2020
Annual Results

LI NING COMPANY LIMITED
李宁有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code:2331)
This presentation incorporates information contained in the annual results announcement (the “Results Announcement”) for the year ended 31 December 2020 of Li Ning Company Limited (the “Company”). This presentation should be read in conjunction with the Results Announcement and is qualified in its entirety by the more detailed information and financial information contained in the Results Announcement.

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Results Highlights
2 Financial Review
3 Strategic Direction
4 Operational Progress
5 Appendix
Results Highlights

Annual Results 2020

Li Ning Company Limited
2020 Financial Highlights

Financial Highlights

*All discussions in the presentation exclude the one-off profit and loss not related to operation of RMB234m in 2019 other than the appendix.

- On a comparative basis, the net profit attributable to equity holders increased by approximately 34.2% to RMB1,698 million, and the net profit margin raised from 9.1% to 11.7%;
  - Including the one-off profit and loss not related to operation for the corresponding period last year, reported net profit attributable to equity holders increased by approximately 13.3% and the net profit margin raised from 10.8% to 11.7%;
- Notwithstanding the impact of the COVID-19 leading to a very challenging retail environment:
  - Revenue increased by approximately 4.2% to RMB14,457 million
  - Gross profit margin maintained flat to last year at 49.1%
  - Continued enhanced operating leverage driving operating margin to 15.2%
  - Operating cash flow decreased by 21.1%, yet still achieved positive amount of RMB2,763 million
  - Continued improvement in working capital:
    - Gross average working capital improved (reduced) by 11% while revenue increased by approximately 4.2%
    - Cash conversion cycle further improved (shortened) by 6 days (2019: 26 days/2020: 20 days)
Continued operation improvement mitigated certain extent of the negative impact from the COVID-19

The retail sell-through for the overall platform recorded low-single-digit increase, including online and offline channels

Channel inventory recorded mid-single-digit increase, while Company inventory decreased by mid-single-digit

Offline channel new product sell-through decreased by low-single-digit driven by sales volume decline:

- Average selling price (ASP) registered a mid-single-digit increase notwithstanding a very promotional retail environment
- Sell-out rate:
  - 6-month declined over 4 percentage points
  - 3-month declined approximately 1 percentage points
Financial Review
Second half recovery resumed revenues growth in all product groups
Revenue and Sell-through Mix
LN Brand (excl. International Markets and LN YOUNG)

Company Revenue Mix

<table>
<thead>
<tr>
<th>Year</th>
<th>E-commerce</th>
<th>Retail</th>
<th>Wholesale</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>15%</td>
<td>33%</td>
<td>52%</td>
</tr>
<tr>
<td>2017</td>
<td>19%</td>
<td>32%</td>
<td>49%</td>
</tr>
<tr>
<td>2018</td>
<td>22%</td>
<td>31%</td>
<td>47%</td>
</tr>
<tr>
<td>2019</td>
<td>24%</td>
<td>27%</td>
<td>49%</td>
</tr>
<tr>
<td>2020</td>
<td>29%</td>
<td>23%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Sell-Through Mix
(Incl. Retail, Wholesale and E-commerce)

<table>
<thead>
<tr>
<th>Year</th>
<th>Old Product</th>
<th>New Product (Current and Last Season)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>24%</td>
<td>76%</td>
</tr>
<tr>
<td>2017</td>
<td>22%</td>
<td>78%</td>
</tr>
<tr>
<td>2018</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>2019</td>
<td>22%</td>
<td>78%</td>
</tr>
<tr>
<td>2020</td>
<td>21%</td>
<td>79%</td>
</tr>
</tbody>
</table>

Revenue and sell-through balance between DTC and wholesale helped mitigate financial risk
Same Store Sales Growth (SSSG) Rate
LN Brand

SSSG (2020* vs 2019*)

Overall
- Retail: Mid-single-digit
- Wholesale: Mid-single-digit
- E-commerce*: Low-thirties

