

Ticker: 002242

Stock Abbreviation: Joyoung

Joyoung Co., Ltd. Abstract of the Annual Report 2023

Section I Important Statements

This is an abstract of the Annual Report 2023. Investors are suggested to read the complete version of the Annual Report 2023 on the media, which is designated by the China Securities Regulatory Commission(the “CSRC”) to have a full understanding of operational results, financial statements, and future plans of the Company. Should there be any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

All Directors were present at the Board meeting at which this report was considered.

Modified Audit Opinion

Applicable N/A

The preliminary plan for dividend distribution or converting capital reserves into share capital for common shareholders which were considered and approved by the Board

Applicable N/A

Convert capital reserves into share capital

Yes No

The Board has considered and approved the following dividend payout plan for the Reporting Period: based on the Company's total shares of 767,017,000, and deducting the 4,000,000 shares repurchased by the Company, it is proposed that, based on a total of 763,017,000 shares, the Company should distribute a cash dividend of RMB 1.5 (tax inclusive) and 0 stock dividend (tax inclusive) per 10 shares to all the shareholders and should not convert capital reserves into share capital.

The preliminary plan for dividend distribution for preferred shares in the reporting period was approved by the Board

Applicable N/A

Section II Company Profile

1. Company Information

Stock Abbreviation	Joyoung	Stock Code	002242
Stock Exchange Where the Shares of the Company are Listed	Shenzhen Stock Exchange		
Contact Us	Board Secretary	Securities Representative	
Name	Minxin MIAO		
Address	No.760 Yinhai Street, Qiantang District, Hangzhou, Zhejiang Province		
Tel.	0571-81639178		
E-mail	002242@joyoung.com		

2. Business or Product Review in the Reporting Period

1) Small Household Appliance Industry in the Reporting Period

In 2023, in the face of complex, severe and challenging domestic and international environment, the national economy realized an upturn, promoted high-quality development. Gross domestic product (GDP) achieved a growth of 5.2% (www.gov.cn), which was one of the highest among the world's major economies.

The overall demand of the consumer industry has shown a K-shaped differentiation, with the growth rate of high-end share slowing down and the shift from medium-end to low-end aggravated, prompting the industry to show a more obvious consumption grading. As the domestic consumer goods industry continues to innovate, structural adjustment, market segmentation and other strategies to promote in-depth, companies take the initiative to adapt to the changes in the consumer environment, demonstrating strong resilience and development potential of the domestic consumer market.

According to AVC (AVC) 2023 omni-channel extrapolated gross data, online sales accounted for more than 75% of domestic small home appliance sales, the online proportion further increased compared to prior year, the e-commerce platform has become the main sales channel for small home appliance products. The overall retail sales of kitchen small household appliances amounted to 54.93 billion yuan, down 9.6% year-on-year; online retail sales amounted to 42.2 billion yuan, down 10.7% year-on-year; offline retail sales amounted to 12.7 billion yuan, down 6.0% year-on-year; however, the Douyin channel maintains a strong resilience. The growth of segments such as household cleaning appliances and personal care appliances were driven by consumers' rising demand for high life quality. According to AVC, the retail sales of household cleaning appliances in 2023 amounted to 34.4 billion yuan, a year-on-year growth of 6.8%; the scale of the three categories, which are personal care appliances hairdryer, electric toothbrush, and electric razor all achieved growth, with a growth of 29.9%, 4.2% and 11.2%, respectively.

Although the competition in the small household appliance industry continues to intensify, market concentration of top brands is still high, while emerging brands with innovative technology and Internet marketing are also rapidly emerging, together promoting industry iteration and change. Consumer's demands on small household appliances of high quality, high value, cost-effective and health functions continue to rise, emphasizing personalized, intelligent and environmentally-friendly and energy-saving features, and are willing to pay a reasonable premium. However, consumer shopping decision-making chain is becoming more rational. Consumers not only pay more attention to products with rigid needs, but also shop around before making the final decision. In this context, it is necessary that small household appliances companies start from the supply and demand side, push up price of new products and sell more to stimulate and guide the demand for updating and iteration.

