

Stock Code: 000581, 200581

Notice No.: 2021-019

Short Form of the Stock: Weifu High-Tech, Su Weifu-B

# **Weifu High-Technology Group Co., Ltd.**

## **Text of First Quarterly Report 2021**



### **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of Weifu High-Technology Group Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.**

**All Directors are attended the Board Meeting for Quarterly Report deliberation Wang Xiaodong, Principal of the Company; Ou Jianbin, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Supervisor) hereby confirm that the Financial Report of the First Quarterly Report is authentic, accurate and complete.**

## Section II. Company Profile

### I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes  No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	4,700,158,675.54	2,772,108,717.43	69.55%
Net profit attributable to shareholders of the listed company (RMB)	861,572,997.00	549,996,717.72	56.65%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	932,554,535.06	495,225,376.36	88.31%
Net cash flow arising from operating activities (RMB)	-229,541,250.49	319,204,809.86	-171.91%
Basic earnings per share (RMB/Share)	0.87	0.55	58.18%
Diluted earnings per share (RMB/Share)	0.87	0.55	58.18%
Weighted average ROE	4.61%	3.18%	1.43%
	End of this period	End of last period	Changes of this period-end over same period-end of last year
Total assets (RMB)	28,619,573,993.66	27,350,695,388.21	4.64%
Net assets attributable to shareholder of listed company (RMB)	19,143,233,995.51	18,282,017,990.66	4.71%

Items of non-recurring gains and losses

Applicable  Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	1,676,181.25	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	10,247,700.49	
Gains/losses of fair value changes from holding the transaction financial asset, derivative financial assets, transaction financial liability and derivative financial	-94,934,860.22	

liability and investment earnings obtained from disposing the transaction financial asset, derivative financial assets, transaction financial liability, derivative financial liability and other debt investment, except for the effective hedging business related to normal operation of the Company		
Other non-operating income and expenditure except for the aforementioned items	-2,546.17	
Less: impact on income tax	-12,454,718.08	
Impact on minority shareholders' equity (post-tax)	422,731.49	
Total	-70,981,538.06	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable  Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

## II. Total number of shareholders at the end of this report period and top ten shareholders

### 1. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period	63,444	Total preferred stockholders with voting rights recover at the end of report period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Wuxi Industry Development Group Co., Ltd.	State-owned corporate	20.22%	204,059,398			
ROBERT BOSCH GMBH	Foreign corporate	14.16%	142,841,400			
Hong Kong Securities Clearing Company	Foreign corporate	6.36%	64,216,612			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign corporate	1.60%	16,093,515			
Central Huijin Assets Management Co., Ltd.	State-owned corporate	1.27%	12,811,200			
Basic Pension Insurance Fund- 1003	Other	1.09%	10,968,106			

Huatai Financial Holdings (Hong Kong) Limited—Client fund	Foreign corporate	0.79%	7,999,998			
FIDELITY INVMT TRT FIDELITY INTL SMALL CAP FUND	Foreign corporate	0.73%	7,339,586			
Monetary Authority of Macao - own fund	Foreign corporate	0.55%	5,521,441			
Haitong Securities Co., Ltd.	State-owned corporate	0.50%	5,001,101			
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares		Type	Amount	
		Type	Amount			
Wuxi Industry Development Group Co., Ltd.	204,059,398	RMB common shares	204,059,398			
ROBERT BOSCH GMBH	142,841,400	RMB common shares	115,260,600			
		Domestically listed foreign shares	27,580,800			
Hong Kong Securities Clearing Company	64,216,612	RMB common shares	64,216,612			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	16,093,515	Domestically listed foreign shares	16,093,515			
Central Huijin Assets Management Co., Ltd.	12,811,200	RMB common shares	12,811,200			
Basic Pension Insurance Fund- 1003	10,968,106	RMB common shares	10,968,106			
Huatai Financial Holdings (Hong Kong) Limited—Client fund	7,999,998	RMB common shares	7,999,998			
FIDELITY INVMT TRT FIDELITY INTL SMALL CAP FUND	7,339,586	Domestically listed foreign shares	7,339,586			
Monetary Authority of Macao - own fund	5,521,441	RMB common shares	5,521,441			
Haitong Securities Co., Ltd.	5,001,101	RMB common shares	5,001,101			
Note of related relationship among the above shareholders and concerted actors	Among the top ten shareholders, the Company knew 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 consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company.					

