

SUPOR 苏泊尔

Zhejiang Supor Co., Ltd.

First Quarterly Report 2021

April 2021

SECTION I IMPORTANT NOTES

The Board of Directors and the Board of Supervisors of Zhejiang Supor Co., Ltd. (hereinafter referred to as the “Company”) and all its directors, supervisors and senior executives warrant that this quarterly report is true, accurate and complete, and does not contain any false statements, misleading information or significant omissions. All directors, supervisors and senior executives of the Company undertake, separately and jointly, all responsibilities in relation to the authenticity, accuracy and integrity hereof.

All directors were present at the board meeting on which the quarterly report was reviewed.

Mr. Thierry de LA TOUR D’ARTAISE, principal of the Company, and Mr. Xu Bo, person in charge of accounting (accountant in charge), hereby confirm that the Financial Report enclosed in this Quarterly Report is authentic, accurate and complete.

SECTION II BASIC INFORMATION OF THE COMPANY

I. Major accounting data and financial indicators

Did the company need to retroactively adjust or restate previous year's accounting data?

☐ Yes ☒ No

	This reporting period	Same period last year	Increased or decreased
Operating revenue (RMB)	5,136,308,321.66	3,581,192,389.40	43.42%
Net profits attributable to shareholders of listed company (RMB)	504,799,303.45	306,697,847.90	64.59%
Net profit attributable to shareholders of listed company after deducting non-recurring profit or loss (RMB)	468,498,175.18	293,127,328.99	59.83%
Net cash flows resulting from operating activities (RMB)	576,498,821.51	103,090,780.09	459.21%
Basic earnings per share (RMB/share)	0.616	0.374	64.71%
Diluted earnings per share (RMB/share)	0.615	0.374	64.44%
Return on weighted average net assets	6.78%	4.39%	2.39%
	End of this reporting period	End of last year	Increased or decreased
Total assets (RMB)	12,323,490,473.38	12,292,270,384.71	0.25%
Net assets attributable to shareholders of listed company (RMB)	7,577,896,075.65	7,200,939,908.92	5.23%

Items and amount of non-recurring profit and loss

☒ Applicable ☐ Not applicable

Unit: Yuan

Item	Amount from beginning of the year to end of the reporting period	Notes
Profit and loss on disposal of non-current assets (including the write-off of provision for asset impairment)	155,536.48	
Government subsidy included in current profit or loss (excluding government subsidies closely related to operating activities of the Company and subject to uniform national standards on amount and quantity)	17,737,849.49	
Profit and loss from fair value changes due to holding of the transactional financial assets, derivative financial assets,	-762,390.20	

transactional financial liabilities and derivative financial liabilities, and investment income from disposal of transactional financial assets, derivative financial assets, transactional financial liabilities, derivative financial liabilities and other investment in debt securities, in addition to effective hedging business related to normal businesses of the Company.		
Other non-operating revenues or expenditures except for the foregoing items	1,503,239.49	
Other profit and loss items that comply with the definition of non-recurring profit and loss	26,947,704.64	
Minus: income tax impact	9,143,752.20	
Effects on minority interest (after tax)	137,059.43	
Total	36,301,128.27	--

The Company should state reasons for defining “non-recurring profit or loss items” defined in the Explanatory Announcement No.1 on Disclosure of the Information of Companies Offering Their Securities to the Public -- Non-recurring Profit or Loss and non-recurring profit or loss items listed in the Explanatory Announcement No.1 on Disclosure of the Information of Companies Offering Their Securities to the Public -- Non-recurring Profit or Loss as recurring profit or loss items.

☐ Applicable ☒ Not applicable

The Company did not define any non-recurring profit and loss that is defined and listed the Explanatory Announcement No.1 on Disclosure of the Information of Companies Offering Their Securities to the Public -- Non-recurring Profit or Loss as recurring profit and loss.

II. Total number of shareholders and shareholdings of top 10 shareholders at the end of the reporting period

1. Total number of common shareholders, number of preferred shareholders whose voting rights are recovered and shareholdings of top 10 shareholders

Unit: share

Total number of common shareholders at the end of the reporting period	14,785	Total number of preferred shareholders whose voting rights are recovered at the end of reporting period (if any)	0			
Shareholdings of top 10 shareholders						
Name	Nature	Shareholding ratio	Quantity of shares	Quantity of restricted shares	Pledged or frozen	
					Status of share	Share quantity
SEB INTERNATIONALE S.A.S	Overseas legal person	81.20%	666,681,904	206,367,590		
Hong Kong Securities Clearing Company Ltd.	Overseas	5.24%	42,995,782	0		

	legal person					
Bank of China - E-Fund Medium and Small Cap Complex Securities Investment Funds	Others	2.90%	23,800,112	0		
ABC - E-Fund Consumption Industry Securities Investment Funds	Others	0.88%	7,257,537	0		
E-Fund Management Co., Ltd. -Social Security Fund 1104 Portfolio	Others	0.82%	6,700,067	0		
BNP Paribas - Own Funds	Overseas legal person	0.59%	4,826,581	0		
Central Huijin Asset Investment Ltd.	State-owned legal person	0.54%	4,423,640	0		
Fidelity Mutual Fund & Investment Management - Clients' Capital	Overseas legal person	0.32%	2,627,022	0		
Ningbo Bank – Fullgoal Balanced Strategy Complex Securities Investment Funds	Others	0.29%	2,390,687	0		
Bank of China – Fullgoal Periodic Advantage Complex Securities Investment Funds	Others	0.15%	1,254,667	0		
Shareholdings of top 10 shareholders holding non-restricted shares						
Name	Quantity of non-restricted shares	Type of share		Share quantity		
		Type of share				
SEB INTERNATIONALE S.A.S	460,314,314	RMB common share		460,314,314		
Hong Kong Securities Clearing Company Ltd.	42,995,782	RMB common share		42,995,782		
Bank of China - E-Fund Medium and Small Cap Complex Securities Investment Funds	23,800,112	RMB common share		23,800,112		
ABC - E-Fund Consumption Industry Securities Investment Funds	7,257,537	RMB common share		7,257,537		
E-Fund Management Co., Ltd. -Social Security Fund 1104 Portfolio	6,700,067	RMB common share		6,700,067		
BNP Paribas - Own Funds	4,826,581	RMB common share		4,826,581		
Central Huijin Asset Investment Ltd.	4,423,640	RMB common share		4,423,640		
Fidelity Mutual Fund & Investment Management - Clients' Capital	2,627,022	RMB common share		2,627,022		
Ningbo Bank – Fullgoal Balanced Strategy Complex Securities Investment Funds	2,390,687	RMB common share		2,390,687		