As a leading brand in small household appliance industry in China, the Company will firmly focus on its core business, adhere to the user-centered and retail oriented, master independent intellectual property rights, continuous innovation, and breakthroughs, and seize the new market trends and new opportunities.

2) Major business Engaged by the Company in the Reporting Period

In the Reporting Period, the Company continued to focus on the R&D, production, and sales of small household appliances. The Company mainly operated independent R&D, design, sales, and self-owned brands. With the consumers' increasingly strong desire for a better and quality life and the promotion of consumption upgrade, consumer demands for refined, and user-friendly products of high quality continued to grow.

In the Reporting Period, no significant changes occurred to the Company's primary business. The Company was in the mature period without visible cyclical features. Major product categories of the Company all ranked the top 3 across the industry domestically in China.

3) Core Competence Analysis

a. Brand Advantage

Over the last 30 years, The Company led the industry and focused on the development, production and sales of small household appliances. The Company has accumulated a wealth of excellent suppliers, retailers and distributors in the industry

resources, as well as strong R&D strength and excellent industry reputation.

Adhering to the brand concept of "Healthy and Enjoyable", the Company strived to promote the rejuvenation of the brand and bring products into the lives of young people in the new era through various original innovation-driven technologies. The Company mainly offered categories including soymilk maker, blenders, rice cooker, air fryer, water purifier, wet and dry vacuum cleaner, high speed hair dryer, etc. Some of these products continue to lead in the industry.

Established in Boston in 1998, Shark, a brand that excels in cleaning technology, now ranks top 1 in the sales of cleaning appliances in the United States. Shark China, a wholly-owned subsidiary of the Company is mainly responsible for the brand promotion and marketing of Shark brand in China, as well as the localization of product development and implementation, dedicated to the Chinese family customized multi-category household cleaning small appliances product solutions. It has washer-dryer caterpillar track floor scrubber, foldable vacuum cleaner, robot vacuum, electric mop, and hand-held vacuum.

b. Channel Advantage

The Company has been deeply involved in the small household appliance industry for 30 years, mainly adopting the distribution system with a combination of self-operated and distributor network, with marketing network and customer resources nationwide. The Company is retail-oriented, and to better reach users, serve consumers and comply with the market development trend, during the reporting period, the Company focused on developing direct sales team and constructing self-operated stores, which can not only bring the Company closer to consumers, users, and fans, but also help with the Company's long-term sustainable and high-quality development.

In 2023, domestic retail channels are changing rapidly and all types of channels are ever-changing. The Company coordinates the development of shelf e-commerce and content e-commerce, Shopping Mall, new retail and markets in lower tier cities, continues to actively arrange and expand emerging channels, focuses on the development of content e-commerce platforms such as Douyin and Xiaohongshu, and establishes professional teams and departments such as user research, data analysis, content creation, live video broadcasting, editing, directing, and filming, etc., and builds up a live broadcasting matrix focusing on self-playing and a circulation of "online recommendation - purchase - sharing". While enhancing the NPS value of the brand, it also accumulates more new users and new customer groups for the brand.

At the same time, the Company focuses on strengthening the construction of retail terminals and shopping guide teams, guiding experienced terminal stores and shopping guides, carrying out scenario-based demonstrations and live streaming, relying on the self-constructed digital center network, building and improving a more comprehensive, efficient and accurate O2O digital omni-directional marketing operation system, and exploring opportunities in various emerging market channels. While focusing on sales results, the Company also pays more attention on the user experience and evaluation feedback of the whole sales chain, and comprehensively improves the retail marketing ability.

c. Product Advantage

With the residents' desire for a better life, the quality of life and consumption capacity has been improving, giving rise to increased demand for high-quality, high value, integrated, intelligent, and multifunctional small household appliances which could improve the user's ease of use and comfort. In the face of the needs of different people and scenarios, the Company has been insisting on the launch of products of excellent quality, thus users would like to recommend, then the value of the product and brand will be improved, and the Company could maintain a steady increase in market share.

