

Stock Code: 002032

Abbreviation of Stock: Supor

Announcement No.: 2022-031

Zhejiang Supor Co., Ltd.

2022 First Quarterly Report

The Company and all members of the Board of Directors warrant that the information disclosure is true, accurate and complete, without any false records, misleading statements or major omissions.

Important Hints:

1. The Board of Directors, the Board of Supervisors, directors, supervisors, and senior executives of the Company shall guarantee the truthfulness, accuracy and completeness of the content of the quarterly report, without any false records, misleading statements or major omissions, and also assume several and joint legal liabilities.
2. The head of the Company, chief financial officer and person in charge of accounting department (accounting officer) hereby declare that the financial statement enclosed in this quarterly report is true, accurate and complete.
3. Whether the First Quarterly Report has been audited

☐ Yes ☒ No

I. Major Financial Data

(I) Major Accounting Data and Financial Indicators

Does the Company need to retrospectively adjust or restate previous annual accounting data?

☐ Yes ☒ No

	This Reporting Period	Same Period of Last Year	Increase or Decrease in this Reporting Period over the Same Period of Last Year
Total sales (CNY)	5,611,558,380.61	5,136,308,321.66	9.25%
Net profits attributable to shareholders of the listed company (CNY)	538,175,628.78	504,799,303.45	6.61%
Net profits attributable to shareholders of listed companies after deducting non-recurring profits or losses (CNY)	527,260,626.62	468,498,175.18	12.54%
Net cash flows from operating activities (CNY)	364,623,903.59	576,498,821.51	-36.75%
Basic earnings per share (CNY/share)	0.666	0.616	8.12%
Diluted earnings per share (CNY/share)	0.666	0.615	8.29%
Weighted average return on net assets	6.82%	6.78%	0.04%
	End of This Reporting Period	End of Last Year	Increase or Decrease at the End of this Reporting Period Compared with the End of Last Year

Total assets (CNY)	13,696,510,373.56	13,899,456,422.16	-1.46%
Owners' equities attributable to shareholders of listed companies (CNY)	8,168,144,526.85	7,622,639,752.86	7.16%

(II) Items and amounts of non-recurring profits or losses

√ Applicable □ Not-applicable

Unit: CNY

Item	Amount in this reporting period	Description
Profits and losses on disposal of non-current assets (including the write-off of provision for asset impairment)	-266,336.74	
Government subsidies included in the current profits and losses (except those that are closely related to the Company's normal business operations, comply with national policies and regulations and are continuously available according to certain standard quota or quantity)	11,183,582.29	
Except effective hedging business related to the Company's normal business operations, profits and losses from fair value changes caused by the held transactional financial assets and transactional financial liabilities, and investment income acquired from disposal of transactional financial assets, transactional financial liabilities and available-for-sale financial assets	3,194,851.91	
Non-operating incomes and expenses other than those mentioned above	442,349.23	
Minus: Influenced income tax amount	3,638,889.82	
Influenced amount of minority shareholders' equities (after-tax)	554.71	
Total	10,915,002.16	--

Details of other profit and loss items complying with the definition of non-recurring profits or losses:

□ Applicable √ Not-applicable

The Company does not have other profit and loss items complying with the definition of non-recurring profits or losses.

Description of defining non-recurring profits or losses 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 profits and losses

□ Applicable √ Not-applicable

The Company does not define the non-recurring profits or losses 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 profits and losses.**(III) Details and reasons of changes of major accounting data and financial indicators**

√ Applicable □ Not-applicable

Items of balance sheet:

1. Transactional financial assets increased by 66.92% compared with the beginning of the period, mainly due to the increase in investment in floating-income financial products linked to interest rates during the reporting period.
2. The receivables financing increased by 10,830.85% compared with the beginning of the period, mainly due to the increase of notes receivable during the reporting period.
3. Construction in progress decreased by 57.50% compared with the beginning of the period, mainly due to the transfer of construction in progress of the Company and its subsidiaries to fixed assets during the reporting period.
4. Notes payable increased by 83.92% compared with the beginning of the period, mainly due to the bank acceptance bill issued by the subsidiaries to pay suppliers during the reporting period.

5. The employee remuneration payable decreased 33.57% compared with the beginning of the period, mainly due to the payment of last year's employee remuneration during the reporting period.

