

Stock code: 002508 Stock name: Robam Appliances Announcement No.: 2022--023

Hangzhou Robam Appliances Co., Ltd.

Q1 2022 Report

Hangzhou Robam Appliances Co., Ltd. (the Company) and all members of its Board of Directors hereby guarantee that there are no false representations, misleading statements or material omissions in this Quarterly Report (“the Report”), and the information contained herein is authentic, accurate and complete.

Important Notes:

1. The Board of Directors, the Board of Supervisors, as well as the directors, supervisors and senior management of the Company hereby guarantee that there are no false representations, misleading statements or material omissions in the Report, and are severally and jointly liable for the authenticity, accuracy and completeness of the information contained herein.
2. The head of the Company, the person in charge of the Company’s accounting and the head of the accounting department (the accountant in charge) hereby declare and warrant that the financial report contained in the Report is authentic, accurate, and complete.
3. Whether the Q1 Report has been audited ?
 Yes No

I. Key Financial Data**(I) Key Accounting Data and Financial Indicators**

Whether the Company needs to retroactively adjust or restate the accounting data of previous years?

Yes No

	The reporting period	The same period last year	YoY change
Operating income (RMB)	2,086,165,521.12	1,908,332,042.49	9.32%
Net profit attributable to shareholders of the listed company (RMB)	367,704,718.16	358,828,585.88	2.47%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains/losses (RMB)	335,557,193.45	321,817,120.06	4.27%
Net cash flow from operating activities (RMB)	127,753,283.12	145,798,650.84	-12.38%
Basic earnings per share (EPS) (RMB/share)	0.3875	0.3781	2.49%
Diluted EPS (RMB/share)	0.3875	0.3781	2.49%
Weighted average return on net assets	4.17%	4.36%	-0.19%
	End of the reporting period	End of last year	Change
Total assets (RMB)	13,912,391,503.75	13,906,035,181.12	0.05%
Owner's equity attributable to shareholders of listed company (RMB)	8,995,942,468.61	8,627,026,739.27	4.28%

(II) Items and Amounts of Non-recurring Gains and Losses√ Applicable Not Applicable

Unit: RMB

Item	Amount of the reporting period	Description
Gains and losses on disposal of non-current assets (including the part written-off with provision for asset impairment accrued)	-57,678.08	
Government subsidy included in current gains and losses (except the government subsidy closely related to the Company's normal business, in line with national policy and enjoyed by quota or ration in accordance with the unified national standard)	37,033,815.58	
Other non-operating revenues and expenses except the above items	1,031,095.32	
Less: Affected amount of income tax	5,737,902.97	
Affected amount of minority shareholders' equity (after tax)	121,805.14	
Total	32,147,524.71	--

Other items of gains and losses meeting the definition of non-recurring gains and losses:

 Applicable Not Applicable

The Company does not have other items of gains and losses meeting the definition of non-recurring gains and losses

Explanation on the circumstance where items of the non-recurring gains and losses listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Non-recurring Gains and Losses* (referred to as "Announcement No. 1") are defined as recurring gains and losses

 Applicable Not Applicable

There is no circumstance where the items of non-recurring gains and losses enumerated in accordance with the Announcement No.1 are defined as recurring gains and losses.

(III) Changes in Major Accounting Data and Financial Indicators and Their Reasons√ Applicable Not Applicable**1. Balance sheet items**

At the end of the reporting period, prepayments increased by 36.73% as compared with that at the beginning of the year, mainly due to the increase in the prepayments for the purchase of raw materials in the current period.

At the end of the reporting period, the long-term equity investment increased by 56.54% as compared with that at the beginning of the year, mainly due to the holding subsidiary Kinde's investment in Shaoxing Shagor Kitchen and Sanitary Technology Co., Ltd.

At the end of the reporting period, taxes payable increased by 54.44% as compared with that at the beginning of the year, mainly due to temporary differences in accrued sales expenses.

At the end of the reporting period, the payroll payable decreased by 86.29% as compared with that at the beginning of the year, mainly due to the completion of the payment of employees' salaries and bonuses last year.

2. Income statement items

During the reporting period, Interest income increased by 35.11% as compared with that during the same period of the previous year, mainly due to the increase in the bank wealth management income.