In the reporting period, the Company mainly popularized the Space Series 2.0 products of kitchen household appliances, focusing on the distribution of medium- and high-end product lines, leading the industry in a new development direction, and

launched new products such as the 0-coating non-stick rice cooker N1S, quick & easy air fryer V1 Fast and less noisy blender with BLDC B1. In the cleaning appliances business segment, the Company's products gradually applied anti-tangling function to products, such as washing and drying all-in-one floor scrubber, washing and mopping all-in-one sweeping robot and other mainstream products. The innovative use of caterpillar roller brush water washing technology and four-dimensional hot air fast drying technology truly realize the whole chain of anti-bacteria and deodorization.

The Company is committed to providing users with a whole-house one-stop solution from eating healthy to living healthy high-quality small household appliances, which is not only the expansion of categories and technological innovation, but also the inheritance of brand DNA of Joyoung, which is "health and innovation" and the company's values, but also enhance the brand's influence and a sense of science and technology, and continue to meet the needs of people's aspirations for a better life.

d. Operating advantage

In 2023, given the deep integration of online and offline channels, the Company actively exploiting the value of big data, continuously enhanced its digital operation through its self-built digital mid-platform based on its omni-channel development strategy. In order to better promote digital transformation and proactively adapt to the era of information fragmentation, the Company serves the private domain users while attracting more public domain users' attention, the Company formed a circulation of new retail O2O shopping experience including online recommendation, offline user experience, online order, nearby delivery and door-to-door service, which has brought the Company closer to consumers, users and fans and laid a valuable big-data foundation for future deep mining of digital economic value.

However, the changes brought by the Internet are not only in the marketing side, but also in the product and supply side in terms of intelligence and integration. By implementing QMS and other management systems to do intelligent and digital manufacturing management, the Company may have more efficient production and do the quality management throughout the product life cycle, focus on each link of the process control and be committed to improving first pass yield and reducing product defect rate. While continuously launching innovative products that lead the industry development trend, the Company also increased the investment of innovative technology in the lower-level price segment for differentiated competition and strive to improve brand NPS value, market share, category penetration, product penetration and so on.

Running several digital management platforms realizes intelligent ecological integration of hardware and software. For example, by SRM system the Company can view online data and analysis of all supplier-related business in real time, by MES system the Company can view the manufacturing process of suppliers in real time, combined with the use of a series of modern information systems, such as WMS warehouse management, and with data interconnection with the Company's internal quality management system, R&D management system, bidding management system and so on.

4) Major Business Analysis

Revenue in 2023 was RMB 9,612.79 million, a decrease of 5.54% year on year; among which, all major traditional categories achieved high-quality development, emerging segments grew rapidly, and the Company's revenue structure continued to be optimized.

For the year of 2023, operating costs narrowed down by 1.25% year on year to RMB 7,126.57 million. Gross profit margin decreased by 3.22 percentage points year on year.

Selling expenses amounted to RMB 1,426.14 million, down by 10.45% year on year, with sales expense ratio at 14.84%, down by 0.81 percentage points year on year; General and administrative expenses amounted to RMB 381.03 million, up by

1.28% year on year, with G&A ratio at 3.96%, up by 0.27 percentage points year on year; Research and development expenses amounted to RMB 388.91 million, down by 0.31% year on year.

During the reporting period, the number of newly added patent applications was 1,653(including 186 patent applications for invention, 1,269 applications for utility model and 198 applications for appearance design), and as of the end of the reporting period, the Company owned a total of 13,181 patents (including 737 patents for invention, 10,856 patents for utility models and 1,588 patents for appearance design).

