interests in Guizhou Xintianxin Chemical Co., Ltd. by China Nuclear Huayuan Titanium Dioxide Co., Ltd., Involving the Entire Equity Value of Its Shareholders" issued by China United Asset Appraisal Group Co., Ltd. (China United Appraisal Report No. [2023] No. 2857) the Special Audit Report on Transition Period Profit and Loss of Guizhou Xintianxin Chemical Co., Ltd. issued by Deloitte Touche Tohmatsu CPA LLP (Special General Partnership) [Xinshi Shibao Zi (2023) No. ZL10442] and the "Report on Performing Agreed-Upon Procedures Regarding the Impact of Xintianxin Chemical's Asset Disposal on the Equity Acquisition Transaction Consideration" [Xin Huishi Bao Zi (2023) No. ZL10433]. In this transaction, as the fair value of Xintianxin Chemical's identifiable assets at the acquisition date exceeded their original carrying amount (tax basis), the company recognized a corresponding deferred income tax liability, resulting in goodwill of RMB 13,913,262.84. According to the "Asset Valuation Report on the Recoverable Amount of the Asset Group Including Goodwill of Guizhou Xintianxin Chemical Co., Ltd. Involved in the Goodwill Impairment Test for Financial Reporting Purposes of China Nuclear Huayuan Titanium Dioxide Co., Ltd." issued by Yinxin Asset Appraisal Co., Ltd. (Yinxin Pingbao Zi (2024) No. B00094), no significant adverse changes occurred in the asset group containing goodwill during the reporting period. Therefore, no impairment of goodwill exists.

## 16. Deferred Expenses

Unit: Yuan

Item	Opening Balance	Increase for the Period	Current Period Amortization	Other Decreases	Ending Balance
Dredging Expenses	4,147,153.23	19,329,676.36	1,555,182.60		21,921,646.99
Renovation Expenses	10,804,595.88	7,921,130.45	5,759,309.62		12,966,416.71
Asset Improvement Expenditures	3,979,971.40	3,491,194.62	2,146,396.60		5,324,769.42
Factory Grounds Greening Expenses	2,368,949.55		1,005,832.26		1,363,117.29
Laboratory Installation Fee	517,963.18		295,979.04		221,984.14
Stockyard Fee	350,054.16		140,021.64		210,032.52
Other		1,970,247.91	72,634.13		1,897,613.78
Total	22,168,687.40	32,712,249.34	10,975,355.89		43,905,580.85

## 17. Deferred Income Tax Assets/Deferred Income Tax Liabilities

## (1) Unamortized deferred tax assets

Unit: Yuan

Item	Ending Balance		Beginning Balance	
	Deductible temporary differences	Deferred Tax Assets	Deductible Temporary Differences	Deferred tax assets
Asset impairment allowance	219,160,770.77	38,233,733.12	108,547,147.79	20,231,338.88
Unrealized gains on internal transactions	34,720,715.60	7,886,893.64	11,962,878.06	2,711,137.18
Deductible Losses	38,875,080.47	9,055,580.99		
Credit impairment allowance	19,532,792.06	4,248,861.26	14,511,059.36	3,323,273.28
Other equity instruments investment fair value changes	24,333,600.00	6,083,400.00		
Fair value changes				
Depreciation of right-of-use assets and interest expense on lease liabilities	31,700,058.96	7,050,824.41	27,823,902.21	6,760,650.28
Lease liability interest expense				
Fair value changes on trading financial assets	473,290.11	118,322.53		
Value Changes				
Total	368,796,307.97	72,677,615.95	162,844,987.42	33,026,399.62

## (2) Unoffset deferred income tax liabilities

Unit: Yuan

Item	Ending Balance		Beginning Balance	
	Taxable temporary differences	Deferred Income Tax Liability	Taxable temporary differences	Deferred income tax liability
Appraisal gain on assets in non-controlling interest business combinations	577,345,999.32	135,590,884.71		
Fair value changes on other equity instruments	19,640,700.00	4,910,175.00		
Depreciation of right-of-use assets and interest expense on lease liabilities	31,004,076.30	6,898,116.51	25,761,133.51	6,254,152.61
Lease liability interest expense				
Accelerated depreciation of fixed assets	25,296,514.23	3,955,086.43	22,054,095.35	3,470,432.50
Total	653,287,289.85	151,354,262.65	47,815,228.86	9,724,585.11

## (3) Details of Unrecognized Deferred Income Tax Assets

Unit: Yuan

Item	Ending Balance	Beginning Balance
Tax Loss Carryforwards	254,700,157.90	56,282,270.28
Asset Impairment Reserve	11,056,233.15	4,048,205.77
Credit impairment allowance	854,882.94	1,090,793.72
Total	266,611,273.99	61,421,269.77

## (4) Unrecognized deferred tax assets from deductible losses will expire in the following years

Unit: Yuan

Year	Balance at End of Period	Beginning Balance	Remarks
2023		19,107,561.43	
2024		15,894,715.81	

2025	4,598,114.54	7,619,281.08	
2026	77,827,155.77	11,977,433.53	
2027	89,179,174.36	1,683,278.43	
2028	83,095,713.23		
Total	254,700,157.90	56,282,270.28	

**18. Other Non-Current Assets**

Unit: CNY

Item	Ending Balance			Beginning Balance		
	Book Value	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Carrying Amount
Prepaid Equipment and and Materials	46,841,179.6 7		46,841,179.6 7	320,106,879. 23		320,106,879. 23
Performance bond	18,000,000.0 0		18,000,000.0 0			
Other	2,604,495.63		2,604,495.63	4,198,376.05		4,198,376.05
Total	67,445,675.3 0		67,445,675.3 0	324,305,255. 28		324,305,255. 28

**19. Assets with restricted ownership or usage rights**

Unit: Yuan

Item	End of Period				Opening			
	Book Balance	Book Value	Restriction Type	Restriction Status	Book Balance	Book value	Restriction Type	Restriction Status
Cash and Cash Equivalents	402,387.8	402,387.8	Frozen	Primarily consists of bank acceptance bill margin deposits and pledged term deposits	440,138.6	440,138.6	Frozen	Primarily consists of bank acceptance bill margin deposits and pledged Time Deposits
	08.17	08.17			39.42	39.42		
Notes receivable	19,766.85	19,766.85	Pledged	Bill Pledge for Issuance accepted bills	159,987.3	159,987.3	Pledged	Bill Pledge Used for Issuing accepted bills
	0.47	0.47			73.37	73.37		
Fixed Assets	743,457.4	511,450.0	Mortgage	Mortgage loans	1,014,886	800,319.1	Mortgage	Loan Collateral
	42.20	71.53			,259.75	51.56		
Intangible Assets	194,672.0	179,851.8	Mortgage	Mortgage loans	114,082.4	91,231.92	Mortgage	Mortgage on Loans
	87.85	64.28			67.25	7.22		
Total	1,360,284	1,113,456			1,729,094	1,491,677		
	,188.69	,594.45			,739.79	,091.57		

**20. Short-term borrowings****(1) Short-term Borrowings Classification**

Unit: Yuan

Item	Ending Balance	Beginning Balance
Pledged Loans	1,266,740,500.00	417,500,000.00
Mortgage Loans	570,000,000.00	360,000,000.00
Guaranteed loans	332,000,000.00	110,000,000.00
Accrued Interest Payable	3,912,660.10	527,361.10
Total	2,172,653,160.10	888,027,361.10

Explanation of Short-Term Borrowings

Classification: **Details of Mortgages,  
Pledges, and Guarantees**

Nature of Borrowing	Lending Bank	Ending Balance	Start Date	Maturity Date	Guarantee, Mortgage, Pledge Details
Guaranteed Loan	Bank of China	1,000,000.00	June 27, 2023	June 27, 2024	Guarantors: China Nuclear Huayuan Titanium Dioxide Co., Ltd., Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.
Guaranteed Loan	Agricultural Bank of China	40,000,000.00	March 14, 2023	March 8, 2024	
Guaranteed Loan	Agricultural Bank of China	40,000,000.00	2023/3/14	March 8, 2024	
Guaranteed Loan	Agricultural Bank of China	40,000,000.00	March 15, 2023	March 14, 2024	
Guaranteed Loan	Agricultural Bank of China	30,000,000.00	March 15, 2023	March 14, 2024	
Guaranteed Loan	Bank of China	1,000,000.00	June 29, 2023	June 29, 2024	
Mortgage Loan	Agricultural Bank of China	10,000,000.00	2023/3/4	March 2, 2024	Collateral: Land Use Rights [Chuan (2022) Panzhihua City Real Estate Rights Certificate No. 0008792; Chuan (2022) Panzhihua Real Estate Rights Certificate No. 0008804; Sichuan (2022) Panzhihua Real Estate Rights Certificate No. 0008797]
Mortgage Loan	Agricultural Bank of China	5,000,000.00	March 7, 2023	March 5, 2024	
Mortgage Loan	Agricultural Bank of China	5,000,000.00	2023/4/13	2024/4/11	
Mortgage Loan	Agricultural Bank of China	5,000,000.00	2023/4/26	April 24, 2024	
Mortgage Loan	Agricultural Bank of China	5,000,000.00	2023/6/8	June 6, 2024	
Pledge Loan	China Construction Bank	35,413,500.00	June 29, 2023	June 28, 2024	Margin Pledge
Pledge Loan	China Construction Bank	35,413,500.00	June 30, 2023	June 28, 2024	
Pledge Loan	China Construction Bank	35,413,500.00	July 19, 2023	June 28, 2024	
Guaranteed Loan	Bank of Communications	60,000,000.00	2023/7/31	July 27, 2024	Guarantor: China Nuclear Huayuan Titanium Dioxide Co., Ltd.
Guaranteed Loan	Bank of China	100,000,000.00	August 31, 2023	August 30, 2024	
Mortgage Loan	China Exim Bank	500,000,000.00	June 30, 2023	June 30, 2024	Guarantor: Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Collateral: [Wan (2018) Maanshan City Real Estate Rights Certificate No. 0074425], Land Use Rights [Wan (2019) Maanshan City Real Estate Rights Certificate No. 0017368 No.
Mortgage Loan	Panzhihua Rural Commercial Bank	10,000,000.00	2023/11/27	November 26, 2024	Collateral: Land Use Rights [Chuan (2022) Panzhihua City Real Estate Rights Certificate No. 0008801; Chuan (2022) Panzhihua City Real Estate Rights Certificate No. 0008799] Panzhihua City Real Estate Rights Certificate No. 0008799]
Guaranteed Loan	Shanghai Pudong Development Bank	20,000,000.00	June 29, 2023	June 28, 2024	Guarantors: Kaiyang Shuangliu Town Fengyuan Phosphate Mine Co., Ltd., Shen Xin
Mortgage Loan	Agricultural Bank of China	30,000,000.00	August 17, 2023	August 16, 2024	Guarantor: Shen Xin; Collateral: Industrial buildings 1-4 in Xiayao Village Group, Shuangyong Village, Shuangliu Town, Kaiyang County; Industrial buildings 17, 21-29 in Xiayao Yellow Phosphorus Plant, Shuangyong Village, Shuangliu Town, Kaiyang County; Industrial buildings 1-16 in Xiayao Village Group, Shuangyong Village, Shuangliu Town, Kaiyang County Industrial Buildings 1-16 of Xiaoya Yellow Phosphorus Plant, Shuangliu Town, Kaiyang County Shuangyong Village Industrial Land (No. 0004080)
Pledge Loan	China Merchants Bank	310,000,000.00	One-Year Bank Accepted Bill Discounting		Bill Pledge

Pledge Loan	Ping An Bank	250,000,000.0 0	One-Year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	China Construction Bank	172,500,000.0 0	One-Year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	China Minsheng Bank	115,000,000.0 0	One-Year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	China CITIC Bank	100,500,000.0 0	One-Year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	Industrial Bank	100,000,000.0 0	One-Year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	Huaxia Bank	75,000,000.00	One-year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	Bank of Communications	21,000,000.00	One-year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	China Minsheng Bank	16,000,000.00	One-year Bank Accepted Bill Discounting	Bill Pledge
Pledge Loan	Lanzhou Bank	500,000.00	One-Year Bank Accepted Bill Discounting	Bill Pledge
Total		2,168,740,500 .00		

## 21. Trading Financial Liabilities

Unit: Yuan

Item	Ending Balance	Beginning Balance
Financial liabilities held for trading	572,290.11	
Of which: Derivative Financial Liabilities	572,290.11	
Total	572,290.11	

## 22. Notes payable

Unit: Yuan

Type	Ending Balance	Beginning Balance
Commercial Accepted Bills	500,000.00	
Bank Accepted Bills	1,426,430,795.54	2,243,287,549.36
Total	1,426,930,795.54	2,243,287,549.36

## 23. Accounts Payable

### (1) Accounts Payable

Unit: CNY

Item	Ending Balance	Beginning Balance
Payables for Construction and Equipment	627,899,673.66	345,785,575.64
Materials and expenses payable	321,981,626.93	229,605,988.30
Logistics and warehousing fees payable	5,400,557.55	4,468,117.14
Total	955,281,858.14	579,859,681.08

**(2) Significant accounts payable over 1 year old or past due**

Unit: Yuan

Item	Ending Balance	Reason for Outstanding or Carryover
Supplier 1	24,665,769.91	Project not yet settled
Supplier 2	19,100,191.15	Project not yet settled
Supplier Three	10,248,672.57	Project not yet settled
Supplier Four	9,813,119.12	Project not yet settled
Supplier Five	9,145,365.57	Project not yet settled
Total	72,973,118.32	

**24. Other Payables**

Unit: CNY

Item	Ending Balance	Beginning Balance
Dividends Payable	3,209,641.08	
Other Payables	309,851,498.74	58,160,452.59
Total	313,061,139.82	58,160,452.59

**(1) Dividends Payable**

Unit: Yuan

Item	Ending Balance	Beginning Balance
Common Stock Dividends	3,209,641.08	
Total	3,209,641.08	

