

Stock Code: 000581, 200581

Notice No.: 2019-013

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



Weifu High-Technology Group Co., Ltd. Text of First Quarterly Report 2019

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

Chen Xuejun, 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)	2,270,130,717.54	2,391,982,640.39	-5.09%
Net profit attributable to shareholders of the listed company (RMB)	689,179,364.60	784,228,178.43	-12.12%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	613,343,723.80	691,598,799.43	-11.32%
Net cash flow arising from operating activities (RMB)	145,409,651.46	86,416,705.11	68.27%
Basic earnings per share (RMB/Share)	0.68	0.78	-12.82%
Diluted earnings per share (RMB/Share)	0.68	0.78	-12.82%
Weighted average ROE	4.24%	5.15%	-0.91%
	End of this period	End of last period	Changes of this period-end over same period-end of last year
Total assets (RMB)	22,204,649,523.58	20,892,041,460.30	6.28%
Net assets attributable to shareholder of listed company (RMB)	16,603,398,152.41	15,913,828,778.82	4.33%

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)	282,530.38	
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)	6,930,045.15	
Gain or loss on the investment or management of assets	30,329,829.15	
Held transaction financial asset, gains/losses of changes of fair values from transaction financial liabilities, and investment gains from disposal of transaction financial asset,	51,489,477.13	

transaction financial liabilities and financial asset available for sales, exclude the effective hedging business relevant with normal operations of the Company		
Other non-operating income and expenditure except for the aforementioned items	872,909.01	
Less: impact on income tax	13,629,395.27	
Impact on minority shareholders' equity (post-tax)	439,754.75	
Total	75,835,640.80	--

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	54,791	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 CROUP CO., LTD.	State-owned legal person	20.22%	204,059,398			
ROBERT BOSCH GMBH	Foreign legal person	14.16%	142,841,400			
HKSCC Nominees Limited	Foreign legal person	6.61%	66,672,353			
Bank of Communication – HSBC Jixin Double Core Strategy Mixed Securities Investment Fund	Other	1.91%	19,237,847			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign legal person	1.84%	18,530,315			
China Life Insurance (Group) Company - bonus- personal bonus-005L-FH002 SHEN	Other	1.56%	15,714,926			

China Life Insurance (Group) Company - tradition - general insurance products-005L-CT00 1 SHEN	Other	1.47%	14,881,834			
Central Huijin Assets Management Co., Ltd.	State-owned legal person	1.27%	12,811,200			
Investec Asset Management - Investec Global Strategy Fund - All-China Equity Fund (Exchange)	Foreign legal person	0.87%	8,772,392			
FIDELITY INVMT TRT FIDELITY INTL SMALL CAP FUND	Foreign legal person	0.61%	6,122,887			
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 share	204,059,398			
ROBERT BOSCH GMBH	142,841,400	RMB common share	115,260,600			
		Domestically listed foreign share	27,580,800			
HKSCC Nominees Limited	66,672,353	RMB common share	66,672,353			
Bank of Communication – HSBC Jixin Double Core Strategy Mixed Securities Investment Fund	19,237,847	RMB common share	19,237,847			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	18,530,315	Domestically listed foreign share	18,530,315			
China Life Insurance (Group) Company - bonus- personal bonus-005L-FH002 SHEN	15,714,926	RMB common share	15,714,926			
China Life Insurance (Group) Company - tradition - general insurance products-005L-CT00 1 SHEN	14,881,834	RMB common share	14,881,834			
Central Huijin Assets Management Co., Ltd.	12,811,200	RMB common share	12,811,200			
Investec Asset Management - Investec Global Strategy Fund - All-China Equity Fund (Exchange)	8,772,392	RMB common share	8,772,392			
FIDELITY INVMT TRT FIDELITY INTL SMALL CAP FUND	6,122,887	Domestically listed foreign share	6,122,887			
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. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√ Applicable Not applicable

(I) Changes and reasons of items in balance sheet:

1. Ending balance of account receivable increased 696.2224 million yuan over that of last year with 36.27 percent up, mainly because sales in the period is higher than the previous period;
2. Other account receivable in the period decreased 39.0745 million yuan with 46.20 percent down compared with end of last year, mainly because of the assets disposal reimbursement from WFJN in the period.
3. Other current assets in the period has decreased 4592.244 million yuan compared with end of last year, financial assets available-for-sale in the period has decreased 255.9752 million yuan compared with end of last year, other equity instrument investment in the period has increased 87.0883 million yuan compared with end of last year, other non-current financial assets in the period has increased 138.8 million yuan compared with end of last year, mainly because the above mentioned items are re-classified due to the implementation of new accounting rules for financial instrument;
4. Construction in progress in the period increased 42.9539 million yuan by comparing with end of last year with 25.81 percent up, mainly due to the increase of technical improvement equipment;
5. Short-term loans in the period increased 126.988 million yuan by comparing with end of last year with 42.48 percent up, mainly due to the increase of bank loans in the period;
6. Taxes payable in the period increased 64.382 million yuan by comparing with end of last year with 86.68 percent up, mainly because payable for income tax, VAT, urban construction tax and education surcharge increased;
7. Deferred income tax liability in the period increased 7.6221 million yuan and 398.49 percent compared with end of last year, mainly due to the increase of fair value from financial assets held for trading;
8. Ending balance of other comprehensive income in the period is re-classified to “Retained profit” according to new accounting rules.

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

1. Taxes and surcharge in the period increased 4.898 million yuan from a year earlier with 30.38 percent up, mainly because payable for urban construction tax and education surcharge increased;
2. Financial expenses in the period decreased 19,531,700 yuan from a year earlier, mainly because interest income increase;
3. Investment income in the period decreased 162,091,550 yuan from a year earlier with 26.71 percent down, mainly because income from share-participated enterprise declined

(III) Changes and reasons of items in cash flow statement:

1. Net cash flow arising from operation activity in the period increased 58.9929 million yuan from a year earlier with 68.27 percent up, mainly because expenditure for purchasing declined on a y-o-y basis and the interest income increased from a year earlier;
2. Net cash flow arising from investment activity: decreased out-flow of 1824.5962 million yuan from a year earlier, mainly because financial products purchased in the period and collection of financial products on due declined on a y-o-y basis;
3. Net cash flow arising from financing activity: increased 41.0633 million yuan from a year earlier with 50.68 percent up, mainly because bank loans in the period increased and borrowing paid to the bank in the period declined

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

Applicable Not applicable

(i) 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.

(ii) In accordance with the resolution of 4th session of 9th BOD held on 26 March 2019, the Company plans to establish a wholly-owned subsidiary SPV Company in Denmark. Acquired the 66.00% equity of IRD Fuel Cells A/S ("IRD" for short) in Denmark held by FCCT ApS. Company with EUR 7.26 million by conversion (value of assessment for IRD as EUR 11 million). Benefit from the controlling of IRD by equity procurement, the Company will enter the field of fuel cell core components quickly, and enhancing the competitiveness of Companies in emerging market; the evens are in line with the development strategy of the Company, lay a sound foundation for sustainable, rapid and healthy development of the Company, as well as transformation and upgrading. Relevant works are progressing smoothly.

Overview	Disclosure date	Query index for interim notice
Parts of the joint-stock enterprise's equity held by the Company freeze	2017-03-08	(Notice No. 2017-002) Published on Juchao Website (www.cninfo.com.cn)
	2017-12-06	(Notice No. 2017-023) Published on Juchao Website (www.cninfo.com.cn)
The Company plans to establish a wholly-owned subsidiary SPV Company in Denmark. Acquired the 66.00% equity of IRD Fuel Cells A/S ("IRD" for short) in Denmark held by FCCT ApS. Company	2019-03-28	(Notice No. 2019-003) 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. Predict of the business performance from January to June 2019

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be loss or have great changes comparing with the same period of last year

Applicable Not applicable

V. Securities Investment

Applicable Not applicable

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	85,458,408.00	35,456,148.00				35,456,148.00	120,914,556.00	Transactional financial assets	Own funds

Domestic and foreign stocks	002009	Miracl e Logisti cs	69,331, 500.00	Measure d by fair value	35,607,6 00.00	15,543,000 .00				15,543, 000.00	51,150,6 00.00	Transact ional financial assets	Own funds
Total			268,53 9,500.0 0	--	121,066, 008.00	50,999,148 .00				50,999, 148.00	172,065, 156.00	--	--
Disclosure date of securities investment approval by the Board			2012-03-24										
			2013-06-04										

VI. Derivative investment

Applicable Not applicable

No derivative investment in the Period.

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

Applicable Not applicable

Date	Method	Type of investors	Index for the interview and research
1 Jan. 2019 to 31 Mar. 2019	Telephone communication	Other	The Company answered 35 questions for investors online through the investor relations interactive platform(http://irm.p5w.net/dqhd/sichuan/)
1 Jan. 2019 to 31 Mar. 2019	Written inquiries	Other	Basic condition of the Company and views on market, communication with investors by telephone more than 50

VIII. External security against the rules

Applicable Not applicable

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

IX. 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.

Board of Director of
Weifu High-Technology Group Co., Ltd
29 April 2019