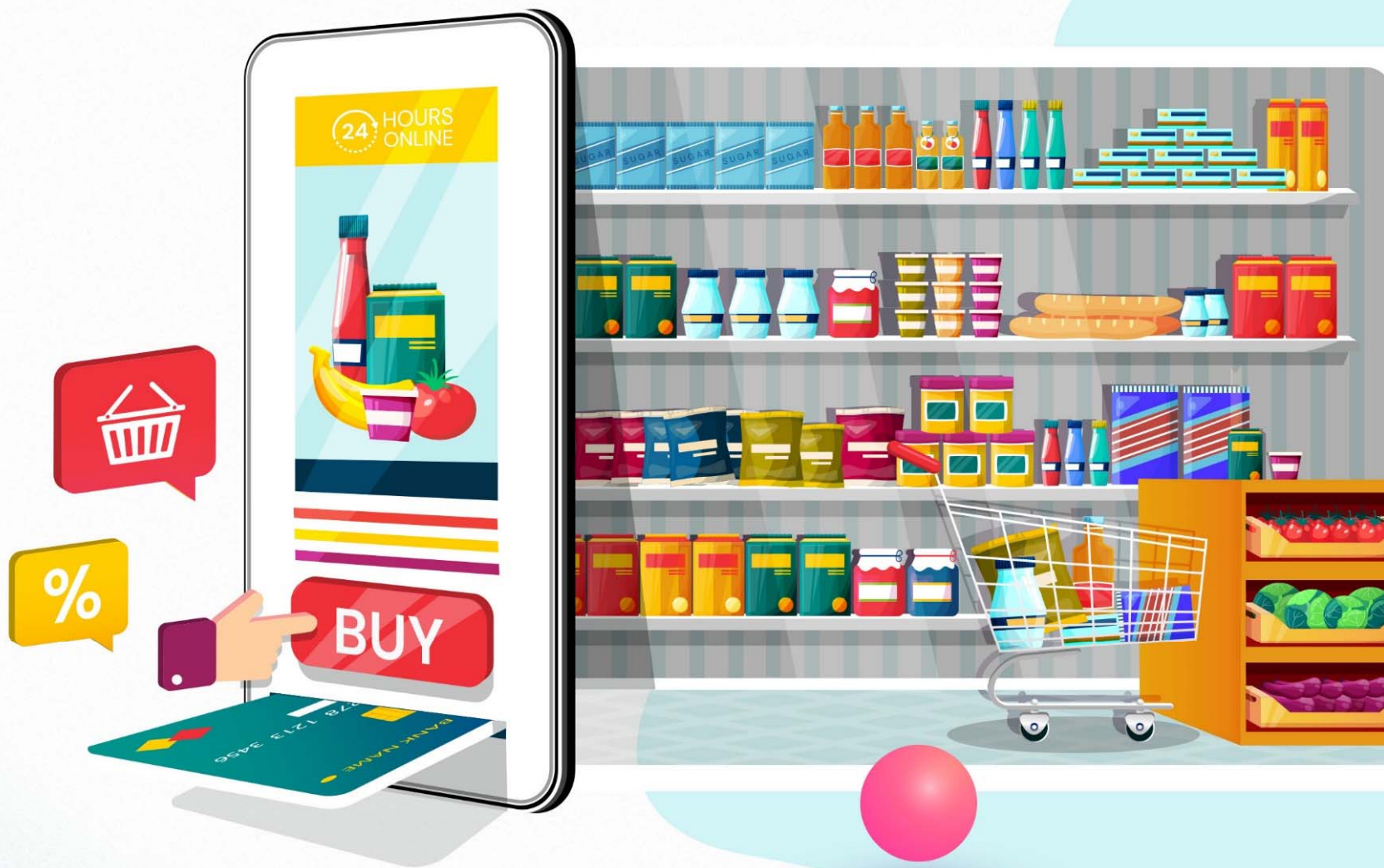


北京京客隆
商业集团股份有限公司
BEIJING JINGKELONG COMPANY LIMITED

2021 Annual Results

March 30, 2022



Agenda

Financial Review

Business Review

Prospects

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Financial Review



Financial Summary



(RMB'000)	2021	2020	Change
	For the year ended 31 December		
Principal operating income	10,100,312	11,000,471	-8.2%
Gross profit	1,209,169	1,290,315	-6.3%
Operating profit	46,237	155,868	-70.3%
Net profit attributable to shareholders	-22,474	54,661	-141.1%
Basic earnings per share (RMB cents)	-5.45	13.26	-141.1%
Proposed final dividend (RMB cents)	5.0	10.0	-50.0%

