

Analysis of the Development of China's New Energy Battery Industry in The Past Ten Years

Dantong Lin^{1, a}

¹Zhejiang University of Finance and Economics, China
^a513254804@qq.com

Abstract: As the global warming and relevant environmental problems became more and more prominent, China expedite the process of promoting low carbon and environmental protection. Recently, China's new energy battery industry develops rapidly and steadily. This essay elaborates the operation and development potential of the major enterprises in the industry, and then analyzes the market share of the industry, specifically compares the profit level of the new energy power industry, and studies the factors and main characteristics of the development of the industry. Through in-depth detailed analysis of the upstream and downstream industries of the new energy power supply industry, this paper mainly studies the development of the industry in the past ten years, and puts forward relevant suggestions, hoping to provide effective suggestions for the policy formulation of relevant departments and investors in the industry.

Keywords: New energy, New energy power supply, NEVs, Non-Ferrous Metal, China.

1. Introduction

1.1. Background of new energy industry

New energy refers to conventional energy (fossil energy, water energy, etc.), based on new technologies and new materials, (when defined) has not yet been used on a large scale energy, mainly including solar energy, wind energy, nuclear energy, hydrogen energy, biomass energy, etc. New energy often has the advantages of renewable and no (low) pollution. Under the global consensus of developing low-carbon economy and protecting ecological environment, the rise of new energy is unstoppable.

1.2. Development of new energy power supply industry

New energy battery industry analysis pointed out that new energy vehicle companies also use various ways to cooperate with battery manufacturers, research and development of power batteries, and strive to improve their own barriers to competition in the market. As the "heart" of new energy vehicles, batteries currently account for more than 40% of the cost of new energy passenger vehicles. Looking to the future, with the gradual increase in the penetration rate of the new energy passenger car market, the installed battery capacity will increase significantly, and the future will continue to grow explosively. As the core of the entire new energy industry chain, the battery has a very high cost ratio and the largest risk coefficient in all application scenarios such as energy storage power stations and new energy vehicles.

2. Major Enterprises in The Industry and Their Market Share

2.1. Major enterprises in the industry

(1) CATL (Stock code 300750)
Contemporary Amperex Technology Co., Limited concentrates on the research and development, production and sales of new energy vehicle power battery systems and energy storage systems, we are committed to

providing first-class solutions for global new energy applications. CATL has established cooperative relations with a number of domestic mainstream car companies, and has successfully occupied a place in the global market, and has become the first domestic lithium-ion power battery manufacturer to enter the supply chain of international top car companies.

As of July 26, 2023, the total assets of CATL were 640.204 billion yuan. In the first half of 2023, CATL achieved a total operating income of 189.246 billion yuan, an increase of 67.52%, and the net profit attributable to shareholders of listed companies was 20.717 billion yuan, an increase of 153.64%. Among them, the net profit in the second quarter was 10.895 billion yuan, compared with the first quarter of 9.822 billion yuan, an increase of 11%, which is also the second time after the fourth quarter of 2022, the single quarter net profit exceeded 10 billion yuan.

(2) EVE Stock code 300014)

EVE Energy Co., Ltd focuses on the research and development, production and sales of consumer batteries (including lithium primary batteries, small lithium-ion batteries) and power batteries (including new energy vehicle batteries and their battery systems, energy storage batteries). The company has a large-scale, professional, automated production and manufacturing capacity, which is the world's largest lithium primary battery production base and one of the main suppliers to the international mainstream market. As of July 26, 2023, the total assets of EVE Energy were 86,347 billion yuan. In 2022, EVE Energy achieved an operating income of 36.304 billion yuan.

(3) Hefei Gotion High-tech Power Energy (Stock code 002074)

Hefei Gotion High-tech Power Energy Co., Ltd is an enterprise engaged in independent research and development, production and sales of new energy vehicle power lithium batteries, with experience in technology and product development, Hefei Gotion High-tech Power Energy takes "product is king" as its business philosophy, and realizes the integrated production of positive electrode materials, battery production, PACK group, BMS system, energy storage

battery packs and high province energy products. Hefei Gotion High-tech Power Energy is a technology company focusing on energy storage and application. Its main products are lithium iron phosphate materials and battery cells, ternary battery cells, power battery packs, battery management systems and energy storage batteries, which are used in pure electric commercial vehicles, passenger cars, special vehicles and hybrid electric vehicles and other new energy vehicles

and energy storage fields.

