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(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2402)

2024 FIRST QUARTERLY REPORT

The board (the “**Board**”) of directors (the “**Directors**”) and all Directors of Beijing SinoHytec Co., Ltd. (the “**Company**”) warrant that there are no false representations, misleading statements, or material omissions in the contents of this report, and accept legal responsibility for the truthfulness, accuracy and completeness of its contents.

IMPORTANT NOTICE

The Board, the supervisory committee together with the Directors, the supervisors and senior management of the Company confirm that the information contained in this quarterly report is true, accurate, complete and without any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility for the above.

The Person-in-charge of the Company, the Chief Financial Officer and the Head of the Finance Department (the Person-in-charge of Accounting), warrant the truthfulness, accuracy and completeness of the financial information in this quarterly report.

The first quarterly financial statements have not been audited.

I. KEY FINANCIAL DATA

(I) Major accounting data and financial indicators

Item	Current reporting period	Same period last year		Percentage of changes as compared with the same period last year (%)
		Before adjustment	After adjustment	After adjustment
		Unit: RMB		
Operating income	13,143,998.29	48,373,299.34	48,373,299.34	-72.83
Net profit attributable to shareholders of the listed company (“-” for net loss)	-91,204,404.13	-38,633,719.32	-38,633,719.32	N/A
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss (“-” for net loss)	-97,053,103.87	-43,044,700.04	-40,793,589.61	N/A
Net cash flows from operating activities (“-” for net outflow)	-79,890,325.92	-94,301,140.70	-94,301,140.70	N/A
Basic earnings per share (RMB/share)	-0.55	-0.35	-0.24	N/A
Diluted earnings per share (RMB/share)	-0.55	-0.35	-0.24	N/A
Weighted average return on net assets (%)	-3.04	-1.32	-1.32	Decrease of 1.72 percentage points
Total research and development investments	32,978,569.27	39,127,065.86	39,127,065.86	-15.71
Proportion of research and development investment in operating income (%)	250.90	80.89	80.89	Increase of 170.01 percentage points
		End of last year		Percentage of changes as compared with the end of last year (%)
		Before adjustment	After adjustment	After adjustment
Total assets	4,966,062,697.71	4,945,720,776.24	4,945,720,776.24	0.41
Owner’s equity attributable to shareholders of the listed company	2,954,342,322.75	3,044,850,299.91	3,044,850,299.91	-2.97

Reason for retrospective adjustment or restatement

- (1) Due to the implementation of the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Non-recurring Profit or Loss (Revised in 2023), the Company classifies asset-related government grants as recurring profit or loss items because they are closely related to the Company’s normal business operations and have a continuing impact on profit or loss. Therefore, the net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss has been retrospectively adjusted.
- (2) Since the Company implemented equity distribution by converting capital reserves into share capital in June 2023, the earnings per share for the same period has been adjusted based on the latest share capital.

(II) Non-recurring profit or loss items and amounts

	Unit: RMB
Non-recurring profit or loss items	Amount for the period
Gain or loss from disposal of non-current assets, including the write-off of asset impairment provisions	-170.77
Government grants included in profit or loss for the period, except for those closely related to the normal operation of the Company, complying with national policies and regulations, enjoyed according to determined standards and having a lasting impact on the Company’s profit and loss	7,114,255.56
Gain or loss from changes in fair value of financial assets and financial liabilities held by non-financial enterprises and gain or loss from disposal of financial assets and financial liabilities, except for effective hedging business related to the Company’s normal operations	3,800,699.29
Other non-operating income and expenses other than the above items	-5,861.57
Less: Effect of income tax	1,107.51
Effect of minority interests (after tax)	<u>5,059,115.26</u>
Total	<u><u>5,848,699.74</u></u>

(III) Changes in major accounting data and financial indicators and the reasons thereof

Item	Percentage of change (%)	Main reasons
Operating income	-72.83	Since the fuel cell industry in which the Company operates is in the early stages of industrialization, the Company's operating income is exposed to certain seasonal fluctuations.
Net profit attributable to shareholders of the listed company	-136.07	Mainly attributable to: (1) the decrease in operating income during the reporting period as compared with the same period last year; and (2) interests and exchange gains generated arising from the proceeds raised by the Company from the initial public offering of H Shares in Hong Kong in the same period last year.
Net profit attributable to shareholders of the listed company after deducting non- recurring profit or loss	-137.91	
Basic earnings per share (RMB/share)	-127.05	
Diluted earnings per share (RMB/share)	-127.05	
Proportion of research and development investment in operating income (%)	170.01	Mainly due to the decrease in operating income in the current period as compared with the same period last year, resulting in a smaller base and an increased proportion of income.

