

Stock code:002508

Abbreviation of securities: Robam

Announcement No.:2019-039

Hangzhou Robam Appliances Co., Ltd.

2019 Third Quarter Report Text

Section 1: Important Notes

The board of directors, the board of supervisors and the directors, supervisors and senior management of the Company shall guarantee that the contents of the quarterly report are authentic, accurate and complete, free from false records, misleading statements Or major omissions, and shall bear individual and joint legal liabilities.

All directors of the Company personally attended the board meeting to review this quarterly report.

Ren Jianhua, the head of the Company, Zhang Guofu, the head of accounting work, and Zhang Guofu, the head of accounting body (accountant in charge), guarantee the authenticity, accuracy and completeness of the Financial statements in the quarterly report.

Unit: CNY

Item	Amount from the beginning of the year to the end of the reporting period	Description
Profits and losses on the disposal of non-current assets (including the write-off part of the provision for asset impairment)	-1,171,725.00	
Government subsidies included into the current profits and losses, except those government subsidies, which are closely related to the business of a company and enjoyed in accordance with a certain standard quota or quantity of the state	61,921,866.87	
Profits and losses from investment or management assets entrusted to others	4,971,538.56	
Income and expenditure other than those mentioned above	-915,346.81	
Less: Amount affected by income tax	10,663,221.28	
Amount of minority shareholders' equity affected (after tax)	1,833,934.21	
Total	52,309,178.13	--

Explain the non-recurrent profit and loss items defined by the Company according to the *Interpretative Announcement No. 1 on Information Disclosure of Public Securities Issuing Companies - Non-recurrent Profits and Losses* and defined from the non-recurrent profit and loss items enumerated in the *Interpretative Announcement No. 1 on Information Disclosure of Public Securities Issuing Companies - Non-recurrent Profits and Losses*

☐ Applicable ☒ Not applicable

No definition of non-recurrent profit and loss items defined and enumerated in the *Interpretative Announcement No. 1 on Information Disclosure of Public Securities Issuing Companies - Non-recurrent Profits and Losses* as non-recurrent profit and loss items during the reporting period.

II. Total number of shareholders at the end of the reporting period and shareholding of top 10 shareholders

1. Number of common shareholders and preferred shareholders with voting rights restored, and shareholdings of the top 10 shareholders

Unit: share

Total number of common shareholders at the end of the reporting period	60,911	Total number of preferred shareholders with voting rights restored at the end of the reporting period (if any)	0
Shareholdings of the top 10 shareholders			

Shareholder's name	Shareholder nature	Shareholding ratio	Number of shares held	Number of shares held with limited sales conditions	Pledge or freeze	
					Status of shares	Quantity
Hangzhou Robam Industrial Group Co., Ltd.	Domestic non-state legal person	49.68%	471,510,000	0	-	0
Hong Kong Securities Clearing Co. Ltd.	Overseas legal person	11.45%	108,623,698	0	-	0
Shen Guoying	Domestic natural person	1.29%	12,240,000	0	-	0
China Construction Bank Co., Ltd. - Anxin Value Selected Stock Securities Investment Fund	Other	1.19%	11,336,419	0	-	0
Hangzhou Jinchuang Investment Co., Ltd.	Domestic non-state legal person	1.00%	9,451,985	0	-	0
Shenzhen Guoshi Capital Management Co., Ltd. - Guoshi Capital - Robam Agent Holding Stage 2 Structured Private Equity Fund	Other	0.88%	8,311,165	0	-	0
Aberdeen Standard Investments (Asia) Limited - Aberdeen Global - China A-Shares Fund	Overseas legal person	0.75%	7,079,528	0	-	0
Hangzhou Yinchuang Investment Co., Ltd.	Domestic non-state legal person	0.74%	7,020,000	0	-	0
Ren Jianhua	Domestic natural person	0.62%	5,923,150	0	-	0
Central Huijin Investment Ltd.	State legal person	0.60%	5,685,810	0	-	0
Shareholding of top 10 shareholders with unlimited sales conditions						

2.

shareholdings of the Company

☐ Applicable ☒ Not applicable

Section 5: Important Matters

I. Cases and causes for the change in the main financial data and financial indexes during the reporting period

√Applicable □ Not applicable

1. Balance sheet items

- The monetary capital increased by 47.74% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the increase of the company's payment collection and the decrease of the amount of money to purchase the bank financial products.
- The advances to suppliers increased by 38.22% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the increase in the purchase of raw materials.
- Other current assets decreased by 35.91% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the decrease of the bank financing in the current period.
- Available-for-sale financial assets decreased by 100% at the end of the reporting period compared to the beginning of the year and other equity instrument investments increased by 100% compared to last year, which were caused by the change in the reclassification of items.
- The long-term equity investment increased by 81.34% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the profit increase of De Dietrich Trade (Shanghai) Co., Ltd. invested by the company in the current period.
- The construction in progress increased by 36.58% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the infrastructure investment in Maoshan Intelligent Manufacturing Park in the current period.
- The long-term unamortized expenses decreased by 80.94% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the amortization of long-term deferred expenses in previous period.
- The accounts payable increased by 31.88% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the increase in the purchase transactions with the sales revenue in the current period.
- The payroll payable decreased by 90.93% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the payment of employee salaries and bonuses last year.
- The tax payable increased by 64.30% at the end of the reporting period compared to the beginning of the year, which was mainly caused by the increase in the income tax expenses in the current period.

2. Income statement items

- The non-operating income decreased by 52.49% in the reporting period compared to the last year, which was mainly caused by the decrease of the government subsidies in the current period.
- The non-operating expenditure increased by 217.58% in the reporting period compared to the last year, which was mainly caused by the increase of the donation outlay and the scrap of some products in the current period.

3. Cash flow statement items

- The net cash flow from investment activities decreased by 227.81% in the reporting period compared to the last year, which was mainly caused by the company's payment for the investment fund for merger and acquisition of Kinde last

year and no major investment projects in current period.

II. Progress of important matters and their impact and solution analysis

☐ Applicable ☒ Not applicable

Implementation progress of share repurchase

☐ Applicable ☒ Not applicable

Implementation progress of reducing repurchased shares by centralized competitive bidding

☐ Applicable ☒ Not applicable

III.

related parties, acquirer and other commitment parties during the reporting period

☐ Applicable ☒ Not applicable

No commitments not fully fulfilled by the Company's actual controller, shareholders, related parties, acquirer and other commitment parties during the reporting period

IV. Estimate of annual business performance for 2019

It is estimated that the change rate of the net profits attributable to shareholders of listed companies in 2019 ranges from 2% to 10%

V. Financial assets measured with fair value

☐ Applicable ☒ Not applicable

VI. Illegal external guarantee

☐ Applicable ☒ Not applicable

No illegal external guarantee of the Company during the reporting period.

VII. Non-operating occupation of funds of listed companies by controlling shareholders and their related parties

☐ Applicable ☒ Not applicable

No non-operating occupation of funds of listed companies by controlling shareholders and their related parties during the reporting period.

VIII. Entrusted financing

☒ Applicable ☐ Not applicable

Unit: 10,000 yuan

