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亿华通 北京億華通科技股份有限公司
SinoHytec Beijing SinoHytec Co., Ltd.

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

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2024

FINANCIAL HIGHLIGHTS

- **Total operating revenue for 2024 was RMB366.6714 million, representing a year-on-year decrease of 54.21%.**
- **Net losses attributable to owners of the listed company for 2024 were RMB456.4329 million, while net losses attributable to owners of the listed company for the same period last year was RMB243.2037 million.**
- **Basic loss per share for 2024 was RMB1.97, while basic loss per share for the same period last year was RMB1.48.**

The board (the “**Board**”) of directors (the “**Directors**”) of Beijing SinoHytec Co., Ltd. (the “**Company**”) hereby announces the annual results of the Company and its subsidiaries (the “**Group**”) for the year ended December 31, 2024 (the “**Reporting Period**”) prepared in accordance with the China Accounting Standards for Business Enterprises. The unaudited annual results in this announcement have been reviewed and confirmed by the audit committee of the Company and agreed upon by the auditor of the Company.

CONSOLIDATED STATEMENTS OF BALANCE SHEETS AS AT DECEMBER 31, 2024

(Unless otherwise specified, all amounts are denominated in RMB)

Assets	Notes	December 31, 2024	December 31, 2023
Current assets			
Cash and cash equivalents		722,234,518.26	609,224,455.57
Financial assets held-for-trading		727,426,376.60	690,330,355.31
Derivative financial assets		–	–
Bill receivables		14,478,407.04	50,790,598.92
Account receivables	5	1,547,509,301.12	1,621,965,472.53
Account receivable financing		2,592,424.40	31,009,909.60
Prepayments		4,723,114.27	27,845,110.18
Other receivables		18,051,745.78	19,113,995.79
Purchases of resold financial assets		–	–
Inventories		192,962,787.88	231,175,443.00
Contract assets		1,249,340.20	16,711,351.68
Held-for-sale assets		–	–
Non-current assets due within one year		–	–
Other current assets		45,501,021.66	42,869,393.99
Total current assets		<u>3,276,729,037.21</u>	<u>3,341,036,086.57</u>
Non-current assets			
Other debt investments		–	–
Long-term receivables		–	–
Long-term equity investments		283,798,699.12	318,755,255.43
Other equity instrument investments		157,846,800.00	195,510,000.00
Other non-current financial assets		4,096,500.00	2,800,000.00
Investment properties		–	–
Fixed assets		497,106,247.86	503,237,119.23
Construction in progress		15,004,992.89	21,651,097.39
Right-of-use assets		31,283,770.97	37,863,441.51
Intangible assets		262,423,602.68	261,715,313.55
Development expenses		49,754,133.69	35,604,953.79
Goodwill		–	–
Long-term deferred expenditures		32,384,453.80	36,864,080.66
Deferred income tax assets		125,500,503.00	155,402,537.23
Other non-current assets		43,040,121.89	35,280,890.88
Total non-current assets		<u>1,502,239,825.90</u>	<u>1,604,684,689.67</u>
Total assets		<u>4,778,968,863.11</u>	<u>4,945,720,776.24</u>

**CONSOLIDATED STATEMENTS OF BALANCE SHEETS AS AT DECEMBER 31, 2024
(CONTINUED)**

(Unless otherwise specified, all amounts are denominated in RMB)