II. Shareholder Information**(I) Total Number of Common Stockholders, the Number of Preferred Stockholders with the Voting Rights Recovered and Shareholding of the Top 10 Stockholders**

Unit: share

Total number of common shareholders at the end of the reporting period		66,641	Total number of preferred shareholders with the voting rights recovered at the end of reporting period (if any)		0	
Shareholding of the top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares	Number of shares subject to sales restrictions	Pledged, marked or frozen shares	
					Status	Quantity
Hangzhou Robam Industrial Group Co., Ltd.	Domestic non-state-owned corporation	49.68%	471,510,000			
Hong Kong Securities Clearing Company Limited	Overseas corporation	9.85%	93,524,646			
Shen Guoying	Domestic natural person	1.29%	12,240,000			
TEMASEK FULLERTON ALPHA PTE LTD	Overseas corporation	0.80%	7,620,574			
Industrial Bank Co., Ltd. – ICBC Credit Suisse Culture & Sports Industry Equity Securities Investment Fund	Others	0.77%	7,348,519			
PICC Life Insurance Company Limited – dividends-dividends of personal insurances	Others	0.75%	7,124,899			
Hangzhou Jinchuang Investment Co., Ltd.	Others	0.70%	6,640,085			
Hangzhou Yinchuang Investment Co., Ltd.	Others	0.67%	6,318,000			
Noregs Bank Equity Fund	Overseas corporation	0.64%	6,060,174			
Ren Jianhua	Domestic natural person	0.62%	5,923,150	4,442,362		
Shareholding of the top 10 shareholders not subject to sales restrictions						
Name of shareholder	Number of shares not subject to sales restrictions	Type of share				
		Type of share	Quantity			
Hangzhou Robam Industrial Group Co., Ltd.	471,510,000	RMB ordinary shares	471,510,000			
Hong Kong Securities Clearing Company Limited	93,524,646	RMB ordinary shares	93,524,646			
Shen Guoying	12,240,000	RMB ordinary shares	12,240,000			
TEMASEK FULLERTON ALPHA PTE LTD	7,620,574	RMB ordinary shares	7,620,574			
Industrial Bank Co., Ltd. – ICBC Credit Suisse Culture & Sports Industry Equity Securities Investment Fund	7,348,519	RMB ordinary shares	7,348,519			
PICC Life Insurance Company Limited – dividends-dividends of personal insurances	7,124,899	RMB ordinary shares	7,124,899			
Hangzhou Jinchuang Investment Co., Ltd.	6,640,085	RMB ordinary shares	6,640,085			
Hangzhou Yinchuang Investment Co., Ltd.	6,318,000	RMB ordinary shares	6,318,000			

Noregs Bank-Equity Fund	6,060,174	RMB ordinary shares	6,060,174
PICC Property And Casualty Company Limited— traditional-general insurance products	5,848,294	RMB ordinary shares	5,848,294
Description of the associated relationship or consistent actions of the above shareholders	Mr. Ren Jianhua is the actual controller of the controlling shareholder Hangzhou Robam Industrial Group Co., Ltd. and the shareholder Hangzhou Jinchuang Investment Co., Ltd.; and the natural person shareholder, Shen Guoying, is his wife. Therefore, there is a possibility that these shareholders will act in concert.		
Description of the top 10 shareholders engaging in securities margin trading (if any)	N/A		

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

Applicable Not Applicable

III. Other Significant Matters

Applicable Not Applicable

IV. Quarterly Financial Statements

(I) Financial Statements

1. Consolidated Balance Sheet

Prepared by: Hangzhou Robam Appliances Co., Ltd.

March 31, 2022

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Cash and cash equivalents	3,792,928,584.60	3,802,201,346.55
Deposit reservation for balance		
Lending funds to banks and other financial institutions		
Financial assets held for trading	2,899,012,500.00	2,872,312,500.00
Derivative financial assets		
Notes receivable	1,102,376,094.07	1,330,193,894.82
Accounts receivable	1,656,557,324.81	1,597,692,860.90
Accounts receivable financing		
Prepayments	179,338,196.08	131,162,030.95
Receivable premium		
Reinsurance accounts receivable		
Provision of cession receivable		
Other receivables	72,378,050.44	73,487,381.46
Including: Interests receivable		
Dividends receivable		
Redemptory monetary capital for sale		
Inventory	1,743,320,772.67	1,772,231,632.25

Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	739,028.29	4,110,429.16
Total current assets	11,446,650,550.96	11,583,392,076.09
Non-current assets:		
Loans and advances		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investment	8,461,102.31	5,405,129.91
Investment in other equity instruments	2,116,023.22	2,116,023.22
Other non-current financial assets		
Investment real estate	10,947,235.15	11,085,896.07
Fixed assets	1,177,144,288.10	1,179,306,020.01
Construction in process	543,092,696.91	454,643,364.82
Productive biological assets		
Oil & gas assets		
Right-of-use assets	23,364,101.34	29,902,954.22
Intangible assets	229,170,290.27	229,391,803.26
Development expenses		
Goodwill	80,589,565.84	80,589,565.84
Long-term deferred expenses	4,131,698.28	5,385,436.20
Deferred income tax assets	330,869,548.54	286,348,037.04
Other non-current assets	55,854,402.83	38,468,874.44
Total non-current assets	2,465,740,952.79	2,322,643,105.03
Total assets	13,912,391,503.75	13,906,035,181.12
Current liabilities:		
Short-term borrowings	28,457,942.30	29,616,655.41
Borrowings from the central bank		
Borrowings from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payables	950,055,025.66	962,665,463.99
Accounts payable	1,962,321,634.68	2,181,900,261.00
Advance receipts		
Contract liabilities	914,748,617.86	1,026,782,402.35
Financial assets sold for repurchase		
Deposits from customers and interbank		
Receivings from vicariously traded securities		
Receivings from vicariously sold securities		