Impact of Change in Leasehold Policy



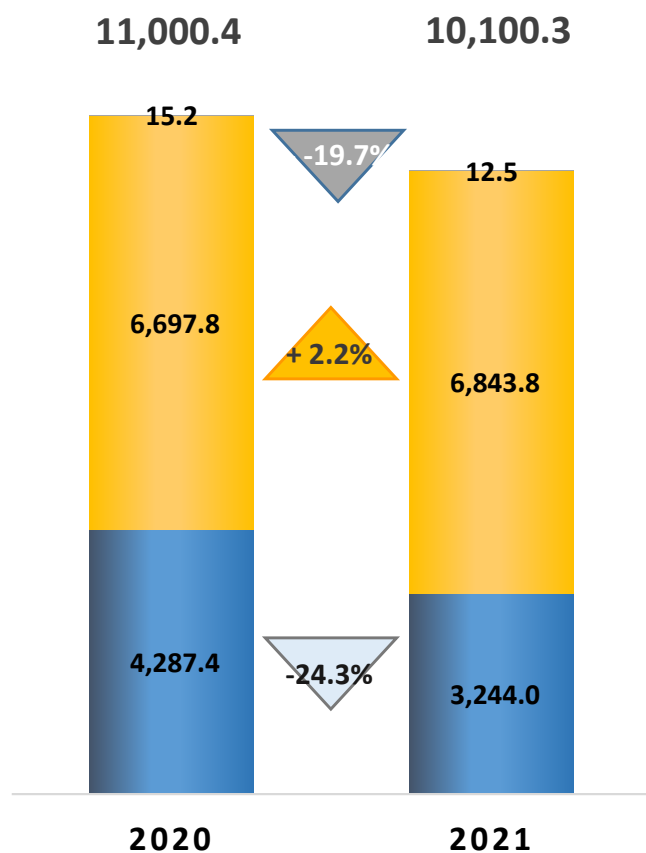
(RMB'000)	New Policy	Original Policy	Impact
	Jan-Dec 2021	Jan-Dec 2021	Jan-Dec 2021
Selling expenses	1,610,844	1,641,907	-31,063
including: depreciation	271,826	85,675	186,151
rental expenses	17,008	234,222	-217,214
Financial expenses	144,828	95,109	49,719
Gains on disposal of assets	5,483	-143	5,626
Total operating income	46,237	59,267	-13,030
Total profit	43,339	56,370	-13,031
Income tax expenses	32,395	36,306	-3,911
Net profit	10,944	20,064	-9,120
Net profit attributable to shareholders of the parent company	-22,474	-14,263	-8,211