Liabilities and shareholders' equity	Notes	December 31, 2024	December 31, 2023
Current liabilities			
Short-term borrowings		762,428,281.10	586,612,183.58
Financial liabilities held-for-trading		—	—
Derivative financial liabilities		—	—
Bills payable		19,260,918.00	39,683,502.69
Account payable	6	669,625,643.10	572,538,653.10
Advances from customers		—	27,522.85
Contract liabilities		62,510,456.52	6,444,858.63
Accrued payroll		38,658,976.03	50,874,311.75
Taxes payable		6,742,876.92	2,934,806.59
Other payables		158,033,221.89	18,742,209.30
Held-for-sale liabilities		—	—
Non-current liabilities due within one year		26,456,210.28	37,746,416.32
Other current liabilities		10,852,649.97	6,507,783.13
Total current liabilities		<u>1,754,569,233.81</u>	<u>1,322,112,247.94</u>
Non-current liabilities			
Long-term borrowings		9,809,731.95	—
Bonds payable		—	—
Lease liabilities		12,329,805.18	21,299,220.60
Long-term payables		2,062,150.49	5,911,814.94
Deferred income		108,418,593.70	111,273,990.16
Long-term accrued payroll		—	—
Accrued liabilities		45,447,961.47	44,776,420.37
Deferred income tax liabilities		2,987,008.30	33,204,233.23
Other non-current liabilities		—	—
Total non-current liabilities		<u>181,055,251.09</u>	<u>216,465,679.30</u>
Total liabilities		<u>1,935,624,484.90</u>	<u>1,538,577,927.24</u>
Shareholders' equity			
Share capital		231,652,081.00	165,465,772.00
Less: Treasury stock		—	—
Capital reserve		3,172,887,547.88	3,236,926,118.73
Other comprehensive income		81,371,884.14	113,391,271.34
Specific reserve		10,194,879.88	7,707,807.00
Surplus reserve		9,216,035.02	9,216,035.02
Undistributed profit		(944,289,558.55)	(487,856,704.18)
Total equity attributable to shareholders of the listed company		2,561,032,869.37	3,044,850,299.91
Minority interests		282,311,508.84	362,292,549.09
Total shareholders' equity		<u>2,843,344,378.21</u>	<u>3,407,142,849.00</u>
Total liabilities and shareholders' equity		<u>4,778,968,863.11</u>	<u>4,945,720,776.24</u>

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

(Unless otherwise specified, all amounts are denominated in RMB)

		For the year ended December 31,	
	Notes	2024	2023
I. Total operating income		366,671,355.92	800,701,885.77
Including: Operating income	4	366,671,355.92	800,701,885.77
II. Total operation costs		706,485,700.32	968,656,768.22
Including: Operation cost	4	320,955,128.57	552,190,945.49
Taxes and surcharges		3,242,941.52	3,633,713.75
Selling expenses		58,604,200.97	64,345,380.43
Administrative expenses		224,687,613.55	223,636,002.21
Research and development expenses		97,013,572.48	140,907,189.33
Financial expenses – net		1,982,243.23	(16,056,462.99)
Including: Interest expenses		22,186,579.25	15,682,658.15
Interest income		17,905,526.12	19,934,917.40
Add: Other gains		51,772,241.34	24,856,478.84
Income from investment		6,148,454.03	(34,186,331.54)
Including: Investment income from associates and joint ventures		(32,125,131.95)	(41,477,221.66)
Losses from derecognition of financial assets at amortized cost		(434,376.35)	–
Gains on change in fair value		19,923,161.29	33,050,692.03
Losses on credit impairment	7	(201,142,245.18)	(99,482,634.25)
Impairment losses on assets	8	(70,171,287.33)	(62,921,351.69)
Gains from asset disposal		713,481.04	44,136.58
III. Operating (losses)/profits		(532,570,539.21)	(306,593,892.48)
Add: Non-operating profits		3,059,559.09	632,535.42
Less: Non-operating expenses		2,062,832.97	13,603,125.91
IV. Total (losses)/profits		(531,573,813.09)	(319,564,482.97)
Less: Income tax expenses	9	8,690,382.05	(19,487,444.93)
V. Net (losses)/profits		(540,264,195.14)	(300,077,038.04)
Including: net profit of acquiree before the consolidation under common control		–	–
Net (losses)/profit attributable to equity shareholders of the listed company		(456,432,854.37)	(243,203,674.62)
Minority interests		(83,831,340.77)	(56,873,363.42)

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2024 (CONTINUED)

(Unless otherwise specified, all amounts are denominated in RMB)

		For the year ended December 31,	
	<i>Notes</i>	2024	2023
VI. Net amount of other comprehensive income			
after tax		(32,019,387.20)	18,708,500.00
Net amount of other comprehensive income after			
tax attributable to shareholders of the listed			
company		(32,019,387.20)	18,708,500.00
Other comprehensive income that will not be			
reclassified subsequently to profit or loss		(32,013,720.00)	18,708,500.00
Change in fair value of other equity			
instrument investments		(32,013,720.00)	18,708,500.00
Other comprehensive income that will be			
reclassified subsequently to profit or loss		<u>(5,667.20)</u>	<u>—</u>
Net amount of other comprehensive income after			
tax attributable to minority shareholders		<u>—</u>	<u>—</u>
VII. Total comprehensive income		(572,283,582.34)	(281,368,538.04)
Total comprehensive income attributable to			
shareholders of the listed company		(488,452,241.57)	(224,495,174.62)
Total comprehensive income attributable to			
minority shareholders		<u>(83,831,340.77)</u>	<u>(56,873,363.42)</u>
VIII. Earnings per share			
Basic earnings per share (RMB)	10	(1.97)	(1.48)
Diluted earnings per share (RMB)	10	<u>(1.97)</u>	<u>(1.48)</u>

1. GENERAL INFORMATION

The Company is a leading provider of fuel cell systems in China, focusing on the design, development and manufacture of fuel cell systems and stacks (a key component of the system) mainly for commercial vehicles, such as buses and trucks.

