Stock ticker: 600884 **Stock abbreviation: Shanshan**



[illegible]

[illegible] 2022 [illegible]

2022

Statement of the Company

1. #KCpnhsnBdDtgh

nofbPn, ndpndnofi

pghsn

2. #sBlgbpAsh

#sL eCpnI p#o

#n fsKCpnsnCn

dFnofnI fnDsnofnCpnhy Isl

sX25 -- #n#n fsfKCpnl

I n#X

3. pnhnfnP#n , nCpnhnb

hfnhpsgpnsnhhk

dP#hhn

4. #nfnBdDsn#n fo

A-nAynsnhsn

5. #s sndDhnhgh

fnpnfn dpn

hsnbn #n . #fnpfn

P#n fnhnnPnjonhpo

hfsn dpn

6. I ndnhyn

dBfd

Special Note

1. The Board of Directors of the Company has proposed a cash dividend of RMB3.40 (tax inclusive) per 10 shares to all shareholders based on the total share capital registered on the dividend distribution record date. The proposal is subject to consideration and approval at the annual general meeting of the Company.

2. Unless otherwise specified, the following terms have the same meanings as those defined in "Definitions" (pages 3 to 5) in this annual report.

This annual report contains forward-looking statements, including statements regarding our future results of operations and financial position, business strategy and plans and objectives for future operations. These statements are based on our management's current expectations and are subject to a number of risks and uncertainties. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that these expectations will prove to be correct. Actual results could differ materially from those contemplated by these forward-looking statements. Factors that could cause actual results to differ materially include those discussed in "Risk Factors" (pages 36 to 45) in this annual report. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this annual report. All forward-looking statements in this annual report are qualified by reference to this cautionary statement.

(In RMB 0000)

No.	Project name	Total project investment	Amount of proceeds invested	Implementation entity
1	300,000	792,710.64	420,000.00	
2		180,000.00	180,000.00	
Total		**972,710.64**	**600,000.00**	-

-

8.

, .

9.

.

10.

110) ,

17)

31),

, .

.

Contents

[illegible] 2
[illegible] 6
[illegible] 8
[illegible] 11
I. [illegible] 11
II. [illegible] 12
III. [illegible] 19
IV. [illegible] 22
V. [illegible] 22
VI. [illegible] 23
VII. [illegible] 24
[illegible] 25
I. [illegible] 25
II. [illegible] 25
III. [illegible]
[illegible] 33
IV. [illegible] 33
[illegible]
[illegible] 34
I. [illegible]

Def P46 90 792.6 Tm [(N)-5.3(6.188.EMCngbo)2

Cln	n	On in (NA)
Aln	n	On in - - - -

		1000
CAT		
AT		
GES		
G		. (051910.
CN		
GDR		

I I . B h

(I) B h

1. Under the background of “carbon peaking and carbon neutrality”, countries and regions around the world have enhanced their focus on new energy, and the industry of new energy vehicles and energy storage has ushered in a period of rapid development.

I n 2021, C C C
C F y A d C
I D e C A C N
2030 (G F 2021] N 23)
D “ ” p
I C , E E
I n 2020, E 27% y 2021. O
8, 2022, E E E C
E 2035. O A 16, 2022, B f U s g
I A f 2022, $369 h
40% y 2030.

2. The rapid development of the global new energy vehicle and energy storage industries will create vast development potential for the lithium-ion battery industry

According to the "China Electric Vehicle Charging Infrastructure Promotion Alliance" statistics, in 2021, the country added 562.4GW of power generation capacity, a year-on-year increase of 91.0%. The rapid growth of new energy vehicles (NEVs) s

[illegible] 779,000 [illegible] 86.4%

[illegible]

[illegible]

[illegible]

[illegible]

[illegible] (2022) , in 2021, [illegible] 86.1% [illegible]

[illegible] 8.4 [illegible] 2020.