6. Treasury shares decreased by 98.41% compared with the beginning of the period, mainly due to the granting of restricted stocks to incentive objects as a result of the implementation of equity incentive plan by the Company during the reporting period.

Items of income statement:

1. Taxes and surcharges increased by 44.32% over the same period of the last year, mainly due to the increase of value-added tax payable in the current period, resulting in the increase of urban construction tax and education surcharges.

2. The credit impairment loss decreased by 108.37% over the same period of the last year, mainly due to the decrease in the balance of accounts receivable at the end of this reporting period compared with the beginning of this reporting period.

3. The asset impairment loss increased by 184.06% over the same period of the last year, mainly due to the provision for inventory depreciation reserves made by the subsidiaries for the inventory with slow turnover in the current period.

4. The income tax expense increased by 35.34% over the same period of the last year, mainly due to increase in comprehensive income tax rate in the current period.

Items of cash flow statement:

1. The net cash flows resulting from operating activities decreased by 36.75% on a YoY basis, which was mainly attributable to the increase in the purchase of goods and other cash payments related to operating activities in the cash outflow from operating activities in the current period.

2. The net cash flows resulting from investing activities increased by 66.60% on a YoY basis, which was mainly attributable to the decrease in cash expenditure invested in financial products in cash outflow from investing activities in the current period.

3. The net cash flows resulting from financing activities increased by 90.71% on a YoY basis, which was mainly attributable to the expenditure of repurchasing the Company's shares from secondary market in cash outflow from financing activities in the same period.

II. Shareholder Information

(I) Total Number of Common Shareholders and Preferred Shareholders Recovering Voting Rights and the Shareholding of the Top 10 Shareholders

Unit: Share

Total number of common shareholders at the end of the reporting period	18,273	Total number of preferred shareholders recovering voting rights at the end of the reporting period (if any)	0			
Shareholding of the top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held	Number of shares held with restricted conditions	Pledge, marking or freezing information	
					Stock status	Number
SEB INTERNATIONALE S.A.S	Foreign legal entity	82.44%	666,681,904	0		
Hong Kong Securities Clearing Company Ltd.	Foreign legal entity	8.43%	68,170,662	0		
BNP Paribas - Own Funds	Foreign legal entity	0.56%	4,505,145	0		
Ningbo Bank- Zhongtai Xingyuan Value-selected Flexible Complex Securities Investment Funds	Other	0.52%	4,189,975	0		
Fidelity Mutual Fund & Investment Management - Clients' capital	Foreign legal entity	0.47%	3,794,722	0		

Industrial Bank- Zhongtai Xingwei Value-selected Complex Securities Investment Funds	Other	0.21%	1,707,867	0		
China Merchants Bank- Zhongtai Yuheng Value-selected and Flexible Complex Securities Investment Funds	Other	0.21%	1,665,503	0		
ICBC- Huaan Essence Consumption &Service Stock-type Securities Investment Funds	Other	0.20%	1,592,301	0		
Bank of Communications- E-Fund Kerui Flexible Complex Securities Investment Funds	Other	0.17%	1,354,800	0		
Changjiang Golden Sail No.2 Stock Pension Product - Bank of Communications	Other	0.13%	1,081,521	0		
Shareholding of the top 10 shareholders with non-restricted conditions						
Name of shareholder		Number of shares held with non-restricted conditions	Type of share			
			Type of share		Number	
SEB INTERNATIONALE S.A.S		666,681,904	RMB common share		666,681,904	
Hong Kong Securities Clearing Company Ltd.		68,170,662	RMB common share		68,170,662	
BNP Paribas - Own Funds		4,505,145	RMB common share		4,505,145	
Ningbo Bank- Zhongtai Xingyuan Value-selected Flexible Complex Securities Investment Funds		4,189,975	RMB common share		4,189,975	
Fidelity Mutual Fund & Investment Management - Clients' capital		3,794,722	RMB common share		3,794,722	
Industrial Bank- Zhongtai Xingwei Value-selected Complex Securities Investment Funds		1,707,867	RMB common share		1,707,867	
China Merchants Bank- Zhongtai Yuheng Value-selected and Flexible Complex Securities Investment Funds		1,665,503	RMB common share		1,665,503	
ICBC- Huaan Essence Consumption &Service Stock-type Securities Investment Funds		1,592,301	RMB common share		1,592,301	
Bank of Communications- E-Fund Kerui Flexible Complex Securities Investment Funds		1,354,800	RMB common share		1,354,800	
Changjiang Golden Sail No.2 Stock Pension Product - Bank of Communications		1,081,521	RMB common share		1,081,521	
Description of associated relationships or concerted action of the above shareholders	Ningbo Bank- Zhongtai Xingyuan Value-selected Flexible Complex Securities Investment Funds, Industrial Bank- Zhongtai Xingwei Value-selected Complex Securities Investment Funds and China Merchants Bank- Zhongtai Yuheng Value-selected and Flexible Complex Securities Investment Funds are all products of Zhongtai Securities (Shanghai) Asset Management Co., Ltd. The Company is not aware of whether there is any relationship among other shareholders, and whether they are parties executing concerted action as stipulated in the <i>Measures for the Administration of Takeover of Listed Companies</i> .					
Description of the top 10 shareholders participating in financing and securities business (if any)	None					