**(2) Other Payables****1) Other Payables by Nature of Amounts**

Unit: CNY

Item	Ending Balance	Beginning Balance
Equity Acquisition Payable	227,358,278.01	
Accounts Receivable	58,616,918.79	35,957,963.16
Deposits and guarantees	16,646,807.00	13,289,199.00
Freight and handling charges	7,065,258.77	8,849,250.54
Withholding and remittance payments	138,080.65	63,039.89
Other	26,155.52	1,000.00
Total	309,851,498.74	58,160,452.59

**2) Significant other payables aged over 1 year or past due**

Unit: CNY

Item	Balance at End of Period	Reason for Non-repayment or Carryover
Municipal Industrial Investment (Dividends)	7,600,000.00	Legacy Items
Total	7,600,000.00	

**25. Contract Liabilities**

Unit: CNY

Item	Ending Balance	Beginning Balance
Advance Receipts	69,154,334.01	26,338,543.64
Prepaid asset transfer payments		4,761,904.75
Total	69,154,334.01	31,100,448.39

Unit: CNY

**26. Employee Benefits Payable****(1) Employee Benefits Payable**

Unit: Yuan

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
I. Short-Term Compensation	37,303,822.61	430,570,615.92	418,156,880.77	49,717,557.76
II. Post-Employment Benefits - Defined Contribution Plan		39,730,457.91	39,730,457.91	
III. Termination Benefits		2,328,991.29	2,328,991.29	
Total	37,303,822.61	472,630,065.12	460,216,329.97	49,717,557.76

**(2) Short-term compensation**

Unit: CNY

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
1. Wages, Bonuses, Allowances, and Subsidies	20,292,175.39	350,721,751.55	339,673,969.24	31,339,957.70
2. Employee Welfare Expenses	73,710.00	32,806,078.61	31,367,461.39	1,512,327.22
3. Social Insurance Contributions	84,379.33	20,821,537.82	20,905,917.15	
Of which: Medical Insurance Premiums	58,425.90	18,538,844.65	18,597,270.55	
Workers' Compensation Insurance Fee		2,165,350.41	2,165,350.41	
Maternity Insurance Premium	25,953.43	117,342.76	143,296.19	
4. Housing Provident Fund		20,643,361.99	20,643,361.99	
5. Trade Union Funds and Employee Education Funds	16,853,557.89	5,577,885.95	5,566,171.00	16,865,272.84
Total	37,303,822.61	430,570,615.92	418,156,880.77	49,717,557.76

**(3) Statutory Reserve Plan Schedule**

Unit: Yuan

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
1. Basic Pension Insurance		38,202,011.19	38,202,011.19	
2. Unemployment Insurance Premium		1,528,446.72	1,528,446.72	
Total		39,730,457.91	39,730,457.91	

**27. Taxes Payable**

Unit: CNY

Item	Ending Balance	Beginning Balance
Value-Added Tax	10,648,638.27	7,337,805.84
Corporate Income Tax	34,817,214.38	21,791,154.72
Individual Income Tax	3,922,081.21	317,578.70
Urban Maintenance and Construction Tax	639,086.46	519,162.41
Stamp Tax	3,849,584.53	2,081,689.79
Resource Tax	1,385,817.94	
Property Tax	1,217,763.06	1,260,095.71
Land Use Tax	431,246.72	449,146.22
Deed Tax	423,462.60	
Water Conservancy Fund	351,769.27	362,208.68
Education Surcharge	319,489.14	223,857.89
Local Education Surcharge	212,992.76	149,238.59
Environmental Protection Tax	137,023.23	494,197.70
Other	184.00	275,218.48
Total	58,356,353.57	35,261,354.73

**28. Non-current liabilities due within one year**

Unit: CNY

Item	Ending Balance	Beginning Balance
Long-term loans due within one year	93,225,000.00	16,460,000.00
Lease liabilities due within one year	8,507,738.61	8,269,292.81
Total	101,732,738.61	24,729,292.81

## Details of Mortgages, Pledges, and Guarantees

Nature of Loan	Lending Bank	Ending Balance	Start Date	Maturity Date	Guarantee, Mortgage, Pledge Details
Guaranteed Loan	China Minsheng Bank	20,000,000.00	May 31, 2023	May 31, 2024	Guarantor: China Nuclear Huayuan Titanium Dioxide Co., Ltd.
Guaranteed Loan	China Minsheng Bank	20,000,000.00	June 29, 2023	June 29, 2024	
Guaranteed Loan	China Minsheng Bank	20,000,000.00	August 30, 2023	August 30, 2024	
Guaranteed Loan	China Minsheng Bank	20,000,000.00	November 28, 2023	November 28, 2024	
Pledge Loan	China Minsheng Bank	6,612,500.00	2023/12/24	June 22, 2024	Collateral: 100% Equity Interest in Guizhou
Pledged Loan	China Minsheng Bank	6,612,500.00	December 24, 2023	December 22, 2024	Xintianxin Chemical Co., Ltd.
Nature of Loan	Lending Bank	Ending Balance	Start Date	Maturity Date	Guarantee, Mortgage, Pledge Details
Total		93,225,000.00			

**29. Other Current Liabilities**

Unit: Yuan

Item	Ending Balance	Beginning Balance
Input Tax to be Carried Forward	8,928,114.70	3,308,824.03
Interest on long-term loans with periodic interest payments and principal repayment at maturity	1,310,183.85	762,769.41
Total	10,238,298.55	4,071,593.44

### 30. Long-term borrowings

#### (1) Classification of Long-Term Borrowings

Unit: Yuan

Item	Ending Balance	Beginning Balance
Pledged Loans	116,775,000.00	
Mortgage Loans	649,945,562.37	553,884,885.55
Guaranteed Loans	349,000,000.00	129,000,000.00
Total	1,115,720,562.37	682,884,885.55

Notes on Classification of Long-Term

Borrowings: Details of Mortgages,

Pledges, and Guarantees

Nature of Borrowing	Lending Bank	Ending Balance	Start Date	Maturity Date	Guarantee, Mortgage, Pledge Details
Guaranteed Loan	China Construction Bank	100,000,000.00	May 27, 2022	May 26, 2025	Guarantor: China Nuclear Huayuan Titanium Dioxide Co., Ltd.
Guaranteed Loan	China Construction Bank	29,000,000.00	June 22, 2022	June 20, 2025	
Guaranteed Loan	China Minsheng Bank	30,000,000.00	May 31, 2023	May 31, 2026	Guarantor: China Nuclear Huayuan Titanium Dioxide Co., Ltd.
Guaranteed Loan	China Minsheng Bank	30,000,000.00	June 29, 2023	May 31, 2026	
Guaranteed Loan	China Minsheng Bank	30,000,000.00	August 30, 2023	May 31, 2026	
Guaranteed Loan	China Minsheng Bank	30,000,000.00	November 28, 2023	May 31, 2026	
Mortgage Loan	Lanzhou Bank	12,254,561.03	October 27, 2021	June 28, 2028	Guarantor: China Nuclear Huayuan Titanium Dioxide Co., Ltd. Collateral: Bai Guo (2015) No. 087 (Land), Bai Guo Yong (2015) No. 088 (Land and Construction-in-Progress), Gan (2021) Baiyin City Real Estate No. 0029399 568 million yuan Machinery and Equipment
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/1/25	June 28, 2028	
Mortgage Loan	Lanzhou Bank	6,219,924.86	January 20, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	18,841,725.02	2022/1/12	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	December 13, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2021/12/10	June 28, 2028	
Mortgage Loan	Lanzhou Bank	10,000,000.00	2021/12/8	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	November 25, 2021	June 28, 2028	
Nature of Loan	Lending Bank	Ending Balance	Start Date	Maturity Date	Details of Guarantees, Mortgages, and Pledges
Mortgage Loan	Lanzhou Bank	11,702,731.36	November 12, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	November 12, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	10,000,000.00	2021/11/4	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2021/10/20	June 28, 2028	

Mortgage Loan	Lanzhou Bank	10,000,000.00	2021/10/19	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2021/10/14	June 28, 2028	
Mortgage Loan	Lanzhou Bank	8,000,000.00	2021/9/30	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,634,849.06	September 28, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	September 26, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	18,000,000.00	September 6, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 30, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 25, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 27, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 24, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 20, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 16, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	11,777,815.66	August 4, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	July 22, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	July 21, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	9,332,410.52	July 19, 2021	June 28, 2028	
Mortgage Loan	Lanzhou Bank	11,536,400.00	February 18, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	8,804,173.75	February 28, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	March 8, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	6,928,499.38	March 14, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	March 24, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/4/21	June 28, 2028	
Mortgage Loan	Lanzhou Bank	13,867,480.63	April 21, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/4/27	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/4/29	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	May 9, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	May 12, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	May 19, 2022	June 28, 2028	
Nature of Loan	Lending Bank	Ending Balance	Start Date	Maturity Date	Details of Guarantees, Mortgages, and Pledges
Mortgage Loan	Lanzhou Bank	5,000,000.00	May 25, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	May 27, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	12,956,550.58	May 31, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 10, 2022	June 28, 2028	

Mortgage Loan	Lanzhou Bank	9,450,000.00	June 10, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 16, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 17, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 20, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 21, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 23, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	June 24, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	8,602,316.73	June 30, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	July 12, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	July 13, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/7/14	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	July 15, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	19,257,420.34	July 15, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/7/20	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/7/28	June 28, 2028	
Mortgage Loan	Lanzhou Bank	8,130,801.73	2022/7/28	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,379,408.66	2022/7/28	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 9, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	6,004,800.00	August 9, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 11, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 12, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 16, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	7,174,872.76	August 19, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	August 23, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	10,670,373.66	August 31, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	September 16, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	September 20, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	September 22, 2022	June 28, 2028	
Nature of Loan	Lending Bank	Ending Balance	Start Date	Maturity Date	Details of Guarantees, Mortgages, and Pledges
Mortgage Loan	Lanzhou Bank	5,000,000.00	September 28, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/10/31	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/11/9	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	November 15, 2022	June 28, 2028	

Mortgage Loan	Lanzhou Bank	5,000,000.00	November 16, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	November 17, 2022	June 28, 2028	
Mortgage Loan	Lanzhou Bank	10,000,000.00	2022/11/30	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/12/7	June 28, 2028	
Mortgage Loan	Lanzhou Bank	3,000,000.00	2022/12/22	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,357,769.82	2022/12/23	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2022/12/29	June 28, 2028	
Mortgage Loan	Lanzhou Bank	7,903,586.61	2023/1/13	June 28, 2028	
Mortgage Loan	Lanzhou Bank	7,981,825.94	2023/1/17	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2023/1/17	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	January 18, 2023	June 28, 2028	
Mortgage Loan	Lanzhou Bank	10,000,000.00	2023/1/19	June 28, 2028	
Mortgage Loan	Lanzhou Bank	15,000,000.00	2023/1/19	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	February 27, 2023	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	March 15, 2023	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	March 29, 2023	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2023/4/10	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2023/4/17	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	2023/4/25	June 28, 2028	
Mortgage Loan	Lanzhou Bank	10,175,264.27	May 18, 2023	June 28, 2028	
Mortgage Loan	Lanzhou Bank	5,000,000.00	May 24, 2023	June 28, 2028	
Guaranteed Loan	China Construction Bank	100,000,000.00	May 31, 2023	May 30, 2026	Guarantors: China Nuclear Huayuan Titanium Dioxide Co., Ltd., Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.
Pledged Loan	China Minsheng Bank	6,612,500.00	December 24, 2023	December 22, 2030	Collateral: Guizhou Xintianxin Chemical Co., Ltd. 100% Equity
Pledged Loan	China Minsheng Bank	6,612,500.00	December 24, 2023	December 22, 2030	
Pledge Loan	China Minsheng Bank	6,612,500.00	2023/12/24	December 22, 2030	
Pledge Loan	China Minsheng Bank	6,612,500.00	2023/12/24	December 22, 2030	
Pledge Loan	China Minsheng Bank	6,612,500.00	2023/12/24	December 22, 2030	
Nature of Loan	Lending Bank	Ending Balance	Start Date	Maturity Date	Details of Guarantees, Mortgages, and Pledges
Pledge Loan	China Minsheng Bank	6,612,500.00	2023/12/24	December 22, 2030	
Pledge Loan	China Minsheng Bank	26,450,000.00	2023/12/24	December 22, 2030	
Pledge Loan	China Minsheng Bank	26,450,000.00	2023/12/24	December 22, 2030	
Pledge Loan	China Minsheng Bank	24,200,000.00	2023/12/24	December 22, 2030	

Total	1,115,720,562.37			
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**31. Lease Liabilities**

Unit: CNY

Item	Ending Balance	Beginning Balance
Lease Payments	25,473,704.53	20,562,976.03
Unrecognized Financing Costs	-2,281,384.18	-1,115,901.65
Total	23,192,320.35	19,447,074.38

**32. Long-term Payables**

Unit: CNY

Item	Ending Balance	Beginning Balance
Long-Term Payables	4,298,165.92	13,702,398.66
Total	4,298,165.92	13,702,398.66

**(1) Long-term Payables by Nature of Funds**

Unit: CNY

Item	Ending Balance	Beginning Balance
Restructuring and Resettlement Funds	4,037,611.95	4,463,852.19
Restructuring Reserve	260,553.97	9,238,546.47
Total	4,298,165.92	13,702,398.66

**33. Estimated Liabilities**

Unit: CNY

Item	Ending Balance	Beginning Balance	Reason for Formation
Pending Litigation	519,891.85		
Product Quality Guarantee	430,183.46		
Total	950,075.31		

**34. Deferred Revenue**

Unit: CNY

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance	Reason for Formation
Government grants	45,957,136.71		4,198,837.25	41,758,299.46	
Other	22,519,494.01		5,172,869.16	17,346,624.85	
Total	68,476,630.72		9,371,706.41	59,104,924.31	—

**35. Share Capital**

Unit: Yuan

	Opening Balance	Increase/Decrease in Current Period (+, -)					Ending Balance
		New Share Issuance	Stock Dividends	Capital reserve conversion to shares	Other	Subtotal	
Total Number of Shares	2,977,826	893,200,00				893,200,00	3,871,026,
	315.00	0.00				0.00	315.00

Note: During the reporting period, pursuant to the China Securities Regulatory Commission's "Approval for the Non-public Offering of Shares by China Nuclear Huayuan Titanium Dioxide Co., Ltd." (CSRC Permit [2022] No. 1734), the Company issued 893,200,000 shares through a non-public offering to specific investors. All shares in this non-public offering were subscribed for in cash by the investors. As verified by the capital verification report [2023] No. ZL10020 issued by Deloitte Touche Tohmatsu CPA LLP (Special General Partnership), the Company actually issued 893,200,000 shares of RMB ordinary shares through the private placement, raising a total of RMB 5,287,744,000.00. After deducting issuance expenses of RMB

38,300,037.72 RMB, the net proceeds raised amounted to 5,249,443,962.28 RMB. Of this amount, 893,200,000 RMB was used to increase share capital, while 4,356,243,962.28 RMB was recorded as capital surplus. RMB 4,356,243,962.28.