II. INFORMATION ON SHAREHOLDERS

(I) Total number of ordinary shareholders and number of preference shareholders with restored voting rights and shareholdings of the top ten shareholders

Unit: share

Total number of ordinary shareholders at the end of the reporting period	15,265 <i>(Note 1)</i>	Total number of preference shareholders with restored voting rights as at the end of the reporting period (if any)	N/A
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Shareholdings of the top ten shareholders (excluding shareholders who lend shares for securities financing)

Name of shareholder	Nature of shareholder	Number of shares held	Percentage of shareholding (%)	Number of restricted shares	Number of restricted shares including lending shares for securities financing	Shares pledged, marked or frozen Status of shares	Number
Zhang Guoqiang	Domestic natural person	26,031,764	15.73%	25,998,283	25,998,283	Nil	0
HKSCC Nominees Limited <i>(Note 1)</i>	Unknown	25,617,830	15.48%	0	0	Unknown	0
Tungshu Optoelectronic Technology Co., Ltd.	Domestic non-state-owned legal person	5,025,644	3.04%	0	0	Frozen	5,025,644
Yutong Bus Co., Ltd.	Domestic non-state-owned legal person	4,784,085	2.89%	0	0	Nil	0
Zhang He	Domestic natural person	3,370,000	2.04%	0	0	Nil	0
Beijing Shuimu Changfeng Equity Investment Center (L.P.)	Others	2,380,994	1.44%	0	0	Nil	0
Bai Wei	Domestic natural person	2,006,668	1.21%	0	0	Nil	0
Beijing Shuimu Sail Venture Capital Investment Center (L.P.)	Others	1,892,000	1.14%	0	0	Nil	0
Beijing Shuimu Guoding Investment Management Co., Ltd. – Nanning Shuimu Yuanjing Venture Capital Investment Center (L.P.)	Others	1,831,627	1.11%	0	0	Nil	0
Wu Taocong	Domestic natural person	1,743,343	1.05%	0	0	Nil	0

Shareholdings of the top ten shareholders of non-restricted shares

Name of shareholder	Number of tradable non-restricted shares	Type and number of shares	
		Type	Number
HKSCC Nominees Limited ^(Note 1)	25,617,830	Overseas listed foreign shares	25,617,830
Tunghsu Optoelectronic Technology Co., Ltd.	5,025,644	RMB-denominated ordinary shares	5,025,644
Yutong Bus Co., Ltd.	4,784,085	RMB-denominated ordinary shares	4,784,085
Zhang He	3,370,000	RMB-denominated ordinary shares	3,370,000
Beijing Shuimu Changfeng Equity Investment Center (L.P.)	2,380,994	RMB-denominated ordinary shares	2,380,994
Bai Wei	2,006,668	RMB-denominated ordinary shares	2,006,668
Beijing Shuimu Sail Venture Capital Investment Center (L.P.)	1,892,000	RMB-denominated ordinary shares	1,892,000
Beijing Shuimu Guoding Investment Management Co., Ltd. – Nanning Shuimu Yuanjing Venture Capital Investment Center (L.P.)	1,831,627	RMB-denominated ordinary shares	1,831,627
Wu Taocong	1,743,343	RMB-denominated ordinary shares	1,743,343
Zhou Pengfei	1,710,000	RMB-denominated ordinary shares	1,710,000
Explanation of affiliate relationship or acting in concert among the above shareholders	The general partner of Beijing Shuimu Sail Venture Capital Investment Center (L.P.), Beijing Shuimu Changfeng Equity Investment Center (L.P.) and Beijing Shuimu Guoding Investment Management Co., Ltd. – Nanning Shuimu Yuanjing Venture Capital Investment Center (L.P.), being the Company's shareholders, is Beijing Shuimu Chuangxin Investment Management Center (G.P.).		
Explanation of the participation by the top ten shareholders and the top ten shareholders of non-restricted shares in the margin financing and securities lending and margin refinancing business (if any)	N/A		

Note 1: As of the end of the reporting period, the total number of ordinary shareholders of the Company was 15,265, including 15,253 A shareholders and 12 H shareholders.

Note 2: HKSCC Nominees Limited holds shares on behalf of clients. As the relevant rules of The Stock Exchange of Hong Kong Limited do not require clients to declare whether their shares are pledged or frozen, HKSCC Nominees Limited is unable to calculate or provide the number of shares pledged or frozen.