Bank of China – Fullgoal Periodic Advantage Complex Securities Investment Funds	1,254,667	RMB common share	1,254,667
Description on the above-mentioned shareholder relationships or concerted actions	Both Bank of China - E-Fund Medium and Small Cap Complex Securities Investment Fund and ABC - E-Fund Consumption Industry Securities Investment Funds belong to E-Fund. Both Ningbo Bank – Fullgoal Balanced Strategy Complex Securities Investment Funds and Bank of China – Fullgoal Periodic Advantage Complex Securities Investment Funds belong to Fullgoal Fund. It is unknown whether other shareholders are associated with each other, or whether they are persons acting in concert as stipulated in the Measures for the Administration of the Acquisition of Listed Companies. The company is not aware of whether other shareholders are associated with each other, or whether they are persons acting in concert as stipulated in the Measures for the Administration of the Acquisition of Listed Companies.		
Description on participation of the top 10 shareholders in margin trading (if any)	None		

Did the top 10 common shareholders and the top 10 common shareholders holding non-restricted shares conduct the agreed repurchase transaction during the reporting period?

☐ Yes ☒ No

The top 10 common shareholders and the top 10 common shareholders holding non-restricted shares did not conduct the agreed repurchase transaction during the reporting period.

2. Total number of preferred shareholders and shareholdings of top 10 preferred shareholders

☐ Applicable ☒ Not applicable

SECTION III IMPORTANT ITEMS

I. Changes in major accounting items and financial indicators during the reporting period and change reasons

√ Applicable □ Not applicable

Items on Balance Sheet:

1. Advance payment increased by 43.66% compared to that in the beginning of the period, mainly due to the increase in advance payment for the materials purchased in the current period.
2. Other receivables decreased by 57.26% compared to that in the beginning of the period, mainly because the export rebate of VAT receivable for the last year was received in the current period.
3. Construction in progress increased by 39.40% compared to that in the beginning of the period, mainly because of the rise in infrastructure projects of the Company's subsidiaries in the current period.
4. Right-of-use assets increased by 100.00% compared to that in the beginning of the period, mainly because new lease standards have been implemented in the current period, which stipulate that right-of-use lease assets within the leasehold can be listed in right-of-use assets.
5. Notes payable increased by 100.00% compared to that in the beginning of the period, mainly because the Company and its subsidiaries issued bank acceptances to suppliers.
6. Employee benefits payable decreased by 31.73% compared to that in the beginning of the period, mainly due to the payment in the current period of employee benefits at the end of last year.
7. Contract liabilities decreased by 37.41% compared to that in the beginning of the period, mainly due to the decline in advances received from some distributors of the Company's subsidiaries in the current period.
8. Lease liabilities increased by 100.00% compared to that in the beginning of the period, mainly because new lease standards have been implemented in the current period, which stipulates that lease payments not yet to be paid during the leasehold can be listed in lease liabilities.
9. Treasury shares increased by 32.87% compared to that in the beginning of the period, mainly because the Company repurchased its shares from secondary market with self-owned funds in the current period.

Items on Profit Statement:

1. Operating revenue increased by 43.42% on a YoY basis, mainly because the operating income in the same period of last year decreased due to the outbreak of the COVID-19, while as the epidemic has been brought under effective control in China, the Company's business performance has returned to normal and sales revenue has increased significantly compared to that in the same period of last year.
2. Selling expense increased by 55.91% on a YoY basis, mainly due to the delay of sales promotion in the same period of last year caused by the outbreak of the COVID-19.
3. Financial expenses increased by 74.59% on a YoY basis, mainly due to the decrease in interest income of bank deposits and exchange gains in the current period.
4. Other incomes increased by 366.44% on a YoY basis, mainly owing to the increase in government subsidies of the Company's subsidiaries in the current period.
5. Return on investment increased by 110.59% on a YoY basis, mainly because of the growth in the interest income from the increased investment on fixed deposits in the current period.
6. Gains and losses on changes of fair value decreased by 94.11% on a YoY basis, mainly due to the reduction in gains on changes of fair value as a result of the decreased investment on financial products with floating earnings.

7. Credit impairment loss increased by 69.52% on a YoY basis, mainly due to the decrease in operating income and accounts receivable at the end of the same period of last year caused by the COVID-19 outbreak as well as the decline in accounts receivable at the end of the current period, compared to those in the beginning of the current period.
8. Asset impairment loss increased by 67.96% on a YoY basis, mainly because of the decrease in the inventory devaluation provision transferred from current period back to the previous period, compared to that in the same period of last year.
9. Non-operating expense decreased by 76.42% on a YoY basis, mainly due to the increase in expenses on donation of epidemic prevention and logistic support materials in the same period of last year.
10. Income tax increased by 96.86% on a YoY basis, mainly owing to the growth in the total profit and the increase in the enterprise income tax rate of the Company in the current period.

Items on Cash Flow Statement:

1. The net cash flows resulting from operating activities increased by 459.21% on a YoY basis, which was mainly attributable to the growth in cash received for sale of goods and rendering of services in cash inflow from operating activities in the current period.
2. The net cash flows resulting from investing activities decreased by 110.49% on a YoY basis, which was mainly attributable to the increase in net cash expense for financial product investment in cash outflow from investing activities.
3. The net cash flows resulting from financing activities decreased by 570.55% on a YoY basis, which was mainly attributable to the expenditure increased for the Company to repurchase its shares from secondary market in cash outflow from financing activities.