### 36. Capital reserve

Unit: RMB

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Capital Premium (Share Premium)	405,994,865.52	4,356,243,962.28		4,762,238,827.80
Other Capital Surplus	314,757,780.03		450,783.32	314,306,996.71
Capital from reverse acquisition Reserve	359,460,843.88			359,460,843.88
Total	1,080,213,489.43	4,356,243,962.28	450,783.32	5,436,006,668.39

Other Notes, Including Changes During the Period and Explanations of Reasons for

Changes: 1. The increase in share premium is detailed in Note VII, (35) Share Capital;

2. The decrease in other capital reserves resulted from a decrease of RMB 450,783.32 in other capital reserves due to changes in the equity of Guizhou Donghua Engineering Co., Ltd., an associate company corresponding to Xintianxin Chemical's long-term equity investment.

capital reserve of the associate Guizhou Donghua Engineering Co., Ltd. corresponding to the long-term equity investment in Xintianxin Chemical.

### 37. Treasury Stock

Unit: RMB

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Repurchased Shares	502,999,610.86	502,006,082.29		1,005,005,693.15
Total	502,999,610.86	502,006,082.29		1,005,005,693.15

Other Notes, Including Changes During the Period and Explanation of Reasons:

Explanation of treasury stock changes: At the 15th (Extraordinary) Meeting of the 7th Board of Directors held on September 26, 2023, the Company approved the "Proposal on the Share Repurchase Plan." The Company plans to repurchase its issued RMB ordinary shares (A-shares) through centralized competitive bidding using its own funds.

As of December 31, 2023, the Company has repurchased a cumulative total of 104,257,620 shares through centralized competitive bidding via the dedicated repurchase securities account, representing 2.693% of the Company's current total share capital.

The maximum transaction price was RMB 5.10 per share, and the minimum transaction price was RMB 4.29 per share. The total transaction amount was RMB 501,956,337.85

(excluding transaction fees). Including transaction fees, the total transaction amount was RMB 502,006,082.29.

**38. Other Comprehensive Income**

Unit: RMB

Item	Opening Balance	Current Period Changes						Closing Balance
		Current Period Amount Before Income Tax	Less: Prior Period Amounts Transferred from Other Comprehensive Income to Profit or Loss	Less: Retained earnings transferred from other comprehensive income in prior periods	Less: Income tax expense	Net income attributable to owners of the parent	Net income attributable to minority interests	
I. Other Comprehensive Income Not Reclassifiable to Profit or Loss	-	-			-	-	-	-
	1,941,422.94	31,818.362.01			6,083,400.00	25,734,962.01		27,676,384.95
Fair value changes in other equity instruments	-	-			-	-		-
	1,941,422.94	31,818.362.01			6,083,400.00	25,734,962.01		27,676,384.95
Total other comprehensive income	-	-			-	-		-
	1,941,422.94	31,818.362.01			6,083,400.00	25,734,962.01		27,676,384.95

**39. Special Reserve**

Unit: CNY

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Work Safety Expenses		16,251,811.24	15,906,007.90	345,803.34
Geological Environment Management and Restoration Fund		432,600.00		432,600.00
Fund				
Other	48.18	2,179,364.07	2,179,412.25	
Total	48.18	18,863,775.31	18,085,420.15	778,403.34

Other Notes, including changes during the period and reasons for such changes:

Other items represent safety production expenses for Zetong Logistics' general freight operations. These expenses are calculated based on the previous year's actual operating revenue, with 1% allocated as safety production fees. The company must comply with the disclosure requirements for the chemical industry as stipulated in the Shenzhen Stock Exchange Listing Rules No. 3: Industry Information Disclosure.

**40. Retained Earnings**

Unit: Yuan

Item	Opening Balance	Increase for the Period	Current Period Decrease	Ending Balance
Legal Reserve Fund	248,965,721.52			248,965,721.52
Discretionary reserve	1,348,934.97			1,348,934.97
Total	250,314,656.49			250,314,656.49

**41. Retained Earnings**

Unit: CNY

Item	Current Period	Previous Period
Retained Earnings at End of Previous Period Before Adjustments	3,131,926,705.31	2,653,042,580.05
Adjusted opening retained earnings	3,131,926,705.31	2,653,042,580.05
Add: Net profit attributable to owners of the parent company for the period	419,080,729.65	643,177,990.94
Common stock dividends payable	190,333,609.15	164,293,865.68
Retained earnings at end of period	3,360,673,825.81	3,131,926,705.31

Adjustment Details for Beginning Retained Earnings:

- 1 · Retrospective adjustments under the Enterprise Accounting Standards and related new regulations affected opening retained earnings by RMB 0.00.
- 2 · The change in accounting policies affected the opening retained earnings by RMB 0.00.
- 3 · Correction of material accounting errors affected opening retained earnings by RMB 0.00.
- 4 · Changes in the scope of consolidation due to common control affected opening retained earnings by RMB 0.00.
- 5 · Other adjustments collectively affected the opening retained earnings by RMB 0.00.

**42. Operating Revenue and Cost of Sales**

Unit: RMB

Item	Current Period Amount		Previous Period Amount	
	Revenue	Cost	Revenue	Cost
Main Business	4,860,075,676.15	4,045,270,143.30	5,320,909,935.00	4,349,603,734.22
Other Business	86,483,712.85	20,151,142.68	160,362,332.60	11,092,646.41
Total	4,946,559,389.00	4,065,421,285.98	5,481,272,267.60	4,360,696,380.63

Is the lower of net profit before and after deducting non-recurring gains and losses negative?

 Yes  No

Information related to the transaction price allocated to remaining performance obligations:

The revenue amount corresponding to performance obligations under contracts signed but not yet fulfilled or completed at the end of the reporting period is RMB 0.00, of which RMB 0.00 is expected to be recognized as revenue in -year, RMB 0.00 is expected to be recognized as revenue in -year, and RMB 0.00 is expected to be recognized as revenue in -year.

Breakdown of Main Business Revenue:

Item	Current Period Amount	Previous Period Amount
Fine Chemicals	4,314,105,544.10	5,054,463,254.51
Logistics Services	456,167,173.70	266,446,680.49
Phosphorus Chemicals	87,442,973.01	
New Energy	2,359,985.34	
Total	4,860,075,676.15	5,320,909,935.00

**43. Taxes and Surcharges**

Unit: Yuan

Item	Current Period Amount	Previous Period Amount
Urban Maintenance and Construction Tax	6,304,875.65	10,286,185.74
Education Surcharge	2,896,845.51	4,626,709.60
Property Tax	15,354,017.15	11,291,662.98
Land Use Tax	14,879,496.13	14,380,404.70
Stamp Tax	9,575,828.16	8,258,490.97
Local Education Surcharge	1,931,226.92	3,084,473.03
Environmental Protection Tax	1,555,662.87	2,717,183.06
Vehicle and Vessel Tax	160,488.67	130,653.59
Other	9,375,932.14	4,365,511.32
Total	62,034,373.20	59,141,274.99

**44. Administrative Expenses**

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Employee Compensation	123,700,499.77	102,536,233.28
Repair expenses	97,297,895.48	88,116,175.35
Downtime Losses	29,940,777.13	
Depreciation expenses	25,523,468.45	23,997,241.82
Environmental Protection Fees	18,548,821.63	30,912,746.16
Intermediary Service Fees	18,485,161.13	12,792,925.68
Labor fees	13,823,183.76	14,298,178.77
Amortization of Intangible Assets	8,138,151.05	6,575,630.66
Entertainment expenses	7,945,591.19	5,615,470.90
Office expenses	7,845,973.73	7,005,119.87
Travel Expenses	6,921,799.95	3,824,390.86
Vehicle expenses	2,035,173.50	1,684,277.87
Amortization of deferred expenses	1,828,116.73	
Lease Expenses	1,543,167.49	1,272,672.62
Start-up expenses	870,398.93	23,540.02
Labor protection expenses	843,461.47	702,229.27
Property insurance premiums	792,563.30	716,464.34
Other	3,924,681.08	3,597,105.76
Total	370,008,885.77	303,670,403.23

**45. Selling Expenses**

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Export Expenses	17,009,704.36	14,432,294.73
Employee Compensation	9,899,046.28	9,423,590.72
Material consumption	3,612,866.92	7,278,886.52
Exhibition expenses	2,008,742.68	297,833.82
Business entertainment expenses	1,992,126.03	1,993,023.99
Technical service fees	1,712,767.97	723,247.86
Travel Expenses	1,513,766.21	692,766.30
Labor fees	610,575.31	1,281,189.97
Office Expenses	377,716.98	315,023.21
Advertising expenses	107,632.13	69,322.17
Other	232,966.25	
Total	39,077,911.12	36,507,179.29

## 46. Research and Development Expenses

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Material Expenses	54,110,010.06	62,730,234.46
Employee compensation	37,332,539.25	34,854,465.05
Depreciation expense	13,973,727.10	13,248,005.75
Fuel and Power Expenses	11,757,504.45	14,189,695.73
Amortization of Intangible Assets	3,725,361.00	43,423.68
Utilities	2,722,734.47	2,331,842.63
Equipment commissioning fees	1,615,165.65	1,251,243.24
Testing Fees	326,905.42	237,547.17
Amortization of deferred expenses	177,508.81	
Other	1,368,276.50	890,083.52
Total	127,109,732.71	129,776,541.23

Additional Notes:

Account Name	Current Period Amount	Previous Period Amount
Item 1	3,364,543.95	
Item 2	3,037,931.55	691,216.74
Project Three	2,955,373.80	4,037,590.29
Item 4	2,935,977.29	4,191,343.31
Item 5	2,740,119.07	3,537,508.18
Item 6	2,728,798.54	4,817,297.55
Item 7	2,566,980.83	1,468,942.90
Item 8	2,551,592.65	4,279,120.39
Item 9	2,528,798.26	4,488,924.31
Item 10	2,488,296.98	5,382,640.63
Item 11	2,466,984.17	2,775,677.45
Item 12	2,413,488.64	
Item 13	2,405,232.25	
Item 14	2,392,891.41	1,240,474.64
Item 15	2,384,099.73	1,392,244.35
Item 16	2,360,919.69	
Item 17	2,357,506.98	2,835,117.26
Item 18	2,340,318.55	
Item 19	2,271,608.29	764,156.91
Item 20	2,263,372.58	

Item 21	2,241,820.63	
Item 22	2,203,506.25	1,541,398.96
Item 23	2,158,780.71	1,856,248.65
Item 24	2,111,376.44	2,657,895.88
Project 25	2,081,270.22	2,749,940.93
Item 26	2,002,308.55	2,651,381.58
Item 27	1,989,552.34	1,853,037.73
Item 28	1,963,833.91	1,071,979.72
Item 29	1,949,272.28	
Item 30	1,939,072.06	311,690.52
Project 31	1,935,919.93	1,091,717.29
Item 32	1,906,845.34	2,765,307.36
Item 33	1,902,466.39	400,274.35
Item 34	1,895,622.90	
Item 35	1,879,739.25	585,932.97
Item 36	1,859,002.85	2,161,780.00
Item 37	1,856,949.55	3,146,569.47
Item 38	1,793,751.85	2,682,588.49
Item 39	1,751,029.08	
Item 40	1,611,916.61	644,827.90
Project 41	1,468,607.79	1,018,966.98
Item 42	1,368,529.01	1,053,356.57
Item 43	1,349,543.77	476,155.78
Item 44	1,271,627.48	1,308,167.01
Item 45	1,230,715.81	1,067,835.53
Item 46	1,220,798.87	1,168,126.89
Item 47	1,194,273.96	948,568.32
Item 48	1,142,886.50	1,203,357.87
Item 49	1,140,703.49	772,848.14

Item 50	1,057,579.04	
Project 51	1,005,850.07	332,577.06
Item 52	905,536.13	1,099,322.72
Item 53	902,134.07	
Project 54	771,796.82	
Item 55	716,302.99	
Item 56	642,394.67	
Item 57	605,353.80	
Item 58	576,222.04	
Item 59	561,832.80	
Item 60	561,630.12	
Item 61	534,972.85	
Item 62	533,153.03	
Item 63	511,506.44	
Item 64	310,833.57	
Item 65	301,397.12	
Item 66		3,233,890.57
Item 67		2,799,371.21
Item 68		2,770,485.42
Item 69		2,546,868.79
Item 70		2,520,878.82
Item 71		2,508,512.77
Item 72		2,431,315.44
Item 73		2,096,753.89
Item 74		1,974,895.92
Item 75		1,928,862.77
Item 76		1,928,259.12
Item 77		1,763,431.96
Item 78		1,638,113.42

Item 79		1,478,608.88
Item 80		1,450,791.69
Item 81		1,439,321.95
Item 82		1,268,116.92
Item 83		1,244,578.32
Item 84		1,140,592.61
Item 85		1,135,857.72
Item 86		1,126,553.36
Item 87		1,081,076.88
Item 88		829,114.89
Item 89		814,248.01
Item 90		705,662.88
Item 91		699,637.52
Item 92		625,730.54
Item 93		532,288.15
Item 94		392,487.90
Item 95		355,656.31
Others	14,634,678.12	2,790,467.02
Total	127,109,732.71	129,776,541.23

#### 47. Financial Expenses

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Interest Expense	60,558,049.11	26,792,535.79
Interest Income	-209,708,325.71	-110,927,514.42
Foreign exchange gains/losses	-8,333,014.34	-43,199,283.69
Commission Fees	3,263,376.05	3,532,540.32
Total	-154,219,914.89	-123,801,722.00

