

# Conch Venture 2024

## Interim Results Presentation

### Materials

August 2024

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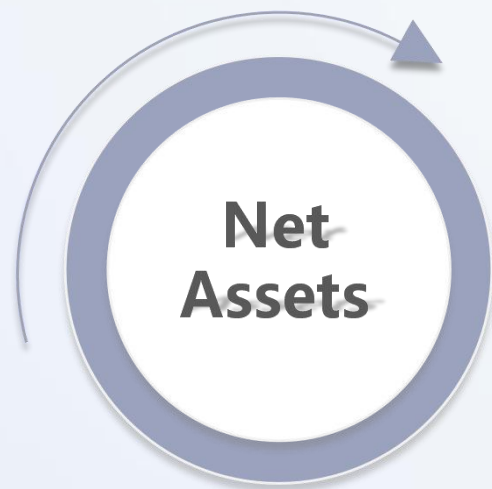
**Outlook for  
the Future**

01

# FINANCIAL INFORMATION

01

# 1.1 Financial Information



Unit: million	
✓ 2024H	<b>81,902</b>
✓ 2023	<b>80,460</b>

Unit: million	
✓ 2024H	<b>48,505</b>
✓ 2023	<b>47,752</b>

Unit: %	
✓ 2024H	<b>40.8%</b>
✓ 2023	<b>40.7%</b>

Unit: million	
✓ 2024H	<b>939</b>
✓ 2023H	<b>936</b>

Unit: million



## Operating income

2024H	3,135
2023H	4,438

## Gross profit rate

2024H	36.71%
2023H	26.61%



## Net profit attributable to equity shareholders

2024H	1,176
2023H	1,818



## Net profit attributable to equity shareholders of the main business

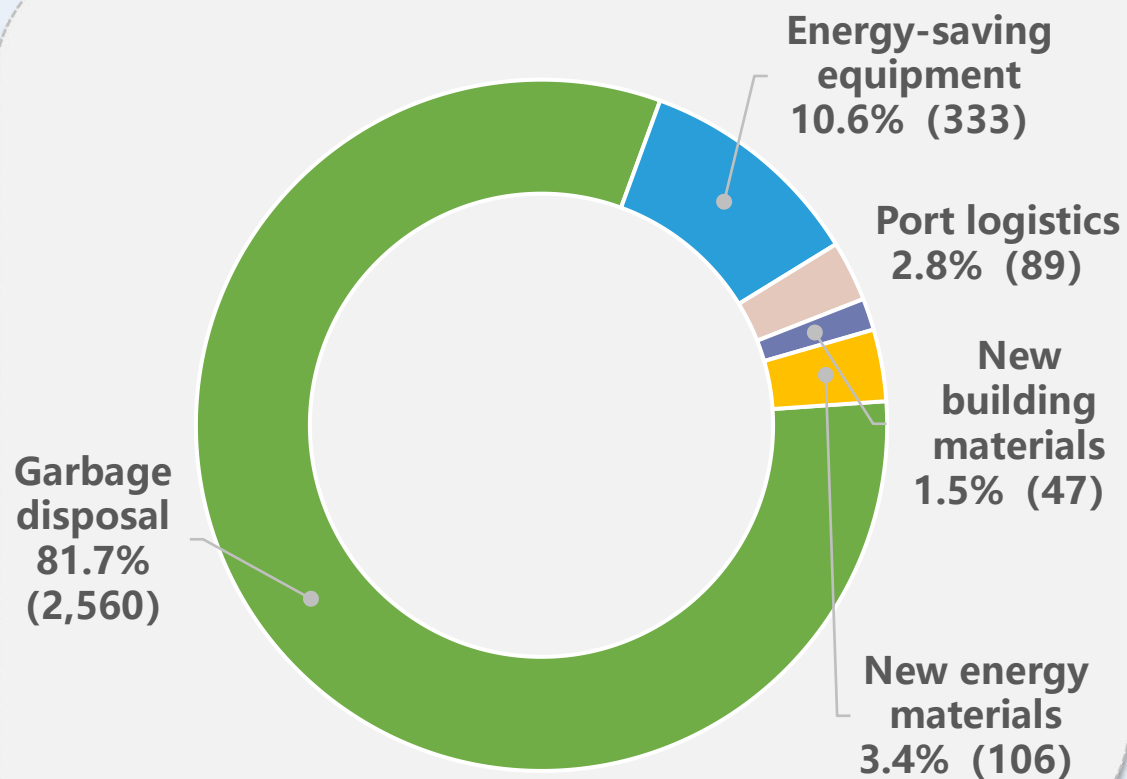
2024H	475
2023H	549



# 1.3 Segment operating income and net profit from equity

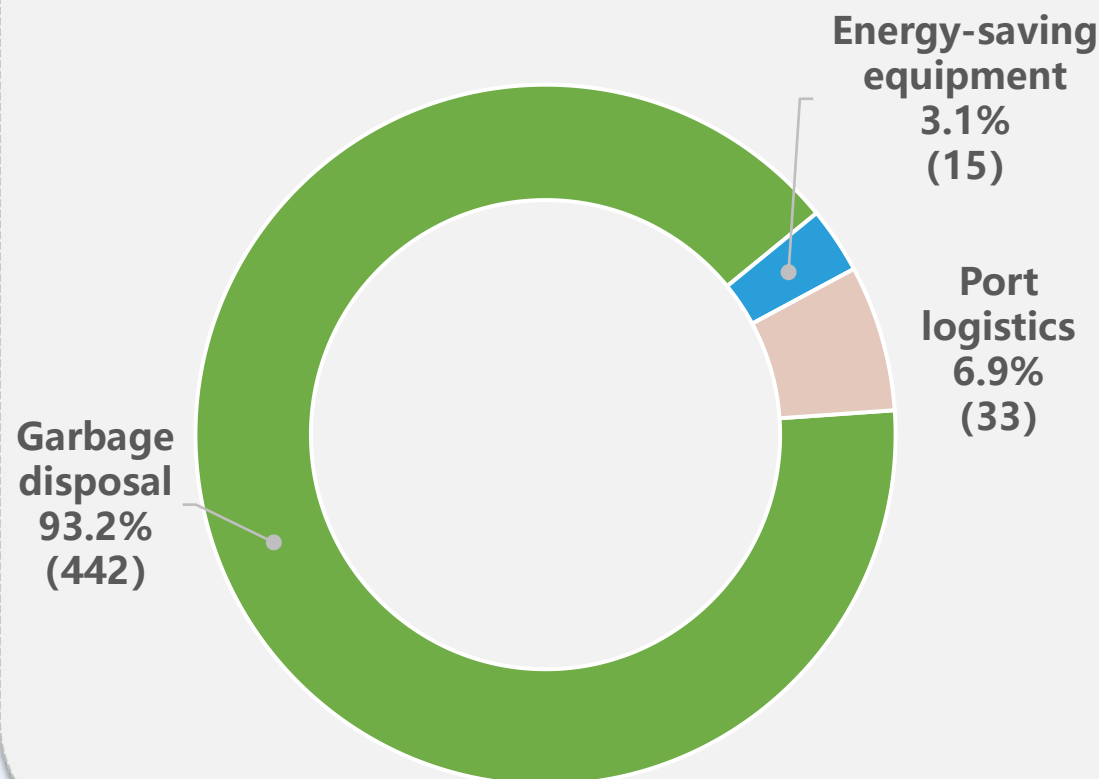
## Operating income

Unit: million



## Net profit attributable to equity shareholders from the main business

Unit: million



02

**PERFORMANCE  
HIGHLIGHTS**

02

## 2.1 The business scale has increased steadily by focusing on the main business

### Garbage disposal plate (116)

Garbage power generation project	101
Cement kiln garbage disposal project	10
Independent kitchen waste disposal project	2
