

Stock Code: 000581, 200581

Public Notice No: 2023-042

Short Form of the Stock: WFHT, Su Weifu-B

Weifu High-Technology Group Co., Ltd.

Summary of Semi-Annual Report 2023

I. Important Notice

The summary is abstract from the full-text of Semi-Annual Report, for more details of operating results, financial condition and future development plan of the Company; investors should found in the full-text of Semi-Annual Report that published on media appointed by CSRC.

All directors have attended the Meeting for the Report deliberation.

Prompt of non-standard audit opinion

Applicable Not applicable

Profit distribution pre-plan of common stock or capitalizing of common reserves pre-plan deliberated by the Board in the reporting period

Applicable Not applicable

There is no plan of cash bonus, dividend distribution and capitalizing of common reserves carried out by the Company

Profit distribution pre-plan of preferred stock deliberated and approved by the Board in the reporting period

Applicable Not applicable

II. Company information

1. Company Profile

Short form of the stock	WFHT, Su Weifu-B	Stock code	000581, 200581
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board	Rep. of security affairs	
Name	Liu Jinjun	Xu Kan	
Contact add.	No.5 Huashan Road, Xinwu District, Wuxi	No.5 Huashan Road, Xinwu District, Wuxi	
Tel.	0510-80505999	0510-80505999	
E-mail	Web@weifu.com.cn	Web@weifu.com.cn	

2. Main financial data and indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current period	Last period	Year-on-year increase(+)/decrease(-)
Operation income (RMB)	6,129,649,047.40	7,137,172,857.97	-14.12%
Net profit attributable to shareholders of the listed company(RMB)	948,760,859.55	1,091,126,480.08	-13.05%
Net profit attributable to shareholders of the listed company after deducting extraordinary gains and losses(RMB)	830,878,251.37	1,127,408,939.53	-26.30%
Net cash flows arising from operating activities (RMB)	1,089,961,237.42	-2,493,982,044.89	143.70%
Basic earnings per share (RMB/Share)	0.98	1.10	-10.91%
Diluted earnings per share (RMB/Share)	0.98	1.10	-10.91%
Weighted average ROE	5.24%	5.55%	-0.31%
	Ending balance of current period	Ending balance of last period	Year-on-year increase(+)/decrease(-)
Total assets (RMB)	28,352,668,665.53	28,528,913,065.01	-0.62%
Net assets attributable to shareholders of listed company (RMB)	18,544,382,977.56	17,696,679,170.72	4.79%

3. Amount of shareholders of the Company and particulars about shares holding

Unit: share

Total common stock shareholders at end of the reporting period	71,080	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top 10 shareholders						
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
Wuxi Industry Development Group Co., Ltd.	State-owned corporate	20.35%	204,059,398	0		
Robert Bosch Co., Ltd	Foreign corporate	14.25%	142,841,400	0		
Hong Kong Securities Clearing Company	Foreign corporate	2.37%	23,810,734	0		
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign corporate	1.09%	10,952,719	0		
NSSF - 413	Other	1.06%	10,650,000	0		
Basic Pension Insurance Fund- 1003	Other	0.82%	8,175,559	0		
Ping An Life Insurance Co., Ltd. of China - Investment Link - Personal Insurance Investment Link	Other	0.69%	6,899,810	0		
FIDELITY INVMT TRT FIDELITY INTL SMALL CAP FUND	Foreign corporate	0.68%	6,863,386	0		
Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategy Yingzhi Fund	Other	0.55%	5,500,106	0		
Xie Zuogang	Domestic natural person	0.51%	5,132,967	0		
Explanation on associated relationship concerted action among the aforesaid shareholders	Among the aforesaid shareholders, there has no associated relationship between Wuxi Industry Development Group Co., Ltd., the first largest shareholder of the Company, and other shareholders; and they do not belong to the persons acting in concert regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company.					
Explanation on the shareholders involved in margin trading (if applicable)	Among the top 10 shareholders, Shanghai Chongyang Strategic Investment Co., Ltd. - Chongyang Strategy Yingzhi Fund holds 5,500,106 shares through investor credit securities accounts;					