**48. Other Income**

Unit: CNY

Source of Other Income	Current Period Amount	Previous Period Amount
Government Grants	111,647,507.84	13,939,668.36
Input Tax Deduction	2,417.54	3,673,249.80
Withholding tax handling fee	201,230.96	222,528.55
Direct VAT Exemption	157,030.00	229,500.00
Total	112,008,186.34	18,064,946.71

**49. Fair value change gains**

Unit: CNY

Source of Fair Value Change Gains	Current Period Amount	Previous Period Amount
Trading Financial Assets	-29,359,082.81	
Of which: Fair value gains arising from derivative financial instruments	-29,359,082.81	
Total	-29,359,082.81	

**50. Investment Income**

Unit: RMB

Item	Current Period Amount	Previous Period Amount
Equity Method Long-Term Equity Investment Income	11,100,324.21	-1,556,471.89
Gain on disposal of long-term equity investments	340,673.87	
Dividend income from other equity instruments during holding period	2,541,000.00	2,541,000.00
Investment income from derivative financial assets during the holding period	11,226,429.61	
Investment income from wealth management products	9,338,818.53	26,543,504.45
Bill discounting expenses	-3,153,024.51	
Upon obtaining control, equity interests were remeasured at fair value Gain arising from remeasurement of equity at fair value		-960.75
Total	31,394,221.71	27,527,071.81

**51. Credit impairment loss**

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Bad Debt Expense on Accounts Receivable	-352,686.68	-25,425.71
Bad debt expense on other receivables	4,381,244.66	42,424.39
Total	4,028,557.98	16,998.68

**52. Asset Impairment Loss**

Unit: CNY

Item	Current Period Amount	Previous Period Amount
I. Inventory Write-Down Losses and Contract Performance Cost Impairment Losses	-18,904,091.60	-1,980,246.90
IV. Impairment Loss on Fixed Assets	-18,935,830.36	
X. Goodwill Impairment Loss	-23,313,999.07	
Total	-61,153,921.03	-1,980,246.90

**53. Gain on Disposal of Assets**

Unit: CNY

Source of Gain on Asset Disposal	Current Period Amount	Previous Period Amount
Gains (losses) on disposal of non-current assets (if negative)	8,552,279.58	-11,534.86
Total	8,552,279.58	-11,534.86

**54. Non-operating income**

Unit: CNY

Item	Current Period Amount	Previous Period Amount	Amount Included in Non-Recurring Gains and Losses for the Current Period
Penalty Income	197,159.50		197,159.50
Gain on disposal of non-current assets	69,904.48	373,340.80	69,904.48
Insurance claim income		249,553.34	
Breach of Contract Compensation Income		86,105.60	
Other gains	9,985,567.67	2,461,366.87	9,985,567.67
Total	10,252,631.65	3,170,366.61	10,252,631.65

**55. Non-operating Expenses**

Unit: Yuan

Item	Current Period Amount	Previous Period Amount	Amount Included in Non-Recurring Gains and Losses for the Current Period
External Donations	19,419.00	2,024,157.28	19,419.00
Losses from destruction or scrapping of non-current assets	14,083,414.95	7,369,373.10	14,083,414.95
Compensation, Penalties, and Fines Expense	6,104,950.56	3,125,061.34	6,104,950.56
Other	444,413.63	9,064.88	444,413.63
Total	20,652,198.14	12,527,656.60	20,652,198.14

**56. Income Tax Expense****(1) Income Tax Expense Statement**

Unit: Yuan

Item	Current Period Amount	Previous Period Amount
Current Income Tax Expense	87,546,275.66	92,384,622.38
Deferred income tax expense	-14,993,946.11	11,659,337.58
Total	72,552,329.55	104,043,959.96

**(2) Adjustment Process for Accounting Profit and Income Tax Expense**

Unit: CNY

Item	Current Period Amount
Total Profit	492,197,790.39
Income Tax Expense at Statutory/Applicable Rates	123,049,447.60
Impact of Different Tax Rates Applied to Subsidiaries	-36,748,706.99
Impact of adjusting prior period income taxes	844,056.71
Impact of non-taxable income	-2,046,198.62
Impact of non-deductible costs, expenses, and losses	1,117,592.35
Impact of utilizing previously unrecognized deferred tax assets from prior periods	-10,170,673.12
Impact of unrecognized deductible temporary differences or deductible losses for the current period	5,956,628.41
Impact of income tax incentives	-0.18
Impact of R&D expense super-deduction	-15,640,988.00
Other	6,191,171.39
Income tax expense	72,552,329.55

## 57. Other comprehensive income

See Note 38 for details.

## 58. Earnings per share

### 1. Basic earnings per share

Basic earnings per share are calculated by dividing the consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding:

Item	Current Period Amount	Previous Period Amount
Consolidated Net Profit Attributable to Ordinary Shareholders of the Parent Company	419,080,729.65	643,177,990.94
Weighted average number of common shares outstanding	3,644,316,607.17	2,942,671,066.42
Basic earnings per share	0.1150	0.2186
Of which: Basic earnings per share from continuing operations	0.1150	0.2186
Basic earnings per share from discontinued operations		

### 2. Diluted earnings per share

Diluted earnings per share are calculated by dividing the consolidated net profit attributable to ordinary shareholders of the parent company (diluted) by the weighted average number of ordinary shares outstanding (diluted):

Item	Current Period Amount	Previous Period Amount
Consolidated Net Profit Attributable to Ordinary Shareholders of the Parent Company (Diluted)	419,080,729.65	643,177,990.94
Weighted average number of common shares outstanding (diluted)	3,644,316,607.17	2,942,671,066.42
Diluted earnings per share	0.1150	0.2186
Of which: Diluted earnings per share from continuing operations	0.1150	0.2186
Diluted earnings per share from discontinued operations		

## 59. Cash Flow Statement Items

**(1) Cash flows from operating activities**

Other Cash Received from Operating Activities

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Interest Income	197,823,831.26	110,876,141.46
Government grants received	111,306,067.77	10,761,910.27
Accounts receivable and other	46,755,069.55	9,073,151.72
Guarantee deposits and security deposits	11,605,651.09	9,387,841.20
Total	367,490,619.67	140,099,044.65

Other cash paid in connection with operating activities

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Advance Funds and Funds in Transit	217,844,680.11	4,379,343.85
Cash Expenses Paid from Three Expense Categories	90,934,438.54	74,288,329.54
Deposits and guarantees	28,879,604.38	
Restricted cash and cash equivalents at end of period	1,360,620.72	
Other	5,213,424.73	6,743,119.56
Total	344,232,768.48	85,410,792.95

**(2) Cash flows from investing activities**

Other cash received from investing activities

Unit: Yuan

Item	Current Period Amount	Previous Period Amount
Net cash received from acquisition of subsidiaries	373,914.93	1,011,398.81
Total	373,914.93	1,011,398.81

Other cash paid related to investing activities

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Foreign exchange forward loss	15,453,963.09	
Restricted cash and cash equivalents at end of period	6,875,789.00	
Pre-operational expenses	420,113.70	
Total	22,749,865.79	

**(3) Cash flows from financing activities**

Other cash received from financing activities

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Group-wide financing: Guarantee deposits recovered	40,440,901.64	164,709,098.36
Total	40,440,901.64	164,709,098.36

Other cash paid related to financing activities

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Cash paid for share repurchases	502,006,082.29	502,999,610.86
Guarantee deposits paid for financing within the group	53,427,000.00	
Expenses for private placement	40,198,040.00	377,358.49
Rent for right-of-use assets	10,142,527.22	9,768,954.46
Forfeiting expenses	504,164.76	2,347,434.88
Payment of finance lease rentals		19,922,458.57
Total	606,277,814.27	535,415,817.26

## Changes in Liabilities from Financing Activities

Applicable  Not Applicable

## 60. Supplementary Notes to the Cash Flow Statement

## (1) Supplementary Notes to the Cash Flow Statement

Unit: CNY

Supplementary Information	Current Period Amount	Previous Period Amount
1. Adjusting Net Income to Cash Flows from Operating Activities		
Net Profit	419,645,460.84	645,498,195.72
Add: Impairment loss on assets	57,125,363.05	1,963,248.22
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	213,312,189.52	207,155,410.60
Depreciation of right-of-use assets	9,102,548.88	8,212,455.96
Amortization of intangible assets	16,522,106.34	7,405,251.67
Amortization of deferred expenses	10,975,355.89	6,172,291.99
Loss (gain) on disposal of fixed assets, intangible assets, and other long-term assets (gains indicated with '+')	-8,552,279.58	11,534.86
Loss on disposal of fixed assets (gain indicated by '-')	14,013,510.47	6,996,032.30
Loss on Fair Value Changes (Gains indicated with '+')	29,359,082.81	
Financial expenses (gains)	67,219,763.94	-22,359,514.09
Investment Losses (Gains indicated with '+')	-34,547,246.22	-27,527,071.81
Decrease in deferred tax assets (increase indicated by '+')	-13,329,587.40	8,188,905.08
Increase in deferred income tax liabilities (decrease indicated by '-')	-1,664,358.71	3,470,432.50
Decrease in inventory (increase indicated by '+')	-222,412,825.17	-59,135,902.96
Decrease in operating receivables (increase indicated by '+')	560,938,475.32	-310,904,032.14
Increase in operating payables (decrease indicated by '-')	-1,455,615,409.35	454,967,651.21
Other	778,344.46	
Net cash flow from operating activities	-337,129,504.91	930,114,889.11

2. Significant Investment and Financing Activities Not Involving Cash Flows		
Debt-to-equity conversion		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under finance leases		
3. Net Changes in Cash and Cash Equivalents:		
Cash balance at end of period	7,150,747,529.28	3,400,159,412.95
Less: Beginning balance of cash	3,400,159,412.95	3,394,624,823.73
Add: Closing balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	3,750,588,116.33	5,534,589.22

## (2) Net cash paid to acquire subsidiaries during the period

Unit: RMB

	Amount
Cash or cash equivalents paid for business combinations during the current period	671,237,719.14
Of which:	
Guangdong Zhonghe Junneng Technology Co., Ltd.	
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	450,588,869.15
Guizhou Xintianxin Chemical Co., Ltd.	220,648,849.99
Less: Cash and cash equivalents held by the subsidiary at the date of acquisition	24,561,070.30
Of which:	
Guangdong Zhonghe Junneng Technology Co., Ltd.	373,914.93
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	4,271,775.63
Guizhou Xintianxin Chemical Co., Ltd.	19,915,379.74
Of which:	
Net cash received from subsidiaries	646,676,648.84

## (3) Net cash received from disposal of subsidiaries during the period

Unit: RMB

	Amount
Cash or cash equivalents received from disposal of subsidiaries during the period	3,000,000.00
Of which:	
Gansu Zetong Weilide Technology Co., Ltd.	3,000,000.00
Less: Cash and cash equivalents held by subsidiaries at the date of loss of control	13,407.70
Including:	
Gansu Zetong Weili Technology Co., Ltd.	13,407.70
Of which:	
Net cash received from disposal of subsidiaries	2,986,592.30

**(4) Composition of Cash and Cash Equivalents**

Unit: CNY

Item	Ending Balance	Beginning Balance
I. Cash	7,150,747,529.28	3,400,159,412.95
Bank deposits available for immediate payment	7,150,747,465.00	3,400,159,411.34
Other monetary assets available for payment at any time	64.28	1.61
64.28		
III. Cash and Cash Equivalents at End of Period	7,150,747,529.28	3,400,159,412.95

**61. Foreign Currency Monetary Items****(1) Foreign Currency Monetary Items**

Unit: RMB

Item	Ending Foreign Currency Balance	Conversion Rate	Ending RMB Balance
Cash and Cash Equivalents			44,633,874.63
Of which: USD	6,241,543.56	7.0827	44,206,980.57
Euro	54,317.75	7.8592	426,894.06
HKD			
Accounts Receivable			514,750,228.84
Of which: USD	68,145,784.00	7.0827	482,656,144.30
Euro	4,083,632.50	7.8592	32,094,084.54
HKD			
Long-term borrowings			
Of which: USD			
Euro			
Hong Kong dollars			
Short-term borrowings			109,372,982.02
Of which: US dollars	15,442,272.30	7.0827	109,372,982.02
Other Payables			24,558,922.00
Of which: USD	3,364,463.68	7.0827	23,829,486.93
Euro	92,812.89	7.8592	729,435.07

**62. Government grants****1. Government grants recognized in profit or loss for the period**

## Asset-Related Government Grants

Type	Balance Sheet Item	Amount of Government Grant	Amount recognized in current period profit or loss or offset against related costs and expenses		Amount recognized in current period profit or loss or offset against related costs and losses Project for the Expense Loss
			Current Period Amount	Previous Period Amount	
100,000-ton rutile titanium dioxide resource comprehensive utilization project	Deferred Revenue	20,000,000.00	1,289,285.64	1,289,285.64	Other Income
200,000-ton Titanium Dioxide Project Support Funds	Deferred Revenue	10,315,300.00	717,276.00	717,276.00	Other Income
200,000-ton Titanium Dioxide Project Support Funds (Land)	Deferred Revenue	5,709,900.00	407,850.00	407,850.00	Other Revenue
Heavy Metal Wastewater Treatment Project	Deferred Revenue	5,000,000.00	142,857.12	142,857.12	Other Income
Special funds for the "six utilities" infrastructure within the boundary line of the 100,000-ton sulfuric acid process rutile titanium dioxide project Facility construction	Deferred income	5,870,000.00	119,890.80	119,890.80	Other Income
Phase II Post-Treatment Construction Project Support Funds	Deferred Income	5,215,300.00	372,521.40	372,521.40	Other Income
Technical Renovation Project for the Wind-Swept Mill and Calcination Exhaust Gas System of the Titanium Dioxide Production Line	Deferred Revenue	4,700,000.00	335,714.28	335,714.28	Other Income
Cihu Development Zone Support Fund	Deferred Income	2,235,120.00	164,548.68	164,548.68	Other Income
Mining Area Social Security Job Stabilization Subsidy	Deferred Income	526,552.40	428,679.13	97,873.27	Other Income
Wastewater Neutralization Project	Deferred Revenue	1,700,000.00	53,437.32	53,437.32	Other Income
Integrated Wastewater Treatment Project	Deferred Revenue	1,050,000.00	30,000.00	30,000.00	Other Income
Received grant from Mining Area Environmental Protection Bureau (Special Fund for Online Exhaust Gas Monitoring Equipment)	Deferred income	500,000.00	35,714.28	31,250.00	Other income
227 Dedicated Line Government Subsidy	Deferred Revenue	361,240.18	25,802.88	25,802.88	Other Income
Spent Acid Concentration Project	Deferred Revenue	400,000.00	25,101.48	25,101.48	Other Income
Government subsidy for steam pipeline	Deferred Revenue	143,504.61	10,250.28	10,250.28	Other Income
Technical Upgrade and Renovation Project for Online Automatic Wastewater Monitoring	Deferred Revenue	101,800.00	7,271.40	7,271.40	Other Income