As of July 26, 2023, the total assets of Hefei Gotion High-tech Power Energy were 78.765 billion yuan; In 2022, Hefei Gotion High-tech Power Energy achieved operating income of 23.052 billion yuan, of which 18.483 billion yuan for power battery system and 350.8 billion yuan for energy storage battery system.

	This reporting period	Same period last year		Compared to the same period last year in this report
		Before adjustment	After adjustment	
Operating income(10000yuan)	18,924,604.13	11,297,125.79	11,297,125.79	67.52%
Netprofit attributable to shareholders of the listed company(10000yuan)	2,071,726.45	816,803.46	816,803.46	153.64%
Net profit attributable to shareholders of the listed company after deducting nonrecurring gains and losses(10000yuan)	1,755,299.67	705,128.70	705,128.70	148.93%
Net cash flow generated from operating activities(10000yuan)	3,707,036.98	1,868,234.30	1,868,234.30	98.42%
Basic earnings per-share(yuan/share)	4.7201	3.5233	1.9574	141.14%
Diluted earnings pershare(yuan/share)	4.7125	3.5047	1.9471	142.03%
Weighted average return on equity	12.31%	9.11%	9.11%	3.20%
	At the end of this report period	At the end of the previous year		End of this report compared to the end of the previous year
		Before adjustment	After adjustment	After adjustment
Total assets(10000yuan)	64,099,878.47	60,095,235.19	60,095,235.19	6.66%
Net assets attributable to shareholders of the listed company(10000yuan)	17,021,913.94	16,448,125.16	16,448,125.16	3.49%

Figure 1. Earnings of Contemporary Amperex Technology in the first half of 2023

(4) BYD (Stock code 002594)

BYD has always adhered to the development concept of "technology is king, innovation is based", and has achieved comprehensive development by virtue of its research and development strength and innovative development mode, and plays a pivotal role in many fields such as batteries, electronics, passenger cars, commercial vehicles and rail transit. In the field of batteries, BYD has 100% independent research and development, design and production capacity, with more than 20 years of continuous innovation, products have covered consumer 3C batteries, power batteries (lithium iron phosphate batteries and ternary batteries), solar cells, and energy storage batteries and other fields, and formed a complete battery industry chain. At present, BYD is the world's largest production capacity of lithium iron phosphate battery manufacturers. In addition to new energy vehicles and rail transit, BYD's battery products are widely used in a variety of new energy solutions such as solar power stations and energy storage power stations. BYD is a leading global supplier of solar and energy storage solutions.

As of July 26, 2023, BYD's total assets were 547.103 billion yuan; In 2022, BYD achieved an operating income of 424.1 billion yuan, of which 98.815 billion yuan was generated by the daily electronic device manufacturing industry.

(5) Hunan Yuneng (Stock code 301358)

Hunan Yuneng New Energy Battery Materials Co., Ltd. is a major supplier of lithium ion battery cathode materials in China, focusing on the development, production and sales of lithium ion battery cathode materials. The company's main products include lithium iron phosphate, ternary materials and other lithium ion battery cathode materials, currently mainly lithium iron phosphate, mainly used in power batteries, energy storage batteries and other lithium-ion battery manufacturing, and finally applied to new energy vehicles, energy storage and other fields. As of July 26, 2023, Hunan Yuneng's total assets were 29.132 billion yuan; In 2022, Hunan Yuneng achieved operating income of 42.79 billion yuan, of which the operating income of lithium-ion battery cathode materials business was 42.71 billion yuan.

2.2. Market share of major enterprises in the industry

With the growing demand for mobile phones, PCS and server power supplies, the global and Chinese switching power supply market is expected to continue to grow. According to the data of China Power Supply Society, the total value of the global consumer switching power supply market in 2020 is about 175 billion yuan, and it is expected to grow to 225 billion yuan by 2025, with a five-year CAGR of 5%. From the perspective of the domestic market size, China's switching power supply market is expected to grow from

183.2 billion yuan in 2020 to 253.2 billion yuan in 2025, with a CAGR of 5.5% during the period. From the perspective of China's switching power supply application field, the current industrial field accounts for the highest proportion, up to 54%, followed by consumer electronics, communications and PC, accounting for 33%, 7%, 3% respectively.

