CNGR Advanced Material Co., Ltd.

2022 Green Bond

Allocation Update and Impact Report

Introduction

CNGR Advanced Material Co., Ltd. (“CNGR” or the company) was established in September 2014. It is a holding subsidiary and listed entity of Hunan CNGR Holding Group Co. The company has been recognized as a national enterprise technology center and a national high-tech enterprise, and has been awarded the titles of "National Intelligent Manufacturing" and "Green Manufacturing Factory" and other demonstration projects. The company is a professional integrated service provider of new energy materials for lithium batteries, which belongs to the national strategic emerging industries in the field of new materials and new energy.

In 2022, CNGR announced the CNGR Green Financing Framework (the “Framework”), which defines the use of proceeds, process for project evaluation and selection, management of proceeds and reporting of CNGR’s offshore green bond.

As of 31st December 2022, two offshore green bonds were issued under the Framework:

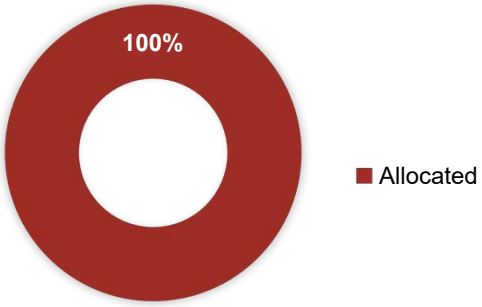
Issuer	Zoomwe Hong Kong New Energy Technology Co., Limited	
Guarantor	CNGR Advanced Material Co., Ltd.	
SBLC Provider	Bank of Changsha Co., Ltd.	
Bond Instrument	Green Bond	Green Bond
ISIN	XS2446770880	XS2523255060
Issue Date	3 March 2022	5 September 2022
Maturity Date	3 March 2027	5 September 2025
Tenor	5 years	3 years
Currency and Size	USD 100 million	USD 140 million
Coupon	4.550%	5.700%
Use of Proceeds	An equivalent amount to the net proceeds from the offering of the Bonds will be used to finance and/or refinance the Eligible Assets in accordance with the Green Financing Framework of the Guarantor	
% of proceeds allocated	100%	100%
Pre-issuance External Review	▪ Second Party Opinion issued by DNV ▪ Pre-issuance Stage Certification by HKQAA	▪ Second Party Opinion issued by DNV

Allocation Reporting

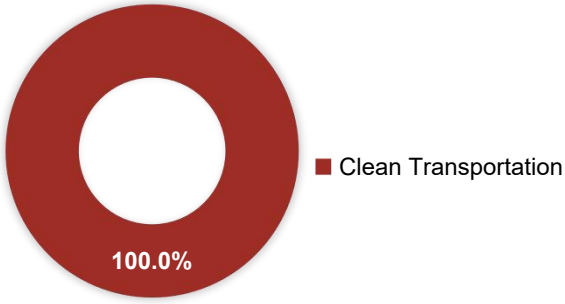
- As of 31st December 2022, all the proceeds of the USD 100 million Green Bond and the USD 140 million Green Bond, were fully allocated to Eligible Green Asset as defined in the CNGR Green Financing Framework .
- Their allocation information by the Eligible Green Asset Categories are as follows.

2022 USD 100 million Green Bond

By Allocation Status



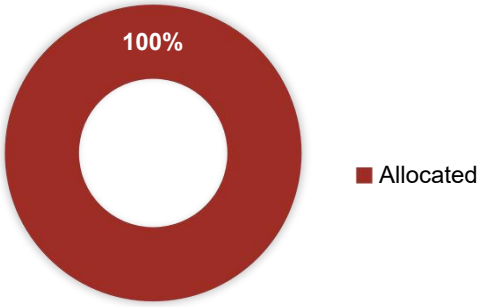
By Eligible Green Asset Categories



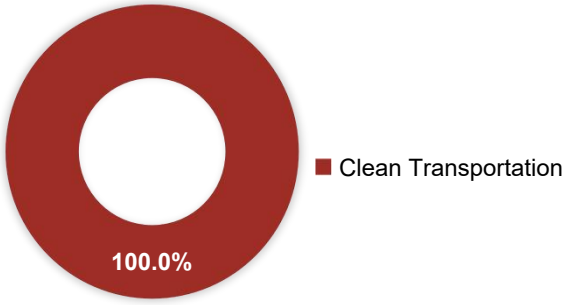
Eligible Green Asset Categories	UNSDG Alignment	No. of Eligible Green Projects	Amount of Proceeds Allocated (USD)
Clean Transportation		1	100 million
Total		**1**	**100 million**

2022 USD 140 million Green Bond

By Allocation Status



By Eligible Green Asset Categories



Eligible Green Asset Categories	UNSDG Alignment	No. of Eligible Green Projects	Amount of Proceeds Allocated (USD)
Clean Transportation		1	140 million
Total		**1**	**140 million**

Impact Reporting

- According to the CNGR Green Financing Framework, the Company commits to provide impact reporting to show the expected environmental benefits of the selected Eligible Green Assets.
- The expected environmental impact by Eligible Green Asset Categories are consolidated as below:

2022 USD 100 million Green Bond

Eligible Green Asset Categories	Eligibility Criteria	Expected Environmental Output / Benefits
Clean Transportation	▪ Research & development and acquisition, construction, maintenance and upgrade of facilities, and equipment dedicated for the manufacture of raw materials dedicated to the development of electric vehicles and energy storage, including ternary precursor and nickel	▪ Annual production capacity of 9,091 metal metric tons of nickel, which derives a potential production capacity of 18,182 tons of ternary precursor

2022 USD 140 million Green Bond

Eligible Green Asset Categories	Eligibility Criteria	Expected Environmental Output / Benefits
Clean Transportation	▪ Research & development and acquisition, construction, maintenance and upgrade of facilities, and equipment dedicated for the manufacture of raw materials dedicated to the development of electric vehicles and energy storage, including ternary precursor and nickel	▪ Annual production capacity of 12,727 metal metric tons of nickel, which derives a potential production capacity of 25,455 tons of ternary precursor

Project Case Study

Photo of the PT ZhongTsing New Energy Project

PT ZhongTsing New Energy Project

Eligible Green Asset Category:

Clean Transportation

Project Location:

Indonesia Morowali Industrial Park in Central Sulawesi, Indonesia

Project Highlights:

- Located in IMIP, Sulawesi Island, surrounding areas of the project site is rich in nickel ore resources.
- Encouraged by the Indonesian Government, CNGR has invested in processing facilities in the area to produce nickel matte, which is in the need for sustainable development of CNGR Advanced Material Co., Ltd.

CNGR中伟

New Energy Industrial Park in Western China, Dalong Economic Development Zone,
Yuping county, Tongren city, Guizhou, China

Website: http://www.cngrgf.com.cn/