Equipment					
Whitewater Recovery Technical Renovation Project	Deferred Income	1,000,000.00	28,350.88	66,666.72	Other Income
Heavy Metal Online Automatic Monitoring Capacity Building Project	Deferred Revenue	60,000.00	4,285.68	4,285.68	Other Income
Total		64,888,717.19	4,198,837.25	3,901,882.95	

## Government grants related to income

Type	Items recognized in profit or loss for the period or offset against related costs, expenses, or losses	Amount of Government Subsidy	Amount recognized in profit or loss for the period or offset against related costs, expenses, or losses	
			Current Period Amount	Previous Period Amount
Government awards and subsidies	Other income	79,632,000.00	79,632,000.00	
Guangzhou Nansha New Area (Free Trade Zone) Headquarters Enterprise Incentive Fund	Other Income	18,480,000.00	18,480,000.00	
Job Retention Subsidy	Other Income	2,215,968.99	2,215,968.99	977,702.91
Export Credit Insurance Subsidy	Other Income	2,052,000.00	2,052,000.00	1,625,000.00
Central Government Guidance Funds for Local Science and Technology Development	Other Income	1,530,000.00	1,530,000.00	
Municipal Government Subsidy for Modern Service Industry (Commerce and Trade Services)	Other Income	1,432,800.00	1,432,800.00	50,000.00
Rugao Changjiang Town Finance and Assets Administration Bureau Chemical Enterprise Shutdown Incentive	Other Income	1,430,017.11	1,430,017.11	
Science and Technology Innovation Incentives	Other Income	101,400.00	101,400.00	153,000.00
Major Taxpayer Incentive from Ma'anshan Cihu High-Tech Industrial Development Zone Management Committee	Other Income	50,000.00	50,000.00	50,000.00
Provincial Water-Saving Enterprise Subsidy	Other Income			100,000.00
Intellectual Property Subsidy	Other Income			121,000.00
Provincial Department of Commerce Export Credit Insurance Premium Subsidy	Other Income			564,000.00
Foreign Trade Incentive Policy Rewards	Other Income			220,000.00
Cihu Development Zone Retention Incentives for New Year to Ensure Strong Start Policy Funds	Other Income			617,900.00
Tax Incentives for Outstanding Contributors	Other Income			880,000.00
Worker Retention Subsidy	Other Income			396,875.00
Municipal Government Subsidy for Modern Service Industry (Foreign Trade and Economic Cooperation)	Other Income			649,000.00
Guangzhou Municipal Commerce Development Special Fund Office Space Subsidy	Other Income			251,699.28

Reward for Newly Added Enterprises Above Designated Size in Wholesale Industry	Other Income			50,000.00
High-Tech Enterprise Certification Incentive	Other income			165,000.00
Maanshan Municipal Bureau of Commerce Export Credit Insurance Premium Subsidy	Other Income			368,000.00
Ci Lake Development Zone 2019 Top Taxpayer Awards	Other Income			500,000.00
Municipal Government Subsidy for Modern Service Industry (Container)	Other Income			159,300.00
Special Funds for Implementing Measures to Support Scientific and Technological Innovation	Other Income			200,000.00
Reward Funds for Advanced Units in Major Citywide Project Construction	Other Income			1,000,000.00
Enterprise Skills Training Subsidy	Other Income			74,400.00
Other	Other Income	524,484.49	524,484.49	864,908.22
Total		107,448,670.59	107,448,670.59	10,037,785.41

### 63. Trial Operation Sales

Project	Current Period Amount	Previous Period Amount
Operating Revenue	412,043,525.51	
Cost of Sales	345,398,318.11	

## VIII. Research and Development Expenditures

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Material Costs	54,110,010.06	62,730,234.46
Employee compensation	37,332,539.25	34,854,465.05
Depreciation expense	13,973,727.10	13,248,005.75
Fuel and Power Expenses	11,757,504.45	14,189,695.73
Amortization of Intangible Assets	3,725,361.00	43,423.68
Utilities	2,722,734.47	2,331,842.63
Equipment commissioning fees	1,615,165.65	1,251,243.24
Testing Fees	326,905.42	237,547.17
Amortization of deferred expenses	177,508.81	
Other	1,519,054.38	956,887.40
Total	127,260,510.59	129,843,345.11
Of which: Expensed R&D expenditures	127,109,732.71	129,776,541.23
Capitalized R&D expenditures	150,777.88	66,803.88

### 1. R&D projects meeting capitalization criteria

Unit: CNY

Project	Opening Balance	Increase for the Period			Current Period Decrease			Ending Balance
		Internal Development	Other		Recognized as None	Transferred to Current Period		
		Expense			Fixed Assets	Profit and Loss		
Under ¥10,000 Projects	147,303.3 2	150,777.8 8			90,584.67	14,238.22		193,258.3 1
Total	147,303.3 2	150,777.8 8			90,584.67	14,238.22		193,258.3 1

## IX. Changes in the Scope of Consolidation

### 1. Non-Controlling Interest Acquisitions

#### (1) Non-controlling interest acquisitions during the current period

Unit: Yuan

Name of Acquired Entity	Date of Equity Acquisition	Cost of Equity Acquisition	Percentage of Equity Acquired	Method of Acquisition	Purchase Date	Basis for determining the purchase date	Revenue of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to the balance sheet date	Cash Flows of the Acquired Entity from the Acquisition Date to the End of the Period
Guangdong Zhonghe Junneng Technology Co., Ltd.	June 9, 2023	150,000.	53.42%	Acquired through capital increase	June 9, 2023	Acquisition of Control	2,317.15	18,868.1	-
	June 9, 2023	000.00					1.86	33.54	45,053.0
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	2023	474,304.	100.00%	Purchase	2023	Acquisition of Control	67,815.2	33,415.3	-
	August 31, 2023	072.79					65.31	84.75	1,498.78
Guizhou Xintianxin Chemical Co., Ltd.	September 30, 2023	424,291.	100.00%	Purchase	2023	Acquisition of Control	4,240.27	2,642.70	-
	September 30, 2023	924.36					5.78	5.63	8,081.20
	424,291								4.64

Other Notes:

During the reporting period, the Company acquired control of Zhonghe Junneng through capital increase and gained control of Xintianxin Chemical and Shuangyang Phosphate Mine through acquisitions. These entities were included in the scope of consolidation for the current period.

#### (2) Consolidation Cost and Goodwill

Unit: CNY

Consolidation Cost	Guangdong Zhonghe Junneng Technology Co., Ltd.	Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	Guizhou Xintianxin Chemical Co., Ltd.
--Cash	150,000,000.00	474,304,072.79	424,291,924.36
--Fair value of non-cash assets			
--Fair value of debt issued or assumed			
--Fair value of equity securities issued			
--Fair value of contingent consideration			
--Fair value of equity interests held prior to the acquisition date at the acquisition date			
--Other			
Total acquisition cost	150,000,000.00	474,304,072.79	424,291,924.36
Less: Share of Fair Value of Identifiable Net Assets Acquired	106,744,906.92	361,194,611.45	410,378,661.52

Goodwill/Cost of acquisition less the fair value share of identifiable net assets acquired	43,255,093.08	113,109,461.34	13,913,262.84
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## (3) Acquired entity's identifiable assets and liabilities at acquisition date

Unit: RMB

	Guangdong Zhonghe Junneng Technology Co., Ltd.		Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.		Guizhou Xintianxin Chemical Co., Ltd.	
	Fair value at acquisition date	Book Value on Acquisition Date	Fair Value at Acquisition Date	Book Value at Acquisition Date	Fair value at acquisition date	Purchase date carrying amount
Assets:	267,617,954. 21	203,863,169. 23	663,624,999. 16	227,751,399. 16	926,548,879. 06	836,753,779. 06
Cash and cash equivalents	373,914.93	373,914.93	9,462,959.56	9,462,959.56	48,601,047.3 7	48,601,047.3 7
Accounts Receivable	159,427,761. 33	159,427,761. 33	126,571,432. 86	126,661,432. 86	84,059,961.2 9	84,059,961.2 9
Inventories	18,332,535.6 9	17,177,745.7 1	1,642,617.72	1,449,717.72	27,655,658.8 9	27,991,158.8 9
Fixed Assets	8,202,154.39	8,403,835.81	71,686,344.4 2	37,200,944.4 2	225,997,368. 66	204,126,468. 66
Intangible Assets	63,298,949.0 3	296,149.03	404,087,313. 16	2,763,013.16	134,338,444. 70	70,100,144.7 0
Construction in Progress			3,472,826.89	3,472,826.89	311,656,888. 29	311,656,888. 29
Other	17,982,638.8 4	18,183,762.4 2	46,701,504.5 5	46,740,504.5 5	94,239,509.8 6	90,218,109.8 6
Liabilities:	67,784,742.0 9	51,846,045.8 4	302,430,387. 71	193,484,487. 71	516,170,217. 54	502,700,952. 54
Loans			18,777,231.0 0	18,777,231.0 0	50,062,601.8 5	50,062,601.8 5
Accounts Payable	67,784,742.0 9	51,846,045.8 4	283,653,156. 71	174,707,256. 71	466,107,615. 69	452,638,350. 69
Deferred income tax liabilities						
Net Assets	199,833,212. 12	152,017,123. 39	361,194,611. 45	34,266,911.4 5	410,378,661. 52	334,052,826. 52
Less: Minority interests	93,088,305.2 0	70,814,136.5 9				
Net assets acquired	106,744,906. 92	81,202,986.8 0	361,194,611. 45	34,266,911.4 5	410,378,661. 52	334,052,826. 52

## 2. Disposal of Subsidiaries

Transactions or events involving loss of control over subsidiaries during the current period

 Yes  No

Unit: Yuan

Subsidiary Name	Disposal Proceeds at the Time of Loss of Control	Disposal Proportion at Loss of Control	Disposal Method at the Time of Loss of Control	Date of Loss of Control	Basis for Determining Loss of Control	Proportion of consolidated financial statement-level interests corresponding to the disposal proceeds and the disposed investment	Proportion of Remaining Equity Interest on the Date of Loss of Control	Book Value of Remaining Equity Interest at the Date of Loss of Control on the Consolidated Financial Statements Level	Fair value of the remaining equity interest at the date of loss of control at the consolidated financial statement level	Gain or loss arising from re-measuring the remaining equity interest at fair value	Fair value of the remaining equity interest at the date of loss of control on a consolidated financial statement basis	Other comprehensive income related to the investment in the subsidiary transferred to the investment
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						Difference in the share of the subsidiary's net assets		Value	Value		Methodology for determining value and key assumptions	Amount recognized in profit or loss or retained earnings
Gansu Zetong Weili Technology Co., Ltd. Company	3,000,000.00	51.00%	Sale	2023 Year 08 04	Loss of Control	340,013.07	0.00%	0.00	0.00	0.00	Not applicable	0.00

Additional Notes:

Note: Gansu Zetong Weili De Technology Co., Ltd. was formerly known as Gansu Zetong Weili De Green Energy Co., Ltd.

Has the company disposed of its investment in a subsidiary through multiple transactions and lost control during the current period?

Yes  No

### 3. Changes in consolidation scope due to other reasons

Describe changes in the scope of consolidation due to other reasons (e.g., establishment of new subsidiaries, liquidation of subsidiaries, etc.) and related circumstances:

During the reporting period, Dongfang Titanium Industry contributed RMB 61.5 million to the registered capital of Gansu Zhonghetong Thermal Energy Co., Ltd., which was included in the consolidation scope for the current period.

During the reporting period, Baiyin Zhonghe Times New Energy Co., Ltd. contributed RMB 500,000 to Baiyin Zhonghe Times New Energy Co., Ltd., which was included in the consolidation scope for the period. During the reporting period, the Company invested in establishing Hami Zhonghe Vanadium Titanium Co., Ltd. and Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd., which were included in the consolidation scope.

In 2023, the Company deregistered Anhui Jinxing New Energy Materials Co., Ltd. and Guangzhou Guanghe Titanium Dioxide Chemical Co., Ltd. As of the end of the reporting period, these entities are no longer included in the scope of consolidation.