II. Analysis and description on the progress of important items as well as their influence and solutions

☐ Applicable ☒ Not applicable

Progress in the implementation of share repurchase

☒ Applicable ☐ Not applicable

The Proposal on Public Shares Repurchase Plan was reviewed and approved by the 14th Session of the Sixth Board of Directors held on August 29, 2019. With the confidence in the Company's future development, in order to effectively protect the interests of shareholders and enhance investor confidence, and in consideration of the Company's overall financial situation, the Company planned to repurchase the Company's shares with self-owned capital for reducing registered capital and implementing equity incentive. The Proposal on Adjustment of the Public Shares Repurchase Plan was reviewed and approved by the 2nd Session of the Seventh Board of Directors held on August 27, 2020, approving the adjustment of the share price, the total amount of funds for the repurchase and the implementation period of the repurchase in the Share Repurchase Plan to ensure the smooth completion of the Plan. The Company would repurchase its shares from secondary markets through centralized bidding with the highest price of RMB 90.97/share, and the number of shares repurchased not less than 4,105,600 units (inclusive) and not more than 8,211,199 units (inclusive). As of the end of the reporting period, the Company has repurchased 7,805,000 shares, accounting for 0.95% of the total shares of the Company, at the highest price of RMB 79.89/share and lowest price of RMB 62.88/share with total payment of RMB 546,053,400 (excluding transaction fee).

Matters regarding shares repurchase were reviewed and approved by the Second Interim General Meeting of Shareholders in 2019 held on September 23, 2019 and the *Repurchase Report on Public Shares* was published on September 25; adjustments to shares repurchase were reviewed and approved by the 2nd Session of the Seventh Board of Directors held on August 27, 2020 and the *Repurchase Report on Public Shares (Revision)* was published on August 28. For detailed contents, please see the *Repurchase Report on Public Shares* (Announcement No.: 2019-058), *Announcement on Adjusting Share Price Ceiling for Public Shares Repurchase* (Announcement No.: 2019-064 and 2020-036), *Announcement on Adjusting Public Shares Repurchase Plan* (Announcement No.: 2020-049), *Repurchase Report on Public Shares (Revision)* (Announcement No.: 2020-050), *Announcement on the Progress of Public Shares Repurchase* (Announcement No.: 2019-059, 2019-070, 2019-074, 2020-001, 2020-005, 2020-008, 2020-009, 2020-027, 2020-034, 2020-037, 2020-043, 2020-051, 2020-052, 2020-059, 2020-062, 2021-001, 2021-013 and 2021-026), and the

Announcement on the First Share Repurchase (Announcement No.: 2019-073) disclosed on Securities Times, China Securities Daily, Securities Daily, and <http://www.cninfo.com.cn>.

As of the disclosure date of this report, the Company has completed this shares repurchase plan. As a result of automatic matching by the centralized bidding trading system, the actual number of shares repurchased by the Company exceeded the upper limit stipulated in relevant shares repurchase plan: the Company actually repurchased 8,214,314 shares, demonstrating an excess number of 3,115 shares. The aforesaid excess shares will be used for implementing equity incentive. For detailed contents, please refer to the *Announcement on Completion of Public Shares Repurchase Plan* (Announcement No.: 2021-027) and the *Announcement on Adjusting the Use of Shares for Exceeded Part in Public Shares Repurchase Plan* (Announcement No.: 2021-033) disclosed on the Securities Times, China Securities Daily, Securities Daily and <http://www.cninfo.com.cn> respectively on April 9, 2021 and April 23, 2021.

Progress in the reduction of shareholding of repurchased shares through centralized bidding

☐ Applicable ☒ Not applicable

III. Commitments that should be fulfilled by actual controller, shareholders, affiliates, acquirer of the Company within the reporting period and were not fully fulfilled within the reporting period

☐ Applicable ☒ Not applicable

There were no commitments that should be fulfilled by actual controller, shareholders, affiliates, acquirer of the Company within the reporting period and were not fully fulfilled within the reporting period.

IV. Financial asset investment

1. Securities investment

☐ Applicable ☒ Not applicable

There was no securities investment in the Company in the reporting period.

2. Derivative investment

☒ Applicable ☐ Not applicable

Unit: RMB10,000

Name of derivative investment operating side	Correlated relation	Whether to be related transactions	Derivative investment type	Initial investment amount for derivative investment	Start date	Expiry date	Investment amount at the beginning of the period	Purchase amount during the reporting period	Sales amount during the reporting period	Amount of impairment provision accrued (if any)	Investment amount at the end of the period	Proportion of investment amount at the end of the period in the Company's net assets at the end of the reporting period	Actual profit and loss amount during the reporting period
Banks	None	No	FX derivative	12,664.16	January 1,	March 31,	12,664.16	25,462.33	19,044.71		19,081.78	2.51%	-100.16

			es		2021	2021							
Total				12,664.16	--	--	12,664.16	25,462.33	19,044.71		19,081.78	2.51%	-100.16
Capital source of derivative investment	Self-owned capital												
Litigation-related situation (if applicable)	Not applicable												
As for examination and approval of derivative investment, the Board of Directors will announce disclosure date (if any)	April 1, 2021												
As for examination and approval of derivative investment, the Board of Shareholders will announce disclosure date (if any)	Not applicable												
Risk analysis and control measure explanation for derivative holding a position during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operation risk and law risk)	<p>To reduce the risks arising from fluctuations in exchange and interest rates, and to strengthen the monitoring and control of foreign currency-denominated asset positions, the Company has conducted trading business of FX derivatives.</p> <p>(I) Risks of conducting FX derivatives transactions</p> <ol style="list-style-type: none"> 1. Price fluctuation risk: market risks, such as losses resulted from changes in the price of foreign exchange derivatives due to the fluctuated underlying interest rate, exchange rate or other market price, may arise. 2. Internal control risk: considering the specialty and complexity of FX derivatives trading business, inadequate internal control mechanisms may lead to risks. 3. Liquidity risks: risk of failure to complete transactions due to lack of market liquidity. 4. Performance risk: FX derivatives business faces the risk of default due to failed contract fulfillment when the contract expires. 5. Legal risks: changes in relevant laws or violations of the relevant legal system by counterparty, resulting the contract cannot be executed properly, may cause losses to the Company. <p>(II) Risk control measures</p> <ol style="list-style-type: none"> 1. Clarify the principles of foreign exchange derivatives trading. FX derivatives trading is based on the hedging principle to avoid risks from exchange rate fluctuations to the greatest extent, and based on market conditions, operation strategies shall be adjusted in time to improve hedging effects. 2. System construction: the Company has established the Management Measures for Foreign Exchange Derivatives Transactions, in which the scope of authorization, approval procedures, key operation points, risk management and information disclosure concerning derivatives transactions are well defined, so that the conduct and risks of FX derivatives training can be effectively regulated. 3. Product selection: prior to any FX derivative transactions, it's necessary to select an FX derivative that suits the company's business context best, and is highly liquid and risk through a comparative analysis of various counterparties and products, before conducting business. 4. Counterparty management: be prudent when selecting counterparties for FX derivatives business. The company only conducts foreign exchange derivatives trading business with large commercial banks and other foreign exchange organization with legal qualifications, 												