The Company was established in the People's Republic of China (the “PRC”) on July 12, 2012. The registered office of the Company is located at Room C701, 7th Floor, Block C, Building B-6, Dongsheng Science Park, Zhongguancun, No. 66, Xixiaokou Road, Haidian District, Beijing, the PRC.

During the year, the Company's revenue was mainly derived from (i) sales of fuel cell systems; (ii) sales of fuel cell components; and (iii) provision of technology services.

The Company's ordinary shares are listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange.

2. BASIS OF PREPARATION

Financial data in this report are extracted from the 2024 unaudited financial statements (the “**Financial Statements**”) prepared by the Group.

The Company carried out recognition and measurement on an actual transaction and event basis in accordance with the Basic Standard and specific standards of the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and the Application Guidance for Accounting Standard for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other relevant regulations (the “**Accounting Standards for Business Enterprises**”). On this basis, the financial statements are prepared in accordance with the Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Reporting (amended in 2023) issued by the China Securities Regulatory Commission.

The Company has evaluated its ability to continue as a going concern for the 12 months from the end of the Reporting Period, and has not found any event or circumstance that may cast significant doubt on its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

In addition, the financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(1) Accounting period

The accounting period is from 1 January to 31 December of each calendar year.

(2) Functional currency

The functional currency is Renminbi.

(3) Preparation of consolidated financial statements

The consolidation scope of the Company's consolidated financial statements is determined on the basis of control, and all subsidiaries are included in the consolidated financial statements. The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information.

The accounting policies and accounting periods adopted by all subsidiaries included in the consolidation scope of the consolidated financial statements are consistent with those of the Company. If the accounting policies and accounting periods adopted by the subsidiaries are inconsistent with those of the Company, necessary adjustments shall be made in the preparation of the consolidated financial statements in accordance with the accounting policies and accounting periods of the Company.

The financial statements are prepared in such way that the effects of intra-transactions between the Company and its subsidiaries, and among subsidiaries on the consolidated balance sheet, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in equity shall be offset.

(4) Changes in accounting policies

(1) *Impact of Implementing Accounting Standards for Business Enterprises Interpretation No.17 on the Company*

The MOF issued the Accounting Standards for Business Enterprises Interpretation No. 17 (Cai Kuai [2023] No.21, hereinafter referred to as “**Interpretation No. 17**”) on October 25, 2023.

1 *Classification of Current and Non-current Liabilities*

Interpretation No. 17 specifies that: If a company does not have the substantive right to defer settlement of liabilities for more than one year after the balance sheet date, such liabilities shall be classified as current liabilities.

For liabilities arising from corporate loan arrangements, the right of a company to defer the settlement of liabilities to more than one year after the balance sheet date may depend on its performance of covenants as stipulated in the loan arrangement (hereinafter referred to as the covenants). A company, in determining whether or not it has a substantive right to defer settlement of the liability, shall only take into account the covenants that should have been complied with on or before the balance sheet date, and shall not take into account the covenants that should be complied with by the business enterprise after the balance sheet date.

Settlement of a liability for the purpose of division of a liability based on liquidity means that the company discharges the liability by transferring cash, other economic resources (such as goods or services) or the company’s own equity instruments to the counterparty. If the terms of the liability result in the company settling the liability by delivering its own equity instruments at the option of the counterparty, and if the company classifies the above option as an equity instrument and recognizes it separately as an equity component of a compound financial instrument in accordance with the requirements of the Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments, the terms of the liability shall not affect the liquidity classification of the liability.

The Company has implemented the provisions of such interpretation since January 1, 2024, and the implementation of these provisions has no significant impact on the financial condition and results of operation of the Company.