Other disposal projects	3

### Cyclic plate (10)

Lithium battery recycling and comprehensive utilization project	10
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### New energy plate (2)

Ferrous lithium phosphate cathode material project	1
Negative graphite integration project	1

### Other industry plate (3)

Port logistics	1
New building materials project	2

### Promotion effect



- ✓ In the first half of the year, the company put **five** garbage power generation projects into operation, and the Beining project in Vietnam was officially put into operation, and **two domestic garbage power generation general contracting projects in Thailand were successfully won**. By the end of the reporting period, the contracted scale was **58,000 tonnes/day**, and the production scale was **48,000 tonnes/day**.
- ✓ The company is speeding up the cultivation of recycling industry. By summing up the experience of the project, it continues to promote the technical transformation measures, further optimize and improve the process technology, and enhance the competitiveness of products.

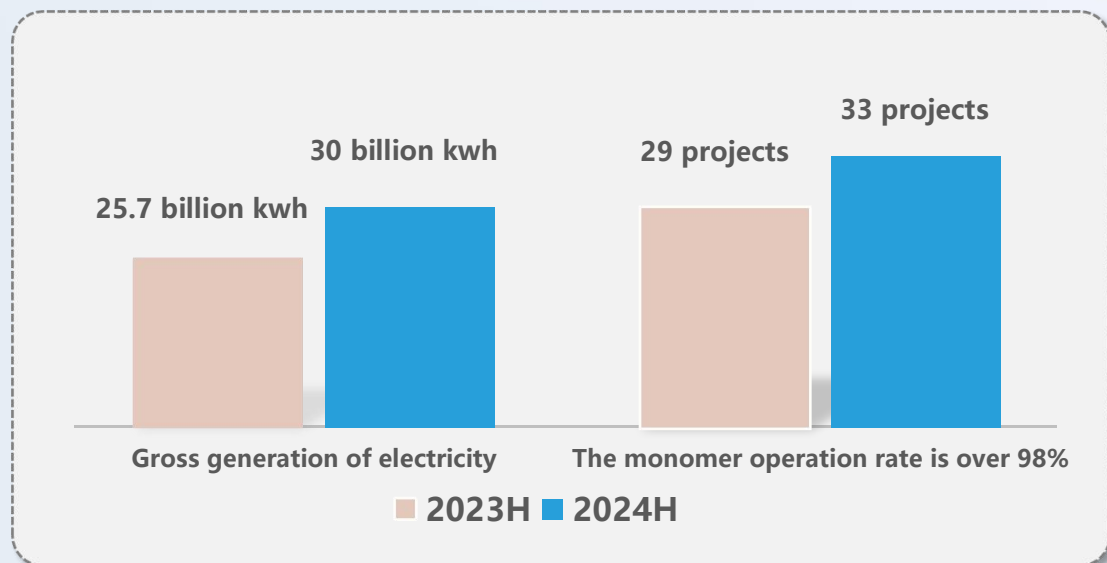


## 2.2 Make more efforts to steadily improve the quality of operation

The total power generation has steadily increased, and the project operation rate has reached **94%**  same as last year's value