	thus avoiding potential legal risks. 5. Management by specially-assigned persons: a special working group, set up by the Company's management representatives, Fund Department, Financial Sharing Center, Audit Department, Securities Department and other departments concerned, is responsible for the risk assessment, operation, recording and supervision of FX derivatives transactions. The working group is supposed to decide on emergency mitigations in case of any significant changes in the market.
Changes in market prices or product fair values of invested derivatives during the reporting period, specific methods used for analysis of the fair value of derivatives and the setting of related assumptions and parameters	The profit and loss incurred by FX derivatives was RMB -1,001,600.00 during the reporting period; it was obtained by the evaluation of spot and forward foreign exchange quotes from banking institutions.
Explanation on whether the Company's accounting policies and specific accounting principles of derivatives have significantly changed during the reporting period compared with those in the previous reporting period	Not applicable
Special opinion on situations of the Company's derivative investment and risk control from independent directors	Independent directors of the Company believe: the FX derivatives trading business of the Company is closely related to its daily operation needs, and conducive to the aversion of risks caused by exchange rate fluctuations, which enhances the Company's financial soundness and is in line with its operational development requirements. The Company has developed the Management Measures for Foreign Exchange Derivatives Transactions and relevant risk control measures, which are conducive to strengthening the risk management and control of foreign exchange derivatives transactions. The Company has fulfilled corresponding obligations with respect to approval procedures and information disclosure, and there're no such circumstances that would harm the interests of the Company and all of its shareholders, especially minority ones.

V. Progress of investments with capital raised

☐ Applicable ☒ Not applicable

VI. Forecast on business performance from January to June in 2021

Warning and reason for the prediction that the cumulative net profit from the beginning of the year to the end of the next reporting period may suffer a loss or a significant change from that in the same period of last year

☐ Applicable ☒ Not applicable

VII. Major contracts for daily operations

☐ Applicable ☒ Not applicable

VIII. Entrusted financing

☒ Applicable ☐ Not applicable

Unit: RMB10,000

Specific type	Source of fund for entrusted financing	Amount incurred of entrusted financing	Undue balance	Overdue amount unclaimed
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Bank financial products	Self-owned capital	11,500.30	8,500.30	0
Total		11,500.30	8,500.30	0

Specific description of high-risk entrusted finance with single significant amount, or with low security, poor liquidity and un-guaranteed principal

☐ Applicable ☒ Not applicable

Circumstances in which principal of entrusted financing may not be recovered or which may result in decrease in value:

☐ Applicable ☒ Not-applicable

IX. Irregular external guaranty

☐ Applicable ☒ Not applicable

The Company did not involve in any irregular external guaranty during the reporting period.

X. Non-operating occupation of capital of listed companies by controlling shareholders and their affiliates

☐ Applicable ☒ Not applicable

There was no non-operating occupation of capital of listed companies by controlling shareholders or their affiliates during the reporting period.

XI. Record form for investigation, communication, interview and other activities during the reporting period

☐ Applicable ☒ Not applicable

There was no investigation, communication, interview or other activities in the company during the reporting period.

SECTION IV FINANCIAL STATEMENTS

I. Financial statements

1. Consolidated balance sheet

Compiled by: Zhejiang Supor Co., Ltd.

March 31, 2021

Unit: Yuan

Item	March 31, 2021	December 31, 2020
Current assets:		
Cash and bank balances	1,608,462,433.80	1,719,785,919.04
Settlement reserve		
Loans to other banks		
Transactional financial assets	86,400,864.47	115,992,105.03
Derivative financial assets		
Notes receivable	240,492,294.86	245,053,093.69
Accounts receivable	2,091,283,322.32	2,228,302,318.44
Financing of receivables	243,863,881.83	321,162,886.99
Advance payment	257,853,460.30	179,491,969.23
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	17,167,991.62	40,164,877.32
Where: interest receivable		
Dividend receivable		
Reverse-REPO financial assets		
Inventories	2,089,687,835.17	2,409,298,690.29
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	3,320,755,204.58	2,857,567,546.59
Total current assets	9,955,967,288.95	10,116,819,406.62
Non-current assets:		

Loans and advances granted		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investment	64,989,251.90	64,448,318.46
Other equity instrument investments		
Other non-current assets		
Investment properties		
Fixed assets	1,208,491,601.19	1,228,535,067.85
Construction in progress	65,762,719.61	47,175,324.72
Productive biological assets		
Oil and gas assets		
Use right assets	191,527,769.10	
Intangible assets	457,651,239.67	461,801,363.50
Development expenditures		
Goodwill		
Long-term unamortized expenses	1,462,055.13	1,621,068.83
Deferred income tax assets	377,638,547.83	371,869,834.73
Other non-current assets		
Total non-current assets	2,367,523,184.43	2,175,450,978.09
Total assets	12,323,490,473.38	12,292,270,384.71
Current liabilities:		
Short-term borrowings		
Central bank loan		
Loans from others		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	455,090,033.11	
Accounts payable	2,696,996,076.08	3,252,438,690.98
Advances received		
Contract liabilities	532,647,259.56	850,983,303.37
Proceeds from sale of repurchase financial assets		
Deposit taken and interbank deposit		
Proceeds from security transaction agency		