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes  No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

**2. Total shareholders with preferred stock held at Period-end and shares held by top ten shareholders with preferred stock held**

Applicable  Not applicable

## Section III. Significant Events

### I. Changes in the main financial data and financial indicators during the reporting period and the reasons

√ Applicable □ Not applicable

#### (i) Changes and reasons of items in balance sheet:

1. Accounts receivable in the period-end increased 1377.87 million yuan by comparing with end of last year with 48.78 percent up, mainly due to the increase in sales revenue during the reporting period;
2. Advance payment in the period-end increased 52.69 million yuan by comparing with end of last year with 34.69 percent up, mainly due to the increase in purchases during the reporting period;
3. Other receivables in the period-end decreased 18.02 million yuan by comparing with end of last year with 33.25 percent down, mainly due to the recovery of dividends receivable during the reporting period;
4. Other non-current financial assets in the period-end decreased 540.44 million yuan by comparing with end of last year with 29.93 percent down, mainly due to the more than one year wealth management maturity during the reporting period;
5. Deferred income tax assets in the period-end increased 78.39 million yuan by comparing with end of last year with 39.51 percent up, mainly due to the prepayment of corporate income tax for the investment income and the gains and losses of fair value changes during the reporting period;
6. Short-term loan in the period-end increased 433.10 million yuan by comparing with end of last year with 143.30 percent up, mainly due to the increase in bank borrowings during the reporting period;
7. Contract liabilities in the period-end decreased 39.17 million yuan by comparing with end of last year with 47.93 percent down, mainly due to the settlement of advance payment during the reporting period;
8. Wages payable in the period-end decreased 160.09 million yuan by comparing with end of last year with 48.16 percent down, mainly because paying the employee performance rewards in the reporting period;
9. Taxes payable in the period-end increased 166.03 million yuan by comparing with end of last year with 245.99 percent up, mainly due to the increase in quarterly prepayment of corporate income tax during the reporting period;
10. Non-current liabilities due within one year in the period-end decreased 12.32 million yuan by comparing with end of last year with 33.36 percent down, mainly because the loan repayment at maturity in the reporting period;
11. Other comprehensive income in the period-end decreased 18.89 million yuan, mainly due to the conversion difference of foreign currency statements;

#### (ii) Changes and reasons of items in profit and loss statement:

1. Operating income in the period increased 1928.05 million yuan from a year earlier with 69.55 percent up, mainly due to the rapid growth of the company's three major system businesses;
2. Operating cost in the period increased 1604.61 million yuan from a year earlier with 71.30 percent up, mainly

due to the rapid growth of the company's three major system businesses;

3. R&D expenses in the period increased 44.2 million yuan from a year earlier with 59.15 percent up, mainly because investment in research and development increased during the reporting period;

4. Investment income in the period increased 191.74 million yuan from a year earlier with 52.87 percent up, mainly because the income from joint stock enterprise increased;

5. Gains from changes in fair value in the period decreased 86.54 million yuan from a year earlier, mainly because the fair value of other equity investment, such as Guolian Securities etc. declined from a year earlier;

6. The total profit in the period increased 348.68 million yuan from a year earlier with 58.84 percent up, mainly because benefiting from the boom in the automotive industry, especially the commercial vehicle market, the company's main products are booming in production and sales;

### **(iii) Changes and reasons of items in cash flow statement:**

1. Net cash flow arising from operation activity in the period decreased 548.75 million yuan from a year earlier, mainly because the increase in sales revenue and the payment due date has not arrived;

2. Net cash flow arising from investment activity decreased 395.47 million yuan from a year earlier, mainly because the wealth management business has not expired and the cash inflow declined;

3. Net cash flow arising from financing activity increased 707.17 million yuan from a year earlier, mainly due to the payment in 2020 caused by the repurchase of A shares by means of centralized bidding and the bank borrowings during the reporting period increased.

## **II. Analysis and explanation of significant events and their influence and solutions**

√ Applicable □ Not applicable

Parts of the joint-stock enterprise's equity held by the Company freeze

1. On 6 March 2017, the Company received a legal documents mail from Shenzhen Intermediate people's Court in Guangdong Province (hereinafter referred to as Shenzhen Intermediate Court). Pursuit to the legal documents, the plaintiff- China Cinda Asset Management Co., Ltd. Shenzhen Branch bring a suit against eight defendants (the Company included) and the third party-Shenzhen Hejun Venture Holding Co., Ltd. ("Hejun Company" for short) for damaged the interests of corporate creditors, totally two cases for suits. Shenzhen Intermediate Court accepted the case and issued the Civil Order of (2016) Yue 03 MC No.2490 and (2016) Yue 03 MC No. 2492, that is, the property under the name of eight defendants are being seal up, detain or freeze-up, totally amounted as 217 million Yuan. Ended as the reporting period, the 4.71 million shares of Miracle and 11,739,102 shares of SDEC held by the Company are being freeze-up. First trial are carried on 24 September 2017, and further session to be advised from the Court.

2. The company has applied to Futian People's Court of Shenzhen for compulsory liquidation with Hejun Company. A Civil Ruling Paper is carried by Futian People's Court of Shenzhen (2017) Yue 0304 QS No.5, that is: implemented compulsory liquidation on Hejun Company. The Company will fully engage with the Court for relevant liquidation works completed, guarantee legitimate interest of the Company.

Overview	Disclosure date	Query index for interim notice
Parts of the joint-stock enterprise's equity held by the Company freeze	March 8, 2017	(Notice No. 2017-002) Published on Juchao Website (www.cninfo.com.cn)
	December 6, 2017	(Notice No. 2017-023) Published on Juchao Website (www.cninfo.com.cn)

Implementation progress of shares buy-back

Applicable  Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable  Not applicable

### III. Commitments non-performance over due in reporting period from committed parties as actual controller, shareholders, related party, acquirer and the Company

Applicable  Not applicable

No the above mentioned commitment occurred in the period.