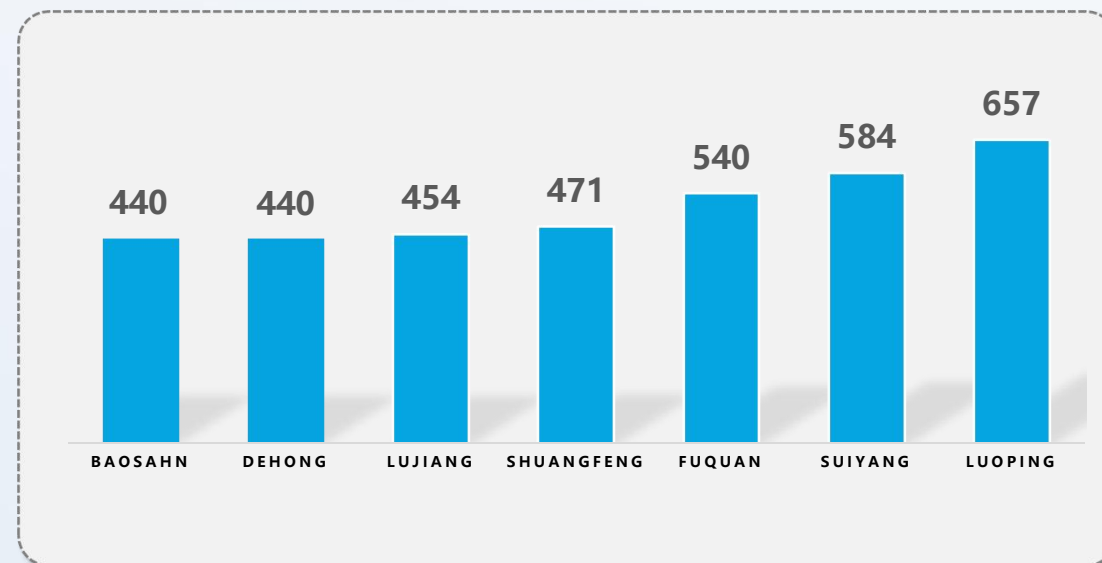
During the reporting period, the company optimized a number of operational economic indicators according to the differences in garbage characteristics and geographical location of various garbage power generation projects, achieving an average of **326 kWh** per tonne of on-grid electricity. **Eight** new units, including Baoshan in Yunnan, Lujiang in Anhui and Xianyang in Shaanxi, entered the "**365 Club**" for continuous operation. The continuous running time of Yunnan Luoping project **refreshes the record of project running time**.

### Operation of garbage power generation plate



### Duration of continuous operation cycle of the project

Unit: day



## 2.3 Diversification, enhance efficiency channels



## 2.4 Gross profit margin increased and cash flow management was strengthened

01

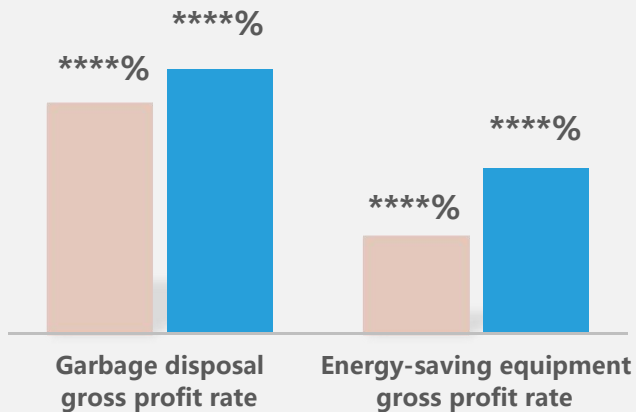
### Gross profit margin continues to rise



year-on-year growth  
9.8 percentage points

Unit: %

year-on-year growth  
14.1 percentage points



■ 2023H ■ 2024H

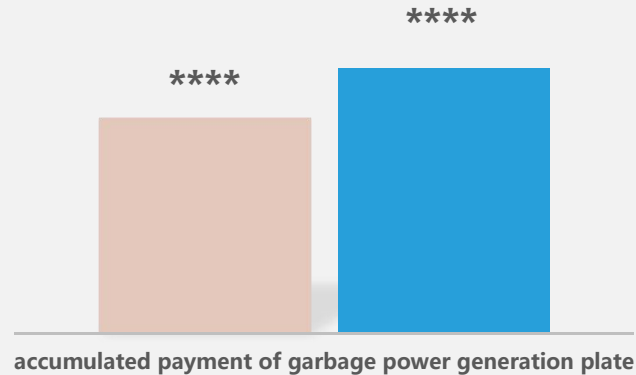
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### The increase in payment is obvious



