

Stock Code: 000581, 200581

Public Notice No: 2024-053

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

# Weifu High-Technology Group Co., Ltd.

## Summary of Semi-Annual Report 2024

### 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

Whether to transfer of capital reserve into share capital or not

Applicable Not applicable

The profit distribution plan that was deliberated and approved by the Board Meeting is: based on total share capital of 971,986,293, distributed 2.20 yuan (tax included) bonus in cash for every 10-share held by all shareholders, 0 share bonus issued (tax included) and no transfer of capital reserve into share capital. When the profit distribution plan is implemented, if there is a change in the total amount of shares entitled to profit distribution, on the basis of the total amount of shares entitled to profit distribution on the equity registration date at the time of implementation of the distribution plan, the distribution amount shall be adjusted according to the principle of unchanged distribution proportion.

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	
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## 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)	5,694,233,552.72	6,129,649,047.40	-7.10%
Net profit attributable to shareholders of the listed company(RMB)	954,341,269.90	948,760,859.55	0.59%
Net profit attributable to shareholders of the listed company after deducting extraordinary gains and losses(RMB)	975,076,832.34	830,878,251.37	17.35%
Net cash flows arising from operating activities (RMB)	887,892,317.37	1,089,961,237.42	-18.54%
Basic earnings per share (RMB/Share)	0.98	0.98	0.00%
Diluted earnings per share (RMB/Share)	0.98	0.98	0.00%
Weighted average ROE	4.84%	5.24%	-0.40%
	Ending balance of current period	Ending balance of last period	Year-on-year increase(+)/decrease(-)
Total assets (RMB)	27,864,965,288.97	28,081,087,791.81	-0.77%
Net assets attributable to shareholders of listed company (RMB)	19,363,215,440.23	19,399,892,671.78	-0.19%

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

Unit: share

Total common stock shareholders at end of the reporting period	62,203	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	20.47%	204,059,398	0	N/A	0
Robert Bosch Co., Ltd	Foreign corporate	14.33%	142,841,400	0	N/A	0
Hong Kong Securities Clearing Company	Foreign corporate	2.90%	28,944,043	0	N/A	0
CCB Life Insurance Co., Ltd. - Traditional Insurance	Other	1.24%	12,359,918	0	N/A	0
NSSF-413	Other	1.06%	10,590,000	0	N/A	0
Dongwu Securities Co., Ltd	State-owned corporate	0.80%	7,999,900	0	N/A	0
FIDELITY INVMT TRT FIDELITY INTL SMALL CAP FUND	Foreign corporate	0.80%	7,955,075	0	N/A	0
Guolian An Fund - China Pacific Life Insurance Co., Ltd. - Dividend Insurance - Guolian An Fund - China Pacific Life Equity Relative Yield (Guaranteed Dividend) Single Asset Management Plan	Other	0.71%	7,123,179	0	N/A	0
Basic Pension Insurance Fund- 1003	Other	0.67%	6,698,993	0	N/A	0

Xie Zuogang	Domestic person	natural	0.51%	5,132,967	0	N/A	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 <i>Management Measure of Information Disclosure on Change of Shareholding for Listed Company</i> .					
Explanation on the shareholders involved in margin trading (if applicable)		Nil					

Shareholders holding more than 5% of the shares, top 10 shareholders or top ten unrestricted shareholders participating in the lending of shares through refinancing business

Applicable  Not applicable

Top 10 shareholders or top ten unrestricted shareholders participating in the lending/returning of shares through refinancing business

Applicable  Not applicable

#### 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

Applicable  Not applicable

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 diligently implemented its annual work goals and actively addressed industry opportunities and challenges. During the reporting period, the Company achieved operating income of 5.694 billion yuan, a decrease of 7.10% year-on-year, while net profit attributable to shareholders of the listed Company was 954 million yuan, an increase of 0.59% year-on-year.

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

##### 1. Seizing market opportunities, traditional and emerging businesses developed synergistically.

Energy-saving and Emission Reduction Products: Post-treatment system products seizing rapid growth opportunities in hybrid passenger vehicles and natural gas commercial vehicles, sales of gasoline purifiers exceeded 1.87 million units, up 48% year-on-year; sales of natural gas purifiers reached 55,000 units, up 384% year-on-year. At the same time, post-treatment system products secured projects from several joint venture brands and leading passenger vehicle customers, achieving mass production for multiple commercial vehicle projects, and steadily increasing market share in both passenger and commercial vehicle markets. Air

intake system products: Gasoline turbocharger sales exceeded 310,000 units, up 308% year-on-year, maintaining rapid growth, with major passenger vehicle customer projects gradually entering mass production. Sales of four-cylinder diesel turbochargers increased by over 12% year-on-year, continuing to lead the industry, while natural gas turbocharger sales doubled year-on-year.

Green Hydrogen and Smart Electric Products: Core components of hydrogen fuel cells, such as metal bipolar plates, have completed mass delivery for domestic customer projects. Key BOP products, including thermostats, proportional valves, and electronic water pumps, have secured multiple customer projects. PEM (proton exchange membrane) water electrolysis hydrogen production systems and equipment have achieved project cooperation with some customers in scientific research and demonstration. Radar products have accelerated several intelligent driving customer projects, with client testing and new sample development actively underway. Electronic oil pump products have achieved mass production supply for multiple new energy passenger vehicle projects, with capacity expansion accelerating. Existing commercial vehicle customer projects for automotive seats remain stable, with breakthroughs achieved in passenger vehicle projects. The Fuzhou Lianhua base has been completed, with key customer projects gradually entering mass production.