## X. Interests in Other Entities

### 1. Interests in Subsidiaries

#### (1) Enterprise Group Composition

Unit: Yuan

Subsidiary Name	Registered Capital	Principal Place of Business	Registered Location	Business Nature	Shareholding Ratio		Acquisition Method
					Direct	Indirect	
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Co., Ltd.	485,000.00	Ma'anshan	Ma'anshan	Production	100.00%		Purchase
Nantong Baoju Yan Materials Co., Ltd.	50,000,000.00	Nantong	Ma'anshan	Production	100.00%		Purchase
Gansu Hecheng Titanium Co., Ltd.	200,000.00	Jiayuguan	Jiayuguan	Production	100.00%		Establishment
Guangzhou Tai'ao Hua Co., Ltd.	1,000,000.000.00	Guangzhou	Guangzhou	Trade	100.00%		Established
Shanghai Sicheng Titanium Dioxide Chemical Co., Ltd. Company	10,000,000.00	Shanghai	Shanghai	Trading	100.00%		Established
Wuxi CNC Huayuan Titanium Dioxide Co., Ltd. Company	10,000,000.00	Wuxi	Wuxi	Trading	100.00%		Established
Gansu Ruiske Lithium Battery Materials Co., Ltd.	30,000,000.00	Baiyin	Yin	Production	100.00%		Establishment
Limited Company							

Gansu Dongfang Titanium Co., Ltd.	1,580,000.00	Baiyin	Baiyin	Production	100.00%		Purchase
Gansu Zetong New Energy Materials Co., Ltd.	200,000.00	Baiyin	Baiyin	Production	100.00%		Establishment
Gansu Zhonghetong Thermal Energy Co., Ltd. Company	200,000.00	Baiyin	Baiyin	Production	100.00%		Establishment
Anhui Jinxing Titanium Dioxide Sales Co., Ltd. Company	600,000.00	Ma'anshan	Ma'anshan	Trading	100.00%		Established
Panzhuhua Zetong Logistics Co., Ltd. Co., Ltd.	215,090.90	Panzhuhua	Panzhuhua	Road Transportation	81.83%		Established
Baiyin Zhonghe Times New Energy Co., Ltd. Co., Ltd.	100,000.00	Baiyin	Baiyin	Production	100.00%		Establishment
Baiyin Zhonghe Times New Energy Co., Ltd. Co., Ltd.	50,000,000.00	Silver	Silver	Production	100.00%		Establishment
Gansu Zetong Weili De Vanadium Materials Co., Ltd. Co., Ltd.	100,000.00	Baiyin	Baiyin	Trading	100.00%		Establishment
Wuxi Iron-Based Investment Co., Ltd. Co., Ltd.	30,000,000.00	Wuxi	Wuxi	Investment	100.00%		Establishment
Huili Vanadium Energy Mining Co., Ltd. Company	510,000.00	Huili	Huili	Trade	100.00%		Establishment
Hami Zhonghe Vanadium Titanium Co., Ltd. Co., Ltd.	500,000.00	Hami	Hami	Production	100.00%		Establishment
Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd. Company	50,000,000.00	Beijing	Beijing	Services	100.00%		Establishment
Guangdong Zhonghe Junneng Technology Co., Ltd. Company	397,956.70	Zhaoqing	Zhaoqing	Production	75.39%		Capital Increase
Guizhou Xintianxin Chemical Co., Ltd. Co.	253,263.31	Guiyang	Guiyang	Production	100.00%		Purchase
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd. Company	4,813,303.95	Guiyang	Guiyang	Production	100.00%		Purchasing

## (2) Significant Non-Wholly Owned Subsidiaries

Unit: CNY

Subsidiary Name	Minority Interest	Profit/Loss Attributable to Minority Interests for the Period	Dividends Declared to Minority Shareholders for the Period	Minority Interest Balance at End of Period
Panzhuhua Zetong Logistics Co., Ltd. Company	18.17%	5,615,275.24	2,907,871.50	48,703,284.78

**(3) Key Financial Information of Significant Non-Wholly Owned Subsidiaries**

Unit: CNY

Subsidiary Name	Ending Balance						Opening Balance					
	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current liabilities	Total Liabilities	Current Assets	Non-current assets	Total Assets	Current Liabilities	Non-current liabilities	Total Liabilities
Panzhihua Huazetong Logistics Co., Ltd.	152.6	203.6	356.2	81.02	3,456	84,47	107.5	178.7	286.2	26.41	2,959	29,36
Co., Ltd.	24,51	28.37	52.88	0.095	,527.	6,623	29.28	19.86	49.14	0.009	,896.	9,906
Company	3.21	1.29	4.50	.76	64	.40	0.92	6.46	7.38	.50	57	.07

Unit: Yuan

Subsidiary Name	Current Period Amount				Previous Period Amount			
	Revenue	Net Profit	Total Comprehensive Income	Cash Flow from Operating Activities	Revenue	Net Profit	Total Comprehensive Income	Cash Flow from Operating Activities
Panzhihua Zetong Logistics Co., Ltd.	538,262.6	30,897.07	30,897.07	5,642,225	284,002.1	23,453.08	23,453.08	44,476.18
Co., Ltd.	76.95	8.67	8.67	.73	91.15	4.73	4.73	5.79

**2. Interests in Joint Arrangements or Associates****(1) Significant Joint Ventures or Associates**

Name of Joint Venture or Associate	Principal Place of Business	Place of Incorporation	Nature of Business	Equity Interest		Accounting treatment for investments in joint ventures or associates
				Direct	Indirect	
Maanshan Cixing Thermal Energy Co., Ltd.	Ma'anshan	Ma'anshan	Heat Production and Supply Application	20.24%		Equity Method
Guizhou Donghua Engineering Co., Ltd.	Guiyang	Guiyang	Engineering Construction Services	34.00%		Equity Method

**(2) Key Financial Information of Significant Joint Ventures**

Unit: CNY

	Ending Balance/Current Period Transactions		Beginning Balance/Previous Period Transactions
	Ma'anshan Cixing Thermal Energy Co., Ltd.	Guizhou Donghua Engineering Co., Ltd.	Ma'anshan Cixing Thermal Energy Co., Ltd.
Current Assets	13,804,605.42	499,799,301.25	12,315,762.69
Of which: Cash and cash equivalents	2,146,461.93	99,775,691.97	5,424,339.23
Non-current assets	29,111,680.35	31,021,141.46	32,150,060.99
Total Assets	42,916,285.77	530,820,442.71	44,465,823.68
Current Liabilities	22,521,622.10	401,543,546.26	19,902,245.32
Non-current liabilities			
Total Liabilities	22,521,622.10	401,543,546.26	19,902,245.32
Minority Interests			
Equity attributable to shareholders of the parent company	20,394,663.67	129,276,896.45	24,563,578.36
Net assets attributable to shareholders based on equity interest ratio	3,277,425.35	45,930,597.70	4,125,061.39

Amount			
Adjustment items			
–Goodwill			
–Unrealized profits from internal transactions			
–Other			
Carrying Amount of Equity Investment in Joint Ventures			
Fair value of equity investments in joint ventures with publicly quoted prices			
Operating revenue	89,911,220.05	238,183,780.14	61,784,873.41
Financial expenses	412,349.31	-113,867.11	103,532.20
Income tax expense	-65,470.16	1,842,516.33	-2,245.13
Net profit	-4,187,925.11	23,191,438.19	-7,595,594.55
Net profit from discontinued operations			
Other comprehensive income			
Total comprehensive income	-4,187,925.11	23,191,438.19	-7,595,594.55
Dividends received from joint ventures during the current year			

Other Notes:

Note: Guizhou Donghua Engineering Co., Ltd.'s operating revenue, financial expenses, income tax expense, net profit, and total comprehensive income reflect financial data after the consolidation of Xintianxin Chemical (October–December 2023).

## XI. Risks Related to Financial Instruments

### 1. Various Risks Arising from Financial Instruments

The Company faces various financial risks in its operations: credit risk, liquidity risk, and market risk (including foreign exchange risk, interest rate risk, and other price risks). The aforementioned financial risks and the risk management policies adopted by the Company to mitigate these risks are described below:

The Company's management oversees and monitors these risk exposures to ensure that the aforementioned risks are controlled within defined limits. The Company's risk management objective is to achieve an appropriate balance between risk and return, minimize the negative impact of risks on the Company's operating performance, and maximize the interests of shareholders and other equity investors. Based on this risk management objective, the Company's fundamental risk management strategy is to identify and analyze the various risks it faces, establish an appropriate risk tolerance threshold and implement risk management, and monitor various risks in a timely and reliable manner to control them within defined limits.

#### 1. Credit Risk

Credit risk refers to the risk of financial loss incurred by the Company due to a counterparty's failure to fulfill its contractual obligations.

The Company's credit risk primarily arises from cash and cash equivalents, notes receivable, accounts receivable, receivables financing, contract assets, other receivables, debt investments, other debt investments, financial guarantee contracts, and debt instrument investments and derivative financial assets measured at fair value through profit or loss that are not subject to impairment assessment.

The Company's cash and cash equivalents primarily consist of bank deposits held with reputable state-owned banks and other large and medium-sized listed banks with high credit ratings. The Company believes there is no significant credit risk associated with these deposits, and it is highly unlikely that significant losses would arise from bank default.

Additionally, for accounts receivable, notes receivable, receivables financing, contract assets, and other receivables, the Company has established policies to manage credit risk exposure. The Company assesses customer creditworthiness based on factors including financial condition, availability of third-party guarantees, credit history, and other considerations such as current market conditions, thereby setting appropriate credit terms. The Company regularly monitors customer credit records. For customers with poor credit records, the Company employs methods such as written reminders, shortening credit terms, or canceling credit terms to ensure that the Company's overall credit risk remains within a controllable range.

#### 2. Liquidity Risk

Liquidity risk refers to the risk of a company experiencing a shortage of funds when fulfilling obligations settled by delivering cash or other financial assets.

The Company's policy is to ensure sufficient cash to repay maturing debts. Liquidity risk is centrally managed by the Company's finance department. The finance department monitors cash balances, readily convertible marketable securities, and rolling forecasts of cash flows for the next 12 months to ensure the Company has sufficient funds to repay debts under all reasonably foreseeable circumstances.

. It also continuously monitors compliance with loan covenants and maintains commitments from major financial institutions for sufficient standby funding to meet short- and long-term funding needs.

The Company's financial liabilities are presented below by maturity date based on undiscounted contractual cash flows:

Item	Balance at End of Period						
	Immediately Repayable	Within 1 Year	1-2 years	2-5 years	Over 5 years	Total Undiscounted Contract Amount	Book value
Short-term loans		2,172,653,160.10				2,172,653,160.10	2,172,653,160.10
Notes Payable		1,426,930,795.54				1,426,930,795.54	1,426,930,795.54
Accounts Payable		955,281,858.14				955,281,858.14	955,281,858.14
Other Payables		273,016,078.33	20,230,366.39	1,214,310.95	15,390,743.07	309,851,498.74	309,851,498.74
Within one year Due within one year		101,732,738.61				101,732,738.61	101,732,738.61
Non-current Liabilities						8.61	8.61
Long-term borrowings			142,225.00	949,295,562.37	24,200,000.00	1,115,720,562.37	1,115,720,562.37
Long-term liabilities					4,298,165.92	4,298,165.92	4,298,165.92
Lease Liabilities			8,846,255.94	10,728,016.48	5,899,432.11	25,473,704.53	25,473,704.53
Debt							
Total		4,929,614,630.72	171,301,622.33	961,237,889.80	49,788,341.10	6,111,942,483.95	6,109,661,099.77

Project	Balance at End of Previous Year						
	Immediate repayment	Within 1 year	1-2 years	2-5 years	Over 5 years	Total Undiscounted Contract Amount	Book value
Short-term borrowings		888,027,361.10				888,027,361.10	888,027,361.10
Notes payable		2,243,287,549.36				2,243,287,549.36	2,243,287,549.36
Accounts Payable		579,859,681.08				579,859,681.08	579,859,681.08
Other Payables Item		45,733,703.75	1,279,143.37	1,082,051.75	10,065,553.72	58,160,452.59	58,160,452.59
Due within one year Non-current liabilities Current liabilities		114,598,244.19				114,598,244.19	114,598,244.19
Long-term borrowings				129,000,000.00	553,884,885.55	682,884,885.55	682,884,885.55
Long-term Payables Payable					13,702,398.66	13,702,398.66	13,702,398.66
Lease liabilities			9,150,095.39	11,409,920.69		20,560,016.08	19,447,074.38
Total		3,871,506,539.48	10,429,238.76	141,491,972.44	577,652,837.93	4,601,080.588.61	4,599,967,646.91

### 3. Market Risk

Market risk of financial instruments refers to the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in market prices, including exchange rate risk, interest rate risk, and other price risks.

#### (1) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

#### (2) Exchange Rate Risk

Foreign exchange risk refers to the risk that the fair value or future cash flows of a financial instrument may fluctuate due to changes in foreign exchange rates.

The Company continuously monitors the scale of foreign currency transactions and foreign currency assets and liabilities to minimize exposure to foreign exchange risk. In addition, the Company may enter into forward foreign exchange contracts or currency swap agreements to hedge against exchange rate risk. During the current and prior periods, the Company did not enter into any forward foreign exchange contracts or currency swap agreements. The Company's exposure to exchange rate risk primarily arises from financial assets and liabilities denominated in U.S. dollars. The amounts of foreign currency

financial assets and liabilities translated into Renminbi  
are presented as follows:

Item	Balance at End of Period			Balance at End of Previous Year		
	US Dollar	Other Foreign Currencies	Total	USD	Other currencies	Total
Currency Assets Funds	44,206,980.57	426,894.06	44,633,874.63	101,414,353.32	1,630,614.35	103,044,967.67
Accounts Receivable	482,656,144.30	32,094,084.54	514,750,228.84	391,567,282.70	47,240,627.18	438,807,909.88
Short-term borrowings	109,372,982.02		109,372,982.02			
Other Payables	23,829,486.93	729,435.07	24,558,922.00	22,512,782.49	326,607.60	22,839,390.09
Total	660,065,593.82	33,250,413.67	693,316,007.49	515,494,418.51	49,197,849.13	564,692,267.64

Assuming all other variables remain constant, a 10% appreciation or depreciation of the Renminbi against the U.S. dollar would impact the Company's net profit as follows:

Impact of Exchange Rate Change	Impact on Net Profit	
	2023	2022
10% Appreciation	-29,524,549.19	-35,285,164.01
Decrease 10%	29,524,549.19	35,285,164.01

### (3) Other Price Risks

Other price risks refer to the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in market prices other than exchange rate risk and interest rate risk. The Company's other price risks primarily arise from various equity instrument investments, which are subject to the risk of price fluctuations in equity instruments.

## XII. Fair Value Disclosure

### 1. Fair Value of Assets and Liabilities Measured at Fair Value at the End of the Period

Unit: RMB

Item	Fair Value at End of Period			
	Level 1 Fair Value Measurement	Level 2 Fair Value Measurement	Level 3 Fair Value Measurement	Total
I. Continuous Fair Value Measurement	—	—	—	—
Accounts Receivable Financing			119,274,379.08	119,274,379.08
(3) Other Equity Instrument Investments			321,778,909.51	321,778,909.51
(VI) Receivables Financing				
Total assets measured at fair value			441,053,288.59	441,053,288.59
(6) Trading Financial Liabilities	572,290.11			572,290.11
Derivative Financial Liabilities	572,290.11			572,290.11
Total liabilities measured at fair value	572,290.11			572,290.11
II. Non-continuous fair value measurement	—	—	—	—

## XIII. Related Parties and Related Party Transactions

### 1. Information on the Parent Company of the Enterprise

Description of the Parent Company of the Enterprise The ultimate controlling party of the enterprise is Wang Zelong.