Unit: 100 million yuan

an increase of 350 million  
yuan year-on-year



■ 2023H ■ 2024H

03

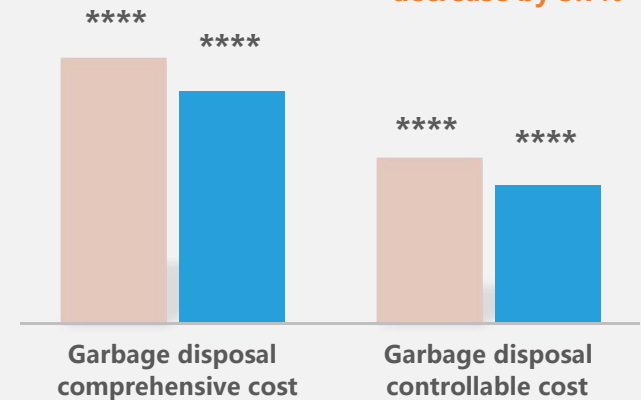
### Unit cost decline



Unit: yuan/tonne

decrease by 2.1%

decrease by 3.7%



■ 2023 ■ 2024H

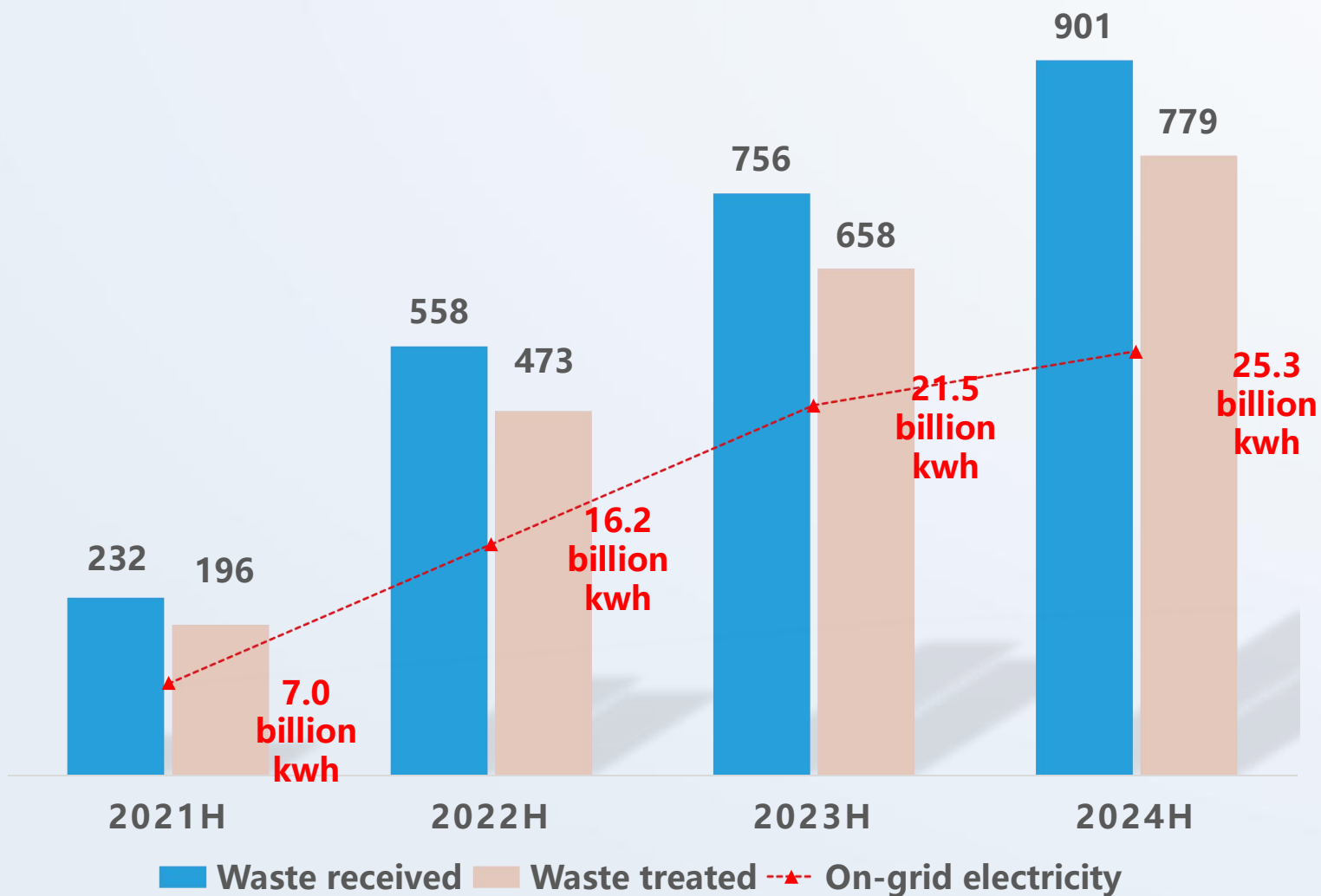
03

**PERFORMANCE  
REVIEW**

03

# 3.1 Waste Treatment Operations

Unit: 10,000 tonnes billion kWh



During the reporting period, the Group's garbage disposal business:

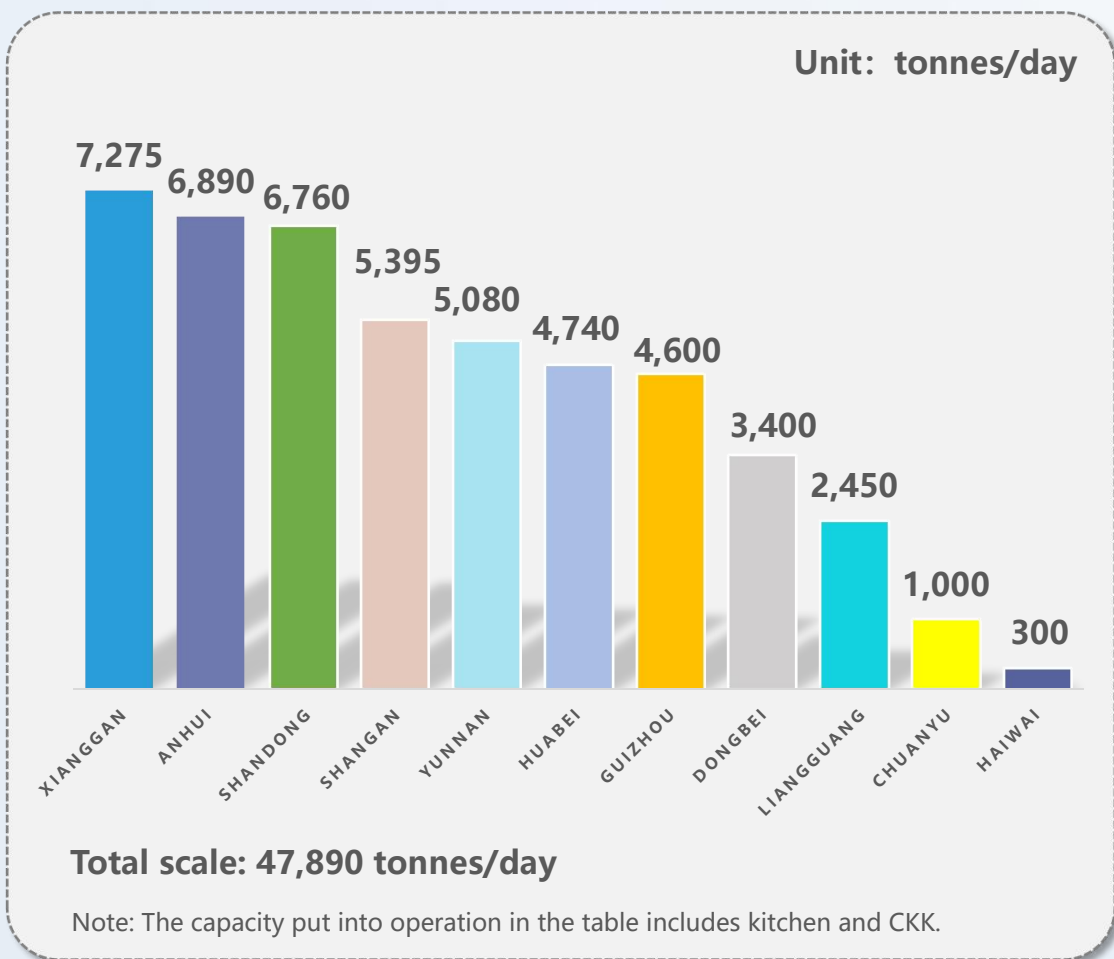
A total of **9.25 million tonnes** of domestic waste was received (including kitchens and CKK) , of which **9.01 million tonnes** were generated by waste, a year-on-year increase of about **19%** .

A total of **8.00 million tonnes** of domestic waste (including kitchens and CKK) was disposed of, of which **7.79 million tonnes** were generated by waste, an increase of about **18%** year-on-year.

The waste-to-energy business achieved a power generation capacity of **30 billion kWh**, a year-on-year increase of about **17%**; **25.3 billion kWh** of Internet access , a year-on-year increase of about **17%** .

# 3.1 Waste Treatment Operations (continued)

### Operation Capacity Breakdown by Region



### Regional production capacity of garbage disposal plate

zone	Number of companies (units)	Daily processing scale (tonne/day)	Incoming volume (10,000 tonnes)	handling capacity (ten thousand tonnes)	electric energy production (100 million degrees)	Online power consumption (100 million tonnes)
southwest	20	**	**	**	**	**
North China	14	**	**	**	**	**
central China	11	**	**	**	**	**
northeast	8	**	**	**	**	**
East China	11	**	**	**	**	**
northwest	9	**	**	**	**	**
South China	3	**	**	**	**	**
abroad	1	**	**	**	**	**
<b>Total</b>	<b>77</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>**</b>

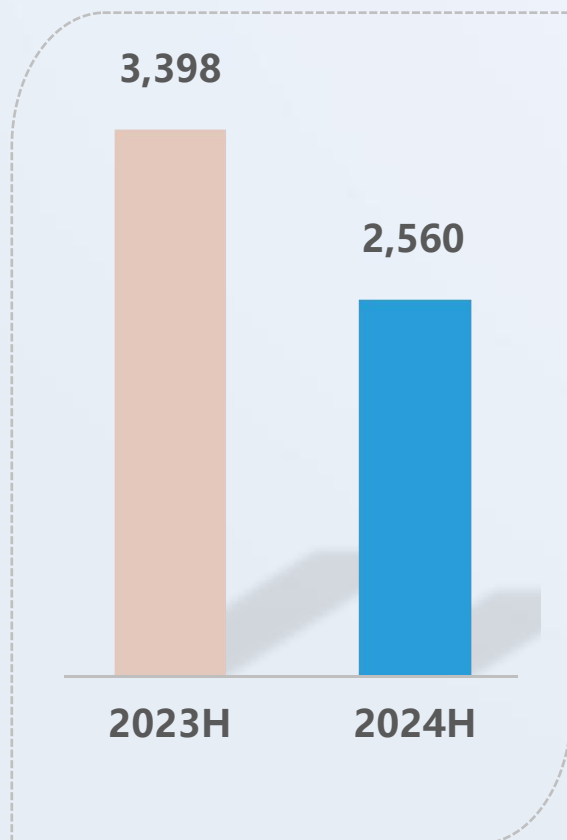


Up to the reporting period, a total of **32** grate-fired waste power generation projects have been included in the national supplementary list, and **43** projects are under examination and approval, including **16** bidding projects.