Proceeds from security underwriting agency		
Employee pay payable	212,561,306.38	311,346,204.07
Taxes payable	213,808,729.67	170,298,793.36
Other payables	85,518,113.71	94,521,442.67
Where: interest payable		
Dividend payable		
Handling fee and commission payable		
Reinsurance accounts receivable		
Held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities	310,820,353.33	356,888,937.14
Total current liabilities	4,507,441,871.84	5,036,477,371.59
Non-current liabilities:		
Reinsurance contract reserve		
Long-term borrowings		
Bonds payable		
Wherein: preferred shares		
Perpetual bond		
Lease obligation	184,500,165.49	
Long-term payables		
Long-term employee benefits payable	2,442,749.98	2,611,773.09
Estimated liabilities	15,150,000.00	15,150,000.00
Deferred income		
Deferred income tax liabilities	1,307,250.00	1,307,250.00
Other non-current liabilities		
Total non-current liabilities	203,400,165.47	19,069,023.09
Total liabilities	4,710,842,037.31	5,055,546,394.68
Owner's equity:		
Share capital	821,083,860.00	821,083,860.00
Other equity instruments		
Wherein: preferred shares		
Perpetual bond		
Capital reserves	231,647,618.01	226,859,041.81
Minus: treasury stock	547,708,647.81	412,206,786.34

Other comprehensive incomes	-36,161,684.02	-39,031,832.57
Special reserves		
Surplus reserve	401,648,181.64	401,648,181.64
General risk reserve		
Undistributed profit	6,707,386,747.83	6,202,587,444.38
Total owner's equity belonging to parent company	7,577,896,075.65	7,200,939,908.92
Minority equity	34,752,360.42	35,784,081.11
Total owner's equity	7,612,648,436.07	7,236,723,990.03
Total liabilities and owner's equity	12,323,490,473.38	12,292,270,384.71

Legal representative: Thierry de LA TOUR D'RTAISE
 accounting department: Xu Bo

Person in charge of accounting: Xu Bo

Person in charge of

2. Balance sheet of parent company

Unit: Yuan

Item	March 31, 2021	December 31, 2020
Current assets:		
Cash and bank balances	415,928,317.28	231,835,282.92
Transactional financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	498,081,655.99	510,885,126.45
Financing of receivables	1,156,764.00	900,000.00
Advance payment	59,402,265.61	38,361,493.94
Other receivables	257,357,807.94	1,150,442,198.95
Where: interest receivable		
Dividend receivable		925,000,000.00
Inventories	185,316,013.38	194,675,071.48
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	2,439,401,602.33	2,213,511,482.40
Total current assets	3,856,644,426.53	4,340,610,656.14
Non-current assets		
Debt investment		

Other debt investments		
Long-term receivables		
Long-term equity investment	3,010,404,795.87	3,008,554,335.68
Other equity instrument investments		
Other non-current assets		
Investment properties		
Fixed assets	162,008,437.10	166,649,151.50
Construction in progress	1,682,525.99	1,766,027.25
Productive biological assets		
Oil and gas assets		
Use right assets	1,292,703.63	
Intangible assets	84,800,056.49	86,662,225.85
Development expenditures		
Goodwill		
Long-term unamortized expenses		
Deferred income tax assets	17,325,564.53	15,677,698.08
Other non-current assets		
Total non-current assets	3,277,514,083.61	3,279,309,438.36
Total assets	7,134,158,510.14	7,619,920,094.50
Current liabilities:		
Short-term borrowings		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	71,488,701.00	
Accounts payable	192,821,780.47	274,242,165.79
Advances received		
Contract liabilities	6,025,712.37	11,023,695.88
Employee pay payable	38,511,274.95	60,005,114.93
Taxes payable	4,138,532.19	27,034,245.54
Other payables	4,165,125,812.17	4,504,048,304.12
Where: interest payable		
Dividend payable		
Held-for-sale liabilities		
Non-current liabilities due within one year		

Other current liabilities	683,676.67	1,433,080.47
Total current liabilities	4,478,795,489.82	4,877,786,606.73
Non-current liabilities		
Long-term borrowings		
Bonds payable		
Wherein: preferred shares		
Perpetual bond		
Lease obligation	519,738.26	
Long-term payables		
Long-term employee benefits payable	225,738.23	235,263.62
Estimated liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	745,476.49	235,263.62
Total liabilities	4,479,540,966.31	4,878,021,870.35
Owner's equity:		
Share capital	821,083,860.00	821,083,860.00
Other equity instruments		
Wherein: preferred shares		
Perpetual bond		
Capital reserves	672,072,033.79	666,767,326.32
Minus: treasury stock	547,708,647.81	412,206,786.34
Other comprehensive incomes		
Special reserves		
Surplus reserve	410,621,980.00	410,621,980.00
Undistributed profit	1,298,548,317.85	1,255,631,844.17
Total owner's equity	2,654,617,543.83	2,741,898,224.15
Total liabilities and owner's equity	7,134,158,510.14	7,619,920,094.50

3. Consolidated profit statement

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
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I. Total operating revenue	5,136,308,321.66	3,581,192,389.40
Where: operating revenue	5,136,308,321.66	3,581,192,389.40
Interest revenue		
Premium earned		
Revenue from handling charges and commission		
II. Total operating cost	4,553,520,793.60	3,261,657,204.41
Where: operating cost	3,775,626,213.41	2,722,830,712.57
Interest expense		
Expense for handling fee and commission		
Surrender value		
Net payments for insurance claims		
Net amount of withdrawn reserve fund for insurance liability contract		
Premium bonus expenditures		
Reinsurance expenses		
Taxes and surcharges	28,777,546.23	26,150,939.66
Selling expenses	591,821,587.90	379,593,196.73
Administrative expenses	77,554,511.29	70,830,584.19
Research and development expenses	84,345,003.29	80,372,139.02
Financial expenses	-4,604,068.52	-18,120,367.76
Where: interest expenses	2,442,464.01	4,637,487.22
Interest revenue	7,233,773.30	21,639,072.41
Plus: other incomes	18,504,965.70	3,967,245.78
Return on investment ("-" for loss)	27,072,679.65	12,855,436.93
Where: return on investment on associated enterprise and cooperative enterprise	740,734.45	466,048.81
Income from termination of financial assets measured by amortized cost		
Exchange earning ("-" for loss)		
Net exposure hedging gains ("-" for loss)		
Gains on changes of fair value ("-" for loss)	615,759.44	10,455,328.16
Credit impairment loss ("-" for loss)	7,277,701.11	23,876,063.90
Asset impairment loss ("-" for loss)	2,253,193.36	7,031,465.82
Return on assets disposal ("-" for loss)	141,082.62	-142,207.79
III. Operating profit ("-" for loss)	638,652,909.94	377,578,517.79