(II) Total Number of the Company's Preferred Shareholders and Shareholding of the Top 10 Preferred Shareholders

☐ Applicable ☒ Not-applicable

III. Other Major Events

☐ Applicable ☒ Not-applicable

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Zhejiang Supor Co., Ltd.

Unit: CNY

Item	Closing balance	Beginning balance
Current assets:		
Monetary capital	2,946,425,142.38	2,654,052,417.47
Settlement provision		
Lending funds		
Transactional financial assets	300,972,602.74	180,312,742.31
Derivative financial assets		
Notes receivable	45,787,260.17	54,879,357.24
Accounts receivable	2,365,987,900.24	2,716,945,985.33
Receivables financing	362,054,492.33	3,312,225.62
Advance payment	349,035,213.19	385,367,862.85
Premium receivable		
Reinsurance accounts receivable		
Reinsurance contract reserve receivable		
Other receivables	15,708,462.80	12,159,756.67
Wherein: Interests receivable		
Dividends receivable		
Financial assets purchased for resale		
Inventory	2,607,155,670.24	3,096,517,055.33
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	1,954,631,783.29	2,055,027,382.63
Total current assets	10,947,758,527.38	11,158,574,785.45
Non-current assets:		
Loan and advance issuing		
Debt investments		
Other debt investments	300,723,534.26	298,191,205.49
Long-term receivables		
Long-term equity investments	65,913,465.36	65,600,611.64
Other equity instrument investments		
Other non-current financial assets		
Investment properties		
Fixed assets	1,289,763,600.26	1,291,902,992.54
Construction in progress	11,255,085.92	26,482,779.31
Productive biological assets		
Oil-and-gas assets		

Right-of-use assets	184,058,537.98	195,528,644.13
Intangible assets	448,234,544.75	452,200,863.39
Development expenditures		
Goodwill		
Long-term unamortized expenses		
Deferred income tax assets	448,803,077.65	410,974,540.21
Other non-current assets		
Total non-current assets	2,748,751,846.18	2,740,881,636.71
Total assets	13,696,510,373.56	13,899,456,422.16
Current liabilities:		
Short-term borrowings		
Borrowings from the Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable	920,050,000.00	500,250,000.00
Accounts payable	2,829,996,741.65	3,769,700,826.50
Advance receipt		
Contract liabilities	755,374,691.01	893,741,863.21
Financial assets sold for repurchase		
Deposits from customers and interbank		
Vicariously traded securities		
Vicariously underwritten securities		
Employee remuneration payable	213,702,347.18	321,692,953.88
Taxes and dues payable	328,327,096.44	254,094,791.55
Other payables	99,853,160.68	110,605,272.21
Wherein: Interests payable		
Dividends payable		
Handling fees and commissions payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	31,169,738.42	29,191,343.78
Other current liabilities	152,692,609.42	189,810,383.37
Total current liabilities	5,331,166,384.80	6,069,087,434.50
Non-current liabilities:		
Reinsurance contract reserve		
Long-term borrowings		
Bonds payable		
Wherein: Preferred shares		
Perpetual bonds		
Leased liabilities	145,662,118.43	157,420,210.81
Long-term payables		
Long-term employee remuneration payable	1,765,227.65	1,903,631.69
Estimated liabilities	12,514,475.10	12,737,298.24
Deferred incomes		
Deferred income tax liabilities		