4. Changes in controlling shareholders or actual controllers

Change of controlling shareholder during the reporting period

Applicable Not applicable

The Company had no change of controlling shareholder during the reporting period

Change of actual controller during the reporting period

Applicable Not applicable

The Company had no change of actual controller during the reporting period

5. Total preferred shareholders and top 10 shares held by preferred shareholders

The Company has no preferred shareholders

6. Bonds in existence as of the approval date of the semi-annual report

Applicable Not applicable

III. Important Matters

(1) The Company's business conditions during the reporting period

Since the beginning of this year, the Company has earnestly implemented the annual work objectives and plans, and actively grasped and responded to the opportunities and challenges of the industry. During the reporting period, operation revenue from the Company was 6.130 billion yuan, down by 14.12% YOY; the net profit attributable to shareholder of listed company amounted to 0.949 billion yuan, down by 13.05% YOY.

(2) Main work carried out by the Company during the reporting period

1. Strengthened collaborative marketing management and accelerated the expansion of new industry markets. Since the beginning of this year, the Company has strengthened the collaborative marketing of existing business and emerging business, and accelerated the expansion of key customer markets at home and abroad. Existing business: The market shares of post-processing system purifier products kept rising, of which the year-on-year sales increase of gasoline purifier has exceeded 20%; batch production of diesel purifier T4 has been achieved in multiple key customer projects in non-road vehicle market. Batch production of gasoline supercharger has been achieved or PPAP has been completed in some customer projects; a number of new customer projects have been obtained for six cylinder diesel supercharger products, and small batch supply of methanol supercharger to key customers has been realized. The non-road vehicle market of distribution pump T4 was vigorously developed, and the installation in 51 major agricultural machinery customers have been completed. The generator and loader markets were actively expanded; the overseas export market of products such as in-line pumps grew rapidly. Emerging business: The sales of electric drive parts maintained high growth, among which sales of motor shaft products rose by 2.6 times YOY; the first announced model of wheel hub motor was released, and a number of new model customer projects were carried out simultaneously; the construction of domestic production line, debugging or trial production of a number of hydrogen fuel cell products such as membrane electrode, metal

bipolar plate, alloy catalyst, electronic water pump, thermostat, hydrogen circulation pump and exhaust vent valve have been completed, and domestic and foreign customer projects are successfully expanded. The OTS engineering recognition documents for electronic oil pump products have been submitted to the head customers, and the products have been designated for a number of customer projects. The tripartite strategic cooperation has been reached with KargoBot and Arbe for 4D imaging radar products, and the first round of sample delivery and road testing have been completed; strategic cooperation has been reached with Shanxi Anshu Intelligent Technology to jointly promote the research and development and commercial application in the smart mine industry; testing and verification are actively carried out with a number of OEMs customers.

2. Strengthened technology R&D, and accelerated the development of new products. Existing business: Successfully carried out the product reliability test of electronic fuel injection system 2200bar platform; Completed the sample functional verification and batch production manufacturing planning of dual-fuel direct injection product; Smoothly proceeded the development of low-carbon alternative fuel injection system. Completed the development and mass production of post-processing system platforms for light diesel vehicles, heavy diesel vehicles and non-road mobile machinery; Completed the development of post-processing systems for several plug-in hybrid vehicle models; Carried out the technical pre-research on products that meet national VII emission standard and alternative fuel post-processing products. The development of diesel and natural gas supercharger projects that meet national VI emission standard was stably in progress. Completed the small batch verification of several key customer projects; Completed the development and small batch supply of gasoline supercharger in the hybrid models of head new energy vehicle customers, which was in the ramp stage of mass production; Actively promoted the use of 48V electric supercharger in customer pre-research projects. Emerging business: Completed the production consistency verification of the pile core materials such as platinum-carbon catalyst and alloy catalyst production lines, as well as the commissioning and trial production of 1.1 million pieces/year membrane electrode domestic production line; Achieved stable production of hydrogen ejector, hydrogen isolation valve and hydrogen safety valve; Completed production preparation for hydrogen exhaust valve, electronic water pump and proportional three-way valve for batch production; Completed partial reliability tests for key BOP components such as 35/70 Mpa pressure relief valve and bottle valve, hydrogen circulating pump and air bearing. Achieved the demonstration operation for electrolytic water hydrogen production system, and launched the development of platform product. Completed sample review and trial production of scatter radar and in-cabin radar C; Continuously promoted the customer project development and industrialization capacity building for 4D imaging radar products.

