

Stock Code: 002032

Short Form: Supor

Announcement No.: 2023-062

Abstracts of Semiannual Report 2023 of Zhejiang Supor Co., Ltd.

I. IMPORTANT NOTES

This is the abstract of Semiannual Report. For detailed information, please refer to the full text of Semiannual Report as disclosed on cninfo.com.cn, the website of Shenzhen Stock Exchange and other websites designated by China Securities Regulatory Commission. All directors attended the board meeting to discuss and deliberate this Report.

Non-standard audit opinions

☐ Applicable ☒ Not Applicable

Profit Distribution Preplan of the Company's Common Shares

☐ Applicable ☒ Not Applicable

The Company plans not to distribute cash dividend, issue bonus shares, or transfer reserve to common shares.

Profit Distribution Preplan of the Company's Preferred Stock

☐ Applicable ☒ Not Applicable

II. COMPANY FILE AND MAJOR FINANCIAL INDICATORS

1. Company Profile

Short Form of the Stock:	Supor	Stock Code	002032
Stock Exchange for Stock Listing	Shenzhen Stock Exchange		
Abbreviation of Changed Stock (if any)	None		
Contact Person and Contact Information	Board Secretary	Representative of Securities Affairs	
Name	Ye Jide	Fang Lin	
Address	23F of Supor Building, No.1772 Jianghui Road, New & High Tech Development Zone, Hangzhou, China	23F of Supor Building, No.1772 Jianghui Road, New & High Tech Development Zone, Hangzhou, China	
Tel.	0571-86858778	0571-86858778	
Email	yjd@supor.com	flin@supor.com	

2. Major Financial Data and Changes of Shareholders

(1) Major Financial Data

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

☐ Yes ☒ No

	This reporting period	Same period of last year	Increase/decrease of this reporting period from the same period of the last year (%)
Operating income (RMB)	9,982,616,440.73	10,323,979,744.82	-3.31%
Net profit attributable to shareholders of listed company (RMB)	880,618,279.78	932,849,164.03	-5.60%
Net profit attributable to shareholders of listed company with non-recurring profit or loss deducted (RMB)	857,420,949.15	909,114,292.90	-5.69%
Net cash flows from operating activities (RMB)	555,040,511.12	1,308,844,866.33	-57.59%
Basic earnings per share (RMB/share)	1.097	1.155	-5.02%

Diluted earnings per share (RMB/share)	1.095	1.155	-5.19%
Weighted average return on net assets	13.29%	12.31%	Increased by 0.98 percentage points
	End of this reporting period	End of last year	Increase/decrease of the end of this reporting period from the end of last year (%)
Total assets (RMB)	10,533,075,326.57	12,952,655,903.47	-18.68%
Net asset attributable to shareholders of listed company (RMB)	5,291,005,376.57	7,036,084,863.54	-24.80%

3. Number of Shareholders of the Company and Shareholding Information

Unit: share

Total number of common shareholders by end of reporting period	13,595	Total number of preferred stockholders with restored voting right (if any)			0	
Information on top 10 shareholders						
Shareholder's name	Nature of shareholder	Proportion of share-holding	Number of shares held at period-end	Number of restricted outstanding shares	Number of stocks pledged or frozen	
					State of shares	Quantity
SEB INTERNATIONALE S.A.S	Foreign legal entity	82.64%	666,681,904	0		
Hong Kong Securities Clearing Company Ltd.	Foreign legal entity	9.18%	74,087,760	0		
Ningbo Bank-Zhongtai Xingyuan Value-selected Flexible Complex Securities Investment Funds	Others	1.01%	8,165,740	0		
China Merchants Bank-Zhongtai Yuheng Value-selected Flexible Complex Securities Investment Funds	Others	0.33%	2,649,513	0		
BNP Paribas-Own Funds	Foreign legal entity	0.27%	2,170,371	0		
China Construction Bank-Zhongtai Yuanhe Value-selected Complex Securities Investment Funds	Others	0.24%	1,911,410	0		
Industrial Bank-Xingquan Trend Investment Complex Securities Investment Funds	Others	0.22%	1,799,895	0		
Industrial Bank-Zhongtai Xingwei Value-selected Complex Securities Investment Funds	Others	0.21%	1,708,227	0		
ABC- CSI 500 Index Traded Securities Investment Funds	Others	0.10%	822,021	0		
China Merchants Bank-Baoying New Value Flexible Complex Securities Investment Funds	Others	0.10%	800,000	0		
Related relationship among the above shareholders or concerted parties		Ningbo Bank-Zhongtai Xingyuan Value-selected Flexible Complex Securities Investment Funds, China Merchants Bank-Zhongtai Yuheng Value-selected Flexible Complex Securities Investment Funds, China Construction Bank-Zhongtai Yuanhe Value-selected Complex Securities Investment Funds and Industrial Bank-Zhongtai Xingwei Value-selected Complex Securities Investment Funds belong to Zhongtai Fund. It is unknown whether other shareholders are associated with each other, and whether they are persons acting in concert as stipulated in the <i>Measures for the Administration of the Acquisition of Listed Companies</i> .				

Information on shareholders involved in securities margin trading business (if any)	None
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4. Changes of the Controlling Shareholder or the Actual Controller

Change of controlling shareholder in the reporting period

☐ Applicable ☒ Not Applicable

No change of controlling shareholder occurred in the reporting period.

