

—Company profile







Huachang Hydraulics is a joint-stock company, mainly engaged in the R&D and manufacture of hydraulic cylinders. It maintains a leading position in the market segment of hydraulic cylinders for forklifts in China. In 2022, the domestic market share was around 25%.

Summary of Huachang

- Registered capital: 54 million yuan;
- ◆ The total enterprise land is 16.8 acre, and the existing building area is 51300 square meters :
- **♦** Capacity: 1.2 million pcs per year;
- ◆ Product range: inner diameter 25mm~360mm, length ≤ 6m, pressure ≤ 36 MPa







System certificates and honors

- ◆ System certificates: ISO9001 / ISO14001 / ISO45001
- National High-tech Enterprise;
- ◆ The "invisible champion" of Zhejiang Province / Little Giant Enterprise / Factory of the future

Business condition(RMB)

Item	2019	2020	2021	2022	2023
Income(RMB, million)	337	482	660	565	570
Total profit(RMB, million)	40	38	42	44	45
Net assets(RMB, million)	175	206	235	260	287
Total assets(RMB, million)	254	399	486	440	422

Domestic Market Share of Huachang Forklift Hydraulic Cylinder

Year	Total sales of industrial vehicles in China (units)	Total demand of forklift cylinders (PCS)	HC forklift cylinder sales(PCS)	HC forklift cylinder market share(%)
2020	800,239	2,676,236	695,200	25.98%
2021	1,099,383	3,272,574	816,000	24.93%
2022	1,047,967	2,888,626	710,000	24.58%





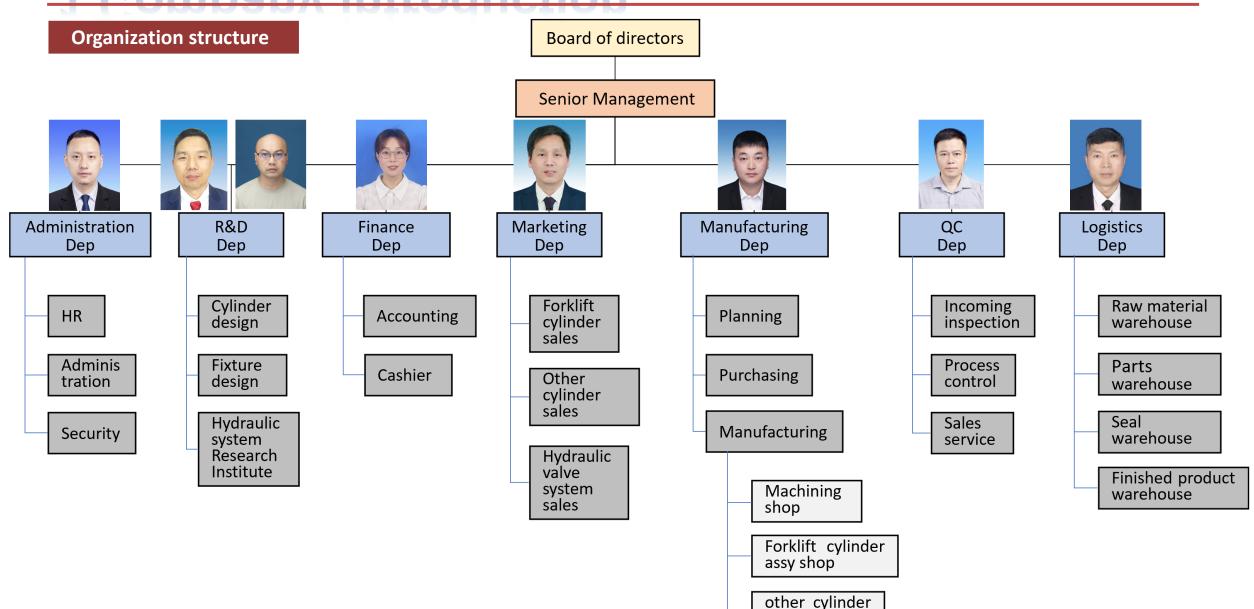












assy shop



Enterprise carbon emissions and emission reduction





- Since 2021, our company has cumulatively reduced 3652170.3 kilograms of carbon dioxide through photovoltaic power generation, which has been rated as a low-carbon enterprise by government agencies
- The carbon emission per unit product is 0.004 tCO₂





Corporate Social Responsibility

Social donates

We make donations to social welfare organizations such as Zhejiang Women's and Children's Foundation and the Red Cross Society from time to time.





Comprehensive employee benefits package

Provide annual physical examination for employees; Provide training opportunities(Vocational skill education, Education promotion);

Provide employee insurance;

Keep employee income growing and so on.

Help in difficulty

Help workers with family difficulties;
In order to contribute to common prosperity, the company has provided more than 100,000 yuan annually to purchase agricultural products from poor areas in the past three years.