2 *Disclosures Regarding Suppliers Financing Arrangements*

Interpretation No. 17 specifies that a company in making disclosure in notes shall summarize and disclose information about supplier financing arrangements, to assist users of the statements in assessing the impact of these arrangements on the liabilities, cash flows and exposure to liquidity risk of the company. The impact of supplier financing arrangements should also be considered when identifying and disclosing information about liquidity risk. The disclosure requirement applies only to supplier financing arrangements. A supplier financing arrangement is a transaction with the following characteristics: one or more financing providers providing funds for the payment of company's amounts due to its suppliers, with an agreement that the company shall make repayment to the finance providers in accordance with terms and conditions of the arrangement on or after the date the company receives payment from its suppliers. The supplier financing arrangement shall extend the payment period for the company or advance the collection period for the suppliers of the business enterprise compared to the original due date of payment.

The Company has implemented the provisions of such interpretation since January 1, 2024. When the enterprises implement the provisions of such interpretation for the first time, it is not necessary to disclose information related to the comparable period and some information at the beginning of the period. The implementation of these provisions has no significant impact on the financial condition and results of operation of the Company.

3 *Accounting Treatment for Sale and Leaseback Transactions*

Interpretation No. 17 specifies that when a lessee subsequently measures a lease liability arising from sale and leaseback, the manner of which it determines the amount of the lease payments or the amount of the lease payments after the change shall not result in the recognition of a gain or loss relating to the right of use acquired in connection with the leaseback. A company shall make retrospective adjustments to sale and leaseback transactions initiated after the date of initial implementation of the Accounting Standards for Business Enterprises No. 21 – Leasing when implementing this requirement for the first time.

The Company has implemented the provisions of such interpretation since January 1, 2024, and the implementation of these provisions has no significant impact on the financial condition and results of operation of the Company.

(2) *Impact of Implementing the Interim Provisions on Accounting Treatment of Enterprise Data Resources on the Company*

The MOF issued the Interim Provisions on Accounting Treatment of Enterprise Data Resources (Cai Kuai [2023] No.11) on 1 August 2023, which is applicable to data resources recognized as assets such as intangible assets and inventories when these meet relevant requirements in accounting standards for business enterprises, and data resources legally owned or controlled by the company that are expected to bring economic benefits to the company when they have not been recognized as they do not meet the criteria for recognition of assets. These provisions also provide specific requirements for disclosure of data resources.

These provisions were effective from January 1, 2024 and shall be applied by the enterprises prospectively, and no adjustment is required to be made on the expenses relating to the data resources expensed and charged to profit or loss before the effective date of these provisions. The implementation of these provisions has no significant impact on the financial condition and results of operation of the Company.

(3) Impact of Implementing the Accounting Standards for Business Enterprises Interpretation No.18 on the Company

The MOF issued the “Accounting Standards for Business Enterprises Interpretation No.18” (Cai Kuai [2024] No.24, hereinafter referred to as “**Interpretation No. 18**”) on 6 December 2024. The Interpretation No. 18 became effective immediately upon issuance, with early adoption permitted for companies in fiscal years subsequent to the year of issuance.

Interpretation No. 18 stipulates that when accounting for accrued liabilities arising from assurance type warranties (which do not constitute distinct performance obligations), enterprises shall debit accounts such as “cost of principal business” and “cost of other businesses” and credit the “accrued liabilities” account, based on the determined amount of the accrued liabilities, in accordance with Accounting Standards for Business Enterprises No. 13 – Contingencies. These amounts shall be presented under “operating costs” in the income statement, and presented under “other current liabilities”, “non-current liabilities due within one year”, or “accrued liabilities” in the balance sheet.

For enterprises applying the interpretation for the first time, if assurance-type warranties were previously recognized in accounts such as “selling expenses”, retrospective adjustments shall be made in accordance with accounting policy changes. The main impacts of the Company’s implementation of these regulations from 2024 are as follows:

Statement items affected	Consolidated		Parent company	
	2024	2023	2024	2023
Selling expenses	(4,361,664.40)	(11,975,489.70)	(656,638.75)	(5,134,372.05)
Operation cost	<u>4,361,664.40</u>	<u>11,975,489.70</u>	<u>656,638.75</u>	<u>5,134,372.05</u>

4. OPERATING INCOME AND OPERATING COST

	For year ended December 31, 2024	For year ended December 31, 2023
Income from principal business	363,670,191.00	799,191,040.48
Income from other business	<u>3,001,164.92</u>	<u>1,510,845.29</u>
	<u>366,671,355.92</u>	<u>800,701,885.77</u>
	For year ended December 31, 2024	For year ended December 31, 2023
Cost of principal business	319,457,850.76	552,046,700.65
Cost of other businesses	<u>1,497,277.81</u>	<u>144,244.84</u>
	<u>320,955,128.57</u>	<u>552,190,945.49</u>