Lending of shares by the shareholders holding more than 5% of the shares, the top ten shareholders and the top ten shareholders of tradable non-restricted shares through participation in the margin refinancing business

None.

Changes in the top ten shareholders and the top ten shareholders of tradable non-restricted shares from the previous period due to the lending/return of shares through refinancing

None.

III. OTHER REMINDERS

Other important information concerning the operation of the Company during the reporting period that needs to be brought to the attention of investors

Not Applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Financial statements

Consolidated Statements of Balance Sheets

March 31, 2024

Prepared by: Beijing SinoHytec Co., Ltd.

Unit: RMB Type of audit: Unaudited

Item	March 31, 2024	December 31, 2023
Current assets:		
Cash and cash equivalents	603,325,366.36	609,224,455.57
Financial assets held-for-trading	709,989,584.25	690,330,355.31
Derivative financial assets	–	–
Note receivables	57,647,214.35	50,790,598.92
Account receivables	1,590,693,520.51	1,621,965,472.53
Receivables financing	30,088,439.75	31,009,909.60
Prepayments	26,679,909.33	27,845,110.18
Other receivables	19,347,167.37	19,113,995.79
Including: Interest receivable	–	–
Dividend receivable	–	–
Purchases of resold financial assets	–	–
Inventories	278,033,783.23	231,175,443.00
Including: Data resources	–	–
Contract assets	17,069,196.48	16,711,351.68
Held-for-sale assets	–	–
Non-current assets due within one year	–	–
Other current assets	46,981,240.51	42,869,393.99
Total current assets	<u>3,379,855,422.14</u>	<u>3,341,036,086.57</u>

Item	March 31, 2024	December 31, 2023
Non-current assets:		
Debt investments	–	–
Other debt investments	–	–
Long-term receivables	–	–
Long-term equity investments	307,469,401.02	318,755,255.43
Other equity instrument investments	195,510,000.00	195,510,000.00
Other non-current financial assets	2,800,000.00	2,800,000.00
Investment properties	–	–
Fixed assets	485,602,823.65	503,237,119.23
Construction in progress	24,523,205.22	21,651,097.39
Right-of-use assets	34,128,359.55	37,863,441.51
Intangible assets	271,671,423.54	261,715,313.55
Including: Data resources	–	–
Development expenses	27,542,854.99	35,604,953.79
Including: Data resources	–	–
Goodwill	–	–
Long-term deferred expenditures	36,437,560.25	36,864,080.66
Deferred income tax assets	160,636,480.30	155,402,537.23
Other non-current assets	39,885,167.05	35,280,890.88
Total non-current assets	<u>1,586,207,275.57</u>	<u>1,604,684,689.67</u>
Total assets	<u>4,966,062,697.71</u>	<u>4,945,720,776.24</u>

Item	March 31, 2024	December 31, 2023
Current liabilities:		
Short-term borrowings	669,632,485.73	586,612,183.58
Financial liabilities held-for-trading	–	–
Derivative financial liabilities	–	–
Note payables	35,942,687.97	39,683,502.69
Accounts payable	553,028,805.24	572,538,653.10
Advances from customers	–	27,522.85
Contract liabilities	23,342,325.63	6,444,858.63
Proceeds from disposal of repurchased financial assets	–	–
Accrued payroll	56,251,739.33	50,874,311.75
Taxes payable	1,077,241.76	2,934,806.59
Other payables	34,762,453.88	18,742,209.30
Including: Interest payable	–	–
Dividend payable	–	–
Held-for-sale liabilities	–	–
Non-current liabilities due within one year	38,146,395.46	37,746,416.32
Other current liabilities	42,121,645.63	6,507,783.13
	<u>42,121,645.63</u>	<u>6,507,783.13</u>
Total current liabilities	<u>1,454,305,780.63</u>	<u>1,322,112,247.94</u>