Overall Platform

Retail

Wholesale

E-commerce

* Including SSSG data of e-commerce and offline (incl. retail and wholesale) channel in Q2, Q3 and Q4;
# E-commerce full-year SSSG rate is high-twenties.
Online and Offline Expansion
LN Brand (excl. International Market Sales)

POS number (Period end)
- LN Brand
- LN Young

<table>
<thead>
<tr>
<th>Year</th>
<th>LN Brand</th>
<th>LN Young</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>6,440</td>
<td>640</td>
</tr>
<tr>
<td>2017</td>
<td>6,435</td>
<td>173</td>
</tr>
<tr>
<td>2018</td>
<td>7,137</td>
<td>793</td>
</tr>
<tr>
<td>2019</td>
<td>7,550</td>
<td>1,101</td>
</tr>
<tr>
<td>2020</td>
<td>6,933</td>
<td>1,021</td>
</tr>
</tbody>
</table>

Sell-through growth, YoY %
Excl. LN YOUNG

<table>
<thead>
<tr>
<th></th>
<th>Offline Channel</th>
<th>Online and Offline Channels</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>2017</td>
<td>5%</td>
<td>9%</td>
</tr>
<tr>
<td>2018</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>2019</td>
<td>26%</td>
<td>28%</td>
</tr>
<tr>
<td>2020</td>
<td>-5%</td>
<td>1%</td>
</tr>
</tbody>
</table>

COVID-19 impacted store opening/closing rhythm and negatively impacted sell-through momentum
Wholesale Business^  
LN Brand (excl. International Market Sales and LN YOUNG)

Business Performance  
- Revenue (RMB million)  
- No. of POS (Period End)

Sell-through and Revenue Change, YoY%
- Wholesale Revenue  
- Revenue excl. Sell-in to Specialty Stores  
- Sell-through (Exclude Specialty Stores)

Balance sell-in vs sell-through to maintain channel inventory health

^ Including product sales of badminton, table tennis and football categories from specialty-stores.
Business Performance

Revenue (RMB million)

No. of POS (Period End)

Revenue impacted by temporary closures due to Covid-19 as well as closure of sub-standard productivity stores

Revenue Change Analysis

Revenues impacted by temporary closures due to Covid-19 as well as closure of sub-standard productivity stores

^ Refers to direct retail operation, excluded LN YOUNG stores
Increase in IMU (initial mark up) mitigated deeper discount impact on gross margin
## Profitability Analysis

### Net Change in Major P&L Items

<table>
<thead>
<tr>
<th>2019 Reported Net Profit</th>
<th>Gross Profit</th>
<th>Sales Related Variable Costs</th>
<th>Platform Operation Costs</th>
<th>Other income and Profits</th>
<th>Interest</th>
<th>Tax</th>
<th>2020 Reported Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+289</td>
<td>-42</td>
<td>-66</td>
<td>+47</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,266</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Breakeven</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Scalable cost structure enhance operating leverage notwithstanding Covid-19 impact to revenues growth

※ Other income and profits include (i) miscellaneous income and gains, (ii) share profit from associate

★ Exclude one-off profit and loss related to operation of RMB 234m in 2019
Channel Inventory
Incl. Online and Offline

Execution of inventory control initiatives mitigated Covid-19 impact on channel inventory turnover efficiency and structure.
Company Inventory

At cost, before provision (RMB Million)

Dec 2016: 1,109
Dec 2017: 1,233
Dec 2018: 1,364
Dec 2019: 1,540
Dec 2020: 1,459

(+5%, YoY)

Notwithstanding Covid-19, further optimized inventory level and structure provided healthy foundation for growth.
Trade Receivables

At gross amount, before provision (RMB Million)

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Receivable Days Sales Outstanding (DSO) continued improvement trend
Healthy working capital efficiency well-geared to capitalize on full recovery

- Simple average between period opening and ending
^ Gross Amounts of inventory, trade receivables and payables, without netting off provisions
## Balance Sheet Summary and Cash Position

- **RMB Million** -

### Net Cash Position^

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec</td>
<td>1,754</td>
<td>2,529</td>
<td>3,672</td>
<td>5,963</td>
<td>7,443</td>
</tr>
</tbody>
</table>