In 2023, total profit reached RMB 430.91 million, representing a year-on-year decrease of 26.14%, and net profit attributable to shareholders was RMB 389.05 million, representing a year-on-year decrease of 26.58%.

In 2023, net cash flow generated in operating activities was RMB 763.32 million, representing an increase of 25.04% year-on-year, mainly contributed by fine operation management.

5) Outlook for the Company's Future Development

a. Analysis of the External Environment Faced by the Company

National industrial policy strongly supports the quality upgrade of home appliance consumption

In recent years, major leading ministries and commissions of the State have issued policies and guidelines to support the upgrading and development of the household appliance industry, encourage the trade-in of traditional consumer goods represented by household appliances, and promote the upgrading of household appliance consumption from the perspective of the circular economy. This reflects that the state attaches great importance to the consumer market of household appliances and guides actively, aiming to stimulate domestic demand through a variety of effective measures to promote the high-quality development of the household appliance industry.

As the world's second largest economy, China is the largest and most potential consumption market in the world. With the economic environment warming up, consumer confidence is expected to gradually increase. the industry development needs to be more in line with the people's consumption upgrading trend, in order to strengthen the demand side of the traction. However, promoting consumption cannot simply rely on the promotion of products to activate the market, but also need to set improving the people's quality of life as the goal to speed up product upgrades to meet the demand for low-carbon, green, smart, fashionable household appliances consumption upgrade, to pull the high-quality development household appliance industry and its upstream and downstream industries.

By carrying out new marketing models, such as creating new scenes of immersive, experiential and one-stop household appliance consumption, as well as promoting the sales method of total solutions, the Company will build a new development pattern of household appliance consumption. The Company will actively utilize its core competencies such as more proactive market insight capability, product development capability, and marketing capability to capture greater demand and potential in the market, and thus achieve continued leadership in the industrial development.

b. Future Development and Business Operation Plan of the Company

The future is here, and change is accelerating. In the fast-changing and uncertain environment, the Company management will dare to change and respond to the complex and severe changes with various new methods; at the same time, the Company management will be brave to be the first to proactively capture the development opportunities in new categories, new channels and new fields; further strengthen capability building and development of user insights, product operations, channel marketing, etc. especially the improvement of refined management capabilities, so as to realize the company's overall quality and efficiency.

The era of change not only brings challenges, but also full of opportunities. With the continuous improvement of the people's

income level, the consumer industry will enter a new stage of quality consumption, and the small household appliance industry will also enter a new cycle of high-quality development. Consumers' demands for small household appliances also tend to be high quality, high value, cost-effective and health and wellness features, emphasizing personalization, intelligence, and environmentally-friendly and energy-saving features.

As a leading brand in small household appliance industry in China, the Company will firmly focus on its core business and find more chances in the necessity categories, taking user needs as the center. The Company will enhance the success of product innovation through deeper consumer insights, driven by technological innovation, and provide better long-term high stickiness services to users with higher product quality stability. The Company maximizes the advantages of its online and offline omni-channel marketing network, and utilizes diverse marketing methods such as community marketing, live video streaming, content creation, and lower-tier channel services to provide users with better long-term and highly viscous services, and strive to increase the NPS value of the Company's brand.

In the future, the Company will continue to expand and strengthen the brand asset value of "Family Kitchen" + "Hope Kitchen" + "Space Kitchen", insist on developing the product lines of kitchen small appliances, water appliances, small cleaning appliances, small personal care appliances and cookware, and continue to explore and amplify the synergistic value of Joyoung and Shark, and devote itself to building the Company into a high-quality small household appliance leader in the whole range of products, so as to create value for the Company and shareholders.

c. Risks Faced by the Company and Countermeasures

I. Industry-related risks

The popularity of small home appliances, especially the medium and high-end small home appliances, is directly related to the level of disposable income of the residents. In recent years, China's economy has shifted from the stage of high-speed growth to the stage of high-quality growth, and the disposable income of the residents has been increasing, thus the people's demand for a better life is growing, which provides strong support for the development of the domestic small home appliance industry.