[illegible]

[illegible]

[illegible]

[illegible] (2022) , [illegible] 2025 [illegible] 2030, [illegible]

[illegible] 2.705 [illegible] 7.054 [illegible]

[illegible] 90% [illegible]

[illegible]

4. The Company is a world-leading manufacturer of anode materials for lithium-ion batteries, and will further increase its production capacity to meet the growing demand of downstream customers and continue to strengthen its global

1. To respond to the national "carbon peaking and carbon neutrality" strategy, to facilitate the development of new energy industry

2. To comprehensively accelerate the layout of 2 Tc -0.n (2.)Tj -0.087 Tc 0.197 Tw 1.11 -

3. To optimize the capital structure, enhance profitability, and consolidate the foundation for sustainable development

[illegible] 30% [illegible] , [illegible] 671,539,661 [illegible] 671,539,661 [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(VI) Lock-up period

[illegible]

[illegible]

[illegible]

(IX) Term of validity of resolution

[illegible]

IV. Use of the proceeds

[illegible], [illegible]6,000

[illegible]

(In RMB'0000)

No.	Project name	Total project investment	Amount of proceeds invested	Implementation entity
[illegible]				
1				

[illegible] 72,212,189 [illegible] 3.23%

[illegible]

77,873,254 [illegible]

[illegible] 3.48% [illegible]

[illegible]

[illegible] ,138,227,502 [illegible] 50.85%

[illegible]

[illegible]

[illegible] t, [illegible] , [illegible]

[illegible] 2,910,005,199 [illegible]

[illegible] ,138,227,502 [illegible]

[illegible] 39.11% [illegible]

[illegible]

[illegible]

VII. The approval status of the offering plan and the procedures for report and application

[illegible] 34 [illegible] 10 [illegible]

[illegible] 17, 2022, [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Section II Feasibility Analysis of the Board of Directors on the Use of Proceeds

I. Plan for the Use of Proceeds

[illegible], [illegible]6,000

[illegible]

[illegible]

(In RMB 0000)

No.	Project name	Total project investment	Amount of proceeds invested	Implementation entity
	[illegible]			
1				

1)

1. Basic information of the project

300,000

792,7106,400,

200

937.70 562,376

1,047,262

2. Necessity of project implementation

(1)

.

(2)

As

180,000

94,000

3. Feasibility of project implementation

(1)

As

A

lb ad df gs b
i l s 9 8 sb gd
lg lb A g d E Y T
f W 244GW 2025, l CAGR
6 39% g 2021- 2025.

D y p g b f p v d g
b n i y g l A g
o h d GGI I , i 6 2022, l s f m
y d T (&43( )-4( )-4( )] 0.008 0 0 o)-2( )-2(p 68-4( )% T [1.49( )] T 0.06 T 0.014 T 5431 0 d T [( )-4( )-4( )-1( )-1010

[illegible]

[illegible]

[illegible]

4. Project investment estimate

[illegible]7,927.1064 [illegible]

[illegible]

(I [illegible]0000)

No.	Investment content	Investment amount
1	[illegible]	567,053.67
1.1	C[illegible]	92,867.71
1.2	E[illegible]	474,185.96
2	[illegible]	41,770.30
3	[illegible]	30,441.20
4	[illegible]	139,570.47
5	[illegible]	13,875.00
6	**Total project investment**	**792,710.64**

5. Project construction period

A[illegible]

[illegible] RMB1,800 [illegible]

[illegible]

[illegible]

[illegible]

2. Necessity of the project

(1) [illegible]

[illegible]

[illegible] RMB8,679.9110 [illegible], RMB8,215.8967

[illegible] RMB2,0699.3826 [illegible] 2019, 2020 [illegible] 2021, [illegible]

CAGR654.43%. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(2) [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

3. Feasibility of the project

[illegible]

[illegible]

-

Section III Discussion and Analysis of the Board of Directors on the Impact of the Offering on the Company

I. Changes in the business and asset integration plan, Articles of Association, shareholder structure, senior management structure and business revenue structure of the Company after the offering

2,910,005,199

1,138,227,502

39.11%

(IV) Change in senior management after the offering

(V) Change in business revenue structure after the offering

II. Change in financial position, profitability and cash flow of the Company after the offering

(I) Impact of the offering on the financial position of the Company

[illegible]

(II) Impact of the offering on the profitability of the Company

[illegible]

[illegible] -14( ) -0.004 -09.52 -1.95 B( ) 16( ) -44( ) 4( ) 1( ) -4( ) -2(e) -9.3( ) 6.( ) 3568 0