Item	March 31, 2024	December 31, 2023
Non-current liabilities:		
Long-term borrowings	–	–
Bonds payable	–	–
Including: Preferred shares	–	–
Perpetual bonds	–	–
Lease liabilities	18,749,914.35	21,299,220.60
Long-term payables	4,449,693.71	5,911,814.94
Long-term accrued payroll	–	–
Accrued liabilities	42,900,014.90	44,776,420.37
Deferred income	108,728,791.24	111,273,990.16
Deferred income tax liabilities	34,209,968.64	33,204,233.23
Other non-current liabilities	–	–
	<hr/>	<hr/>
Total non-current liabilities	<u>209,038,382.84</u>	<u>216,465,679.30</u>
Total liabilities	<u>1,663,344,163.47</u>	<u>1,538,577,927.24</u>
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	165,465,772.00	165,465,772.00
Other equity instruments	–	–
Including: Preferred shares	–	–
Perpetual bonds	–	–
Capital reserve	3,236,926,118.73	3,236,926,118.73
Less: Treasury shares	–	–
Other comprehensive income	113,391,271.34	113,391,271.34
Special reserve	8,404,233.97	7,707,807.00
Surplus reserve	9,216,035.02	9,216,035.02
Provision for general risk	–	–
Undistributed profit	<u>-579,061,108.31</u>	<u>-487,856,704.18</u>
Total equity attributable to owners of the parent company (or shareholders' equity)	<u>2,954,342,322.75</u>	3,044,850,299.91
Minority interests	<u>348,376,211.49</u>	<u>362,292,549.09</u>
Total owners' equity (or shareholders' equity)	<u>3,302,718,534.24</u>	<u>3,407,142,849.00</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>4,966,062,697.71</u>	<u>4,945,720,776.24</u>

Consolidated Income Statement

January to March 2024

Prepared by: Beijing SinoHytec Co., Ltd.

Unit: RMB Type of audit: Unaudited

Item	The first quarter of 2024	The first quarter of 2023
I. Total operating income	13,143,998.29	48,373,299.34
Including: Operating income	13,143,998.29	48,373,299.34
II. Total operation costs	117,096,792.28	105,839,572.08
Including: Operation costs	21,637,600.16	31,493,268.53
Tax and surcharges	710,012.77	770,175.88
Selling expenses	16,151,652.10	12,272,361.23
Administrative expenses	54,719,560.58	59,189,256.89
Research and development expenses	23,397,306.09	23,278,091.00
Financial expenses	480,660.58	-21,163,581.45
Including: Interest expense	6,005,675.45	2,805,814.57
Interest income	5,352,018.74	9,031,092.66
Add: Other income	10,513,981.91	9,810,902.39
Investment income (“-” for losses)	-8,659,737.46	-7,216,380.89
Including: Investment income from associates and joint ventures (“-” for losses)	-11,285,854.41	-7,167,586.37
Gains from derecognition of financial assets at amortized cost	–	–
Gains on net exposure hedges (“-” for losses)	–	–
Gains on change in fair value (“-” for losses)	1,189,868.94	-165,123.28
Losses on credit impairment (“-” for losses)	-8,962,978.66	1,183,888.18
Impairment losses on assets (“-” for losses)	290,703.25	69,129.06
Gains from asset disposal (“-” for losses)	–	–

Item	The first quarter of 2024	The first quarter of 2023
III. Operating profits (“-” for losses)	-109,580,956.01	-53,783,857.28
Add: Non-operating income	8,570.87	104,344.84
Less: Non-operating expenses	14,603.21	1,075,826.86
IV. Total profits (“-” for total losses)	-109,586,988.35	-54,755,339.30
Less: Income tax expenses	-4,213,982.87	-7,007,627.72
V. Net profits (“-” for net losses)	-105,373,005.48	-47,747,711.58
(I) Classified by continuity of operations	-	-
1. Net profit from continuing operations (“-” for net loss)	-105,373,005.48	-47,747,711.58
2. Net profit from discontinued operations (“-” for net loss)	-	-
(II) Classified by ownership	-	-
1. Net profit attributable to equity shareholders of the listed company (“-” for net loss)	-91,204,404.13	-38,633,719.32
2. Minority interests (“-” for net losses)	-14,168,601.35	-9,113,992.26
VI. Net amount of other comprehensive income after tax	-	-
(I) Net amount of other comprehensive income after tax attributable to the owners of the listed company	-	-
1. Other comprehensive income that cannot be reclassified to profit or loss	-	-
2. Other comprehensive income that will be reclassified to profit or loss	-	-
(II) Net amount of other comprehensive income after tax attributable to minority shareholders	-	-

Item	The first quarter of 2024	The first quarter of 2023
VII. Total comprehensive income	-105,373,005.48	-47,747,711.58
(I) Total comprehensive income attributable to the owners of the listed company (“-” for losses)	-91,204,404.13	-38,633,719.32
(II) Total comprehensive income attributable to minority shareholders (“-” for losses)	-14,168,601.35	9,113,992.26
VIII. Earnings per share:	-	-
(I) Basic earnings per share (<i>RMB/share</i>)	-0.55	-0.24
(II) Diluted earnings per share (<i>RMB/share</i>)	-0.55	-0.24

For the business combination under common control in the current period, the net profit realized by the merged party before the combination was RMB0, and the net profit realized by the merged party in the previous period was RMB0.

