

2021 Performance Brief of Zhejiang Supor Co., Ltd.

This Company and all members of the Board of Directors hereby warrant that all information disclosed here are true, accurate and complete, and contain no fictitious statement, misleading information or significant omission.

Special Notes:

The financial data for 2021 as stated below, audited by the internal auditing department of the Company, have not been audited by the certified public accountants. Therefore, investors are kindly reminded to pay attention to possible investment risks because there may be deviations from the financial data audited by the certified public accountants.

I. Major Financial Data for 2021

(Unit: RMB)

	2021	2020	Increase/decrease (%)
Total sales	21,585,331,407.47	18,596,944,289.02	+16.07%
Operating profit	2,385,111,931.62	2,197,079,202.00	+8.56%
Total profit	2,385,781,578.96	2,200,318,697.16	+8.43%
Net profit attributable to shareholders of listed company	1,943,943,608.94	1,846,221,538.10	+5.29%
Basic earnings per share (yuan/share)	2.396	2.276	+5.27%
Return on weighted average net assets	26.81%	26.97%	-0.16%
	End of Dec. 2021	Beginning of Jan. 2021	Increase/decrease (%)
Total assets	13,899,465,473.37	12,292,270,384.71	+13.07%
Net assets attributable to shareholders of listed company	7,622,639,752.86	7,200,939,908.92	+5.86%
Share capital	808,678,476.00	821,083,860.00	-1.51%

Net assets per share attributable to shareholders of listed company	9.43	8.77	+7.53%
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II. Introduction of Business Performance and Financial Status

The total sales for 2021 reached RMB 21,585,331,407.47, increased by 16.07% YoY; total profit was RMB 2,385,781,578.96, increased by 8.43% YoY; and the net profit attributed to the listed company was RMB 1,943,943,608.94, increased by 5.29% YoY. In which,

1. The growth rate of 16.07% for total sales: The positive growth for total sales is mainly due to the successful implementation of online channel transformation strategy and optimization of product mix since 2020, and fast growth of export orders transferred from SEB.

2. The growth rate of 5.29% for net profit attributable to shareholders of listed company: mainly affected by high price of bulk raw materials and slightly increased selling expenses ratio (excluding reclassifications). In 2021, the Company has reclassified transportation costs related to the sale of goods from selling expenses to operating costs in accordance with the requirements of the revenue guidelines. The gross profit margin was decreased by 0.38pct. YoY (excluding reclassifications), mainly affected by the raw materials such as aluminum, stainless steel and copper, whose price were rising fast and significantly. And the selling expenses ratio was increased by 0.47pct YoY (excluding reclassifications), mainly due to the increased investment among online marketing, such as sales promotional expenses and AD fees to support and promote the steady growth for sales scale.

3. The growth rate of 5.86% and 7.53% for net assets attributable to shareholders of listed company and net assets per share attributable to shareholders of listed company respectively was mainly due to accumulation of the Company's own operating profit.

III. Explanation on Difference of Previous Performance Forecast

On January 26, 2022, the Company disclosed the Business Performance Forecast of 2021 and estimated that the total sales for 2021 would be RMB 21.59 billion yuan, increased by 16.07% YoY, and range for the net profit attributable to shareholders of the listed company would be RMB 1877 million yuan to RMB 2013 million yuan, increased by 1.67% to 9.03%.

The total sales for 2021 disclosed in this flash report was RMB 21.59 billion yuan and the net profit attributable to shareholders of the listed company was RMB 1944 million yuan, increased by

5.29%YoY, in line with business performance forecast previously disclosed.

IV. Documents for Reference

1. The Comparative Balance Sheet and Profit Statement signed by legal representative of the Company Mr. Thierry de LA TOUR D'ARTAISE and the person responsible for accounting work and accounting department Mr. Xu Bo, and sealed by the Company;
2. Internal Audit Report of 2021 Financial Statement of Zhejiang Supor Co., Ltd. issued by the Company's internal audit department.

Board of Directors of Zhejiang Supor Co., Ltd.

February 25, 2022