## 3.2 Waste Treatment Performance

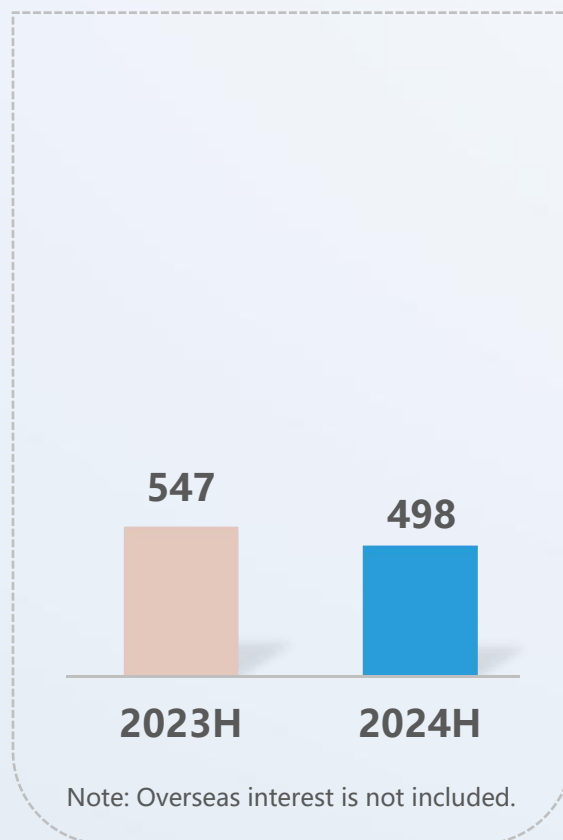
### Operating income

Unit: million



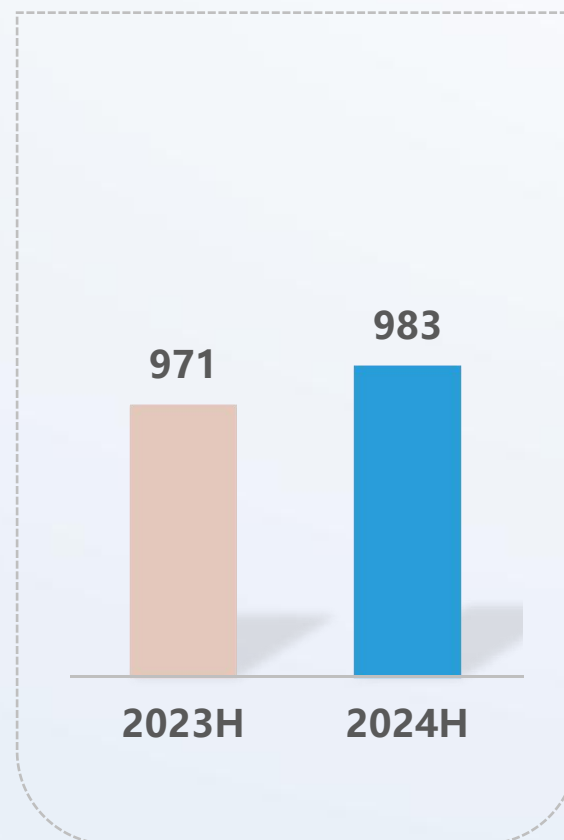
### Profit attributable to the parent company

Unit: million



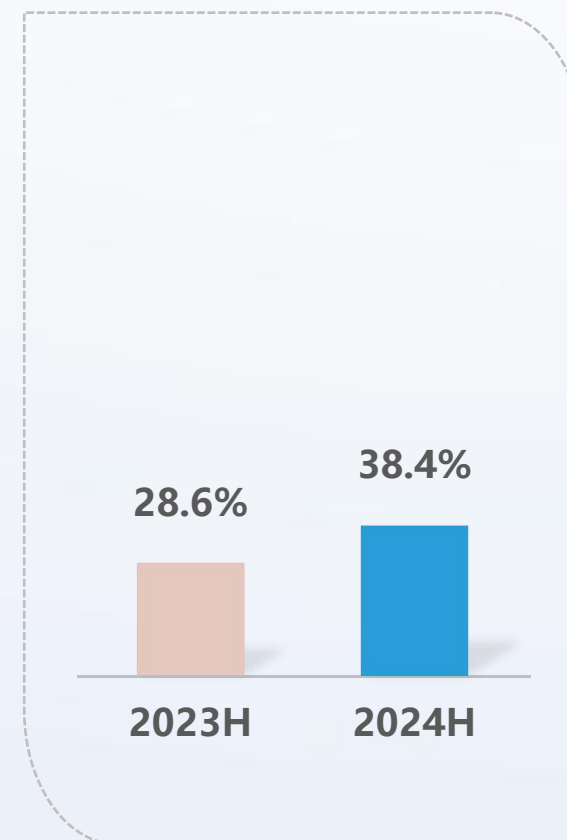
### Gross profit

Unit: million



### Gross profit rate

Unit: %



## 3.2 Waste Treatment Performance (continued)



Unit: million

Revenue Composition	2024H		2023H		Change in amount (%)	Change in proportion (ppts)
	Amount	Proportion (%)	Amount	Proportion (%)		
<b>Operating revenue</b>	<b>1,958.2</b>	<b>76.5</b>	<b>1,697.4</b>	<b>50.0</b>	<b>15.4</b>	<b>26.5</b>
Grate furnace waste power generation	1,936.9	75.7	1,667.4	49.0	16.2	26.6
Waste treatment by cement kilns	21.3	0.8	30.0	1.0	-29.1	-0.1
<b>Construction revenue</b>	<b>602.6</b>	<b>23.5</b>	<b>1,700.1</b>	<b>50.0</b>	<b>-64.6</b>	<b>-26.5</b>
Grate furnace waste power generation	602.6	23.5	1,700.1	50.0	-64.6	-26.5
<b>Total</b>	<b>2,560.8</b>	<b>100.0</b>	<b>3,397.5</b>	<b>100.0</b>	<b>-24.6</b>	<b>-</b>