The market for small home appliances in China is huge and more and more brands/manufacturers are trying to enter this market. With the entry of new peers, market competition will be increasingly intensified, which may lead to a decrease in the profitability of the Company's products. At the same time, there are cases of unfair competition in the small home appliance industry, such as product imitation, IP infringement, trademark rights infringement, etc. Although the Company ranks among the top in the domestic small kitchen appliances industry, the Company still faces the risk of increasing market competition which may have an impact on the Company's market share.

To hedge against the above risks, the company will continue to increase technological innovation, strengthen intellectual property protection, improve the Company's value, adhere to the path of branding, focus on user demands, and take the initiative to launch more products that cater to the needs of consumers in the new era.

II. Business risks

i. Risk of raw material price fluctuation

Raw materials the Company procures from the third parties mainly include iron, stainless steel, aluminum, copper, plastic, etc.. Parts and components purchased from third parties mainly include motors, panels, integrated circuits, etc.. There are many types of raw materials and parts required, and the demands for them are scattered, so there is no situation that raw materials are too concentrated in a single species or a single category. However, the increase in the price of the above-mentioned raw

materials and the rising cost of logistics and packaging materials will have an impact on the profitability of the company. The company will optimize supply chain network and product design and integrate procurement of raw materials to comprehensively reduce production costs and improve profitability.

ii. Management risks arising from product diversification

The Company has transformed its strategy and branding from "Joyoung=Soymilk Maker" to "Joyoung=Quality Small Household Appliance" and has formed a diversified product layout to explore a broader market space. However, at the same time, the diversification of products will place higher requirements on the company's internal management, quality control, marketing, technology development and human resources. If the Company fails to improve the corresponding system in a timely manner and fails to properly equip the relevant professional talents, it will bring certain risks to the Company's operation.

To address the above risks, the Company will improve the quality of operation and management by using intelligent information management system, formulating scientific and feasible management system, introducing and training more professional talents, and improving internal reward and punishment mechanism.

iii. Risk of product quality problems

Since the use of home appliances is closely related to personal safety, especially the Company's main products directly affect consumers' food safety and home environment, the quality requirements for small home appliances will be more stringent.

After years of accumulation, the Company has established a set of complete and strict internal control process in quality control, and effectively prevent potential quality problems that may occur in the production process.

3. Key Accounting Data and Financial Indicators

1) Key Accounting Data and Financial Indicators in Recent Three Years

Whether the Company performed a retroactive adjustment to or restatement of accounting data

Yes No

Reasons for retrospective adjustments or restatements

Change in accounting policy

Unit: RMB Yuan

	As of 31 December, 2023	As of 31 December, 2022		YoY change(%)	As of 31 December, 2021	
		Before Adjustment	After Adjustment	After Adjustment	Before Adjustment	After Adjustment
Total assets	7,612,080,030.42	7,074,762,950.69	7,075,278,734.87	7.59%	8,516,380,670.95	8,516,492,570.73
Net assets attributable to shareholders of the Company	3,471,347,161.90	3,313,074,235.88	3,313,590,020.06	4.76%	4,263,662,880.72	4,263,774,780.50
	2023	2022		YoY change(%)	2021	
		Before Adjustment	After Adjustment	After Adjustment	Before Adjustment	After Adjustment
Operating revenues	9,612,788,761.39	10,176,687,797.39	10,176,687,797.39	-5.54%	10,540,473,926.06	10,540,473,926.06
Net Profit attributable to shareholders of the Company	389,046,168.90	529,501,433.89	529,905,318.29	-26.58%	745,601,463.86	745,713,363.64
Net profit attributable to	352,837,004.30	547,248,312.25	549,245,878.79	-35.76%	596,777,184.42	597,926,056.96

shareholders of the Company before non-recurring gains and losses						
Net cash flows from operating activities	763,320,596.41	610,442,582.65	610,442,582.65	25.04%	-34,788,705.11	-34,788,705.11
Basic earnings per share (RMB Yuan /share)	0.52	0.70	0.70	-25.71%	0.97	0.97
Diluted earnings per share (RMB Yuan /share)	0.52	0.70	0.70	-25.71%	0.97	0.97
Weighted average return on net assets	11.54%	13.75%	13.75%	-2.21%	17.45%	17.45%

