

Suning.Com Co., Ltd.**2020 Semi-performance Forecast**

The Company and all the members of the Board of Directors confirm that all the information contained in this announcement is true, accurate and complete and that there is no false and misleading statement or material omission in this announcement.

I. Performance Forecast in Current Period

1. Performance forecast period: January 1 to June 30, 2020
2. Expected performance: ☒ Loss ☐ Turning of losses into profits ☐ Upward in the same direction ☐ Downward in the same direction

Content	Reporting period	Same period of last year
Net profit attributable to the shareholders of listed company	Loss: RMB 140.949 million - RMB 240.949 million	Profits: RMB 2,139.465 million

Note: In the second quarter of 2020, the net profit attributable to shareholders of the listed company is expected to be RMB 310 - 410 million. After deducting the net profit of non-recurring profits, it is expected that the loss will be RMB 150 - 250 million with a slight loss, which will continue to improve significantly compared with the same period of last year and the first quarter of 2020.

In the first half of 2020, the net profit to the listed company shareholders after deducting non-recurring profits is expected to be RMB - 650 million to - 750 million, which is greatly improved compared with - RMB 3.190 billion in the same period, with an expected year-on-year growth of 76.49% - 79.62%.

II. Pre-audit of Performance Forecast

The financial data related to the performance forecast has not been audited by an accounting firm.

III. Reasons for Performance Changes

1. Affected by the epidemic this year, problems such as macroeconomic downturn, restrained consumer demand and slow recovery of consumer confidence have brought great challenges to the development of the retail industry. In the face of external pressure, the Company gave full play to the

core capability of smart retail, accelerated the development of online business while slowly recovering offline business, and made every effort to promote community marketing, sales after departure and delivery business; increased the support of open platform, so as to increase the rapid growth of FMCGs, general merchandise and personal care products, effectively enhancing the activity of the platform; continuously accelerated the output of supply chain and logistics capabilities, and enhanced the development of retail cloud business. In the first half of the year, there were 1,563 retail cloud new stores opened by Suning. As of June 30, the number of Suning retail cloud stores was 5,926.

In the second quarter, the Company paid close attention to the May 1, air conditioning peak season sales and 618 Promotion, realizing a year-on-year growth of 8.34% in gross merchandise volume, a year-on-year growth of 27.11% in online gross merchandise volume, and a year-on-year growth of 127.57% in gross merchandise volume of Suning retail cloud business in the second quarter.

Overall, in the first half of the year, the gross merchandise volume of the Company was expected to grow by 5.35% year-on-year, and the gross merchandise volume in online platform was expected to grow by 20.19% year-on-year.

2. Carrefour China continued to promote the integration of supply chain, seized market opportunities to vigorously develop delivery business, and focused on cost reduction and efficiency improvement. In the first half of the year, Carrefour China made operating profit and positive operating cash flow, and steadily improved operation efficiency.

3. The Company strengthened cost control, accelerated store adjustment, promoted rent reduction, rent-free and sublease, and the rental expenses decreased on year-on-year basis; reduced personnel costs and improved human efficiency (especially to enhance the enthusiasm of staff) through streamlining the organization, promoting the partnership mechanism of stores and logistics; strengthened member operation and precision marketing, and controlled advertising and promotion rates. Meanwhile, due to the merger and acquisition of Wanda Department Store and Carrefour China last year, the amortization of intangible assets increased.

4. In terms of operating cash flow, the Company's net operating cash flow improved significantly on year-on-year basis with the recovery and improvement of sales, continuous management of commodity supply chain and optimization of capital turnover efficiency.

During the reporting period, the Company's non-recurring profits items mainly came from the acquisition of such five logistics project companies as Shandong Boning Suning.Com Commercial and Trading Co., Ltd., Wenzhou Suning Purchasing Co., Ltd., Hubei Suning Logistics Co., Ltd., Xi'an Hi-tech Zone Suning Yida Logistics and Storage Investment Co., Ltd. and Tianjin Jinning Yida Logistics Co., Ltd. under SCGC - Suning Yunxiang Warehouse Logistics Facility Asset-backed Special Scheme (epidemic prevention and control). The Company made a net profit of approximately RMB 520 million in this transaction. This transaction will revitalize the Company's stock assets, which will enable the Company to return capital for the acquisition of

high-quality logistics warehousing assets and the improvement of logistics operation capabilities.

In conclusion, in the first half of the year, the Company's net profit attributable to shareholders of the listed company lost RMB 141 million - 241 million. During the same period, due to the increase of investment income brought by Suning Convenience Stores (CVS)'s statement, the net profit attributable to shareholders of the listed company decreased year-on-year.

IV. Additional instructions

The performance forecast is the preliminary accounting result of the Company's financial department, and the specific financial data will be disclosed in detail in the Company's 2020 Semi-performance Forecast. Please be cautious in making decisions and pay attention to investment risks.

It is hereby announced.

Suning.Com Co., Ltd.

Board of Directors

July 14, 2020