Principal Income & Cost Analysis



Breakdown of Principal Operating Income

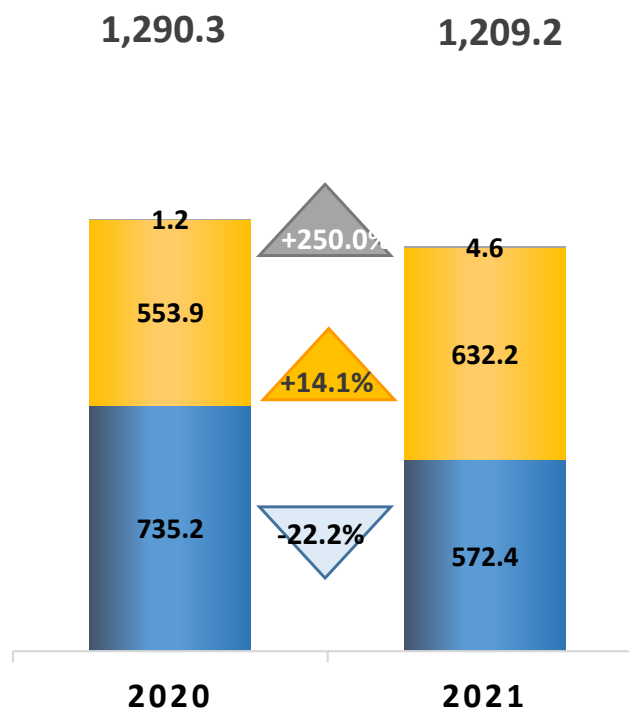
(RMB'm)



■ Retail ■ Wholesale ■ Others

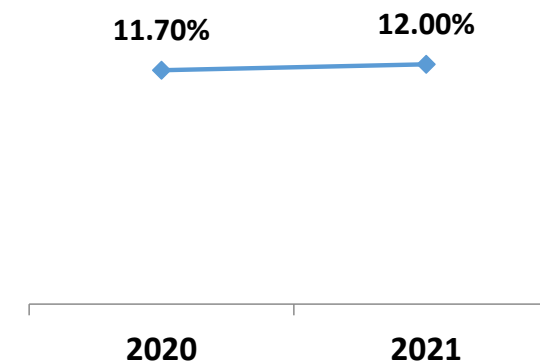
Breakdown of Gross Profit

(RMB'm)



■ Retail ■ Wholesale ■ Others

Gross Profit Margin



Cost Breakdown



(RMB '000)	2021	2020	Change
Selling and distribution expenses	1,610,844	1,745,482	-7.7%
Administrative expenses	283,286	250,278	+13.2%
<i>Selling and distribution expenses & administration expenses) / revenue from principal business</i>	18.8%	18.1%	+0.7p.p
Including:			
• Marketing expenses	523,065	613,560	-14.7%
• Labor costs	722,488	709,513	+1.8%
Financial expenses	144,828	169,318	-14.5%

Operation Cycle



For the year ended 31 December	Retail Business		Wholesale Business	
	2021	2020	2021	2020
Inventory turnover days	38	33	71	69
Debtor turnover days	5	3	49	58
Creditor turnover days	74	63	38	38