Plus: non-operating revenue	836,037.82	1,074,815.72
Minus: non-operating expenditure	847,850.88	3,595,520.61
IV. Total profit ("-" for total loss)	638,641,096.88	375,057,812.90
Minus: income tax expenses	134,731,984.33	68,441,024.17
V. Net profit ("-" for net loss)	503,909,112.55	306,616,788.73
(I) By business continuity		
1. Net profit under continuing operating ("-" for net loss)	503,909,112.55	306,616,788.73
2. Net profit under discontinuing operation ("-" for net loss)		
(II) By ownership		
1. Net profit belonging to the shareholders of parent company	504,799,303.45	306,697,847.90
2. Minority interest	-890,190.90	-81,059.17
VI. After-tax net amount of other comprehensive income	2,728,618.76	-1,376,028.96
After-tax net amount of other comprehensive income belonging to the owners of parent company	2,870,148.55	-771,785.72
(I) Other comprehensive incomes that can not be reclassified into profit and loss		
1. Remeasured amount of changes in defined benefit plan		
2. Other comprehensive income that can not be transferred to gain and loss under the equity law		
3. Changes in the fair value of other equity instrument investments		
4. Changes in the fair value of the Company's own credit risk		
5. Others		
(II) Other comprehensive incomes to be reclassified into the profit and loss	2,870,148.55	-771,785.72
1. Other comprehensive income that can be transferred to gain and loss under the equity law		
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment reserve for other debt investments		
5. Cash flow hedging reserve		
6. Foreign currency translation difference in financial statements	2,870,148.55	-771,785.72
7. Others		
After-tax net profit of other comprehensive income belonging to	-141,529.79	-604,243.24

minority shareholder		
VII. Total comprehensive income	506,637,731.31	305,240,759.77
Total comprehensive income attributed to owners of parent company	507,669,451.99	305,926,062.15
Total comprehensive income attributed to minority shareholders	-1,031,720.68	-685,302.38
VIII. Earnings per share:		
(I) Basic earnings per share (EPS)	0.616	0.374
(II) Diluted earnings per share (EPS)	0.615	0.374

If the enterprise under the same control is merged, the net profit realized by the party to be merged before merger was 0.00 yuan, the net profit realized by the party to be merged during the prior period was 0.00 yuan

Legal representative: Thierry de LA TOUR D'RTAISE
accounting department: Xu Bo

Person in charge of accounting: Xu Bo

Person in charge of

4. Profit statement of parent company

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Operating income	678,303,739.80	297,306,619.06
Minus: operating costs	578,626,496.94	238,238,317.97
Taxes and surcharges	6,341,347.93	3,711,230.42
Selling expenses	16,658,842.47	9,006,285.59
Administrative expenses	23,266,990.48	22,509,849.17
Research and development expenses	10,612,150.17	14,753,470.28
Financial expenses	6,106,263.68	-1,703,190.08
Where: interest expenses	10,402,268.56	11,241,916.51
Interest revenue	3,489,908.15	12,853,486.72
Plus: other incomes	726,190.99	364,660.00
Return on investment ("-" for loss)	20,792,405.67	11,340,186.98
Where: return on investment on associated enterprise and cooperative enterprise	740,734.45	466,048.81
Income from termination of financial assets measured by amortized cost ("-" for loss)		
Net exposure hedging gains ("-" for loss)		
Gains on changes of fair value ("-" for loss)		7,822,693.20
Credit impairment loss ("-" for loss)	-1,137,191.73	5,413,986.85
Asset impairment loss ("-" for loss)	438,330.47	-41,008.86

Return on assets disposal (“-” for loss)		-142,207.79
II. Operating profit (“-” for loss)	57,511,383.53	35,548,966.09
Plus: non-operating revenue	63,384.08	130,513.63
Minus: non-operating expenditure	599,714.18	-613,272.14
III. Total profit (“-” for total loss)	56,975,053.43	36,292,751.86
Minus: income tax expenses	14,058,579.75	5,374,008.77
IV. Net profit (“-” for net loss)	42,916,473.68	30,918,743.09
(I) Net profit under continuing operating (“-” for net loss)	42,916,473.68	30,918,743.09
(II) Net profit under discontinuing operation (“-” for net loss)		
V. After-tax net amount of other comprehensive income		
(I) Other comprehensive incomes that can not be reclassified into profit and loss		
1. Remeasured amount of changes in defined benefit plan		
2. Other comprehensive income that can not be transferred to gain and loss under the equity law		
3. Changes in the fair value of other equity instrument investments		
4. Changes in the fair value of the Company’s own credit risk		
5. Others		
(II) Other comprehensive incomes to be reclassified into the profit and loss		
1. Other comprehensive income that can be transferred to gain and loss under the equity law		
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Credit impairment reserve for other debt investments		
5. Cash flow hedging reserve		
6. Foreign currency translation difference in financial statements		
7. Others		
VI. Total comprehensive income	42,916,473.68	30,918,743.09
VII. Earnings per share:		
(I) Basic earnings per share (EPS)		
(II) Diluted earnings per share (EPS)		