Breakdown of income from principal business is as follows:

	For year ended December 31, 2024	For year ended December 31, 2023
Fuel cell systems	272,659,635.69	716,307,928.96
Parts and components	35,004,174.63	30,543,539.63
Technology development and service	24,917,464.77	21,603,752.95
Others	31,088,915.91	30,735,818.94
	<u>363,670,191.00</u>	<u>799,191,040.48</u>

5. RECEIVABLES

	December 31, 2024	December 31, 2023
Receivable balance	2,195,580,854.96	2,075,750,677.89
Less: Provision for doubtful debts	<u>648,071,553.84</u>	<u>453,785,205.36</u>
Net receivables	<u>1,547,509,301.12</u>	<u>1,621,965,472.53</u>

The table below sets forth an aging analysis of our receivable based on the date of recognition of revenue:

	December 31, 2024	December 31, 2023
Within 1 year	365,276,012.90	836,071,137.99
1-2 years	777,239,088.68	660,902,327.88
2-3 years	498,177,597.19	228,959,369.45
3-4 years	225,801,954.47	38,572,881.27
4-5 years	18,337,181.27	224,310,860.85
Over 5 years	<u>310,749,020.45</u>	<u>86,934,100.45</u>
	<u>2,195,580,854.96</u>	<u>2,075,750,677.89</u>

6. PAYABLES

	December 31, 2024	December 31, 2023
Payables	<u>669,625,643.10</u>	<u>572,538,653.10</u>

The table below sets forth an aging analysis of our payables based on the date of payment obligation:

	December 31, 2024	December 31, 2023
Within 1 year	336,343,117.90	371,426,097.41
1 – 2 years	286,384,082.60	166,371,724.77
2 – 3 years	35,197,061.34	30,725,370.92
Over 3 years	<u>11,701,381.26</u>	<u>4,015,460.00</u>
	<u>669,625,643.10</u>	<u>572,538,653.10</u>

7. CREDIT IMPAIRMENT LOSSES

	Year ended December 31, 2024	Year ended December 31, 2023
Losses on bad debts of bills receivable	(36,290.00)	36,290.00
Losses on bad debts of accounts receivable	194,286,348.48	87,261,506.82
Losses on bad debts of other receivables	<u>6,892,186.70</u>	<u>12,184,837.43</u>
Total	<u>201,142,245.18</u>	<u>99,482,634.25</u>

8. ASSET IMPAIRMENT LOSS

	For year ended December 31, 2024	For year ended December 31, 2023
Losses on depreciation of inventories	43,999,809.81	48,468,607.83
Losses on impairment of long-term equity investments	16,751,378.56	19,713,937.03
Losses on impairment of fixed assets	8,171,762.84	510,364.69
Losses on impairment of contract assets	<u>1,248,336.12</u>	<u>(5,771,557.86)</u>
	<u>70,171,287.33</u>	<u>62,921,351.69</u>

9. INCOME TAX EXPENSE

	For year ended December 31, 2024	For year ended December 31, 2023
Current income tax expenses	3,356,092.75	735,761.59
Deferred income tax expenses	<u>5,334,289.30</u>	<u>(20,223,206.52)</u>
	<u>8,690,382.05</u>	<u>(19,487,444.93)</u>

10. EARNINGS (LOSSES) PER SHARE

(1) Basic earnings (losses) per share

Basic earnings (losses) per share are calculated by dividing the consolidated net profit (loss) attributable to ordinary shareholders of the listed company by the weighted average number of ordinary shares outstanding of the listed company

	For year ended December 31, 2024	For year ended December 31, 2023
Consolidated net profit (loss) attributable to ordinary shareholders of the listed company	(456,432,854.37)	(243,203,674.62)
Weighted average number of ordinary shares outstanding of the listed company	231,652,081.00	163,885,030.33
Basic earnings (losses) per share (RMB/share)	<u>(1.97)</u>	<u>(1.48)</u>

Note: The Company implemented the equity distribution by capitalization in July 2024.

(2) Diluted earnings (losses) per share

No diluted earnings (loss) per share are presented as there were no dilutive potential ordinary shares in 2024 and 2023.

11. DIVIDEND

As of the date of this announcement, the Company has not yet declared a final dividend for the year ended December 31, 2024 (2023: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATION

In 2024, the Company actively promoted the implementation of development strategies and operational objectives, and continued to put more efforts in fuel cell industrialisation and marketing. The Company always prioritized R&D and technical innovation in our business development, continued to update and iterate product technology, and set our footprints in new business areas. At the same time, the Company continuously strengthened organizational construction, deepened operation and management and optimized the talent structure in operation and management, to provide a favorable guarantee for the sustainable and sound development of the Company's business.