Additional Notes: As of December 31, 2023, Wang Zelong held 1,294,745,230 shares of the Company, representing a 33.45% equity interest. He is the Company's largest shareholder and ultimate controlling party.

### 2. Subsidiaries of the Company

Details regarding the Company's subsidiaries are provided in Note X: Interests in Other Entities.

### 3. Joint Ventures and Associates of the Company

Details of the Company's significant joint ventures or associates are provided in Note 10, Interests in Other Entities.

### 4. Other Related Parties

Names of Other Related Parties	Relationship between Other Related Parties and the Company
Wuxi Kaixing Chemical Products Co., Ltd.	Other Related Party
Kaiyang Shuangliu Town Fengyuan Phosphate Mine Co., Ltd.	Company Indirectly Controlled by Director Shen Xin
Guizhou Kaiyang Baima Phosphate Fertilizer Co., Ltd.	Company indirectly controlled by Director Shen Xin

## 5. Related Party Transactions

### (1) Related-party transactions involving the purchase and sale of goods, provision and receipt of services

Table of Purchased Goods/Received Services

Unit: Yuan

Related Party	Related Party Transaction Details	Transaction Amount for Current Period	Approved Transaction Limit	Exceeded Transaction Limit	Previous Period Amount
Ma'anshan Cixing Thermal Energy Co., Ltd.	Energy procurement				1,739,527.85
Guizhou Donghua Engineering Co., Ltd.	Acceptance of Services	19,039,679.89			

Table of Sales of Goods/Provision of Services

Unit: Yuan

Related Party	Related Party Transaction Details	Current Period Amount	Previous Period Amount
Wuxi Kaixing Chemical Products Co., Ltd.	Sale of Goods		1,593,539.83
Guizhou Kaiyang Baima Phosphate Fertilizer Co., Ltd.	Services Provided	217,718.76	
Kaiyang Shuangliu Town Fengyuan Phosphate Mine Co., Ltd. Company	Providing Labor Services	74,470.09	
Ma'anshan Cixing Thermal Energy Co., Ltd.	Labor Services		10,048.46

Explanation of Related-Party Transactions for Commodity Purchases/Sales and Provision/Receipt of Services

Note: Entities controlled by Mr. Shen Xin, including Guizhou Kaiyang Baima Phosphate Fertilizer Co., Ltd. and Kaiyang County Shuangliu Town Fengyuan Phosphate Mine Co., Ltd., became affiliated parties as of December 6, 2023.

The company is an affiliate of the listed company, therefore the related-party transaction period spans from December 6, 2023 to the end of the reporting period.

### (2) Related-Party Guarantees

Company as Guarantor

Unit: RMB

Guarantee Recipient	Guarantee Amount	Guarantee Commencement Date	Guarantee Expiration Date	Has the guarantee been fully discharged?
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	350,000,000.00	September 22, 2020	September 22, 2023	Yes
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	100,000,000.00	January 14, 2021	January 12, 2024	No
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	60,000,000.00	May 6, 2022	May 6, 2025	No
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	100,000,000.00	May 12, 2022	April 19, 2023	Yes
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	100,000,000.00	May 16, 2022	May 16, 2023	Yes
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	85,000,000.00	May 17, 2022	May 16, 2023	Yes

Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Co., Ltd.	200,000,000.00	August 11, 2022	August 10, 2023	Yes
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Co., Ltd.	400,000,000.00	February 8, 2023	December 9, 2023	Yes
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Co., Ltd.	300,000,000.00	May 31, 2023	May 31, 2026	No
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Co., Ltd.	85,000,000.00	June 16, 2023	June 15, 2024	No
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd. Co., Ltd.	100,000,000.00	July 27, 2023	July 27, 2024	No
Anhui Jinxing Sales Co., Ltd.	160,000,000.00	July 6, 2021	July 6, 2024	No
Anhui Jinxing Sales Co., Ltd.	60,000,000.00	October 18, 2021	October 18, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	100,000,000.00	May 12, 2022	April 20, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	100,000,000.00	May 16, 2022	May 16, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	80,000,000.00	May 17, 2022	May 16, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	400,000,000.00	June 27, 2022	June 27, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	200,000,000.00	August 1, 2022	July 30, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	130,000,000.00	January 12, 2023	January 11, 2026	No
Anhui Jinxing Sales Co., Ltd.	200,000,000.00	February 8, 2023	December 9, 2023	Yes
Anhui Jinxing Sales Co., Ltd.	200,000,000.00	February 20, 2023	February 19, 2024	No
Anhui Jinxing Sales Co., Ltd.	100,000,000.00	February 28, 2023	February 28, 2025	No
Anhui Jinxing Sales Co., Ltd.	130,000,000.00	March 14, 2023	March 13, 2024	No
Anhui Jinxing Sales Co., Ltd.	300,000,000.00	May 31, 2023	May 31, 2026	No
Anhui Jinxing Sales Co., Ltd.	115,000,000.00	June 16, 2023	June 15, 2024	No
Anhui Jinxing Sales Co., Ltd.	500,000,000.00	June 30, 2023	June 30, 2024	No
Anhui Jinxing Sales Co., Ltd.	90,000,000.00	July 27, 2023	July 27, 2024	No
Anhui Jinxing Sales Co., Ltd.	150,000,000.00	August 18, 2023	June 20, 2024	No
Anhui Jinxing Sales Co., Ltd.	200,000,000.00	October 19, 2023	August 1, 2024	No
Anhui Jinxing Sales Co., Ltd.	150,000,000.00	October 20, 2023	July 30, 2024	No
Gansu Dongfang Titanium Industry Co., Ltd.	200,000,000.00	February 2, 2016	February 1, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	1,000,000,000.00	June 28, 2021	June 28, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	200,000,000.00	December 2, 2021	June 28, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	260,000,000.00	March 18, 2022	March 17, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	260,000,000.00	April 1, 2022	March 13, 2024	No
Gansu Dongfang Titanium Industry Co., Ltd.	100,000,000.00	April 8, 2022	April 7, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	50,000,000.00	June 2, 2022	June 2, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	40,000,000.00	September 5, 2022	September 5, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	200,000,000.00	January 13, 2023	January 12, 2024	No
Gansu Dongfang Titanium Industry Co., Ltd.	10,000,000.00	January 18, 2023	July 19, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	100,000,000.00	January 18, 2023	January 20, 2024	No
Gansu Dongfang Titanium Industry Co., Ltd.	120,000,000.00	February 8, 2023	July 8, 2023	Yes
Gansu Dongfang Titanium Industry Co., Ltd.	1,200,000,000.00	February 17, 2023	June 28, 2028	No
Gansu Dongfang Titanium Industry Co., Ltd.	180,000,000.00	February 17, 2023	February 16, 2024	No
Gansu Dongfang Titanium Industry Co., Ltd.	255,000,000.00	May 31, 2023	May 31, 2026	No
Gansu Dongfang Titanium Industry Co., Ltd.	50,000,000.00	June 27, 2023	June 27, 2024	No
Gansu Dongfang Titanium Industry Co., Ltd.	200,000,000.00	September 25, 2023	August 18, 2024	No
Gansu Hecheng Titanium Industry Co., Ltd.	100,000,000.00	January 19, 2023	January 18, 2024	No
Gansu Hecheng Titanium Industry Co., Ltd.	100,000,000.00	March 6, 2023	September 6, 2023	Yes
Gansu Hecheng Titanium Industry Co., Ltd.	50,000,000.00	April 17, 2023	April 16, 2024	No
Guangzhou Tai'ao Hua Co., Ltd.	110,000,000.00	January 17, 2020	January 16, 2023	Yes
Guangzhou Tai'ao Hua Co., Ltd.	200,000,000.00	April 13, 2020	December 31, 2025	No
Guangzhou Tai'ao Hua Co., Ltd.	100,000,000.00	December 17, 2021	April 22, 2023	Yes
Guangzhou Tai'ao Hua Co., Ltd.	250,000,000.00	January 1, 2022	December 31, 2027	No

Guangzhou Tai'ao Hua Co., Ltd.	130,000,000.00	March 14, 2022	March 13, 2024	No
Guangzhou Tai'ao Hua Co., Ltd.	65,000,000.00	April 13, 2022	March 17, 2023	Yes
Guangzhou Tai'ao Hua Co., Ltd.	150,000,000.00	April 14, 2022	April 11, 2025	No
Guangzhou Tai'ao Hua Co., Ltd.	100,000,000.00	August 16, 2022	August 15, 2023	Yes
Guangzhou Tai'ao Hua Co., Ltd.	100,000,000.00	February 15, 2023	February 14, 2024	No
Guangzhou Tai'ao Hua Co., Ltd.	150,000,000.00	November 16, 2023	November 16, 2027	No
Guangzhou Tai'ao Hua Co., Ltd.	110,000,000.00	November 27, 2023	November 26, 2026	No
Guizhou Xintianxin Chemical Co., Ltd.	30,000,000.00	June 29, 2023	June 28, 2024	No
Guizhou Xintianxin Chemical Co., Ltd.	30,000,000.00	August 17, 2023	August 16, 2024	No

**(3) Key Management Personnel Compensation**

Unit: CNY

Item	Current Period Amount	Previous Period Amount
Key Management Personnel Compensation	8,931,875.55	6,998,565.83

**6. Related-party receivables and payables****(1) Accounts Receivable Items**

Unit: CNY

Item Name	Related Party	Ending Balance		Beginning Balance	
		Book Balance	Allowance for Doubtful Accounts	Book Balance	Allowance for Doubtful Accounts
Accounts Receivable	Guizhou Kaiyang Baima Phosphorus Fertilizer Co., Ltd.	433,710.56			
Other Receivables	Fengyuan Phosphate Mine Co., Ltd. Yuan Phosphate Mine Co., Ltd.	175,030.40			
Other Receivables	Guizhou Donghua Engineering Co., Ltd. Co., Ltd.	2,125,000.00			

**(2) Project Payables**

Unit: RMB

Item Name	Related Party	Balance at End of Period	Opening Balance
Accounts Payable	Guizhou Donghua Engineering Co., Ltd.	29,185,008.36	

**XIV. Share-Based Payments****1. Overview of Share-Based Payments**

Applicable  Not Applicable

**XV. Commitments and Contingent Liabilities****1. Significant Commitments**

Significant Commitments Existing as of the Balance Sheet Date

As of December 31, 2023, the Company had no material commitments requiring disclosure.

**2. Contingent Liabilities****(1) Significant Contingent Liabilities as of the Balance Sheet Date**

As of December 31, 2023, the Company had no material contingent liabilities requiring disclosure.

**(2) The Company should also state that it has no material contingent liabilities requiring disclosure.**

The Company has no material contingent liabilities requiring disclosure.

**XVI. Events After the Balance Sheet Date****1. Other Explanations of Events After the Balance Sheet Date****1. 2023 Annual Profit Distribution Proposal**

On April 16, 2024, the Company convened the 23rd Meeting of the Seventh Board of Directors and the 12th Meeting of the Seventh Board of Supervisors to deliberate on the "Proposal on the 2023 Profit Distribution Plan."

Based on the Company's existing total share capital of 3,692,127,788 shares (excluding shares held in the Company's share repurchase account), the Company proposes to distribute a cash dividend of RMB 0.50

(tax inclusive) per 10 shares to all shareholders

0.5 yuan (tax inclusive) per 10 shares held by all shareholders, totaling 184,606,389.40 yuan (tax inclusive). The cash dividend amount constitutes 100% of the total profit distribution for this period. Should the Company's total share capital change prior to the implementation of this profit distribution plan due to share repurchases or other reasons, the cash dividend amount shall remain fixed and be adjusted accordingly.

**2. Other**

As of the date of approval of this report, the Company has no other material events subsequent to the balance sheet date that require disclosure.