2 Product Introduction

Hydraulic cylinder is a non-standard product, and all products are independently developed by ourselves





Aerial work platform cylinder

12-22m series of scissors hoist, for Dingli, Lingong

Forklift series hydraulic cylinder

Full range of forklift cylinders from 0.75t to 45t

For Sany Heavy Industry

Mobile crane series

25 - 80t series model hydraulicl cylinder 📆

Crawler crane series

160 - 4000t series model hydraulic cylinder For Sany Heavy Industry



Telescopic handler

24-30m boom cylinder

Sanitation vehicle cylinde

8-25t lift cylinder



Cylinder for forklift accessories

3 Typical customers





Hangcha Group (one of the largest forklift manufacturers in China)



Zhejiang Dingli Machinery Co., Ltd. (one of the largest manufacturers of high-altitude work vehicles in China)



SANY Heavy Industry Co., Ltd. (one of the largest construction machinery manufacturers in China)



XCMG (one of the largest construction machinery manufacturers in China)



SHANGHAI-VLE (the largest logistics handling (arm hook) manufacturer in China)



Aichi High Altitude Work Vehicle (a world-renowned manufacturer of high altitude work vehicles)



Kubota Agricultural Machinery (a world-renowned agricultural machinery manufacturer)



Cascade Forklift Accessories (a world-renowned manufacturer of forklift accessories)



KAUP Forklift Accessories
(a world-renowned manufacturer of forklift accessories)



HIAB
(a world-renowned manufacturer of logistics and handling machinery)



BYD FORKLIFT (A well-known forklift manufacturer in China)



Zhejiang Yunda Wind Power (one of the well-known wind power manufacturers in China)



Shanghai Peiner SMAG Machinery Co., Ltd. (a globally renowned hydraulic grab manufacturer)



Lingong Heavy Machinery Co., Ltd. (a well-known manufacturer of high-altitude work vehicles and mining trucks in China)



Shanghai Electric (Wind Power Company) (one of the well-known wind power manufacturers in China)



(1) Assembly

We have first-class independent R&D platform for assembly. The forklift cylinder production workshop has 4 semi-automatic lifting cylinder assembly lines and 1 fully automatic tilting cylinder assembly line, with a designed annual production capacity of 1 million pieces; the special cylinder workshop is equipped with semi-automatic cleaning and assembly systems of various specifications, with a designed annual production capacity of 200,000 pieces. It is equipped with famous brand CNC machining equipment, machining centers, special equipment for high-precision cylinder processing, robot welding machines, automatic cleaning machines, automatic cylinder assembly machines and automatic paint production lines. We have more than 300 sets of key equipment running. The optimized allocation and efficient utilization of equipment resources ensure the precision requirements of the products and meet the high standard quality requirements of the products.









(2) Machining

The machining shop is equipped with custom made tilt guide rail turning centers, machining centers, high-speed honing machines, welding robots other relevant equipments, which can handle the machining work of cylinder tube with 360mm Max ID and with 6 meters of Max length.





Machining shop

Custom made high-precision equipment for cylinder tube



(2) Machining

Huachang Holdings piston rod professional manufacturing plant, which can meet the diversified piston rod processing needs; Huachang regularly evaluates and manages suppliers to ensure the quality of product production;



Raw material



Sawing



Quenching and tempering



Alignment



Grinder



Electroplating



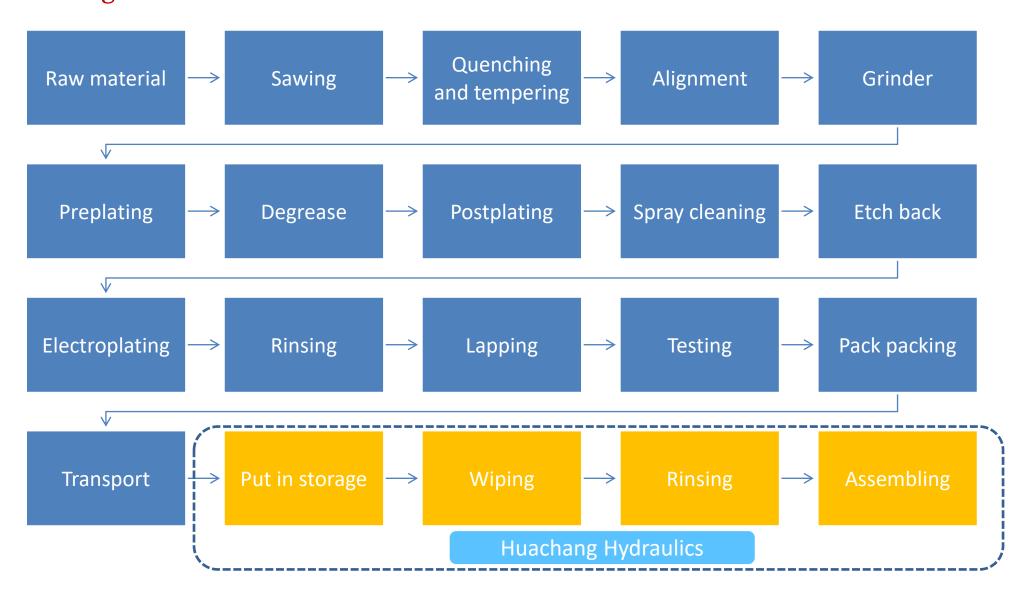
Lapping



Testing



(2) Machining





(2) Machining

Huachang has formulated relevant specifications for piston rod cleaning, inspection, etc., and strictly controls the cleanliness and size

