

## 2019 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 2019 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 2019

(Unit: RMB)

	2019	2018	Increase/decrease (%)
Total sales	19,853,477,882.97	17,851,264,801.72	11.22%
Operating profit	2,296,300,923.85	1,981,934,569.54	15.86%
Total profit	2,273,457,833.80	1,981,538,256.56	14.73%
Net profit attributable to shareholders of listed company	1,919,914,191.24	1,669,873,440.00	14.97%
Basic earnings per share (yuan/share)	2.347	2.041	14.99%
Return on weighted average net assets	30.63%	28.84%	1.79%
	End of Dec. 2019	Beginning of Jan. 2019	Increase/decrease (%)
Total assets	11,562,436,750.26	10,633,161,177.21	8.74%
Net assets attributable to shareholders of listed company	6,836,417,032.55	5,907,337,461.81	15.73%
Share capital	821,119,910.00	821,243,960.00	-0.02%

Net assets per share attributable to shareholders of listed company	8.33	7.19	15.86%
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## II. Introduction of Business Performance and Financial Status

The total sales for 2019 reached RMB 19,853,477,882.97 yuan, increasing by 11.22% YoY; total profit was RMB 2,273,457,833.80 yuan, increasing by 14.73% YoY; and the net profit attributed to the listed company was RMB 1,919,914,191.24 yuan, increasing by 14.97% YoY. In which,

1. The increase rate of 11.22% for total sales was mainly due to the increasing sales and market shares of domestic sales. In the meantime, the Company maintained stable growth in its foreign trade.

2. The increase rate of 14.73% for total profit was mainly due to the continuous optimization of product structures and decreasing production cost. In this period, the gross profit margin increased by 0.29% YoY, increasing profits by RMB 57.5751 million yuan; the management expense ratio decreased by 0.19% YoY mainly due to the implementation of 2017 Restricted Stock Incentive Plan in December of 2017, in which case, the expense for the Restricted Stock Incentive Plan is RMB 41.1327 million yuan compared with that of RMB 61.2383 million yuan in the same period of 2018. Meanwhile, in order to support and realize the steady growth of business scale, the Company has appropriately increased the investment of marketing resources such as e-commerce fees, promotion fees, and the sales expense rate has increased by 0.39% YoY. The Company has also further enriched the monetary capital investment portfolio which further improves the efficiency of capital utilization and the investment return of the overall capital has a rapid growth YoY in this period. In addition to investing in large amount deposits and financial products with relatively high interest rates, the Company has also improved the yield of short-term liquidity and foreign currency capital deposits. Other earnings in this period increased by 49.73% YoY mainly resulting from the significant increasing of government grants earned by the subsidiaries.

## III. 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 2019 Financial Statement of Zhejiang Supor Co., Ltd. issued by the

Company's internal audit department.

Board of Directors of Zhejiang Supor Co., Ltd.

February 27, 2020