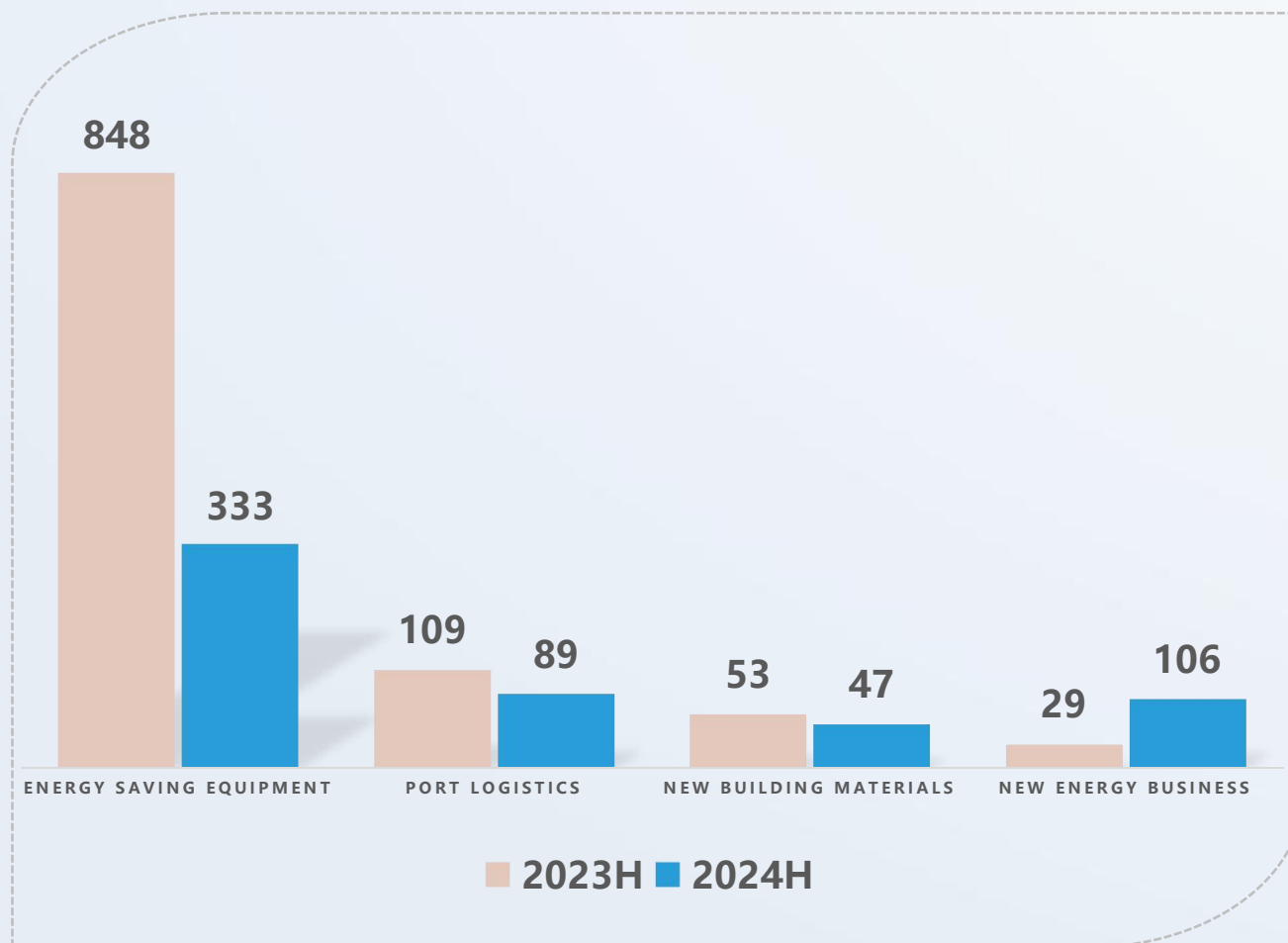
- ✓ The proportion of operating income continued to increase to **76.5%**, a year-on-year increase of about **27 percentage points**.
- ✓ **Five** new projects including Chongqing Liangping, Hunan Qiyang and Anhui Dongzhi were put into production.



### 3.3 Operating Performance of Other Segment

#### Operating Income

Unit: million



#### Net profit attributable to the parent company

Unit: million



The company has laid out 9 lithium battery recycling projects in 8 provinces including Anhui, Shandong, Henan, Hebei, Shaanxi, Hunan, Hubei and Zhejiang.

### Grasp the market construction

We will fully expand the procurement channels for major customers of lithium batteries, and **add 7 key customers such as \*\*\*\* and \*\*\*\*, and the regional marketing center in North China.**

### Grasp the solid, stable and excellent yield

Summarize the operation experience of trial production, **carry out optimization and upgrading**, strengthen the quality control of the whole process, and ensure the stability of production and the maximization of product value.



### Grasp the soft power of enterprise competition

It has successively won the top ten strategic emerging industry competitions in Wuhu and entered the list of pilot enterprises in Anhui New Energy Power Battery Recycling Center.

### Grasp the professional management level

Complete the three-system certification as scheduled, establish and improve the internal management system in combination with the actual situation, and steadily improve the operational support capability.

### Expand customers

The company visited Jiangxi, Hubei and other places on the spot, and has sent **84** samples, **32** samples for annual test, **13** suppliers and **7** factories on the spot.

As of the reporting period, **10** deliveries have been made in the first half of the year, including **4** new pilot projects.

### Research and development of products

**The product research and development has achieved phased results**, and the development of lithium manganese iron phosphate has achieved a great breakthrough. The new products have been mass-produced and the samples have been sent to **15** key customers for testing. The feedback results are good and the product diversity has been realized.

### Increase income and reduce expenditure

First, **accelerate the construction of energy storage projects** and actively expand energy storage orders.

