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*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 2402)**

## **PROFIT WARNING INCREASE IN NET LOSS ATTRIBUTABLE TO SHAREHOLDERS OF THE LISTED COMPANY**

This announcement is made by Beijing SinoHytec Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Company and the preliminary assessment of the latest unaudited consolidated management accounts of the Group for the nine months ended September 30, 2023 (the “**Reporting Period**”), it is expected that the Group will record an increase in net loss attributable to shareholders of the listed company of approximately 104% for the Reporting Period as compared to the net loss attributable to shareholders of the listed company of approximately RMB94.6 million for the nine months ended September 30, 2022 (the “**Corresponding Period**”). Such change was primarily because (i) the fuel cell industry in which the Company operates is still at an early stage of commercialization and the operating results are subject to certain fluctuation, the operating income of the Company during the Reporting Period decreased by RMB97.3 million year-on-year; (ii) in order to fully grab the favorable opportunity of the scale development of the fuel cell market, the Company has increased its investment in talent reserve and market expansion as well as continuously expanded the scale of the Company at the same time, the expansion of long-term assets in production and operation resulted in an increase in depreciation and amortization of the underlying assets which led to a year-on-year increase of RMB65.2 million in selling, administrative and R&D expenses during the Reporting Period; and (iii) the Company made provision for related bad debts losses on receivables from customers based on the method of expected credit risk loss, resulting in a year-on-year increase of RMB56.4 million on credit impairment losses during the Reporting Period.

The information contained in this announcement is only a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group and other information currently available to the Board. Such information has not been audited or reviewed by the auditors or the audit committee of the Company. As the Company is still in the process of finalizing its financial results for the Reporting Period, the final results for the Reporting Period may be subject to changes and may differ from the information disclosed in this announcement. The final results of the Company for the Reporting Period and other operating details of the Group will be disclosed in the quarterly report of the Company for the Reporting Period, which is expected to be released by the end of October 2023.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

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

Beijing, the PRC  
October 25, 2023

*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.*