Business Review





Number and net operating area of retail outlets as at 31 December 2021

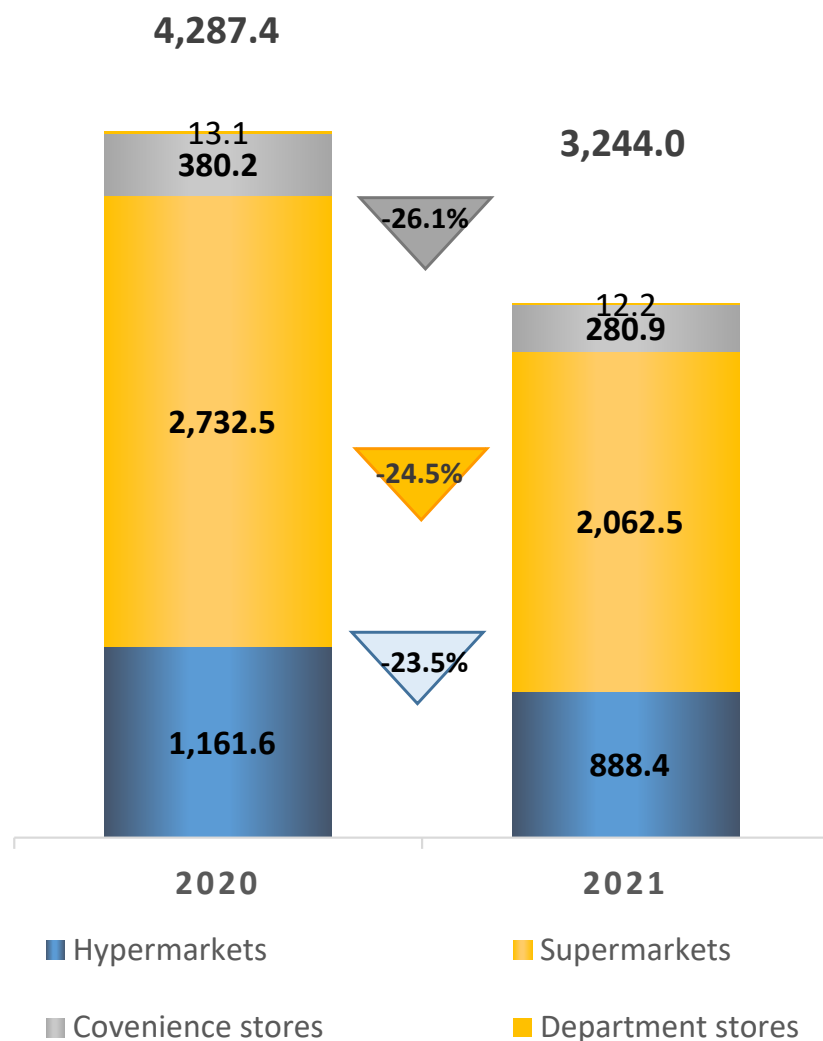
	Department Stores	Hypermarkets	Supermarkets	Convenience Stores	Total
Number of retail outlets:					
Directly -operated	1	10	54	84	149
Franchise-operated				12	12
Total	1	10	54	96	161
Net operating area (square meters):					
Directly-operated	27,800	69,010	121,716	16,874	235,397
Franchise-operated				3,294	3,294
Total	27,800	68,010	121,716	20,168	238,691

- During the Reporting Period, the Group renovated and upgraded 4 stores (including one supermarket and 3 convenience stores), opened 5 franchise-operated retail stores.
- Due to the expiry of the lease terms, modifications to the operation strategy, the Group closed down 1 hypermarket, 2 supermarkets, 7 directly-operated convenience stores and 13 franchise-operated convenience stores.

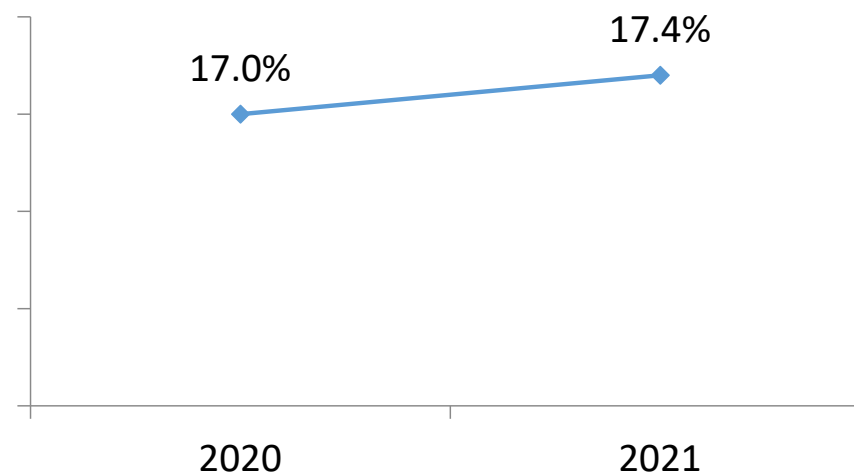
Revenue Breakdown of Retail Operation



(RMB' m)



Gross Profit Margin*



- Refers to the GP margin of directly-operated hypermarkets, supermarkets and convenience stores.