From the perspective of the competition pattern of China's main power battery companies, Contemporary Amperex Technology still maintains a market share of up to 48% in the domestic market, ranking second BYD's domestic market share reached 23%, the two companies accounted for 71% of the market share, and the entire power battery market is in a highly monopolistic pattern. EVTank analysis believes that the domestic highly monopolistic power battery market competition pattern will be improved with the gradual maturity of the industry, EVTank predicts that with the rise of the second echelon of power battery companies, foreign power battery companies to explore the domestic market and car companies to build their own power battery factories, In the future, the market share of leading enterprises in the power battery industry will gradually reduce to a reasonable level.

3. Comparison Analysis

3.1. Profit level change trend and change reasons of new energy battery industry

The profit level of the battery industry is closely related to the supply price of upstream raw materials and the demand level of the downstream market. Raw materials are a large cost component of the industry, and their prices are prone to fluctuations due to changes in international market supply and demand, macroeconomic situation, etc., thus affecting industry profits; The downstream market demand level is affected by changes in the demand of end consumers, determined by multiple factors such as consumer acceptance, purchasing power level, and at the same time, in view of the increasingly active international trade in the industry, the profit level of the industry is also closely linked to the exchange rate, tariffs and other factors.

In recent years, due to the contradiction between the supply and demand of raw materials, the price of raw materials has risen significantly, and some products even face shortages, which has a certain impact on the operation of enterprises in the industry. In terms of downstream market demand, due to the development of new energy consumption habits under the advocacy of the energy revolution and the popularization of intelligent terminals brought by the upgrade of electronic information technology, the downstream market demand has gradually burst out, and the industry market demand has grown rapidly under the higher purchasing power level of residents and the eager yearning for convenient life.

3.2. Favorable and unfavorable factors affecting the development of the industry

3.2.1. Conducive factors

3.2.1.1. National industrial policy support

In recent years, The State Council and relevant competent departments have formulated many major policies to encourage the development of the new energy power industry and support the development of enterprises in the new energy power industry. The state supports the industrialization of new energy vehicles and the further upgrading of lithium battery material technology. The government has issued a series of

policies to guide and support the healthy development of the new energy vehicle industry chain, electrochemical energy storage and battery material technology. The policy of the lithium battery industry is mainly concentrated in the field of energy storage batteries and power batteries. Relevant departments have accelerated the development of new energy storage.

3.2.1.2 Industrial technological progress

Battery is a revolutionary key support technology in the field of energy, information and transportation. With the smooth development of scientific research, battery technology has gradually matured, and battery products have been upgraded and iterated to continuously meet the development needs of the terminal market. Compared with other types of batteries, products represented by lithium-ion batteries have the advantages of high voltage, high specific energy, good cycle performance, etc. With the research and development of key materials of modern lithium-ion batteries and the continuous maturity and optimization of battery preparation process, its commercial application scale has gradually expanded and become the mainstream product application form. It has become an important driving force to promote the development of society in the direction of intelligence and cleanliness.

3.2.1.3 Boom of downstream market demand

The huge demand for downstream applications continues to drive the development of the industry. The development of science and technology has changed people's life concept, under the guidance of the new development concept, the pace of China's energy green and low-carbon transformation continues to accelerate, the proportion of new energy such as wind and solar energy in the energy system continues to increase, the installed number of new energy is increasing, China's energy structure is constantly adjusting and optimizing. With the advantages of short construction cycle, simple and flexible site selection, the new energy storage has played a positive role in solving the stability and balance of China's power system.

3.2.2. Negative factor

3.2.2.1. relatively lack of technical personnel

The battery industry is a typical interdisciplinary industry with high technical barriers and high requirements for the theoretical knowledge and practical experience reserve of talents. In recent years, with the expansion of the market size of China's battery industry, the demand for high-level composite technical talents is also increasing. At present, comprehensive talents in the industry are relatively scarce, most technical talents mainly rely on the independent training of enterprises, and the lack of high-end technology and production talents is more prominent, which hinders the further development of the industry.

3.2.2.2. Highly dependence of some raw material resources on foreign countries

Lithium-ion batteries and nickel-metal hydride batteries are highly dependent on mineral resources, and some of China's core basic raw materials still need to rely on the international market. Taking lithium resources as an example, although China's lithium resources are relatively rich, but limited by reserve conditions and technical requirements, the degree of development of lithium resources is low, and it still needs to import a large number of overseas lithium concentrates. In the future, with the change of trade policies of major mineral countries and exporting countries, China's supply of some raw materials may face certain risks. The

contradiction between the huge market demand and the shortage of supply also has a certain adverse impact on the profits of the industry.