**XVII. Notes to Major Items in the Parent Company Financial Statements****1. Accounts Receivable****(1) Disclosed by aging**

Unit: RMB

Accounts Receivable	Balance at End of Period	Opening Balance
Within 1 year (including 1 year)	14,548,256.52	28,476,761.19
Within 6 months	12,457,123.23	28,476,761.19
7-12 months	2,091,133.29	
Over 3 years	13,267.50	13,267.50
5 years or more	13,267.50	13,267.50
Total	14,561,524.02	28,490,028.69

**(2) Classified Disclosure by Bad Debt Provision Method**

Unit: Yuan

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful		Book Value	Book Balance		Allowance for Doubtful		Book value
	Amount	Ratio	Accounts			Accounts				
Amount			Provision Ratio	Amount	Provision Ratio	Amount	Provision Ratio			
Accounts receivable for which bad debt allowance is provided on an individual basis	13,267.50	0.09%	13,267.50	100.00%		13,267.50	0.05%	13,267.50	100.00%	
Of which:										
Provision for bad debts calculated by portfolio	14,548.256.52	99.91%	104,556.66	0.72%	14,443.699.86	28,476.761.19	99.95%			28,476.761.19
Accounts Receivable										
Accounts of which:										

Age Group	14,548.	99.91%	104,556	0.72%	14,443.	28,464,	99.91%			28,464,
Total	256.52		.66		699.86	852.61				852.61
Related Parties Portfolio						11,908.	0.04%			11,908.
						58				58
Total	14,561.	100.00%	117,824		14,443.	28,490,	100.00%	13,267.		28,476.
	524.02		.16		699.86	028.69		50		761.19

Provision for bad debts calculated on an individual basis:

Unit: Yuan

Name	Beginning Balance		Ending Balance			
	Book Balance	Allowance for Doubtful Accounts	Book Balance	Allowance for Doubtful Accounts	Allowance Ratio	Reason for Provision
Shanghai Heceng Construction Engineering Co., Ltd.	13,140.00	13,140.00	13,140.00	13,140.00	100.00%	Expected to be Uncollectible
Wuxi Haoxi Chemical Product Co., Ltd.	127.50	127.50	127.50	127.50	100.00%	Expected to be Uncollectible
Total	units by Portfolio: 13,267.50	13,267.50	13,267.50	13,267.50		
Name	Ending Balance			Allowance Ratio		
	Book Balance	Bad Debt Allowance				
Within 1 Year	14,548,256.52	104,556.66				
Of which: Within 6 months	12,457,123.23					
7-12 months	2,091,133.29	104,556.66		5.00%		
1 to 2 years				10.00%		
2 to 3 years				20.00%		
3 to 4 years				50.00%		
4 to 5 years				80.00%		
5 years or more				100.00%		
Total	14,548,256.52	104,556.66				

If the allowance for doubtful accounts is calculated using the expected credit loss general model:

Applicable  Not applicable

### (3) Details of bad debt provisions accrued, recovered, or reversed during the current period:

Current period provision for bad debts:

Unit: RMB

Category	Opening Balance	Current Period Changes				Ending Balance
		Accrual	Recoveries or Reversals	Write-off	Other	
Bad Debts on Accounts Receivable Provision	13,267.50	104,556.66				117,824.16
Total	13,267.50	104,556.66				117,824.16

### (4) Top Five Accounts Receivable and Contract Assets by Debtor at Period-End Balance

Unit: CNY

Company Name	Accounts Receivable Ending Balance	Contract Assets Ending Balance	Balance of Accounts Receivable and Contract Assets at Period-End	Percentage of Total Balance of Accounts Receivable and Contract Assets	Balance of Allowance for Doubtful Accounts and Impairment Reserve for Contract Assets at End of Period
Customer 1	4,781,056.64		4,781,056.64	32.83%	
Customer 2	2,696,596.71		2,696,596.71	18.52%	
Client Three	1,261,992.57		1,261,992.57	8.67%	60,352.43
Client Four	1,132,250.15		1,132,250.15	7.78%	38,406.91
Client Five	1,086,971.84		1,086,971.84	7.46%	
Total	10,958,867.91		10,958,867.91	75.26%	98,759.34

## 2. Other Receivables

Unit: CNY

Item	Ending Balance	Beginning Balance
Dividends Receivable	398,183,000.00	
Other Receivables	3,201,845,126.27	230,006,300.00
Total	3,600,028,126.27	230,006,300.00

### (1) 1)

#### Classification of Dividends

##### Receivable

Unit: Yuan

Item (or investee)	Ending Balance	Opening Balance
Gansu Dongfang Titanium Industry Co., Ltd.	250,000,000.00	
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	70,000,000.00	
Guangzhou Tai'ao Hua Co., Ltd.	50,000,000.00	
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.	20,000,000.00	
Panzhihua Zetong Logistics Co., Ltd.	8,183,000.00	
Total	398,183,000.00	

### (2) Other Receivables

#### 1) Classification of Other Receivables by Nature of Funds

Unit: CNY

Nature of Funds	Balance at End of Period	Opening Balance
Accounts Receivable	3,202,356,878.44	230,718,052.17
Deposits and Guarantees	298,904.65	98,904.65
Withholding and Collection Payments	1,356.84	2,220.00
Total	3,202,657,139.93	230,819,176.82

#### 2) Disclosed by aging

Unit: CNY

Account Age	Balance at End of Period	Opening Balance
Within 1 year (including 1 year)	3,201,844,826.27	230,000,000.00
Of which: Within 6 months	240,104.91	
7-12 months	3,201,604,721.36	230,000,000.00
1 to 2 years		863.16
Over 3 years	812,313.66	818,313.66
3 to 4 years		7,656.84
4 to 5 years	1,656.84	

5 years or more	810,656.82	810,656.82
Total	3,202,657,139.93	230,819,176.82

### 3) Classified Disclosure by Bad Debt Provision Method

Unit: Yuan

Category	Ending Balance					Beginning Balance				
	Book Balance		Allowance for Doubtful Accounts		Book Value	Book Balance		Allowance for Doubtful Accounts		Book value
	Amount	Ratio	Amount	Provision Ratio		Amount	Ratio	Amount	Provision Ratio	
Individual Bad Debt Provision	1,356.84		1,356.84	100.00%		2,220.00		2,220.00	100.00%	
Of which:										
Provision for bad debts calculated by portfolio	3,202.655,783.09	100.00%	810,656.82	0.03%	3,201.845,126.27	230,816,956.82	100.00%	810,656.82	0.35%	230,006,300.00
Of which:										
Age Group Total	810,883.09	0.03%	810,656.82	99.97%	226.27	810,656.82	0.35%	810,656.82	100.00%	
Low-Risk Portfolio	3,201.844,900.00	99.97%			3,201.844,900.00	230,006,300.00	99.65%			230,006,300.00
Total	debt calculated on an individual basis: 3,202.657,139.09	100.00%	812,013		3,201.845,126.27	230,819	100.00%	812,876		230,006 Unit: CNY
Name	Opening Balance			Ending Balance						
	Book Balance	Allowance for Doubtful Accounts		Book Balance	Allowance for Doubtful Accounts	Allowance Ratio	Reason for Provision			
Other	2,220.00	2,220.00		1,356.84	1,356.84	100.00%	Expected to be Uncollectible			
Total	debt by Portfolio: 2,220.00	2,220.00		1,356.84	1,356.84					
Name	Ending Balance									
	Book Balance	Bad Debt Allowance	Allowance Ratio							
Within 1 Year		226.27								
Of which: Within 6 months		226.27								
7-12 months			5.00%							
1 to 2 years			10.00%							
2 to 3 years			20.00%							
3 to 4 years			50.00%							
4 to 5 years			80.00%							
5 years or more		810,656.82	100.00%							
Total		810,883.09								

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

Unit: CNY

	Stage 1	Stage 2	Phase Three
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	Expected Credit Loss for the Next 12 Months	Expected Credit Loss Over the Entire Life (No Credit Impairment)	Expected Credit Loss Over the Entire Life (Credit-Impaired)	
Balance as of January 1, 2023	810,656.82		2,220.00	812,876.82
Balance as of January 1, 2023				
Write-offs for the Period			863.16	863.16
Balance as of December 31, 2023	810,656.82		1,356.84	812,013.66

Significant Changes in Book Value of Loss Allowance for Current Period

Applicable  Not Applicable

#### 4) Current Period Provision, Recovery, or Reversal of Bad Debt Allowance

Current Period Bad Debt Provision Details:

Unit: CNY

Category	Opening Balance	Current Period Changes				Ending Balance
		Accrual	Recovered or Reversed	Write-off or Write-down	Other	
Individual Loan Loss Provision Account provision	2,220.00			863.16		1,356.84
Collectively-Impaired Loan Loss Provision Provision for bad debts	810,656.82					810,656.82
Total	812,876.82			863.16		812,013.66

#### 5) Top Five Other Receivables by Debtor at Period-End Balance

Unit: CNY

Entity Name	Nature of the Amount	Balance at End of Period	Ageing	Percentage of Total Other Receivables at End of Period	Bad Debt Allowance Ending Balance
Unit 1	Accounts Receivable	3,201,644,600.00	Within 1 year	99.97%	
Unit 2	Accounts receivable	246,206.77	Over 5 years	0.01%	246,206.77
Unit 3	Accounts receivable	215,186.80	Over 5 years	0.01%	215,186.80
Unit 4	Deposits and Guarantees	200,000.00	Within 1 year	0.01%	
Unit 5	Accounts Receivable	140,000.00	Over 5 years		140,000.00
Total		3,202,445,993.57		100.00%	601,393.57

## 3. Long-term equity investments

Unit: CNY

Item	Ending Balance			Beginning Balance		
	Book Value	Impairment Reserve	Book Value	Book Balance	Impairment reserve	Carrying Amount
Investment in Subsidiaries	6,323,516.08	13,786,650.0	6,309,729.43	5,175,420.08		5,175,420.08
	6.61	0	6.61	9.46		9.46
Total	6,323,516.08	13,786,650.0	6,309,729.43	5,175,420.08		5,175,420.08
	6.61	0	6.61	9.46		9.46

## (1) Investment in Subsidiary

Unit: CNY

Investee	Opening Balance (Book Value)	Opening Balance of Impairment Reserve	Current Period Changes				Ending Balance (Carrying Amount)	Impairment Reserve - Ending Balance
			Additional Investment	Investment Reductions	Provision for Impairment	Other		
Anhui Jinxing Titanium Dioxide (Group) Co., Ltd.	1,283,673		370,972.4				1,654,645	
Co., Ltd.	,248.10		44.66				,692.76	
Gansu Oriental Titanium Industry Co., Ltd.	1,582,905						1,582,905	
Co.	,738.80						,738.80	
Guangzhou Tai'ao Hua Co., Ltd.	810,130.5						810,130.5	
Co., Ltd.	06.33						06.33	
Anhui Jinxing Titanium Dioxide Sales Co., Ltd.	600,000.0						600,000.0	
	00.00						00.00	
Guizhou Kaiyang Shuangyang Phosphate Mine Co., Ltd.			474,304.0				474,304.0	
			72.79				72.79	
Guizhou Xintianxin Chemical Co., Ltd.			424,291.9				424,291.9	
Co., Ltd.			24.36				24.36	
Huili Vanadium Energy Mining Co., Ltd.	300,000.0						300,000.0	
Co., Ltd.	00.00						00.00	
Panzhuhua Zetong Logistics Co., Ltd.	190,083.2						190,083.2	
Co., Ltd.	46.33						46.33	
Guangdong Zhonghe Junneng Technology Co., Ltd.			150,000.0		13,786.65		136,213.3	13,786.65
			00.00		0.00		50.00	0.00
Hami Zhonghe Vanadium- Titanium Co., Ltd.			100,000.0				100,000.0	
Company			00.00				00.00	
Wuxi Tiejie Investment Co., Ltd.	30,000.00						30,000.00	
Company	0.00						0.00	
Baiyin Zhonghe Times New Energy Co., Ltd.	1,954,905		3,000,000				4,954,905	
Co., Ltd.	.24		.00				.24	

Beijing Zhonghe Huichuang Technology Information Consulting Co., Ltd.			2,000,000.00				2,000,000.00	
Gansu Zetong Weili De Vanadium Materials Co., Ltd. Company	200,000.00						200,000.00	
Gansu Hecheng Titanium Industry Co., Ltd. Company	370,972.44.66			370,972.44.66				
Gansu Ruiske Lithium Battery Materials Co., Ltd. Co., Ltd.	2,500,000.00			2,500,000.00				
Gansu Zetong Weili De Green Energy Co., Ltd. Co., Ltd.	3,000,000.00			3,000,000.00				
<b>Total</b>	<b>5,175,420,089.46</b>		<b>1,524,568,441.81</b>	<b>376,472.44.66</b>	<b>13,786.650.00</b>		<b>6,309,729,436.61</b>	<b>13,786.650.00</b>

#### 4. Operating Revenue and Cost of Sales

Unit: CNY

Item	Current Period Amount		Previous Period Amount	
	Revenue	Cost	Revenue	Cost
Other Business	70,915,976.10	57,063,330.32	155,204,272.01	105,094,207.12
<b>Total</b>	<b>70,915,976.10</b>	<b>57,063,330.32</b>	<b>155,204,272.01</b>	<b>105,094,207.12</b>

Information related to the transaction price allocated to the remaining performance obligations:

The amount of revenue corresponding to performance obligations under contracts signed but not yet fulfilled or fully fulfilled at the end of the reporting period is RMB 0.00. Of this amount, RMB 0.00 is expected to be recognized as revenue in -year, RMB 0.00 is expected to be recognized as revenue in -year, and RMB 0.00 is expected to be recognized as revenue in -year.

#### 5. Investment Income

Unit: RMB

Item	Current Period Amount	Previous Period Amount
Gains on Long-Term Equity Investments Accounted for Using the Cost Method	803,094,262.14	530,000,000.00
Long-term equity investment income accounted for under the equity method		-19,123.55
Gain on disposal of long-term equity investments	162.46	2,535,761.17
<b>Total</b>	<b>803,094,424.60</b>	<b>532,516,637.62</b>

### XVIII. Supplementary Information

#### 1. Schedule of Non-Recurring Gains and Losses for the Current Period

Applicable  Not Applicable

Unit: Yuan

Item	Amount	Description
Gain/Loss on Disposal of Non-Current Assets	-5,461,230.89	
Government grants recognized in profit or loss for the period (excluding grants closely related to the company's normal business operations, compliant with national policies, received according to established standards, and having a continuing impact on the company's profit or loss)	111,647,507.84	
Gains or losses from changes in fair value of financial assets and liabilities held by non-financial enterprises, and gains or losses from disposal of financial assets and liabilities, excluding effective hedging activities related to the company's normal business operations	1,695,125.83	
One-time expenses incurred by an enterprise due to the discontinuation of related operating activities, such as expenditures for employee relocation	1,980,958.72	
Other non-operating income and expenses not included in the above categories	3,613,943.98	
Other profit and loss items meeting the definition of non-recurring gains and losses	360,678.50	Refund of withholding tax handling fees received
Less: Income tax effect	16,662,842.47	
Impact on minority interests (after tax)	352,514.89	
Total	96,821,626.62	--

Details of other income/expense items meeting the definition of non-recurring gains/losses:

Applicable  Not applicable

The Company has no other specific circumstances regarding profit or loss items meeting the definition of non-recurring gains or losses.

Explanation of classifying non-recurring profit and loss items listed in "Interpretative Announcement No. 1 on Information Disclosure by Companies Issuing Securities to the Public—Non-recurring Profit and Loss" as recurring profit and loss items

Applicable  Not Applicable

## 2. Return on Equity and Earnings Per Share

Reporting Period Profit	Weighted average return on net assets	Earnings Per Share	
		Basic Earnings Per Share (RMB/share)	Diluted Earnings Per Share (CNY/share)
Net Profit Attributable to Common Shareholders of the Company	3.69%	0.1150	0.1150
Net profit attributable to ordinary shareholders of the company after deducting non-recurring gains and losses	2.84%	0.0884	0.0884

China Nuclear Huayuan Titanium Dioxide Co., Ltd.

Chairman: Yuan Qiuli April

18, 2024