Reasons for changes in accounting policies and correction of accounting errors

Note: The Ministry of Finance issued *Accounting Standards Interpretation No. 16* on November 30, 2022, which amends the scope of the exemption from initial recognition of deferred income taxes in *Accounting Standards Codification No. 18: Income Taxes (ASC: No. 18)*. It clarifies the situations that are not applicable to *ASC: No. 18* that exempted from initial recognition of deferred tax liabilities and deferred tax assets: Individual transactions that are not business merger and that, at the time of the transaction, affect neither accounting profit nor taxable income (or deductible losses) and for which the assets and liabilities are initially recognized, result in taxable temporary differences and deductible temporary differences of equal amounts. The Company implemented this provision effective January 1, 2023 and applied the retrospective adjustment method of accounting for individual transactions that occurred between the beginning of the earliest period for which the financial statements are presented and December 31, 2022, and restated the comparative period financial statements.

The Company has implemented the provisions of "Interpretative Announcement for Information Disclosure of Companies Issuing Public Securities No. 1 - Non-recurring Gains and Losses (Revised in 2023)", and recognized government grants that are closely related to normal business operations, in compliance with national policies and in accordance with the determined criteria and that have a sustained impact on the Company's profit and loss as recurring gains and losses, and made adjustments to Adjustment of the amount of non-recurring gains and losses for the comparable accounting periods of FY2022 and FY2021. Including: Adjustment of net non-recurring gains and losses attributable to the owners of the parent company for the year 2022 by RMB -1,593,682.14, and adjustment of net non-recurring gains and losses attributable to the owners of the parent company for the year 2021 by RMB-1,036,972.76.

2) Main Accounting Data by Quarter

Unit: RMB Yuan

	Q1	Q2	Q3	Q4
Operating revenues	1,892,190,788.93	2,425,409,765.71	2,463,572,007.10	2,831,616,199.65
Net Profit attributable to shareholders of the Company	121,389,403.14	125,769,954.56	116,354,565.00	25,532,246.20
Net profit attributable to shareholders of the Company before non-recurring gains and losses	116,958,852.23	109,187,307.78	112,352,748.80	14,338,095.49
Net cash flows from operating activities	306,900,520.10	29,647,185.66	90,538,396.09	336,234,494.56

Whether there are significant differences between the above financial data or the total value previously disclosed quarterly or interim reports.

Yes No

4. Shareholders and Shares

1) Total number of common shareholders and shareholdings of the top ten common shareholders at the period-end

Unit: share

Total number of common shareholders at the end of the Reporting Period	39,874	Total number of common shareholders at the end of the previous month of the disclosure date of this report	40,737 (as of Feb 29 th , 2024)	Total number of preferred shareholders with resumed voting rights at the end of the Reporting Period	0	Total number of preferred shareholders with resumed voting rights at the end of the previous month of the disclosure date of this report	0
Top 10 common shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held at the period-end	Number of restricted shares held	Pledged or frozen shares		
					Status	Number	
Shanghai Lihong Enterprise Management Limited	Domestic non-state-owned corporation	50.13%	384,523,746	0	N/A	0	
BILTING DEVELOPMENTS LIMITED	Foreign corporation	16.94%	129,924,090	0	N/A	0	
Hong Kong Securities Clearing Co., Ltd.	Foreign corporation	3.01%	23,109,977	0	N/A	0	
Joyoung ESOP Plan (Phase 1)	Others	2.09%	16,000,000	0	N/A	0	
Central Huijin Investment Ltd.	State-owned corporation	1.46%	11,201,233	0	N/A	0	
China Universal Asset Management Co.,Ltd - Social Security Fund 423 Portfolio	Others	1.13%	8,678,310	0	N/A	0	
China Life Insurance Co., Ltd.- Traditional- General Insurance Product - 005L - CT001 SH	Others	0.82%	6,284,985	0	N/A	0	
Basic Pension Insurance Fund Portfolio No. 1001	Others	0.65%	5,001,435	0	N/A	0	
CPIC-Dividend-Personal Dividend	Others	0.40%	3,045,512	0	N/A	0	
China Universal Fund-Private Co.Hybrid Portfolio- ICBC	Others	0.33%	2,512,133	0	N/A	0	
Related or acting-in-concert parties among shareholders	In April 2019, the shareholding structure of Bilting Developments Limited changed. MR.						