## **2. Accelerating product iteration and upgrading, increasing R&D efforts.**

Energy-saving and Emission Reduction Products: Completed the A-sample development of high-pressure fuel pumps and injectors for ultra-high-pressure electronic control fuel injection systems, as well as engine performance matching tests for key customers. Developed the B-sample for natural gas dual-fuel injectors and pressure regulation modules, and completed the initial round of trial production. Finished performance tests for methanol dual-fuel in-cylinder direct injection systems and initiated pre-research on methanol single-fuel in-cylinder direct injection technology and hydrogen engine injection technology. Developed multiple post-treatment products for hybrid passenger vehicles and export projects, expanded product development into commercial and off-road sectors, and advanced methanol engine product development. Conducted pre-research on technologies for products meeting future emission standards. Accelerated the development of turbocharger products for gasoline hybrid passenger vehicles and diesel/natural gas commercial vehicles, with key customer projects reaching mass production. Launched methanol engine turbocharger projects in the market and actively promoted the use of 48V electric turbochargers in customer pre-research projects.

Green Hydrogen and Smart Electric Products: Completed B-sample development for 35 MPa pressure relief valves; continued to expand applications for low-pressure hydrogen valve products and completed C-sample development for exhaust valves. Continued development and industrialization of key BOP components, including electronic water pumps, thermostats, and hydrogen circulation pumps. Achieved production validation for alloy catalysts and multiple rounds of production validation for fuel cell membrane electrode production lines, while establishing project interfaces for single-cell batteries. Completed the overall design of the 100 kW PEM water electrolysis hydrogen production system platform and began integrating and assembling various modules. Finished functional development and customer validation for barrier radar products and continued developing and building customer projects and industrialization capabilities for 4D imaging radar, focusing on cost reduction.

## **3. Strengthening strategic planning and execution, and continuously promoting new business investments and cooperation.**

Strategic Planning: Implement and refine the mid-term review and improvement plan of the 14th Five-Year Plan. Advance in-depth planning for new business areas such as VH and hydraulic systems. Progress with the mid- to long-term planning, review, and updating of hydrogen fuel cell strategies. Promote the business planning for the Huishan Intelligent Industrial Park. Conduct market research and analysis on hydrogen storage, and actively advance annual strategic research on automotive seats, humanoid robots, and air suspension components. Strengthen local government collaboration on radar and hydrogen storage projects.

Investment and Cooperation: Completed the signing of an investment cooperation agreement with Germany's Voith Group for high-pressure hydrogen storage. Finalized the spin-off of Weifu Intelligent Sensing business and established an independent joint venture. Continued the development of three major global hydrogen energy bases, investing in the R&D and capacity expansion of IRD's European and North American bases, as well as Borit's European base. Focused on enhancing domestic capabilities of the WFQL joint venture and constructing the hydrogen energy industrial park in the Asia-Pacific region. Introduced partners for the automotive seat business and established a new joint venture. Collaborated with WFEC shareholders to form a new joint venture, extending the value chain of precious metal compounds.

#### **4. Strengthen the quality operation system and continue advancing intelligent manufacturing.**

Develop and promote a comprehensive annual quality management roadmap covering five areas: quality systems, quality prevention, process quality, problem-solving, and quality team building, with 16 sub-items. Establish an external audit improvement experience repository and optimize updates to the quality manual. Promote the comprehensive application of special characteristics and development quality valves in 22 development projects. Plan and complete special characteristics re-identification and re-control evaluations for 13 business units/subsidiaries and 22 core products. Enhance and train manufacturing quality engineers on quality tools and methods. Improve quality improvement information sharing and communication. Complete the iteration of the FMS tooling management system and pilot its launch. Expand the application of the TMS tool management system and WMS warehousing management system. Continuously optimize and promote the EMS energy management platform, actively advancing energy-saving and consumption-reduction measures. Complete the design of the digital factory project business, application, and data architecture for WFAC. Progress is smooth for engineering projects such as the R&D building, Phase VI of the 103 plot factory, the hydrogen energy industrial park, and the Huishan Chang'an industrial park, which are advancing as planned.

#### **5. Strengthening Operational Quality and Enhancing Management Efficiency**

Refine the monitoring and analysis dimensions for business lines and departments, and enhance tracking of key products and projects. Standardize the functional responsibilities of business units. Develop and implement management solutions for new department control models, organizational functions, and system processes. Optimize financial procedures, update relevant systems and processes, identify business risks, and improve process efficiency. Strengthen financial risk management by addressing capital needs and current management status, and continue advancing product redemption. Optimize procurement management and core operational capabilities, and continue developing the SRM procurement platform. Enhance the analysis and disposal of slow-moving inventory, creating specialized optimization projects for such stock. Continuously improve risk management capabilities, strengthen the review, control, and response to risk issues at all levels, provide various internal control management training, and enhance the risk management awareness and skills of key personnel. Recruit talent for strategic new businesses and key projects, optimize and adjust the talent structure, and improve talent fit. Implement a performance management information system to align individual performance goals with organizational performance. Promote international talent development by planning and establishing international dispatch policies, optimizing international talent competency models, setting talent selection standards, and advancing specialized training.

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

22 August 2024