The Company's operational status in 2024 was mainly as follows:

1. The Company realized operating income of RMB366.6714 million, representing a year-on-year decrease of 54.21%; net loss attributable to owners of the listed company of RMB456.4329 million, representing a year-on-year increase in loss of RMB213.2292 million. This was mainly because under the current tensioned macroeconomic environment, the capital turnover pressure of upstream and downstream enterprises in the industrial chain has increased, affecting the advancement of industrial chain order projects. In addition, the fuel cell industry is still in the early stages of commercialization with a small overall market production and sales size. The intensified industry competition plus a lag in construction of supporting infrastructure have led to a sharp decline in the market demand for hydrogen energy batteries.
2. In terms of technology research and development and product development, the Company has always adhered to the research and development principle of "Advance Research, Continuous Development and In-depth Promotion", carried out research and development activities focusing on core technical indicators such as environmental adaptability, durability and reliability of fuel cell systems, and increased product performance and consistency continuously. During the Reporting Period, an important subsidiary of the Company was appraised as "GG Golden Globe Awards in 2024" (2024年度高工金球獎) while winning the "First Prize for Scientific and Technological Progress" (科技進步一等獎) awarded by the China Society of Automotive Engineers by virtue of long-term research and development investment and strong focus on intellectual property rights protection.
3. In terms of industrial cooperation, the Company has carried out in-depth cooperation with universities in sci-tech innovation and talents training. During the Reporting Period, the Company, as the lead unit, formed a technical research team with ten units including Tsinghua University, China Electric Power Research Institute and Beijing Jiaotong University to facilitate national key research and development project of hydrogen fuel cells in the field of cogeneration, and developed a single megawatt-class proton exchange membrane fuel cell cogeneration system, which was applied as a demonstration in Yili, Xinjiang. At the same time, the Company established an on-site teaching base with the Party School of the CPC Shanghai Fengxian District Committee and Shanghai Fengxian District Administration Institute, and jointly built a platform for school-enterprise talents training and industry-academy-research cooperation, and reserved relevant talents and technologies in advance.

4. In terms of sales market and production application, the Company adheres to the development strategy of “point, line and plane”, focusing on the development of fuel cell demonstration city clusters and potential cities. Fuel cell vehicles equipped with the Company’s products have been put into operation in Beijing, Zhangjiakou, Shanghai, Chengdu, Zhengzhou, Tangshan and other cities, and the Company’s product application scenarios have been further expanded to various scenarios such as cold chain transportation, sanitation and heavy truck. According to the public data of the Orange Group Research Institute, there was a sale of 5,405 fuel cell vehicles across China in 2024. According to the statistics of “Road Motor Vehicle Manufacturers and Products” released by the Ministry of Industry and Information Technology, by the end of December 2024, a total of 1,167 fuel cell vehicle announcements (excluding chassis announcements) were issued nationwide, of which 163 vehicles were equipped with the Company’s fuel cell system, ranking on top of the industry.

During the Reporting Period, the Company established a non wholly-owned subsidiary, Guangxi SinoHytec Co., Ltd. (“**Guangxi SinoHytec**”), and in line with China’s “dual carbon” strategy and local hydrogen energy industry policies in Guangxi, the Company means to rely on Guangxi’s geographical advantages and renewable energy resources to further expand markets in South China and ASEAN. By integrating regional industrial resources and expanding application scenarios of hydrogen energy technology, the Company actively responded to national hydrogen energy industry development policies to promote commercial application of fuel cell technology and construction of an industrial ecosystem, while leveraging the RCEP cooperation framework to accelerate output of technology standards and international market development.

FUTURE DEVELOPMENT AND OUTLOOK OF THE COMPANY

The Company believes that the Chinese government will continue to implement robust support policies, thereby driving the development of hydrogen energy related industry including fuel cell industry. We believe that fuel cell industry has great development potential. According to the estimates of China Society of Automotive Engineers, by 2035, China will maintain more than 1,000,000 fuel cell vehicles. The Company will continue contributing to China’s goal of “carbon peaking and carbon neutrality” starting from the advanced hydrogen fuel cell technology. The Company is committed to becoming a world leading fuel cell system supplier and a pioneer of global fuel cell technology. In the future, the Company plans to implement the following strategies to realise such goal:

1) Continue optimising the research and development of fuel cell system and core components

The Company will continue research and development and testing activities to improve the bad weather adaptability, high temperature resistance, durability, reliability, energy conversion efficiency, safety and economy of our products, for further optimisation and upgrading. The Company intends to continuously increase our R&D strength by virtue of our experiences of many years in fuel cell system industry and our deep understanding of downstream markets. In order to further commercialise our fuel cell related researches, the Company plans to work with industrial, educational and scientific institutions, and further construct strong competitive advantages.