3. Improved the operation quality of the strategic system, and promoted the investment layout of new business. Completed the review and evaluation of business strategic planning and strengthened the thermal management business and VH business capability planning, completed the strategic resource audit of hydraulic business, launched and promoted the strategic thematic studies on catalysts, coating technology and chassis; Acquired the land of hydrogen energy industrial park, and completed the preliminary design scheme and land application. Implemented the construction and investment of three global bases for hydrogen energy business, completed R&D and capacity expansion investment to graphite bipolar plate in IRD Europe and North America base and the metal bipolar plate in Borit Europe base, and accelerated the localization capacity building of Asia-Pacific base

WFQL joint venture; Finished the integration and collaboration after VH business acquisition; Carried out the research and exchanges on millimeter-wave radar enterprises, actively explored innovative cooperation models and deepened cooperation in wheel hub motor business. Jointly carried out market research with strategic partners, and actively promoted the research on technical path of PEM water-electrolytic hydrogen production business. Established post-investment management system and regulated the post-investment governance of subsidiaries.

4. Strengthened intelligent quality management, and steadily promoted engineering construction. Launched FMS tooling management system and pilot implemented the phase I of WMS warehouse management system; Developed and tested MOM phase I manufacturing operation system; Completed the preliminary research on the iteration of TMS tool management system, EMS energy management system and PMS equipment management system; Deployed IoT platform in the pilot units to achieve full connectivity of equipment interconnection. Completed the process planning of new platform products of the technology center, promoted the standardization of process modules and launched phase II PLM development. Implemented Q11 quality criteria and continuously improve the development quality management capability; Deepened the quality improvement review mechanism, audited core products and estimated the hierarchical evaluation of all elements of the process on a regular basis. Constructed R&D building according to the milestone, finished the project planning and foundation construction of plant and station building on the lot 103, and proceeded the construction of the hydrogen energy industrial park as planned.

5. Strengthened operation quality, and improved operation efficiency. Improved the standardized management of tax-related terms of contracts is improved promoted the tax early warning analysis in an orderly manner, and optimized accounting process to improve operation efficiency; Strengthened business risk prevention, refine business data analysis, optimized product and improved profitability. Improved and optimized the existing systems and processes, invited external risk control experts for evaluation and training, continuously improved the risk control and management ability, and strengthened the risk detection and control at all levels of the Company. Improved business monitoring and analysis of lines and divisions, intensified deviation management and corrective action tracking; Set up overseas project offices and investigated on overseas subsidiary management and control mode; Developed and applied the phase II process operation analysis platform and document control platform. Evaluated status of procurement business, identified core problems and formulated optimization measures; Completed the basic development of warehouse standardization system of the Group. Optimized the talent structure, implement internal transfer and improved and the suitability of talents; Promoted the establishment of talent sharing mechanism with high-skilled positions as a pilot; Explored the international talent work exchange mechanism and business ability training program to build a sound international talent teams.

BOD of WEIFU HIGH-TECHNOLOGY GROUP CO., LTD.

22 August 2023