requirements of piston rod to ensure production quality



put in storage

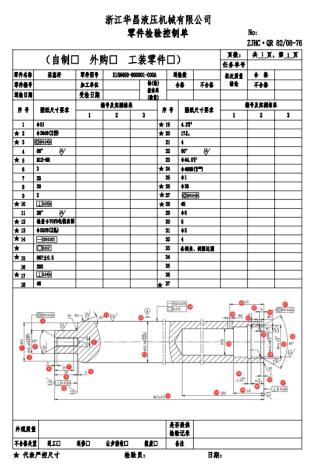


Wiping



将活塞杆装框后由工人擦拭清洗干净、 标记 处数 更改文件号 签名 日期

浙江华昌液压机械有限公司



Regulations

Rinsing **Assembling**



(3) Welding



Multifunctional welding robot



Double function girth welder



Welding robot for oil port



Girth welder



(4) Painting & coating

We have a fully automatic water-based paint coating line for small and medium cylinders, which realizes automatic loading and unloading and automatic spraying by robots, with a designed production capacity of 5,000 pieces per shift;

We have another semi-automatic painting line for large-scale cylinder, which is driven by a power chain, and the design capacity is 60 crates per shift.







Painting & coating line for large-scale cylinder(diameter ≤ 600mm, length ≤ 6m)

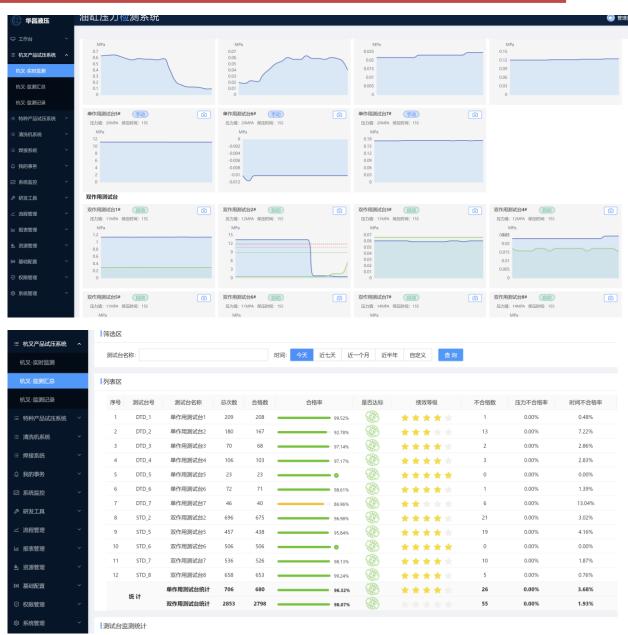
Fully automatic water-based paint & coating line (diameter ≤ 120mm, length ≤ 2.5m)



(5) Testing



Utilizing IoT technology to achieve automatic collection of quality inspection data for key processes in cylinder production (such as pressure testing)



5 Goal of short term



Business prospect in 5 years

Items	2024	2025	2026	2027	2028
Total income(RMB, million)	650	750	820	900	1000
Total profit(RMB, million)	45	55	65	72	80
Per capita output value(M/person)	1.40	1.50	1.62	1.75	1.85

Technology and product development planning

- Improve the standardized design and automatic manufacturing of Conventional cylinders, realize the digital management of the whole process;
- Increase the support of developing custom made cylinders in the fields of Telescopic handler, construction machinery, aerial work, sanitation machinery, etc.,;
- > Increase the development of export market, with export market accounting for more than 30%;

6 Preparation

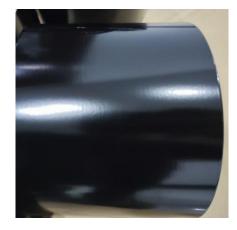


Currently



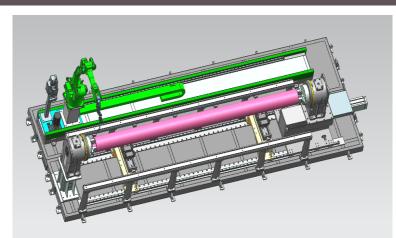
Metallographic test repor





- ♦ Welding process validation
- ◆ Paint process validation
- ◆ Trial production of new products

Potential





- ◆ Continuous investment in production facilities
- ◆ Construction of dedicated production sites