above	Xuning WANG, the actual controller of the Company, became the actual controller of Bilting Developments Limited (See Report No. 2019-027 of the Company on www.chinainfo.com.cn.). As a result, Shanghai Lihong Enterprise Management Co., Ltd. and Bilting Developments Limited, both controlled by Mr. Xuning WANG, are defined as acting-in-concert parties by the <i>Administrative Measures for the Takeover of Listed Companies</i> . Other than the aforementioned related and acting-in-concert parties, the Company is uncertain about whether there are related or acting-in-concert parties among shareholders above.
Explanation on common shareholders participating in securities margin trading (if any)	N/A
Notes on the existence of repurchase specialized accounts among the top 10 shareholders (if any)	The number of ordinary shares held in the repurchase specialized account of Joyoung Co., Ltd. at the end of the reporting period was 4,000,000 shares, accounting for 0.52% of the total share capital of the Company.

Participation of top ten shareholders in the lending and transfer of shares business

Applicable Not applicable

Change in the top ten shareholders from the previous period

Applicable Not applicable

Unit: Share

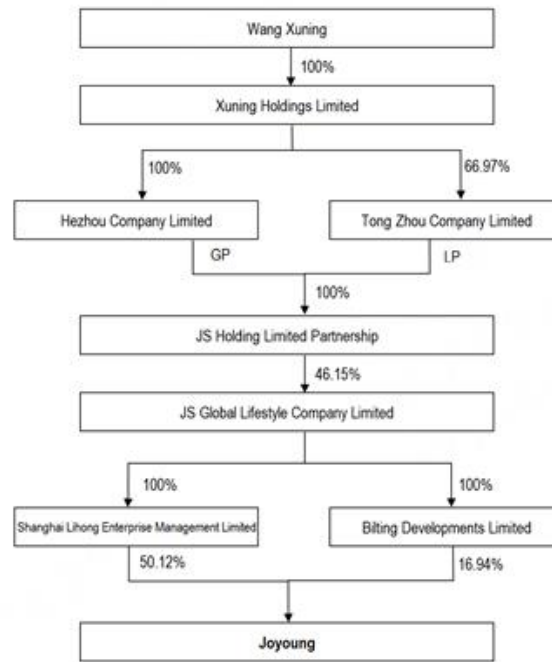
Changes in the top ten shareholders from the end of the previous period					
Name of shareholder	Additions/withdrawals during the reporting period	Number of shares lent and not yet returned under the transfer facility at the end of the period		Number of shares held in shareholders' ordinary accounts, credit accounts and shares lent on transfer and not yet returned at the end of the period	
		Total Shares	Percentage of total share capital	Total Shares	Percentage of total share capital
China Life Insurance Co., Ltd.-Traditional- General Insurance Product - 005L - CT001 SH	New	0	0.00%	6,284,985	0.82%
CPIC-Dividend-Personal Dividend	New	0	0.00%	3,045,512	0.40%
Hongde Fund -Ruixing Three-Year Holding Hybrid Portfolio-CMB	Exit	0	0.00%	1,416,778	0.18%
CSI 500 Index Fund - ABC [Note]	Exit	Unknown	Unknown	Unknown	Unknown

[Note] : As "CSI 500 Index Fund - ABC " is not included in the register of shareholders as at the end of the period issued by China Securities Depository & Clearing Company Limited, Shenzhen Branch, the Company does not have such data.