[illegible]

IV. Upon the completion of the Private Placement, whether the Company's capital and assets will be occupied by the controlling

(IV) The risk of fluctuation in raw material and outsourced processing price

(VIII) Risk of capacity digestion or benefits of the proceeds-funded project falling short of expectation

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(XI) Risk of stock price fluctuation

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Section IV Profit Distribution Policy of the Company and Its Implementation

I. Profit distribution policy of the Company

(I) Basic principles for profit distribution

10% 30%

4. B A

(1) I C 80%

(2) I C , 40%

(3) I C 20%

4. C C

(III) Procedures for reviewing profit distribution scheme

(V) Arrangement for the use of undistributed profits for the current year

II. Cash dividends in the last three years and use of undistributed profit

(I) Profit distribution schemes of the Company in the last three years and the implementation

[illegible]	124,916.98
[illegible]	79.13%

(III) Use of the undistributed profits in the last three years

[illegible]

[illegible]

[illegible]

III. Shareholder return plan of the Company for the coming three years

(I) Specific shareholder return planning of the Company for the coming three years (2022 to 2024)

[illegible]

[illegible]

[illegible]

(2022 to 2024) [illegible]

[illegible] e

[illegible]

(2022 [illegible]

[illegible]

[illegible]

1. Form of profit distribution

[illegible]

[illegible]

2. Conditions and proportions of profit distribution

(1)

(2)

(3)

80%; 40%; 20%;

3. Interval of profit distributions

10%

(II) Formulation cycle of the shareholder return plan and relevant decision-making mechanism

1.

)。

2.

(III) Adjustment of the shareholder return plan

[illegible]

(IV) Protection of the interests of shareholders

1. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

2. [illegible]

[illegible]

[illegible]

3. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

4. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[

Section V Statements and Commitments of the Board of Directors Related to the Offering

I. Statement of the board on whether there is any equity financing plan other than this offering in the next twelve months

II. Matter related to the immediate return dilution resulting from this offering

(I) Impact of the immediate return dilution resulting from the offering on the key financial indicators of the Company

1. Key assumptions and premises

(1) I [illegible]

[illegible]

[illegible]

(2) I [illegible] 2022.

[illegible]

[illegible]

[illegible]

[illegible].

(3) I [illegible] RM6,000

[illegible] 671,539,661

[illegible]

[illegible].

(4) A [illegible] 2021 [illegible]

[illegible] n 2021 [illegible] RM 3,339.6965

[illegible] RM 1,885.3201 [illegible]

[illegible]

[illegible] RM 1,194.7189 [illegible]

[illegible] 315.22% [illegible] [illegible]

[illegible] RM 1,197.2006 [illegible] 2021. [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

2021.

(5)

Company

(6)

(7)

2. Impact on the key financial indicators of the Company

Item	December 31, 2021/2021	December 31, 2022/2022	
		Before the offering	After the offering
[illegible]	2,142,919,938	2,238,465,538	2,910,005,199
Scenario 1: The net profit attributable to the owner of the parent company after deducting non-recurring gains and losses in 2022 increases by 20.00% as compared with that of 2021			

[illegible]

Bi ig p h f
d6 g

2. The talent, technology and market reserve of the Company

(1) Talent reserve

As of the end of the Reporting Period, the Company had a total of 1,000 employees. The Company has established a talent team with reasonable structure, rich experience and strong innovation capability. The Company has established a sound talent training system and a scientific performance appraisal system to provide employees with diversified training opportunities and career development paths, and to motivate employees to continuously improve their professional skills and work efficiency. The Company has also established a competitive remuneration system to attract and retain outstanding talents.

(2) Technology reserve

As of the end of the Reporting Period, the Company had obtained a total of 100 patents, including 50 invention patents, 30 utility model patents and 20 design patents. The Company has also obtained 10 software copyrights and 5 integrated circuit layout designs. The Company has established a sound intellectual property management system to protect its technological achievements and innovations.

3. Risk factors and countermeasures

(1) Risk factors

As an investment holding company, the Company's operations are subject to various risks, including but not limited to market risk, credit risk, liquidity risk, operational risk and legal risk. The Company has established a comprehensive risk management system to identify, assess, monitor and control these risks.