➤ SSSG in 2021 was -22.9% as compared to 5.22% in 2020

Retail Business Review



Rooted in “Goods + Services”, enhance commodity profitability

- Introduced category management
- Strengthened live and fresh produce supply chain management

Higher marketing and service level

- Launched “Wechat Service Group” at store level
- Created reasons for customers to visit store repeatedly

Increased online business performance capacity

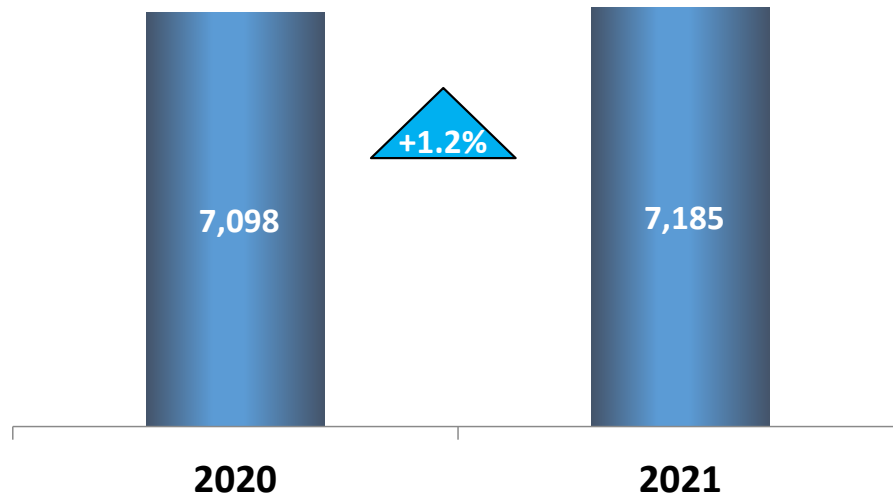
- Realized the inventory sharing across offline and online to improve the order fulfillment rate
- Controlled logistics cost

Wholesale Business Review

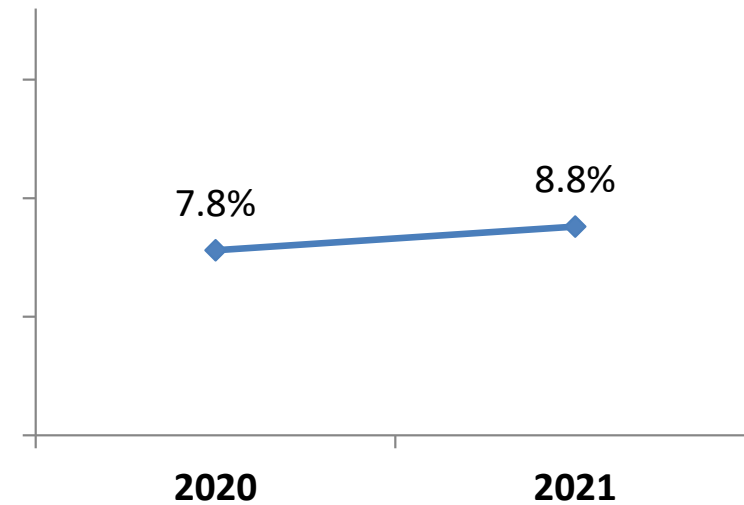


Revenue from principal business*

(RMB million)



Gross Profit Margin*



* Refers to revenue from principal business recognized by Chaopi Trading and its subsidiaries including intersegment sales

Wholesale Business Review



Orderly optimized the operating system building

- Continued to adjust the commodity mix by introducing new suppliers and new products.
- Further strengthened in-depth cooperation with major e-commerce platforms and explored emerging e-commerce players.

Promoted steady development of logistics

- Provided 24-hour uninterrupted logistics and distribution service under the normalized epidemic prevention and control measures.
- Improved the integration, standardization and professional management level of logistics



Development Strategy



In 2022, along with effective control over the pandemic and the unremitting efforts in economic recovery, the world economy and China's economy are rebounding in fluctuations. However, there are still challenges in growth rate fall, weak tenacity, faster aging, and green transformation.