2) Strategically expand our customer base and geographical coverage

The Company intends to continually maintain and expand our customer base to increase market shares. The Company intends to use the new generation of research and development platform to improve products and increase product portfolios, to meet a diversity of customer demands. The Company intends to further expand the application scenarios of fuel cell system in commercial heavy-duty vehicles (i.e. heavy trucks). The Company intends to promote new products to more vehicle manufacturers and their customers to obtain higher market share. The Company will carry out marketing activities based on the development of the regional fuel cell system market and the geographical distribution of hydrogen resources in China.

3) Expand and strengthen the Company's supply chains

As the Company continues to improve production capacity and increase sales volume, relationship with supplier is the key to the Company's continuing future success. The Company has established business relationships with many well-known suppliers of fuel cell system and components in the market. The Company intends to further cooperate with them, identify alternative suppliers and pursue the vertical integration of our supply chains and resources, to reduce raw material costs, ensure supply chain stability and improve product quality.

4) Strengthen corporate management and improve operational efficiency

In order to better address future market challenges and seize opportunities, the Company will further strengthen system construction to improve overall management level and operational efficiency. The Company will enhance overall corporate governance by building a team of high-quality professional talents and providing them with systematic training, improving the management system and optimising organisation structure. This will not only help the Company improve the scientific nature of decision-making and efficiency of execution, but also help to optimise resource allocation and reduce operating costs, thereby effectively consolidating and enhancing the Company's competitiveness in the industry to lay a solid foundation for the Company's sustainable development.

5) Extend and integrate upstream and downstream of the industrial chain

The development of hydrogen energy is one of the important ways to achieve our country's "dual carbon" strategic goals. In December 2024, the Ministry of Industry and Information Technology and three other departments issued the Implementation Plan for Accelerating Clean Low-Carbon Hydrogen Application in the Industrial Sector (《加快工業領域清潔低碳氫應用實施方案》), proposing policies such as "encouraging fuel cell vehicle demonstration projects to use high-quality industrial by-product hydrogen and renewable energy nearby to produce hydrogen." The Company intends to extend and integrate upstream and downstream of the industrial chain, tap into the "production-storage-transportation-processing-research-use" industry end, which would enable chain extension and supplement, explore application scenarios, and enhance comprehensive strength, thereby achieving sustainable development.

OTHER SIGNIFICANT EVENTS

Change of consolidation scope

The Company (i) established Guangzhou SinoFuelCell Hydrogen Technology Co., Ltd. (廣州神力氫能科技有限公司) as an indirect non wholly-owned subsidiary in January 2024; (ii) established Guangxi SinoHytec Hydrogen Technology Co., Ltd. (廣西億華通氫能科技有限公司) as an indirect non wholly-owned subsidiary in May 2024; (iii) established Guangxi Zhongdian Huatong New Energy Technology Co., Ltd. (廣西中電華通新能源科技有限公司) as an indirect non wholly-owned subsidiary in June 2024; (iv) established Guangxi Lingyun Zhongdian Huatong New Energy Technology Co., Ltd. (廣西凌雲中電華通新能源有限公司) as an indirect non wholly-owned subsidiary in June 2024; and (v) in December 2024, transferred 60% of the equity interest in Shanghai Kuitong Technology Co., Ltd. (上海夔通科技有限公司), reducing its equity ratio therein to 40%, and from December 1, 2024, Shanghai Kuitong Technology Co., Ltd. and its subsidiaries Guochuang Hebei Hydrogen Energy Industry Innovation Center Co., Ltd. (國創河北氫能產業創新中心有限公司) and Hebei Guochuang Hydrogen Energy Technology Co., Ltd. (河北國創氫能科技有限公司) were no longer included in the Group's consolidated financial statements.

Save as disclosed above, there were no other significant changes in the scope of consolidation of the Company during the Reporting Period.