### Cash Conversion Cycle (Days)

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec</td>
<td>59</td>
<td>49</td>
<td>40</td>
<td>26</td>
<td>20</td>
</tr>
</tbody>
</table>

### Dividends**

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec</td>
<td>0</td>
<td>0</td>
<td>215</td>
<td>380</td>
<td>510</td>
</tr>
</tbody>
</table>

### Operating Cash Flow

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec</td>
<td>835</td>
<td>1,159</td>
<td>1,672</td>
<td>3,503</td>
<td>2,763</td>
</tr>
</tbody>
</table>

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^Net Cash = Cash and Cash Equivalents (including restricted bank deposits and bank deposits with the maturity over one year) - Borrowings

**Upon shareholders approval
Channel and Retail Capability: Strengthen the Retail Operation “Closed Loop”

Offline Channel Sales Performance
- Sell-through: mid-single-digit decrease
- Sales volume: high-single-digit decrease

New Product Performance
- Contribution to total sales: increased 1.0p.p
- Sell-through: low-single-digit decrease

New Product Sell-out Rate
- 6 mths: declined over 4 p.p.
- 3 mths: declined approximately 1 p.p.

Offline Channel Sales Efficiency
- Q2-Q4 SSSG: mid-single-digit decrease

Over 12 Months Inventory Mix
- Channel: flat

Operating Cash Flow (YoY)
- Cash flow from operating activities: RMB2.8 billion net inflow, decreased by 21%
- Net cash: increased by RMB 1.48 billion at 7.44 billion
- Trade receivables (before provisions): amount decreased (improved) by 1%
- Cash conversion cycle: decreased (improved) by 6 days
Grasp Industry and Market Trends to Consolidate LI-NING’s Experience Value

Bright Prospects of Sports Industry with National Fitness Awareness Strengthened by COVID 19

COVID-19 pandemic has enhanced national fitness awareness. Combining the power of technology, Internet+Fitness and home workout has become a new normal. In addition, national policies bolster development of amateur sporting, which in turn fosters continued growth of sports population in the long run. The sports industry will usher in a broader development prospect.

14th Five-Year Plan to Build a Leading Sports Nation to Stimulate Sports Consumption

The "14th Five-Year Plan" proposes to accelerate the construction of a leading sports nation, focus on the diversified sports demands of the people, continue to innovate the supply mechanism of sports products, improve the quality of sports products supply, drive new sports consumption demands and promote the high-quality development of the sports industry. The sporting good industry is greatly promoted by the national policy.

Promising Future for Domestic Brands Bolstered by Increasing Domestic Demand Driven by “Inner Circulation” of Economy

The inward focus of the “dual circulation” strategy aims to expand domestic demands and create new demands with innovation and high-quality supplies. Consumers’ demands for the continuously upgraded domestic apparel brands are expected to continue to increase. Complementing e-Commerce with new retail planning, during Double 11, LI-NING’s e-commerce flagship store achieved a new sales record of 770 million, which tops the single store performance among domestic sportswear brands.

Source: State Council of the People’s Republic of China, Central Government of the People’s Republic of China, General Administration of Sport of China. (Unit: RMB)
Continuously Deepen the Strategy of “Single Brand, Multi-categories, Diversified Channels”
Core Categories Reinforce Brand Resilience

**Retail Sell-through – YoY Change (2020)**

- **Total Value**: 1%
  - Running: 9%
  - Training: 16%
  - Basketball: 4%
  - Sports Casual: 23%
  - Non-core: 9%

**Sell-in – YoY Change (2020)**

- **Indoor Sports + Football**: 5%

*Sales of Indoor Sports (including badminton and table tennis) and football products are shown with sell-in data for reference as they are mainly distributed via specialty-stores.

