

## Business Performance Forecast 2022 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.

### I. Performance Forecast for 2022

1. The forecast period: January 1<sup>st</sup>, 2022 to December 31<sup>st</sup> 2022.
2. The performance estimated: ☐ Turning a loss into a profit    ☒ Increase    ☐ decline

(Unit: Million RMB)

Items	This reporting period	Same period last year
Total sales	20,170.00	21,585.3314
% change vs LY	-6.56%	
Net profit attributable to shareholders of listed company	2,000~ 2,100	1,943.9436
% change vs LY	+2.88% ~+ 8.03%	
Net profit attributable to shareholders of listed company with non-recurring profit or loss deducted	1,860 ~ 1,960	1,858.0366
% change vs LY	+0.11% ~ +5.49%	
Basic earnings per share	2.50 yuan ~2.60 yuan per share	2.40 yuan per share

### II. Communication with the Accounting Firm

The financial data involved in this business performance forecast were calculated by Finance Dept. of the Company, have not been audited by the accounting firm. However, the Company has communicated in advance with the annual auditing accounting firm on significant matters related to the performance forecast, and there is no disagreement between the Company and the accounting firm in respect of the performance forecast for the current reporting period.

**III. Introduction to Business Performance Change**

The decrease rate of 6.56% for total sales during the reporting period: the domestic sales kept steady growth during reporting period compared with that last year. For export business, our main customer, SEB Groupe, was reducing their higher than usual inventories during the year, and as such was limiting its orders to Supor.

During the reporting period, the optimized product structure, the increased proportion of DTC sales and the continuous promotion of cost reduction and efficiency enhancement, benefited the Company's actual gross profit margin. The actual gross profit margin this year was better improved compared with that of last year. The overall profitability of the Company this year was better improved by taking active measures to optimize expenses structure and continuous investment in R&D innovation with more competitive products launched and it led to higher average price of products. Moreover, government subsidies included in the Company's current profit and loss as well as the investment revenue of monetary funds increased and the credit impairment loss decreased compared with that last year.

**IV. Risk Reminder**

The financial data involved in this business performance forecast were calculated by Finance Dept. of the Company, and the final data will be subject to the Annual Report 2022 disclosed by the Company later. The Company will fulfil information disclosure obligations in strict accordance with relevant laws and regulations. Investors are advised to make cautious decisions and pay attention to investment risks.

Board of Directors of Zhejiang Supor Co., Ltd.

January 31, 2023