Retail Operation

- Explore Jingkelong featured development path in the era of digital economy
 - insist on the consumer-based marketing strategy and operating philosophy
 - promote category management, tap consumer demands, clued by "consumer life itinerary"
- Solidify the strategic partnership with suppliers
- Erect the career growth platform for the employees

Wholesale Operation

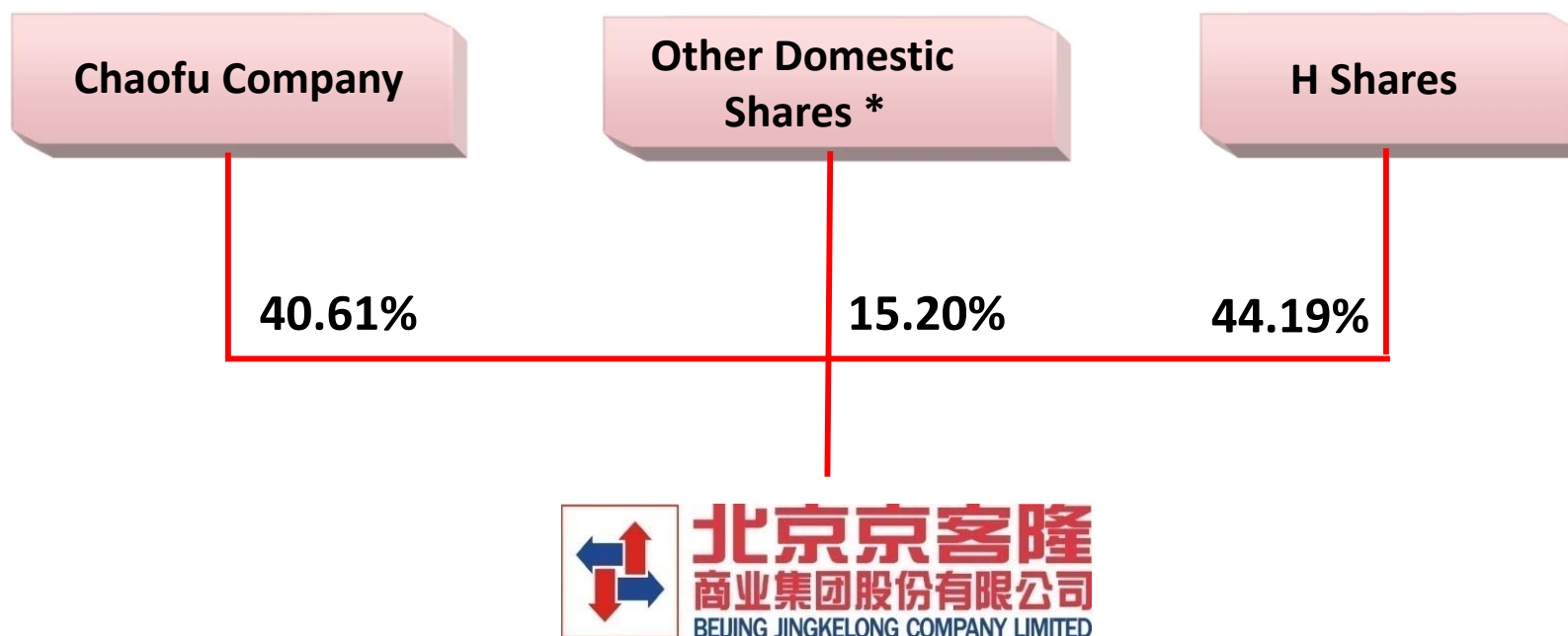
- Deepen in-depth cooperation with suppliers
- Expand sales channels
- Continuously improves the logistics service capability



Appendix



Appendix I: Shareholder Structure



** 9.9% Domestic Shares are held by the senior management and employees.*