**Retail Sell-through — Mix**

- Running: 39%
- Training: 17%
- Basketball: 26%
- Sports Casual: 16%
- Non-core: 2%
Basketball — On-court Performance Speaks For LI-NING’s Professionalism

Using Street Style to Interpret Basketball Culture

High-end Technology Enhances On-Court Performance

Street Basketball Series — BADFIVE

Wade series — All City 9 “Cotton Candy”

Professional Basketball — Yushuai Series

Professional Basketball — CBA Beijing Limited Edition: Old Beijing

Professional Basketball — Signed NBA Basketball Star: Jimmy Butler*

Diversified Marketing Consolidates LI-NING Basketball Image

*Jimmy Butler’s sponsorship starts from January 2021.
## Running — Professional Technology Empowers Running Business

### Professional Runners

Create professional running IPs – build up good reputation for running business in a long run

Combine technology with Pragmatism – boost the performance of professional running shoes

- **Boom 2.0**
  - Professional Events: 1,099

- **Boom Challenger**
  - Professional Events: 1,299

- **Wind Chaser**
  - Race: 599
  - Training: 899

- **Rough Rabbit**
  - 4th Generation: 399

### Amateur Runners

Leverage professional product reputation to expand reach in the mass running market

Integrate functionality with fashion – create diversified running lifestyles

- **Winter Protective Running Shoes**
  - LI-NING Cloud 5

- **Experimental Fashion Running Shoes**
  - Wind Ranger CRC*

- **Make Professional Running Shoes Chic**
  - Shadow CRC*

---

<table>
<thead>
<tr>
<th>Category</th>
<th>Model</th>
<th>Price (RMB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional</td>
<td>Boom 2.0</td>
<td>2,099</td>
</tr>
<tr>
<td>Professional</td>
<td>Boom Challenger</td>
<td>1,299</td>
</tr>
<tr>
<td>Professional</td>
<td>Wind Chaser</td>
<td>539</td>
</tr>
<tr>
<td>Professional</td>
<td>Rough Rabbit</td>
<td>399</td>
</tr>
<tr>
<td>Professional</td>
<td>Shadow Essential</td>
<td>899</td>
</tr>
<tr>
<td>Professional</td>
<td>Furious Rider</td>
<td>699</td>
</tr>
<tr>
<td>Amateur</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amateur</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amateur</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amateur</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*CRC: Create / Remake / Culminate
Training — Focus on Technological Innovation, Seize Opportunities in Niche Market

- **Support of Technological Innovation**: Extend success of Star IP, Continuously Upgrade “No Boundaries” series, Create Professional Gym Room Training Shoes.

- **Strategic Planning for Female’s Products**: Female Fitness as the Core, Persistent Communication with Female Consumers.

- **Active Training**: Continue to explore innovative technology, meet the needs of active training.

- **Essentials**: Essentials GYM
Sports Casual — Interpret Fashion Trends, In-depth Dialogue with Young Consumers

Commencement of the Year 2021 Spring Festival Series Rich Everyday

Create Classic IP, Enrich Stories Packs of Core Products

Focus on Segmented Markets, Explore Potentials of Female Consumption

Retro Trend Classic Series LI-NING x QQ Dance

Brand Crossover LI-NING x LINE FRIENDS

Participate in International Fashion Week China LI-NING create fads ceaselessly

Collaborate with pioneering artists Interpret sports and fashion using multi-artistic angles

Build up China LI-NING with Cutting-edge Concepts Lead Sports Casual Trends of China

Collaborate with Artists, Further Cultivate Fan Economy

Participate in International Fashion Week

Brand Crossover LI-NING x LINE FRIENDS

Youth Series Promotion Ambassador — Cai Chengyu

Create Classic IP, Enrich Stories Packs of Core Products

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Collaborate with Artists, Further Cultivate Fan Economy

Participate in International Fashion Week

Brand Crossover LI-NING x LINE FRIENDS

Youth Series Promotion Ambassador — Cai Chengyu
Brand Marketing — Build up Professional Resources Matrix, Fortify Brand’s Professionality
Brand Marketing — Brand Crossovers, Double Empowerment

LI-NING x LINE FRIENDS
Gather “Best Friends”, Revisit Best Moment

LI-NING x Jackie Chan
Explore and Showcase the Cultural Essence and Beauty of Chinese Kung Fu

China LI-NING x Hajime Sorayama
Blend in Sports Fashion Trends with Modern Arts, Enter the Future World of Machine Aesthetic
25th August 2020 marked the grand opening of LI-NING’s “30th Anniversary · Silk Road Exploration” in Yadan National Geological Park, Dunhuang.