Other non-current liabilities		
Total non-current liabilities	159,941,821.18	172,061,140.74
Total liabilities	5,491,108,205.98	6,241,148,575.24
Owners' equities:		
Share capital	808,678,476.00	808,678,476.00
Other equity instruments		
Wherein: Preferred shares		
Perpetual bonds		
Capital reserves	133,902,953.81	122,970,340.27
Minus: Treasury shares	1,209,500.00	76,159,897.25
Other comprehensive incomes	-43,925,649.94	-41,522,541.60
Special reserves		
Surplus reserves	356,924,811.32	356,924,811.32
General risk reserves		
Undistributed profits	6,913,773,435.66	6,451,748,564.12
Total owners' equities attributable to the parent company	8,168,144,526.85	7,622,639,752.86
Minority shareholders' equities	37,257,640.73	35,668,094.06
Total owners' equities	8,205,402,167.58	7,658,307,846.92
Total liabilities and owners' equities	13,696,510,373.56	13,899,456,422.16

Legal representative: Thierry de LA TOUR D'ARTAISE Person in charge of accounting: Xu Bo Person in charge of accounting department: Xu Bo

2. Consolidated Profit Statement

Unit: CNY

Item	Accrual in the current period	Accrual in the prior period
I. Total operating incomes	5,611,558,380.61	5,136,308,321.66
Wherein: Operating income	5,611,558,380.61	5,136,308,321.66
Interest revenues		
Earned premiums		
Handling fees and commission income		
II. Total operating costs	4,942,312,497.31	4,553,520,793.60
Wherein: Operating cost	4,188,581,336.32	3,775,626,213.41
Interest expenditures		
Handling fees and commission expenditure		
Surrender value		
Net payment for insurance claims		
Withdrawal of net amount of reserve fund for insurance liabilities		
Policy dividend expenses		
Reinsurance costs		
Taxes and surcharges	41,532,180.50	28,777,546.23
Sales expenses	534,485,311.99	591,821,587.90

Administrative expenses	93,172,102.26	77,554,511.29
R&D expenses	89,853,990.77	84,345,003.29
Financial expenses	-5,312,424.53	-4,604,068.52
Wherein: Interest expenses	2,418,778.06	2,442,464.01
Interest revenues	8,946,881.61	7,233,773.30
Plus: Other incomes	19,641,710.57	18,504,965.70
Investment income ("- for loss)	19,492,490.56	27,072,679.65
Wherein: Income from investments in associated enterprises and joint ventures	436,951.14	740,734.45
Income from derecognition of financial assets measured by amortized cost		
Exchange gain ("- for loss)		
Income from net exposure hedging ("- for loss)		
Gains from changes in fair value ("- for loss)	659,860.43	615,759.44
Credit impairment loss ("- for loss)	15,164,542.04	7,277,701.11
Asset impairment loss ("- for loss)	-1,893,937.57	2,253,193.36
Assets disposal income ("- for loss)	-179,112.78	141,082.62
III. Operating profit ("- for loss)	722,131,436.55	638,652,909.94
Plus: Non-operating income	956,818.91	836,037.82
Minus: Non-operating expense	879,255.14	847,850.88
IV. Total profits ("- for total loss)	722,209,000.32	638,641,096.88
Minus: Income tax expenses	182,344,386.53	134,731,984.33
V. Net profit ("- for net loss)	539,864,613.79	503,909,112.55
(I) Classification by operation continuity		
1. Net profits from continuing operation ("- for net loss)	539,864,613.79	503,909,112.55
2. Net profits from discontinuing operation ("- for net loss)		
(II) Classification by ownership		
1. Net profits attributable to the owners of the parent company	538,175,628.78	504,799,303.45
2. Minority shareholders' profit and loss	1,688,985.01	-890,190.90
VI. After-tax net amount of other comprehensive incomes	-2,502,546.68	2,728,618.76
After-tax net amount of other comprehensive incomes attributable to the owners of the parent company	-2,403,108.34	2,870,148.55
(I) Other comprehensive incomes that cannot be reclassified into profits and losses		
1. Re-measurement of changed amount in the defined benefit plan		
2. Other comprehensive income that cannot be transferred into profits and losses under the equity method		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of enterprise credit risks		
5. Miscellaneous		
(II) Other comprehensive incomes that will be reclassified into profits and losses	-2,403,108.34	2,870,148.55
1. Other comprehensive income that can be transferred into profits and losses under the equity method		
2. Changes in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive incomes		