Consolidated Statement of Cash Flows

January to March 2024

Prepared by: Beijing SinoHytec Co., Ltd.

Unit: RMB Type of audit: Unaudited

Item	The first quarter of 2024	The first quarter of 2023
I. Cash flows from operating activities:		
Cash received from sales of goods and rendering of services	56,852,221.69	82,351,683.82
Refund of taxes and levies	1,892.28	4,019,870.15
Cash received relating to other operating activities	<u>32,599,765.96</u>	<u>9,252,132.80</u>
Sub-total of cash inflows from operating activities	<u>89,453,879.93</u>	<u>95,623,686.77</u>
Cash paid for the purchase of goods and the acceptance of services	72,004,694.66	88,465,053.48
Cash paid to and for employees	74,104,974.94	66,346,535.09
Payments of all types of taxes	2,510,183.91	10,284,989.15
Cash payments relating to other operating activities	<u>20,724,352.34</u>	<u>24,828,249.75</u>
Sub-total of cash outflows from operating activities	<u>169,344,205.85</u>	<u>189,924,827.47</u>
Net cash flows from operating activities	<u><u>-79,890,325.92</u></u>	<u><u>-94,301,140.70</u></u>

Item	The first quarter of 2024	The first quarter of 2023
II. Cash flows from investing activities:		
Cash received from the disposal of investments	–	65,000,000.00
Cash received from investment income	2,606,273.98	486,938.81
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	–	–
Net cash received from disposal of subsidiaries and other operating units	–	–
Cash received relating to other investing activities	–	–
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	<u>2,606,273.98</u>	<u>65,486,938.81</u>
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	7,104,269.29	29,612,933.77
Cash paid for investments	18,469,360.00	66,000,000.00
Net cash paid for acquisition of subsidiaries and other operating units	–	–
Cash paid relating to other investing activities	–	–
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	<u>25,573,629.29</u>	<u>95,612,933.77</u>
Net cash flows from investing activities	<u><u>-22,967,355.31</u></u>	<u><u>-30,125,994.96</u></u>

Item	The first quarter of 2024	The first quarter of 2023
III. Cash flows from financing activities:		
Cash received from capital contributions	–	915,364,635.94
Including: Cash received by subsidiaries from the investment of minority shareholders	–	–
Cash received from borrowings	185,271,690.27	106,879,793.11
Cash received from other financing activities	<u>4,026,885.62</u>	<u>15,267,453.93</u>
Sub-total of cash inflows from financing activities	<u>189,298,575.89</u>	<u>1,037,511,882.98</u>
Cash paid for repayment of debts	76,646,909.69	45,622,912.76
Cash payments for the distribution of dividends, profits or interest expenses	5,360,850.69	2,072,101.85
Including: Dividends and profits paid to minority shareholders by subsidiaries	–	–
Cash paid relating to other financing activities	<u>15,180,851.13</u>	<u>21,177,857.83</u>
Sub-total of cash outflows from financing activities	<u>97,188,611.51</u>	<u>68,872,872.44</u>
Net cash flows from financing activities	<u><u>92,109,964.38</u></u>	<u><u>968,639,010.54</u></u>

Item	The first quarter of 2024	The first quarter of 2023
IV. Effect of exchange rate changes on cash and cash equivalents	<u>516,388.50</u>	<u>15,798,258.30</u>
V. Net increase in cash and cash equivalents	-10,231,328.35	860,010,133.18
Add: Balance of cash and cash equivalents at the beginning of the period	<u>592,026,461.60</u>	<u>616,790,436.73</u>
VI. Balance of cash and cash equivalents at the end of the period	<u>581,795,133.25</u>	<u>1,476,800,569.91</u>

By order of the Board
Beijing SinoHytec Co., Ltd.
ZHANG Guoqiang
Chairman of the Board

Beijing, the PRC
April 26, 2024

As of the date of this announcement, the Board comprises Mr. Zhang Guoqiang, Ms. Song Haiying and Ms. Dai Dongzhe as executive directors, Ms. Teng Renjie and Mr. Song Feng as non-executive directors, Mr. Liu Xiaoshi, Mr. Ji Xuehong, Mr. Chan So Kuen and Mr. Li Zhijie as independent non-executive directors.