From New York to Paris, at the LI-NING’s 30th Anniversary, we went back to Dunhuang in China to hold a fashion week on the thousand-year-old Silk Road, which symbolizes our persistence in exploring and making breakthrough while following the footsteps of our predecessors.
Operational Progress
Control and Manage Risk Amidst the Pandemic

Profit Management
- Revenue Stabilization
- Cost Control

Inventory Control
- Systematic Inventory Management and Clearance
Optimize Efficiency, Reshape Cultures

R&D and Innovation → Supply Chain Efficiency → Product Management → Channel Efficiency → E-commerce Optimization → Retail Operation

Optimize Organizational Structure, Reshape Management Cultures
Strengthen R&D Capabilities, Integrate Supply Chain Organization

R&D and Innovation
- Focus on professional sports needs, lead the market with innovation
- Refine R&D organization and talent team
- Strengthen synergy among R&D and sales, product and supply chain

Supply Chain
- Transition from “passive production” to “proactive production”
- Improve quality control, cost and delivery management
- Continue to integrate and improve supplier matrix and materials
Continue to Improve Product Operation Capability

Focus on “product and point of sale merchandising”:

- Refine product operation that focused on product, point of sale merchandising, marketing and inventory
- Reduce product width, enhance product depth, optimize product efficiency
- Establish and continue to refine product planning and sales planning systems
- Realize business growth with products as the core driver
Realize Channel Layout Based on the Profitability of Single Store

Expand high-quality stores that are profit-making

1. Optimize new stores opening process, enhance efficiency of store-opening

2. Improve channel efficiency, promote the opening of big stores, accelerate the closing down of underperforming and loss-making stores

3. Promote store image management, convey LI-NING’s brand value

Optimize Organizational Structure, Reshape Management Cultures
Establish and Consolidate the Omni-channel Business Model

Consolidate the departments of omni-channel and member management

Share marketing resources between online and offline to coordinate businesses development

Initiate marketing campaigns to lead the pace of business

Enhance integration and synergy of online and offline businesses

R&D and Innovation
Supply Chain Efficiency
Product Management
Channel Efficiency
E-commerce Optimization
Retail Operation

Optimize Organizational Structure, Reshape Management Cultures
Continue to Optimize Retail Operation Capability

Focus on “product and point of sale merchandising” and “efficiency”

- Consolidate product and retail operation, focus on key retail KPIs
- Strengthen synergy between wholesale and retail businesses
- Enhance business precision, conduct monthly plan and weekly review
- Optimize profit model for single store, promote standardized retail operation

Optimize Organizational Structure, Reshape Management Cultures
Optimize Organizational Structure, Reshape Management Cultures

Elite team with the same focus and goal

1. Optimize organizational structure according to business needs
2. Promote coordination across departments and systems
3. Convey Company’s strategies and cultures via live streaming sessions of CEO

R&D and Innovation ➔ Supply Chain Efficiency ➔ Product Management ➔ Channel Efficiency ➔ E-commerce Optimization ➔ Retail Operation

Optimize Organizational Structure, Reshape Management Cultures
Continuously Strengthen Core Business Competitiveness

- Business Core Competitiveness
  - Fitness & Efficiency-driven
  - Corporate Culture
- Consumer Focus
- Channel Efficiency
- Products and Point of Sale Merchandising
- Organization Efficiency
- Store Operation Efficiency
- Effective Inventory Management
- Enhance Omni-channel
- Optimize Merchandising Capabilities
- Discipline Cost Control
### Appendix1 — Summary of Income Statement and Balance Sheet