Change of actual controller in the reporting period

☐ Applicable ☒ Not Applicable

No change of actual controller occurred in the reporting period.

5. Number of Shareholders of the Company and Share-holding Conditions of Preferred Stock

☐ Applicable ☒ Not Applicable

No preferred stock existed in the reporting period.

6. Corporate Bonds

None

III. SIGNIFICANT EVENT

Business Operation Brief

1. Product strategy

During the reporting period, Supor continued the "consumer-centric" strategy guiding its innovation and development of new products, and deeply explored the needs of segmented users under different scenarios by means of internet data, so as to constant provide smart and ingenious product solutions that meet diversified consumer needs and offer intimate, comprehensive consumer experiences.

In the business of open fire cookware, Supor continuously explored the consumer demand and kept accelerating the expansion of products with core competitiveness. Also, combined with consumer demand for healthier, better-looking and other consumer demand, Supor launched a variety of popular products such as the second generation of titanium uncoated non-stick wok, upgrading the titanium-iron alloy overlay technology and improved its non-stick capabilities. In the category of uncoated wok, it held a significant lead in sales. During the "618" e-commerce promotion period, it secured the first position on the "Tmall Uncoated Wok List". Another hot-selling product is the lightweight thermo-spot non-stick wok, featuring a high-value creamy appearance and a lightweight pot body, it ranked first in the "618 Tmall frying pan V list".

In the business of small domestic appliance, Supor always insists on combining consumer insight with differentiated product innovation strategies, constantly launching smart, ingenious and healthy creative products. Under the premise that consumers' demand for "one-person dish" is becoming more and more obvious, the Company has launched a series of small-capacity products, such as small-capacity fast electric steamers, electric hot pots, soymilk makers and so on. In addition, the Company combined the Internet of Things technology with Chinese cuisine cooking techniques, and launched an automatic cooking machine that can toss. During the "618" e-commerce promotion period, it won the first place in the "List of Live Streaming Commodities of Kitchen Appliances Brands in TikTok". Meanwhile, Supor seized the popularity of outdoor travel and launched a portable Mini Italian coffee machine, satisfying the needs of coffee enthusiasts in outdoor scenes, and it achieved impressive sales results in the first half of the year.

In the business of H&PC appliances, Supor persistently facilitates the product category developments. For example, under the cleaning appliances category, Supor newly launched a double-roller floor washer, which can easily eliminate hidden bacteria and guard the health of the family with strong "edge" cleaning technology and electrolytic water clean sterilization. In terms of the clothes steamer category, Supor continued to keep the leading position in the industry. According to the monitoring data of AVC, the total online market share of Supor's clothes steamer category ranked second in the industry in the first half of 2023.

In the business of large kitchen appliances, Supor continued to enhance its brand construction and vigorously develop the integrated stove category. For example, the newly-launched deep-cavity, far-infrared heating, steam-roasting integrated stoves, combining stove, steaming oven, and storage cabinet, meet consumers' integrated demands very well. In terms of advantageous categories of stoves, according to the monitoring data of AVC, the total online market share of Supor's stove category ranked first in the industry in the first half of 2023.

2. Channel strategy

As for online channels, the Company established good cooperative relations with mainstream e-commerce platforms such as Tmall, JD, PDD, Vipshop and TikTok, and continued to optimize the store matrix and product sales structure to enhance sales performance. In the first half of 2023, the Company's e-commerce business maintained growth momentum, and its proportion in total domestic sales further enhanced. In addition, the Company actively explores private traffic marketing and accelerated new member acquisition and retention. The launch of the WeChat store this year was aimed to further tap into potential purchasing demands from WeChat members and followers to enhance customer loyalty. At the same time, the Company utilizes the marketing cloud platform, strengthens consumer operations and lifecycle management, offering comprehensive product services to continuously enhance customer satisfaction. In the first half of 2023, the Company's online membership resulted in an 43% year-on-year increase.

As for offline channels, Supor has large-scale sales terminals, and in the context of reduced offline customer traffic and changes in consumer behavior, the Company has continued to optimize its sales network, expand its brand alliances, integrate its brand resources, and strengthen its terminal image management, which has enabled Supor to maintain a dominant position in the offline channel. In tier one and tier two cities, while the traditional contemporary channels are still in decline, the Company maintained good growth through community group purchases and home-delivery businesses. In tier three and tier four cities, the Company reinforces the comprehensive cooperation with e-commerce platforms in O2O channels to create new increase points in these markets. In terms of B2B business, the Company carries out points redemption business with a number of large and medium-sized enterprises, including banks and airlines, to further expand its sales channels. At the same time, Supor has strengthened its cooperation with regional real estate developers and renovation companies to expand its large kitchen appliance business.

In terms of export sales, the Company's order quantity was affected by a sluggish global economy and weak demand in European and American markets during the first quarter, resulting in its slight decrease from major export customers. From the second quarter, the Company's major export customers gradually digested their inventories and increased the number of orders, resulting in an overall year-on-year increase of 7.18% in export sales in the second quarter.

Zhejiang Supor Co., Ltd.

Board Chairman: Thierry de LA TOUR D'ARTAISE

August 31, 2023