5. Consolidated cash flow statement:

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Cash flows from business activities		
Cash received from sales of goods or rendering of services	4,783,247,758.19	2,592,004,387.05
Net increase of client deposit and interbank deposit		
Net increase of central bank loans		
Net increase of loans from other financial institutions		
Cash received from original insurance contract premium		
Net cash received from reinsurance		
Net increase of policy-holder deposit and investment		
Cash receipts from interest, handling charges and commission		
Net increase of loans from others		
Net increment of repurchase capital		
Net cash from security transaction agency		
Tax refund received	209,646,708.83	75,827,632.55
Other cash receipts related to operating activities	38,519,787.71	29,145,042.35
Sub-total of cash inflows from operating activities	5,031,414,254.73	2,696,977,061.95
Cash payments for purchasing goods and receiving services	3,154,431,594.44	1,376,620,758.82
Net increment of customer loans and advances		
Net increase of central bank deposit and interbank deposit		
Cash payment for insurance indemnities of original insurance contracts		
Net increase of loans from others		
Cash payment of interest, handling charges and commission		
Cash payment of policy bonus		
Cash paid to and on behalf of employees	517,826,691.44	667,282,852.45
Taxes paid	307,877,568.66	271,955,473.77
Other cash payments related to operating activities	474,779,578.68	278,027,196.82
Subtotal of cash outflows from operating activities	4,454,915,433.22	2,593,886,281.86
Net cash flows from operating activities	576,498,821.51	103,090,780.09
II. Cash flows from investing activities:		
Cash received from return of investments		

Cash received from investment income	207,000.00	9,644,229.86
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	148,600.00	87,671.67
Net cash received from disposal of subsidiaries and other business units		
Other cash receipts related to operating activities	30,000,000.00	1,580,000,000.00
Subtotal of cash inflows from investing activities	30,355,600.00	1,589,731,901.53
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	84,373,926.00	72,934,414.71
Cash paid for investment		
Net increase of pledge loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash payments related to investing activities	500,000,000.00	1,780,000,000.00
Sub-total of cash outflow from investment activity	584,373,926.00	1,852,934,414.71
Net cash flow from investment activities	-554,018,326.00	-263,202,513.18
III. Cash flows from financing activities:		
Cash received from investment by others		28,800,000.00
Where: cash received by subsidiaries from minority shareholder investment		28,800,000.00
Cash received from obtaining borrowings		
Other cash receipts related to financing activities		
Sub-total of cash inflows from financing activities		28,800,000.00
Cash paid for debt repayment		
Cash paid for distribution of dividends or profits or for payment of interest		
Where: dividends or profits paid by subsidiaries to minority shareholders		
Other cash payments related to financing activities	135,518,122.97	
Subtotal of cash outflows from financing activities	135,518,122.97	
Net cash flows from financing activities	-135,518,122.97	28,800,000.00
IV. Impact of exchange rate changes on cash and cash equivalents	1,714,142.22	5,555,312.67
V. Net increase in cash and cash equivalents	-111,323,485.24	-125,756,420.42
Plus: balance of cash and cash equivalents at the beginning of the period	1,655,785,919.04	1,308,132,657.16
VI. Balance of cash and cash equivalents at the end of the period	1,544,462,433.80	1,182,376,236.74

6. Cash flow statement of parent company

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Cash flows from business activities		
Cash received from sales of goods or rendering of services	565,107,702.82	348,679,156.75
Tax refund received	38,187,512.52	11,540,269.94
Other cash receipts related to operating activities	6,301,075.42	8,611,902.91
Sub-total of cash inflows from operating activities	609,596,290.76	368,831,329.60
Cash payments for purchasing goods and receiving services	517,069,426.23	340,990,603.57
Cash paid to and for employees	71,588,148.91	290,753,124.75
Taxes paid	43,290,016.52	25,553,362.77
Other cash payments related to operating activities	7,601,885.42	6,200,608.53
Subtotal of cash outflows from operating activities	639,549,477.08	663,497,699.62
Net cash flows from operating activities	-29,953,186.32	-294,666,370.02
II. Cash flows from investing activities:		
Cash received from return of investments		
Cash received from investment income	925,000,000.00	5,785,290.51
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		26,828.66
Net cash received from disposal of subsidiaries and other business units		
Other cash receipts related to operating activities		1,050,000,000.00
Subtotal of cash inflows from investing activities	925,000,000.00	1,055,812,119.17
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	6,768,752.73	4,844,219.73
Cash paid for investment		31,200,000.00
Net cash paid for acquiring subsidiaries and other business units		
Other cash payments related to investing activities	772,331,042.79	1,250,000,000.00
Sub-total of cash outflow from investment activity	779,099,795.52	1,286,044,219.73
Net cash flow from investment activities	145,900,204.48	-230,232,100.56
III. Cash flows from financing activities:		
Cash received from investment by others		
Cash received from obtaining borrowings		
Other cash receipts related to financing activities	202,258,475.96	130,175,461.59

Sub-total of cash inflows from financing activities	202,258,475.96	130,175,461.59
Cash paid for debt repayment		
Cash paid for distribution of dividends or profits or for payment of interest		
Other cash payments related to financing activities	135,518,122.97	
Subtotal of cash outflows from financing activities	135,518,122.97	
Net cash flows from financing activities	66,740,352.99	130,175,461.59
IV. Impact of exchange rate changes on cash and cash equivalents	1,405,663.21	2,404,280.18
V. Net increase in cash and cash equivalents	184,093,034.36	-392,318,728.81
Plus: balance of cash and cash equivalents at the beginning of the period	231,835,282.92	877,009,108.98
VI. Balance of cash and cash equivalents at the end of the period	415,928,317.28	484,690,380.17

II. Description on adjustments to financial statements

1. Adjustment and first implementation of financial statements at the beginning of 2021 when the new lease standards were implemented for the first time of the year

✓ Applicable ☐ Not applicable

Whether it is necessary to adjust accounts of balance sheet for the beginning of the year

✓ Yes ☐ No

Consolidated balance sheet

Unit: Yuan

Item	December 31, 2020	January 01, 2021	Adjustment amount
Current assets:			
Monetary capital	1,719,785,919.04	1,719,785,919.04	
Transactional financial assets	115,992,105.03	115,992,105.03	
Notes receivable	245,053,093.69	245,053,093.69	
Accounts receivable	2,228,302,318.44	2,228,302,318.44	
Financing of receivables	321,162,886.99	321,162,886.99	
Advance payment	179,491,969.23	179,491,969.23	
Other receivables	40,164,877.32	40,164,877.32	
Inventories	2,409,298,690.29	2,409,298,690.29	
Other current assets	2,857,567,546.59	2,857,567,546.59	
Total current assets	10,116,819,406.62	10,116,819,406.62	
Non-current assets			
Long-term equity investment	64,448,318.46	64,448,318.46	