#### (RMB million)

<table>
<thead>
<tr>
<th>(RMB million)</th>
<th>2020</th>
<th>2019</th>
<th>Better/ (Worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>14,457</td>
<td>13,870</td>
<td>4.2%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>7,094</td>
<td>6,805</td>
<td>4.2%</td>
</tr>
<tr>
<td>Distribution costs</td>
<td>-4,425</td>
<td>-4,445</td>
<td>0.5%</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>-805</td>
<td>-968</td>
<td>16.9%</td>
</tr>
<tr>
<td>Other Income and other gains -net</td>
<td>362</td>
<td>139</td>
<td>160.7%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>2,196</td>
<td>1,543</td>
<td>42.3%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3,292</td>
<td>2,708</td>
<td>21.6%</td>
</tr>
<tr>
<td>Profit Attributable to Equity Holders</td>
<td>1,698</td>
<td>1,499</td>
<td>13.3%</td>
</tr>
<tr>
<td>Basic Earnings per share (RMB cents)</td>
<td>69.21</td>
<td>61.94</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(RMB million)</th>
<th>31 Dec 2020</th>
<th>31 Dec 2019</th>
<th>Better/ (Worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>7,187</td>
<td>5,961</td>
<td>20.6%</td>
</tr>
<tr>
<td>Borrowings</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Net Cash*</td>
<td>7,443</td>
<td>5,963</td>
<td>24.8%</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>5,015</td>
<td>4,717</td>
<td>6.3%</td>
</tr>
<tr>
<td>Current Ratio (times)</td>
<td>1.95</td>
<td>1.81</td>
<td>0.14</td>
</tr>
<tr>
<td>Total Liabilities to Total Asset Ratio</td>
<td>40%</td>
<td>43%</td>
<td>3.0p.p.</td>
</tr>
</tbody>
</table>

*Net Cash = Cash and Cash Equivalents (including restricted bank deposits and bank deposits with the maturity over one year) - Borrowings
## Appendix 2—Profit Margins and Key Operating Indicators

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Better/ (Worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Profit Margin</strong></td>
<td>49.1%</td>
<td>49.1%</td>
<td>0.0p.p.</td>
</tr>
<tr>
<td><strong>Operating Profit Margin</strong></td>
<td>15.2%</td>
<td>11.1%</td>
<td>4.1p.p.</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>22.8%</td>
<td>19.5%</td>
<td>3.3p.p.</td>
</tr>
<tr>
<td><strong>Margin of Profit Attributable to Equity Holders</strong></td>
<td>11.7%</td>
<td>10.8%</td>
<td>0.9p.p.</td>
</tr>
<tr>
<td><strong>R&amp;D Expenses (as % of revenue)</strong></td>
<td>2.2%</td>
<td>2.6%</td>
<td>0.4p.p.</td>
</tr>
<tr>
<td><strong>A&amp;P Expenses (as % of revenue)</strong></td>
<td>8.9%</td>
<td>9.6%</td>
<td>0.7p.p.</td>
</tr>
<tr>
<td><strong>Staff Costs (as % of revenue)</strong></td>
<td>9.1%</td>
<td>10.9%</td>
<td>1.8p.p.</td>
</tr>
<tr>
<td><strong>Inventory Turnover (Days)</strong></td>
<td>68</td>
<td>68</td>
<td>0</td>
</tr>
<tr>
<td><strong>Trade Receivables Turnover (Days)</strong></td>
<td>17</td>
<td>21</td>
<td>4</td>
</tr>
<tr>
<td><strong>Trade Payables Turnover (Days)</strong></td>
<td>65</td>
<td>63</td>
<td>2</td>
</tr>
<tr>
<td><strong>Cash Conversion Cycle (Days)</strong></td>
<td>20</td>
<td>26</td>
<td>6</td>
</tr>
<tr>
<td><strong>Return on Equity (ROE)</strong></td>
<td>21.5%</td>
<td>23.2%</td>
<td>(1.7p.p.)</td>
</tr>
<tr>
<td><strong>Return on Asset (ROA)</strong></td>
<td>12.5%</td>
<td>14.1%</td>
<td>(1.6p.p.)</td>
</tr>
<tr>
<td><strong>CAPEX (RMB million)</strong></td>
<td>639</td>
<td>682</td>
<td>6.3%</td>
</tr>
</tbody>
</table>