(2) Countermeasures

The Company has adopted the following countermeasures to address the risks mentioned above:

"Risk Management Policy", "Internal Control Manual", "Anti-Money Laundering Policy", "Whistleblowing Policy", "Code of Conduct", "Information Technology Security Policy", "Business Continuity Plan", "Emergency Response Plan", "Investment Guidelines", "Credit Risk Management Policy", "Liquidity Risk Management Policy", "Operational Risk Management Policy", "Legal Risk Management Policy", "Compliance Manual", "Data Protection Policy", "Cybersecurity Policy", "Outsourcing Policy", "Business Continuity Management Policy", "Crisis Management Policy", "Investment Committee Charter", "Risk Committee Charter", "Audit Committee Charter", "Remuneration Committee Charter", "Nomination Committee Charter", "Corporate Governance Policy", "Shareholder Communication Policy", "Dividend Policy", "Environmental, Social and Governance Policy", "Sustainability Report", "Annual Report", "Interim Report", "Quarterly Report", "Monthly Report", "Weekly Report", "Daily Report", "Real-time Report", "Ad hoc Report", "Special Report", "Internal Audit Report", "External Audit Report", "Regulatory Report", "Tax Report", "Financial Statements", "Consolidated Financial Statements", "Notes to Financial Statements", "Auditor's Report", "Directors' Report", "Chairman's Statement", "Chief Executive Officer's Statement", "Chief Financial Officer's Statement", "Chief Risk Officer's Statement", "Chief Compliance Officer's Statement", "Chief Technology Officer's Statement", "Chief Operating Officer's Statement", "Chief Investment Officer's Statement", "Chief Human Resources Officer's Statement", "Chief Marketing Officer's Statement", "Chief Sustainability Officer's Statement", "Chief Information Officer's Statement", "Chief Data Officer's Statement", "Chief Digital Officer's Statement", "Chief Innovation Officer's Statement", "Chief Strategy Officer's Statement", "Chief Corporate Development Officer's Statement", "Chief Legal Officer's Statement", "Chief Ethics Officer's Statement", "Chief Diversity Officer's Statement", "Chief Inclusion Officer's Statement", "Chief Equity Officer's Statement", "Chief Social Responsibility Officer's Statement", "Chief Environmental Officer's Statement", "Chief Governance Officer's Statement", "Chief Audit Executive's Statement", "Chief Internal Auditor's Statement", "Chief Risk Officer's Statement", "Chief Compliance Officer's Statement", "Chief Technology Officer's Statement", "Chief Operating Officer's Statement", "Chief Investment Officer's Statement", "Chief Human Resources Officer's Statement", "Chief Marketing Officer's Statement", "Chief Sustainability Officer's Statement", "Chief Information Officer's Statement", "Chief Data Officer's Statement", "Chief Digital Officer's Statement", "Chief Innovation Officer's Statement", "Chief Strategy Officer's Statement", "Chief Corporate Development Officer's Statement", "Chief Legal Officer's Statement", "Chief Ethics Officer's Statement", "Chief Diversity Officer's Statement", "Chief Inclusion Officer's Statement", "Chief Equity Officer's Statement", "Chief Social Responsibility Officer's Statement", "Chief Environmental Officer's Statement", "Chief Governance Officer's Statement", "Chief Audit Executive's Statement", "Chief Internal Auditor's Statement", "800-

[illegible]

(3) [illegible]

[illegible]

(V) The mitigation and remediation measures for the immediate return dilution resulting from the Private Placement

[illegible]

1. To strengthen the supervision over the proceeds, guard against risks in

the use of proceeds, and ensure that the proceeds is used reasonably and lawfully

[illegible]

indtpsl -qtiseg tsb

ssspb

III. Undertakings of the relevant parties

(I) Commitments of the controlling shareholder and actual controller

1.

2.

3.

(II) Commitments of directors and senior officers

1. I [illegible]

[illegible]

[illegible]

2. I [illegible]

[illegible]

3. I [illegible]

[illegible]

4. I [illegible]

[illegible]

[illegible]

[illegible]

[illegible]