3.3. Industry entry barrier

3.3.1. Technology and talent barriers

Lithium-ion battery production process involves a variety of materials, components, complex processes, high degree of product customization, enterprises often from the energy density, safety, consistency, service life and other aspects of comprehensive, customized design products to meet the customer's technical parameters, appearance and size of the individual needs. Therefore, the enterprise's technical reserves, market response ability, application research and development ability and differentiated production capacity have put forward higher requirements. For new entrants to the market, to provide lithium-ion battery products that meet customer requirements, the accumulation of production technology and the training of composite talents will take a long time. Moreover, the research and development, trial and trial of new products until the formal application of a long cycle, new entrants in the short term it is difficult to achieve a variety of high-level lithium battery detection technology breakthroughs and applications.

3.3.2. Financial and scale barriers

Lithium-ion battery industry is a capital-intensive industry, with the development of technology and the improvement of environmental protection requirements, the industry enterprises not only need to invest a lot of equipment construction, upgrading and raw material procurement, but also need to purchase many production and operation of the high-tech content of special equipment, the capital demand is large. In addition, enterprises need to produce and reserve corresponding products in advance according to the production characteristics of customers; At the same time, it is faced with a credit period of 1-2 months for downstream customers, occupying the working capital of the enterprise. Therefore, the sustainable development ability of enterprises also has higher requirements for financial strength. Lithium batteries are a key component of electronic equipment, and customers generally choose producers with a certain production scale because of the larger purchase volume. In addition, the larger production scale also helps manufacturers reduce unit production costs. Therefore, it is generally difficult for new entrants to rapidly expand production capacity and order quantity in the short term, and it is difficult to break through the scale barrier.

3.3.3. Channel and brand barriers

The smooth flow of sales channels and the improvement of brand awareness are important factors for enterprises to succeed in the market competition, because the service life of lithium batteries is longer, customers need a longer time to have a more accurate judgment of the performance of the product. It is also because of the long cycle of brand quality inspection, when the customer recognizes the manufacturer's products, it will generally maintain a long-term cooperative relationship. For new entrants, lack of brand recognition, it is difficult to obtain the trust of customers in a short time, the establishment of sales channels and brand promotion need to spend a lot of cost and time.

3.4. Industry technical level and technical characteristics, cyclical characteristics

3.4.1. Technical level and technical characteristics

New energy battery technology refers to those based on renewable energy, such as solar, wind, water and other energy characteristics, and research and development of battery technology. Compared with traditional fossil fuel energy, new energy battery technology has the following characteristics: 1. Environmental protection and energy saving: New energy battery technology can provide environmental protection and energy saving energy, reduce pollution to the earth, and meet the requirements of sustainable development. 2. High efficiency and high quality: New energy battery technology can efficiently use renewable energy, while having high power output, high efficiency and high energy storage density. 3. Safe and reliable: New energy battery technology uses new materials and process treatment, which can improve the service life of the battery, and is pollution-free, and will not cause danger to users. 4. Multi-functional application: New energy battery technology can be widely used in electric vehicles, smart phones, outdoor camping and other fields, is a multi-functional power choice.

3.4.2. Periodicity

Lithium-ion battery applications cover consumption, power, energy storage and other fields. In the field of consumer electronics, the product price is relatively low, the replacement cycle is short, and the macroeconomic impact is small. In the field of power batteries, the price of new energy vehicles is high, the durability period is long, and the impact of technical level and macroeconomic cycle changes is greater. In the field of energy storage batteries, the intensive introduction of policies and the high orientation of the goal of "carbon neutrality" drive the rapid development of the energy storage lithium-ion battery industry. In summary, the lithium-ion battery manufacturing industry is affected by the macroeconomic to a certain extent, and the industry has cyclical attributes.

4. Upstream and Downstream Industries of New Energy Power Supply

4.1. Upstream industries

The upstream market is the material supply market. The upstream end of the power battery mainly includes positive electrode material, negative electrode material, electrolyte, diaphragm, structural parts, nickel hydroxide and other materials, and positive electrode material, negative electrode material, electrolyte, diaphragm is the main component of the power battery. The upstream industry of new energy power supply mainly includes mineral resources enterprises such as lithium, nickel and cobalt ore and chemical production enterprises such as positive and negative electrode materials, electrolyte, separator and hydrogen production, related enterprises are Ganfeng Lithium, Huayou Cobalt, Xingye Mining and Black cat carbon black, as well as satellite petrochemical, Yitai Chemical, Shanshan Shares and New Zhou Bang.