### IV. Securities Investment

Applicable  Not applicable

In RMB

Variety of securities	Code of securities	Short form of securities	Initial investment cost	Accounting measurement model	Book value at the beginning of the period	Current gain/loss of fair value changes	Cumulative fair value changes in equity	Current purchase amount	Current sales amount	Profit and loss in the Reporting Period	Book value at the end of the period	Accounting subject	Capital Source
Domestic and foreign stocks	600841	SDEC	199,208,000.00	Measured by fair value	140,395,956.00	-7,922,436.00					132,473,520.00	Trading financial assets	Own funds
Domestic and foreign stocks	002009	Miracle Automation	69,331,500.00	Measured by fair value	47,712,300.00	-3,579,600.00					44,132,700.00	Trading financial assets	Own funds
Domestic and foreign stocks	601456	Guolian	12,000,000.00	Measured by fair value	326,848,122.00	-83,432,824.22					243,415,297.78	Trading financial assets	Own funds



foreign stocks		Secu rities		fair value									assets	
Total			280,539,500.00	--	514,956,378.00	-94,934,860.22	0.00	0.00	0.00	0.00	420,021,517.78	--	--	
Disclosure date of securities investment		March 24, 2012												
approval by the Board		June 4, 2013												

## 2. Derivative investment

Applicable  Not applicable

No derivative investment in the Period.

## V. Progress of investment projects with raised funds

Applicable  Not applicable

## VI. Prediction of business performance from January – June 2021

Estimation on accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation on reason

Applicable  Not applicable

## VII. Major contracts for daily operations

Applicable  Not applicable

## VIII. Trust financing

Applicable  Not applicable

In 10 thousand Yuan

Specific type	Sources of funds	Amount occurred	Undue balance	Overdue amount
Financing products	Own funds	65,300	65,300	0
Financial products of securities firms	Own funds	82,000	82,000	0
Trust financial products	Own funds	289,280	284,580	0
Other type	Own funds	67,770	67,770	0
Total		504,350	499,650	0

Details of the single major amount, or high-risk trust investment with low security, poor fluidity and non-guaranteed

√ Applicable    □ Not applicable

In 10 thousand Yuan

Trustee institution name	Trustee type	Type	Amount	Source of funds	Start date	End date	Capital investment purpose	Criteria for fixing reward	Reference annual rate of return	Anticipated income (if applicable)	Actual gains/losses in period	Actual collected gains/losses in period	Amount of reserve for devaluation with drawing (if applicable)	Whether approved by legal procedure (Y/N)	Whether has entrusted finance plan in the future	Summary of the items and related query index (if applicable)
Bank	Bank	Non-guaranteed floating income	1,300	Owned fund	March 2, 2021	May 26, 2021	Financial products	Contractual Performance Benchmark	3.55%	10.75	0	Collected according to the contract		Y	Y	
Securities trader	Securities trader	Non-guaranteed floating income	18,000	Owned fund	January 12, 2021	September 14, 2021	Collective assets management plan	Contractual Performance Benchmark	4.7% -5%	544.96	265.16	Collected according to the contract		Y	Y	Notice No.: 2020-015
Trust	Trust	Non-guaranteed floating income	33,880	Owned fund	January 8, 2021	January 29, 2023	Collection trust plan	Contractual Performance Benchmark	5.8% -7.4%	3,190.71	2,922.76	Collected according to the contract		Y	Y	
Other	Other	Non-guaranteed floating income	10,000	Owned fund	February 8, 2021	February 8, 2023	Fund products	Contractual Performance Benchmark	6% -7.5%	660	439.57	Collected according to the		Y	Y	

		income						k				contract				
Total		63,180	--	--	--	--	--	--	--	4,406.42	3,627.49	--	0	--	--	--

Entrust financial expected to be unable to recover the principal or impairment might be occurred

Applicable  Not applicable

### IX. External security against the rules

Applicable  Not applicable

The Company has no external security against the rules in the Period

### X. Controlling shareholders' and its related party's non-business capital occupying of the listed company

Applicable  Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.

### XI. Registration form for receiving research, communication and interview in the report period

Applicable  Not applicable

Date	Reception location	Method	Type of investors	Object	Main content and information provided	Index for the interview and research
1 Jan. 2021 to 31 Mar. 2021	Interactive platform ( <a href="http://irm.p5w.net/dqhd/sichuan/">http://irm.p5w.net/dqhd/sichuan/</a> )	Written inquiries	Other	Other	Basic condition of the Company and views on market	The Company answered 55 questions for investors online through the investor relations interactive platform ( <a href="http://irm.p5w.net/dqhd/sichuan/">http://irm.p5w.net/dqhd/sichuan/</a> )
1 Jan. 2021 to 31 Mar. 2021	Telephone	Telephone communication	Other	Other	Basic condition of the Company and views on market	Communicate with investors by telephone more than 50

Board of Director of  
Weifu High-Technology Group Co., Ltd.

27 April 2021