2) Total Number of Preferred Shareholders and TOP 10 Preferred Shareholders and Their Shareholdings

Applicable Not applicable

3) Disclose the property rights and control relationship between the Company and the actual controller in block diagram form



5. Relevant Information on Corporate Bonds

Does the Company have any undue or unredeemed matured corporate bonds publicly offered in the Stock Exchange by the date the Annual Report is submitted

Yes No

Section III Important Issues

1. Dividend Payment

The Company held the second meeting of the sixth session of the Board of Directors on March 30, 2023, and considered and approved the dividend payment plan for 2022. Based on the total share capital of 767,017,000 shares as of December 31, 2022, deducting 4,000,000 shares repurchased by the Company, it was proposed that, based on a total of 763,017,000 shares, the Company should distribute a cash dividend of RMB 3.0 per 10 shares to all shareholders, without stock dividend and without converting capital reserves into share capital. On May 12, 2023, the above proposal was considered and approved at the 2022 annual general meeting. The dividend payment plan was executed on May 30, 2023.

2. Employee Stock Ownership Plan

On April 10, 2023, the Third Management Committee Meeting of the Phase I Employee Stock Purchase Plan considered and approved the "Proposal on the Non-Unlocking of Subject Shares for the First Unlocking Period of the Phase I Employee Stock Purchase Plan as the Performance Evaluation of the First Unlocking Period Failed to Meet the Unlocking Condition and the Subject Shares Not to be Unlocked Are Temporarily Deposited in this Stock Purchase Plan". As the performance assessment for the first unlocking period (calculated on the date when the Company's shareholders' general meeting considered and approved and the Company has announced the last transfer of Subject Shares to the name of this Employee Stock Purchase Plan, i.e., November 3, 2022) has failed to meet the standard, in accordance with the relevant provisions of this Employee Stock Purchase Plan, it has been decided after discussion by the Management Committee of this Employee Stock Purchase Plan that the 3,200,000 shares corresponding to the first unlocking period of this Employee Stock Purchase Plan (accounting for 0.42% of the total share capital of the Company) shall not be unlocked, and such portion of the shares shall be withdrawn by the

Management Committee for temporary custody, and such portion of the shares may be reallocated by the Management Committee in the future according to the needs of the actual situation; or shall be sold by the Management Committee at an opportune time, and the remaining funds after the sale shall be attributed to the Company.

On October 13, 2023, the second meeting of the holders of the Phase I Employee Stock Purchase Plan of the Company considered and approved the "Proposal on Adjustment of Holders' Shares of the Phase I Employee Stock Purchase Plan of Joyoung Co. In accordance with the relevant provisions of the Employee Stock Purchase Plan, as 6 holders failed to achieve the agreed targets, some of the granted shares, totaling 66,999,400 shares, corresponding to 8,310,000 shares, were withdrawn by the Management Committee.

On October 27, 2023, the Fourth Management Committee Meeting of the Phase I Employee Stock Ownership Plan of the Company considered and approved the "Proposal on the Transfer of Shares of the Employee Stock Ownership Plan". After comprehensive evaluation, the committee agreed to transfer part of the shares of the Phase I Employee Stock Purchase Plan of the Company totaling 37,571,300 shares, corresponding to a number of shares of 4,660,000 shares, to 23 transferees qualified to participate in this Employee Stock Purchase Plan, including Ms. Han Run, the vice chairman of the Company and the chairman of the management committee of this Employee Stock Purchase Plan, who was granted 8,062,500 shares, corresponding to a number of shares of 1,000,000 shares.