4.2. Major non-ferrous industries related to batteries:

4.2.1. lithium mineral

The leading company is Ganfeng Lithium (002460), the

world's third largest lithium compound producer and the largest lithium metal producer in China; Tianqi Lithium (002466), one of the largest enterprises in the lithium industry in terms of production and sales; Yahwa Group (002497), an enterprise mainly engaged in lithium ore lithium salt industry and civil explosion industry; Sheng Xin Lithium Energy (002240), one of the main drafters of "China Non-ferrous Metal Industry battery grade lithium carbonate Standard"; And the domestic lithium battery materials industry chain of high-tech leading enterprises, Rongjie shares (002192).

From the point of view of proven lithium resources, the world's high-quality lithium resources are mainly concentrated in Australian lithium mines and South American salt lakes, while China's overall lithium resource endowment is not high, and China's lithium resources are highly dependent on imports, resulting in a high degree of external dependence of lithium resources in the lithium salt industry.

4.2.2. Cobalt Mine

Leading companies include Huayou Cobalt (603799), one of the largest cobalt chemical producers in China; One of the world famous professional cobalt powder manufacturers, Hanrui Cobalt Industry (300618); And one of the world's largest scheelite producers, the world's top seven molybdenum producers and leading copper producers, Luoyang Molybdenum Industry (603993).

4.3. Downstream Industry

The downstream end, that is, new energy vehicle manufacturers, including traditional car companies such as BYD, as well as new forces to build cars. The downstream industries of new energy power supply include new energy vehicle manufacturers, energy storage system manufacturers, consumer electronics manufacturers and battery recycling and processing enterprises, the relevant enterprises are China National Heavy Truk, BAIC, SAIC, GAC, Changan, BYD and Haima and other automobile manufacturing, State Grid, State Power Investment and Huadian and other new energy power storage applications, Apple, Huawei, Samsung and Lenovo and other consumer electronics applications There are also waste battery recycling enterprises such as Guanghua Technology and Zhongwei New Materials. At present, the domestic new energy vehicle industry boom stage, in 2021 China's new energy vehicle market share reached 13.4%, is expected to 2022 new energy vehicle production scale will reach 5 million units, by 2025, new energy vehicle sales will reach about 20% of the total sales of new vehicles.

However, it is worth noting that the power battery industry is facing a low-end surplus and a high-end shortage. The output of power batteries is no longer balanced with the amount of vehicles loaded. According to the "White Paper on the Development of China's New energy vehicle power battery Industry (2023)" released by EVTank, a research institution, the power battery inventory of the whole industry chain in 2022 is as high as 164.8GWh, a record high, and the industry destocking pressure is greatly increased in 2023. Since last year, 2023 will continue to supply the status of the power battery industry production is much higher than demand. By 2025, China needs a power battery capacity of 1000GWh-1200GWh, and the current industry capacity planning has reached 4800GWh; Zheshang Securities and other market institutions predict that by 2025, the power battery capacity required for new energy vehicles will reach 1200GWh, but the current capacity planning of the power battery has exceeded 4000GWh, and the planned capacity far

exceeds the required capacity.

4.4. The correlation and impact between industries and upstream and downstream

From the perspective of lithium battery demand, China's support policies for the lithium battery industry are mainly focused on downstream power batteries and energy storage battery applications. In order to promote the industrialization of new energy vehicles and the further upgrading of lithium battery material technology, local governments have promulgated a series of policies to guide and support the healthy development of the new energy vehicle industry chain, electrochemical energy storage and battery material technology. From raw material supply side, the state encourages the li-ion battery and lithium electricity first-order material production enterprise, lithium electricity second order material, lithium nickel and cobalt and other upstream resources enterprise, li-ion battery recycling enterprises, li-ion battery terminal application and system integration, channel depth distribution, logistics transportation enterprise, through a long list, technical cooperation way to establish a long-term mechanism, Guide the upstream and downstream to stabilize expectations, clarify volume and price, ensure supply, and win-win cooperation. The regulatory authorities will also increase supervision, strictly investigate and punish the upstream and downstream hoarding, price gouging, unfair competition and other behaviors of the lithium industry to maintain market order. If the price of raw materials continues to rise sharply in the future, and lithium battery manufacturers can not effectively transfer the pressure of rising raw material prices to the downstream or can not offset the pressure of rising costs through technological process improvement and innovation, it will have a greater impact on the operation of lithium battery manufacturers.