Fixed assets	1,228,535,067.85	1,228,535,067.85	
Construction in progress	47,175,324.72	47,175,324.72	
Right-of-use assets		181,194,821.00	181,194,821.00
Intangible assets	461,801,363.50	461,801,363.50	
Long-term unamortized expenses	1,621,068.83	1,621,068.83	
Deferred income tax assets	371,869,834.73	371,869,834.73	
Total non-current assets	2,175,450,978.09	2,356,645,799.09	181,194,821.00
Total assets	12,292,270,384.71	12,473,465,205.71	181,194,821.00
Current liabilities:			
Accounts payable	3,252,438,690.98	3,252,438,690.98	
Contract liabilities	850,983,303.37	850,983,303.37	
Employee pay payable	311,346,204.07	311,346,204.07	
Taxes payable	170,298,793.36	170,298,793.36	
Other payables	94,521,442.67	94,521,442.67	
Other current liabilities	356,888,937.14	356,888,937.14	
Total current liabilities	5,036,477,371.59	5,036,477,371.59	
Non-current liabilities			
Lease liabilities		181,194,821.00	181,194,821.00
Long-term employee benefits payable	2,611,773.09	2,611,773.09	
Estimated liabilities	15,150,000.00	15,150,000.00	
Deferred income tax liabilities	1,307,250.00	1,307,250.00	
Total non-current liabilities	19,069,023.09	200,263,844.09	181,194,821.00
Total liabilities	5,055,546,394.68	5,236,741,215.68	181,194,821.00
Owner's equity:			
Share capital	821,083,860.00	821,083,860.00	
Capital reserves	226,859,041.81	226,859,041.81	
Minus: treasury stock	412,206,786.34	412,206,786.34	
Other comprehensive incomes	-39,031,832.57	-39,031,832.57	
Surplus reserve	401,648,181.64	401,648,181.64	
Undistributed profit	6,202,587,444.38	6,202,587,444.38	
Total owner's equity belonging to parent company	7,200,939,908.92	7,200,939,908.92	
Minority equity	35,784,081.11	35,784,081.11	
Total owner's equity	7,236,723,990.03	7,236,723,990.03	

Total liabilities and owner's equity	12,292,270,384.71	12,473,465,205.71	181,194,821.00
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Description on adjustments

The Ministry of Finance issued the Accounting Standards for Business Enterprises No. 21 - Leases (C.K. 2018 No. [35]) in 2018.

The Company has implemented the aforesaid new lease standards since January 1, 2021 and made adjustments to relevant items in financial statements.

Balance sheet of parent company

Unit: Yuan

Item	December 31, 2020	January 01, 2021	Adjustment amount
Current assets:			
Monetary capital	231,835,282.92	231,835,282.92	
Accounts receivable	510,885,126.45	510,885,126.45	
Financing of receivables	900,000.00	900,000.00	
Advance payment	38,361,493.94	38,361,493.94	
Other receivables	1,150,442,198.95	1,150,442,198.95	
Dividend receivable	925,000,000.00	925,000,000.00	
Inventories	194,675,071.48	194,675,071.48	
Other current assets	2,213,511,482.40	2,213,511,482.40	
Total current assets	4,340,610,656.14	4,340,610,656.14	
Non-current assets:			
Long-term equity investment	3,008,554,335.68	3,008,554,335.68	
Fixed assets	166,649,151.50	166,649,151.50	
Construction in progress	1,766,027.25	1,766,027.25	
Right-of-use assets		1,383,100.83	1,383,100.83
Intangible assets	86,662,225.85	86,662,225.85	
Deferred income tax assets	15,677,698.08	15,677,698.08	
Total non-current assets	3,279,309,438.36	3,280,692,539.19	1,383,100.83
Total assets	7,619,920,094.50	7,621,303,195.33	1,383,100.83
Current liabilities:			
Accounts payable	274,242,165.79	274,242,165.79	
Contract liabilities	11,023,695.88	11,023,695.88	
Employee benefits payable	60,005,114.93	60,005,114.93	
Taxes payable	27,034,245.54	27,034,245.54	
Other payables	4,504,048,304.12	4,504,048,304.12	
Other current liabilities	1,433,080.47	1,433,080.47	
Total current liabilities	4,877,786,606.73	4,877,786,606.73	

Non-current liabilities:			
Lease obligation		1,383,100.83	1,383,100.83
Long-term employee benefits payable	235,263.62	235,263.62	
Total non-current liabilities	235,263.62	1,618,364.45	1,383,100.83
Total liabilities	4,878,021,870.35	4,879,404,971.18	1,383,100.83
Owner's equity:			
Share capital	821,083,860.00	821,083,860.00	
Capital reserves	666,767,326.32	666,767,326.32	
Minus: treasury stock	412,206,786.34	412,206,786.34	
Surplus reserve	410,621,980.00	410,621,980.00	
Undistributed profit	1,255,631,844.17	1,255,631,844.17	
Total owner's equity	2,741,898,224.15	2,741,898,224.15	
Total liabilities and owner's equity	7,619,920,094.50	7,621,303,195.33	1,383,100.83

Description on adjustments

The Ministry of Finance issued the Accounting Standards for Business Enterprises No. 21 - Leases (C.K. 2018 No. [35]) in 2018. The Company has implemented the aforesaid new lease standards since January 1, 2021 and made adjustments to relevant items in financial statements.

2. Description on retrospective adjustment of comparison data in the previous period upon the implementation of the new lease standards for the first time since 2021

☐ Applicable ☒ Not applicable

III. Audit Report

Was the First Quarterly Report audited or not:

☐ Yes ☒ No

The First Quarterly Report of the Company was not audited.

Zhejiang Supor Co., Ltd.

Board Chairman: Thierry de LA TOUR D'ARTAISE

April 23, 2021