4. Credit impairment provision of other debt investments		
5. Cash flow hedging reserves		
6. Conversion difference in foreign currency financial statement	-2,403,108.34	2,870,148.55
7. Miscellaneous		
After-tax net amount of other comprehensive incomes attributable to the minority shareholders	-99,438.34	-141,529.79
VII. Total comprehensive incomes	537,362,067.11	506,637,731.31
Total comprehensive incomes attributable to the owners of the parent company	535,772,520.44	507,669,451.99
Total comprehensive incomes attributable to minority shareholders	1,589,546.67	-1,031,720.68
VIII. Earnings per share:		
(I) Basic earnings per share	0.666	0.616
(II) Diluted earnings per share	0.666	0.615

As for the enterprise merger under the same control in the current period, net profits achieved by the acquiree before the merger is CNY0.00, and the net profit achieved by the acquiree for the prior period is CNY0.00.

Legal representative: Thierry de LA TOUR D'ARTAISE Person in charge of accounting: Xu Bo Person in charge of accounting department: Xu Bo

3. Consolidated Cash Flow Statement

Unit: CNY

Item	Accrual in the current period	Accrual in the prior period
I. Cash flow from operating activities:		
Cash received from sales of commodities and provisions of labor services	4,968,593,657.77	4,783,247,758.19
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the Central Bank		
Net increase in borrowing funds from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance premiums		
Net increase in insured deposit and investment		
Cash collected from interests, handling fees and commissions		
Net increase in borrowing funds		
Net increase in repurchase business funds		
Net cash received from vicariously traded securities		
Tax and fee refund received	167,383,490.29	209,646,708.83
Other cash received relating to operating activities	26,970,480.07	38,519,787.71
Subtotal of cash inflows from operating activities	5,162,947,628.13	5,031,414,254.73
Cash paid for purchasing commodities and accepting labor services	3,280,736,091.47	3,154,431,594.44
Net increase in customer loans and advances		

Net increase in deposit in the Central Bank and interbank payments		
Cash paid for the claim payment of the original insurance contract		
Net increase in lending funds		
Cash paid for interests, handling fees and commissions		
Cash paid for policy dividends		
Cash paid to and for employees	551,395,121.26	517,826,691.44
Tax and fee payments	367,856,164.56	307,877,568.66
Other cash paid relating to operating activities	598,336,347.25	474,779,578.68
Subtotal of cash outflows from operating activities	4,798,323,724.54	4,454,915,433.22
Net cash flows from operating activities	364,623,903.59	576,498,821.51
II. Cash flow from investing activities:		
Cash received from recouping investments		
Cash received from investment incomes	2,663.08	207,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	20,500.00	148,600.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		30,000,000.00
Subtotal of cash inflows from investing activities	23,163.08	30,355,600.00
Cash paid for acquisition or construction of fixed assets, intangible assets and other long-term assets	65,053,193.36	84,373,926.00
Cash paid for investments		
Net increase in pledge loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid relating to investing activities	120,000,000.00	500,000,000.00
Subtotal of cash outflows from investing activities	185,053,193.36	584,373,926.00
Net cash flow from investing activities	-185,030,030.28	-554,018,326.00
III. Cash flow from financing activities:		
Cash received from absorbing investments		
Wherein: Cash received by subsidiaries from absorbing investments from minority shareholders		
Cash received from borrowings		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Cash paid for repayment of debts		
Cash paid for distribution of dividends, profits or repayment of interests		
Wherein: Dividends and profits paid to minority shareholders by subsidiaries		
Other cash paid relating to financing activities	12,588,426.16	135,518,122.97
Subtotal of cash outflows from financing activities	12,588,426.16	135,518,122.97
Net cash flow from financing activities	-12,588,426.16	-135,518,122.97
IV. Effect of change in exchange rate on cash and cash equivalents	-1,404,133.61	1,714,142.22

V. Net increase in cash and cash equivalents	165,601,313.54	-111,323,485.24
Plus: Beginning balance of cash and cash equivalents	2,443,731,679.06	1,655,785,919.04
VI. Closing balance of cash and cash equivalents	2,609,332,992.60	1,544,462,433.80

(II) Audit Report

Whether the First Quarterly Report has been audited

☐ Yes ☒ No

The Company's First Quarterly Report has not been audited.

Board of Directors, Zhejiang Supor Co., Ltd.

Chairman: Thierry de LA TOUR D'ARTAISE

April 29, 2022