5. Sum up

At present, China has introduced a number of new energy vehicle encouragement policies, clearly support the development of new energy vehicles, and promote the new energy automobile industry to the focus of government industry support development, carrying the important mission of China's automobile industry to achieve "curve overtaking". At present, China has established a relatively complete policy support system for the new energy automobile industry from research and development, production, purchase, use and infrastructure, which is conducive to the further development of the new energy automobile industry. At the same time, in view of the environmental pollution caused by the automobile industry, more and more cities such as Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Hangzhou and other first and second tier cities have begun to restrict the purchase and driving of traditional fuel passenger vehicles, which also helps to increase the demand for new energy vehicles.

The author believes that although the new energy battery industry has received strong policy support, the vitality of the industry is still weak; If the power battery production capacity can be included under the guidance of relevant state departments, guide lithium battery enterprises to reasonably formulate development goals in combination with actual and industrial trends, take multiple measures at the same time, coordinate the industrial layout, and promote the coordinated development of the industry. Under the premise of stable supply of key materials, sufficient investment in R&D and

innovation, and adequate supporting funds, the production scale should be appropriately expanded due to time and needs. At the same time, we will strengthen the protection of intellectual property rights, curb low-level redundant construction, and promote the withdrawal of backward enterprises and ineffective production capacity. While gradually promoting the withdrawal of backward production capacity, it is also necessary to encourage cluster coordinated development and enhance the competitiveness of the five leading enterprises.

In general, the technical content of the power battery is high, and the investment cost is large, and the profit is insufficient. At present, the investment of 1 GWh of power batteries is 300 million to 500 million yuan. Industry leader Contemporary Amperex Technology now has an annual research and development investment, even in the R&D ranking of vehicle companies is also in the forefront. Although the price of power batteries has risen, the profits of battery companies have not increased significantly, and the gross profit margin of many companies is even lower than 10%. Therefore, the urgent task for enterprises in the new energy power supply industry is to do a good job in cost control, speed up technological innovation, open up new energy power supply scenarios outside of electric vehicles as soon as possible, and create diversified business structures such as energy storage and electric ships to increase the demand for power batteries.

At the same time, the entire equipment technology and product technology of the new energy battery industry are updated quickly. However, in the past two years, a large number of new enterprises often start from the lower end, resulting in homogenized competition, low-end overcapacity, high-end production shortage. Data show that in the first 10 months of this year, China's cumulative production of power batteries was 425.9GWh, an increase of 166.5%, while the cumulative load was only 224.2GWh, accounting for only 52%. According to incomplete statistics, according to the current sales planning of major domestic car companies, the domestic power battery loading capacity needs 1000GWh in 2025, but the major power battery manufacturers plan to reach 1250GWh in 2025, and it is expected to exceed 2500GWh in 2028. At present, the so-called overcapacity of China's power batteries is more of a structural surplus, that is, insufficient high-end and high-quality capacity, low-end and inferior overcapacity. Some global and low-carbon power battery companies that do a better job will gain more market share. Based on this, the author believes that China's new energy power supply industry should vigorously develop high-end products, gradually transfer the production center from low-end products to high-end products, and innovate and develop localized, high-quality, and green power battery capacity.

China's natural resources endowment is more coal, poor oil, less gas, crude oil dependence is high, coupled with China's power industry developed, "electricity instead of oil" is the long-term trend of the development of the automobile industry. In recent years, in the case of the depletion of oil resources, countries have issued a ban on the sale of fuel vehicles. New energy vehicles have become the main trend of the future development of the global automobile market. As the core component of new energy vehicles, the market demand for power lithium batteries will inevitably grow rapidly. At present, the development progress of China's lithium resources greenfield projects is accelerating, and the

downstream positive electrode materials and lithium battery production capacity are expanding rapidly, gradually forming a "full life cycle" industrial chain of lithium.

In conclusion, although the new energy power industry is facing huge challenges, due to the strong support of the government and relevant departments, the new energy power industry will continue to maintain a rapid development trend, with huge development space and unlimited potential.

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