AUDIT AND REVIEW OF FINANCIAL DATA IN THIS ANNOUNCEMENT

The Company has not yet obtained the audit report issued by the annual audit auditor, but the financial data in this announcement has been agreed with the auditor. The audit committee of the Board of the Company has reviewed and confirmed the unaudited annual results announcement for the year ended December 31, 2024.

CORPORATE GOVERNANCE CODE

During the Reporting Period, save as disclosed below, the Board is of the view that the Company has complied, to the extent applicable and permissible, with the code provisions as set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Zhang Guoqiang is our general manager and concurrently serves as the chairman of the Board as he has over ten years of experience in the fuel cell system industry. The Board is of the view that vesting the roles of both chairman and general manager in the same person has the benefit of ensuring consistent leadership within the Group, thus making the overall strategic planning of the Group more effective and efficient.

The Board is committed to achieving high standards of corporate governance. The Board believes that high standard of corporate governance is essential in providing a framework for the Group to safeguard the interests of shareholders of the Company (the “**Shareholders**”) and to enhance corporate value and accountability. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

During the Reporting Period, the Company has adopted a code of conduct regarding securities transactions by Directors and Supervisors on terms no less exacting than the required standard set out in the model code (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors and Supervisors, the Company confirmed that, during the Reporting Period, each of the Directors and Supervisors has complied with the required standard set out in the Model Code regarding securities transactions by the Directors.

SHARE CAPITAL

In June 2024, then Shareholders of the Company resolved to increase the share capital of the Company with capital reserves. In July 2024, the Company issued 4 new shares of the Company (“**Shares**”) for every 10 existing Shares to the Shareholders by way of capitalization of capital reserve, representing a total increase of 66,186,309 Shares, comprising of 55,939,177 A Shares and 10,247,132 H Shares, based on the total share capital of the Company of 165,465,772 as of March 31, 2024. Upon completion of such profit distribution and capital reserve capitalization, the registered share capital of the Company was increased to 231,652,081 Shares, comprising 195,787,119 A Shares and 35,864,962 H Shares.

PURCHASE, SALE OR REDEMPTION

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares (as defined under the Listing Rules)). As at December 31, 2024, the Company did not hold any treasury Shares.

USE OF PROCEEDS FROM GLOBAL OFFERING

The Company offered 17,628,000 H Shares in Hong Kong at HK\$60 per ordinary Share and over-allotted 670,450 H Shares. The aforementioned H Shares were listed on the Main Board of the Stock Exchange on January 12, 2023 and February 8, 2023, respectively. The net proceeds received by the Company from the global offering, after deducting underwriting fees and commissions and other expenses payable by the Company in connection with the global offering, amounted to approximately HK\$1,022 million (the “**Net Proceeds**”), which will be used in accordance with the purposes as set out in the prospectus of the Company dated December 29, 2022 (the “**Prospectus**”). The Group will gradually apply the Net Proceeds for the intended purposes as set out in the Prospectus.

DIVIDEND

As of the date of this announcement, the Board has not yet declared any payment of final dividend in respect of the year ended December 31, 2024 (2023: nil).

SIGNIFICANT SUBSEQUENT EVENTS

On March 12, 2025 (after trading hours), the Company entered into a framework agreement with Risun Group Co., Ltd. (旭陽集團有限公司) (“**Risun Group**”), pursuant to which (i) the Company conditionally agreed to purchase, and Risun Group conditionally agreed to sell, the entire equity interests in Dingzhou Risun Hydrogen Energy Co., Ltd. (定州旭陽氫能有限公司) by way of issuance of consideration Shares; and (ii) the Company intends to issue the new A Shares to Risun Group to raise ancillary funds (the “**Proposed Acquisition**”). As of the date of this announcement, the audit and valuation for the Proposed Acquisition has not been completed. Upon completion of the aforesaid audit and valuation, the final consideration for the Proposed Acquisition will be confirmed by way of entering into a supplemental agreement and the Company will convene a separate Board meeting to consider and approve the supplemental agreement. The consideration Shares and new A Shares will be allotted and issued pursuant to a specific mandate to be granted by the Shareholders at the general meeting and (if applicable) class meetings of Shareholders. For details, please refer to the announcements of the Company dated February 27, 2025, March 5, 2025 and March 12, 2025.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement will be published on the Company’s website at <http://www.sinohytec.com/> and the Stock Exchange’s website at www.hkexnews.hk. The annual report of the Company will be available on the above websites in due course.

The financial information contained herein in respect of the annual results of the Company have not been audited by the auditors. Shareholders and potential investors 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
March 31, 2025

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

* For identification purpose only