Second, strictly implement cost control and carry out a number of technological innovations, saving electricity costs by about **700,000 yuan and reducing power consumption per tonne of products by 200 degrees**.



**Cathode material:** **In the first half of the year, the output increased month by month, exceeding the task index, and the energy consumption continued to decline**, giving full play to the productivity benefits.

**Negative electrode material:** steadily push forward the project construction, optimize the production technology, and actively expand the supply and marketing markets.

\*\*\*\* tonnes

Output of cathode materials

\*\*\*\* tonnes

Sales of cathode materials

\*\*\*\* million yuan

Operating income

04

**OUTLOOK FOR  
THE FUTURE**

04



## Improve quality and efficiency, tap potential and improve operation quality

We will steadily expand the scope of selling cars and electricity, open up new diversified business paths such as collaborative disposal and green card trading, and do a good job in raising the price of garbage disposal fees. At the same time, strive for miniaturization demonstration projects, and actively promote project pilots on the premise of meeting the "expected return on investment".



## Benchmarking, stable production and operation

Externally, benchmarking high-quality enterprises in the industry and absorbing management experience; Internally, summarize the operation situation in the first half of the year, carry out multi-dimensional inspection and assistance from the aspects of garbage expansion and cost control, optimize the technological upgrading route of process equipment, improve the operation efficiency of the project, and achieve cost reduction and efficiency increase.



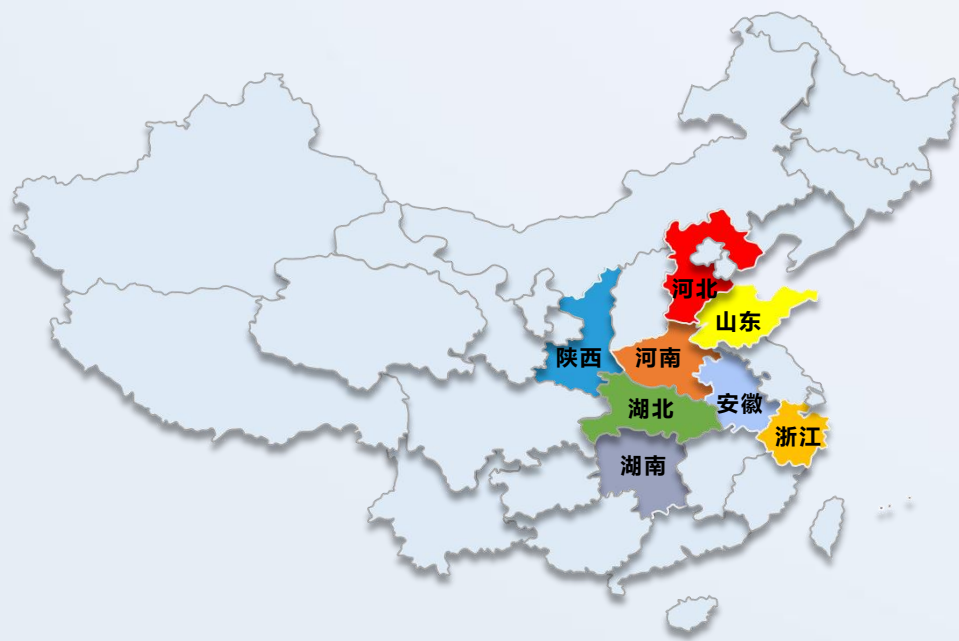
## Strictly control investment and optimize cash flow management

First, take multiple measures to speed up the settlement of accounts receivable. Second, timely follow up the warehousing approval of bidding online projects that have been declared but not yet put into storage to ensure that the bidding online electricity price is put in place.



### Take efficiency as the center and indicators as the control

According to the project development plan, select the project sites in key market areas, give priority to the project layout based on Conch cement kiln, and solidly and steadily promote the project development.



Layout of lithium battery recycling project

01

#### Promote stable and excellent production and explore the optimal process scheme

Continuously summarize the trial operation experience, optimize the process technology and parameter adjustment, improve the separation efficiency, increase the added value of recycled products, strengthen technical barriers, and form technical advantages.

02

#### Deepen the stock market and stabilize the supply and marketing channels

Deepen the existing market and increase the purchase of high-quality and high-quality waste lithium batteries. At the same time, we will speed up the opening of the front and rear process links and upstream and downstream industrial chains of lithium battery recycling projects, establish a stable supply and marketing relationship, and improve the stickiness of market cooperation.

03

#### In-depth study of the market and optimization of project layout

Deeply study the incremental market, continuously optimize the strategic layout of lithium battery resource recycling in the whole country, firmly develop confidence, reasonably control the construction pace of contracted projects, and be ready to go.



## Strengthen confidence and expand incremental market

The cathode project focuses on increasing the frequency of visits to head enterprises and the depth of exchanges, accelerating the development of sales markets, finding breakthroughs in incremental markets, striving to form long-term stable cooperation, promoting a virtuous circle of operation, boosting confidence and enhancing influence in the industry.



## Accurate judgment, implementation of cost reduction and efficiency improvement

Do a good job in market pre-judgment of cathode projects, broaden supply channels and reduce procurement costs. At the same time, accelerate the construction of energy storage projects, optimize product technology, improve production line operation efficiency, and further reduce equipment energy consumption.



## Strictly control budgetary estimate and improve trial production preparation

The anode project should focus on the target of trial production, do a good job of preparation before project construction and production, actively expand the industry's high-quality customers, and make a good market layout in advance.

Strengthen product research and development

Optimize product production line

Expand customer resources



**THANK YOU  
FOR WATCHING**