Payroll payable	37,434,876.02	165,177,425.08
Taxes payable	327,715,110.72	212,202,393.54
Other payables	279,303,883.06	267,781,215.06
Including: Interests payable		
Dividends payable		
Fees and commissions payable		
Dividends payable for reinsurance		
Liabilities held for sale		
Non-current liabilities due within one year	5,212,376.01	5,387,591.43
Other current liabilities	109,794,701.11	124,284,081.56
Total current liabilities	4,615,044,167.42	4,975,797,489.42
Non-current liabilities:		
Reserves for insurance contracts		
Long-term loans		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	19,874,845.73	26,177,034.29
Long-term accounts payable		
Long-term payroll payable		
Estimated liabilities		
Deferred income	127,143,342.05	131,747,378.42
Deferred income tax liabilities	6,050,121.58	6,254,762.76
Other non-current liabilities		
Total non-current liabilities	153,068,309.36	164,179,175.47
Total liabilities	4,768,112,476.78	5,139,976,664.89
Owner's equity:		
Capital stock	949,024,050.00	949,024,050.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	406,129,109.33	404,918,098.15
Less: treasury share	199,995,742.59	199,995,742.59
Other comprehensive income	-100,157,634.16	-100,157,634.16
Special reserves		
Surplus reserves	474,516,412.50	474,516,412.50
General risk reserves		
Undistributed profits	7,466,426,273.53	7,098,721,555.37
Total owners' equity attributable to the parent company	8,995,942,468.61	8,627,026,739.27
Minority shareholders' equity	148,336,558.36	139,031,776.96
Total owners' equity	9,144,279,026.97	8,766,058,516.23
Total liabilities and owner's equity	13,912,391,503.75	13,906,035,181.12

Legal representative: Ren Jianhua

Person in charge of accounting: Zhang Guofu

Head of the accounting department: Zhang Guofu

2. Consolidated Income Statement

Unit: RMB

Item	Amount of the current period	Amount of the previous period
I. Total operating income	2,086,165,521.12	1,908,332,042.49
Inc: Operating income	2,086,165,521.12	1,908,332,042.49
Interest income		
Earned premium		
Fee and commission income		
II. Total operating costs	1,727,936,174.67	1,543,621,310.18
Inc: Operating costs	989,635,398.35	814,110,436.09
Interest expenses		
Fee and commission expenses		
Surrender value		
Net payments for insurance claims		
Net allotment of reserves for insurance liabilities		
Policy dividend expenditures		
Reinsurance expenses		
Taxes and surcharges	13,729,855.74	13,074,563.80
Sale expenses	605,441,361.10	614,529,598.27
Administrative expenses	82,621,074.44	69,656,128.89
R&D expenses	67,446,579.35	58,442,093.60
Financial expense	-30,938,094.31	-26,191,510.47
Including: Interest expenses	338,676.96	
Interest income	32,910,853.48	24,358,320.45
Add: other income	55,728,815.59	47,513,900.41
Investment income ("-" for losses)	12,688,500.39	15,249,786.30
Including: Income from investment in joint ventures and affiliated enterprises	-1,084,027.60	-812,165.09
Gains on derecognition of financial assets measured at amortized cost		
Exchange gains ("-" for losses)		
Net exposure hedging gains ("-" for losses)		
Gains from changes in fair value ("-" for losses)		
Losses from credit impairment ("-" for losses)	4,247,008.89	3,418,677.20
Losses from asset impairment ("-" for losses)		
Gains on disposal of assets ("-" for losses)	195,068.33	-1,831,792.95

III. Operating profits ("-" for losses)	431,088,739.65	429,061,303.27
Add: non-operating income	2,139,106.81	348,968.29
Less: non-operating expenditure	1,165,689.57	1,142,688.37
IV. Total profits ("-" for total losses)	432,062,156.89	428,267,583.19
Less: income tax expenses	66,052,657.33	65,694,372.94
V. Net profits ("-" for net losses)	366,009,499.56	362,573,210.25
(I) By operational sustainability		
1. Net profits from continuing operations ("-" for net losses)	366,009,499.56	362,573,210.25
2. Net profits from discontinued operations ("-" for net losses)		
(II) By ownership		
1. Net profits attributable to owners of the parent company	367,704,718.16	358,828,585.88
2. Minority shareholders' gains and losses	-1,695,218.60	3,744,624.37
VI. After-tax net amount of other comprehensive income		
After-tax net amount of other comprehensive income attributable to the owners of parent company		
(I) Other comprehensive income that cannot be reclassified into gains and losses		
1. Changes in re-measured and defined benefit plans		
2. Other comprehensive income which cannot be transferred into gains or losses under the equity method		
3. Changes in fair value of the investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		
(II) Other comprehensive income which will be reclassified into gains and losses		
1. Other comprehensive income which can be transferred into gains and losses under the equity method		
2. Changes in fair value of other debt investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investment		
5. Cash flow hedge reserve		

6. Converted difference in foreign currency statements		
7. Others		
After-tax net amount of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	366,009,499.56	362,573,210.25
Total comprehensive income attributable to owners of the parent company	367,704,718.16	358,828,585.88
Total comprehensive income attributable to minority shareholders	-1,695,218.60	3,744,624.37
VIII. Earnings per share (EPS):		
(I) Basic EPS	0.3875	0.3781
(II) Diluted EPS	0.3875	0.3781

Legal representative: Ren Jianhua

Person in charge of accounting: Zhang Guofu

Head of the accounting department: Zhang Guofu

3. Consolidated Cash Flow Statement

Unit: RMB

Item	Amount of the current period	Amount of the previous period
I. Cash flow from operating activities:		
Cash received for the sale of goods and rendering of labor services	2,371,962,551.90	2,169,898,160.33
Net increase in clients' deposits and deposits from banks and other financial institutions		
Net increase in borrowings from the central bank		
Net increase in borrowing funds from other financial institutions		
Cash received from receiving insurance premium of the original insurance contract		
Net cash from receiving reinsurance premium		
Net increase in deposits and investment of insured persons		
Cash received from interests, fees and commissions		
Net increase in borrowed funds		
Net increase in repurchase business funds		
Net cash received from vicariously traded securities		
Refunds of taxes	22,180,694.86	
Cash received related to other operating activities	89,533,206.38	79,218,797.20
Subtotal of cash inflow from operating activities	2,483,676,453.14	2,249,116,957.53

Cash paid for purchased products and received labor services	1,358,989,299.28	1,098,274,183.01
Net increase in loans and advances to customers		
Net increase in deposits in the Central Bank and other financial institutions		
Cash paid for claims of original insurance contract		
Net increase in lending funds		
Cash paid for interests, fees and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	290,317,876.62	244,294,780.46
Cash paid for taxes	125,042,444.23	205,079,543.78
Cash paid related to other operating activities	581,573,549.89	555,669,799.44
Subtotal of cash outflow from operating activities	2,355,923,170.02	2,103,318,306.69
Net cash flow from operating activities	127,753,283.12	145,798,650.84
II. Cash flow from investment activities:		
Cash received from return of investments	626,300,000.00	629,000,000.00
Cash received from return on investments	14,448,081.14	16,523,049.30
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	457,000.00	1,316,562.40
Net cash received from disposal of subsidiaries and other business entities		
Cashes received related to other investment activities		
Subtotal of cash inflow from investment activities	641,205,081.14	646,839,611.70
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	121,336,583.28	80,863,665.71
Cash paid for investments	657,140,000.00	502,000,000.00
Net increase in pledged loans		
Net cash from subsidiaries and other operating entities		
Cash paid related to other investment activities		
Subtotal of cash outflow from investment activities	778,476,583.28	582,863,665.71
Net cash flow from investment activities	-137,271,502.14	63,975,945.99
III. Cash flow from financing activities:		
Cash from acquiring investments	11,000,000.00	550,000.00
Including: Cash received by subsidiaries from investments of minority shareholders	11,000,000.00	550,000.00

Cash from acquiring debts		
Cashes received related to other financing activities	1,012,732.06	
Subtotal of cash inflow from financing activities	12,012,732.06	550,000.00
Cash paid for repayments of debts		
Cash paid for distribution of dividends, profits or interest expenses		
Including: Dividends or profits paid by subsidiaries to minority shareholders		
Cash paid related to other financing activities	2,173,346.92	
Subtotal of cash outflow from financing activities	2,173,346.92	
Net cash flow from financing activities	9,839,385.14	550,000.00
IV. Effect of change in exchange rate on cash and cash equivalents	-205,124.41	257,034.19
V. Net increase in cash and cash equivalents	116,041.71	210,581,631.02
Add: Opening balance of cash and cash equivalents	3,719,988,820.35	3,886,096,513.56
VI. Closing balance of cash and cash equivalents	3,720,104,862.06	4,096,678,144.58

(II) Audit Report

Whether the Q1 Report has been audited ?

Yes No

The Q1 Report of the Company has not been audited.

Board of Directors of Hangzhou Robam Appliances Co., Ltd.

April 20, 2022