

ZEPH HEALTH

ZEPH

Earnings Presentation

Fourth Quarter 2021

March 17, 2022



4Q21 Financial and Operating Results



Revenue
RMB1,661.6 M

Meeting guidance range



Adjusted Net Income
attributable to Zepp **

RMB52.0 M

Units Shipped

8.3 M

Xiaomi

5.9 M



Self-branded

2.4 M

**Adjusted net income, a non-GAAP financial measure, represents net income excluding share-based compensation, and such adjustment has no impact on tax

FY21 Financial and Operating Results



Revenue
RMB6,250.1 M

Meeting guidance range



Adjusted Net Income
attributable to Zepp **

RMB220.9 M

Units Shipped

36.1 M

Xiaomi

28.5 M



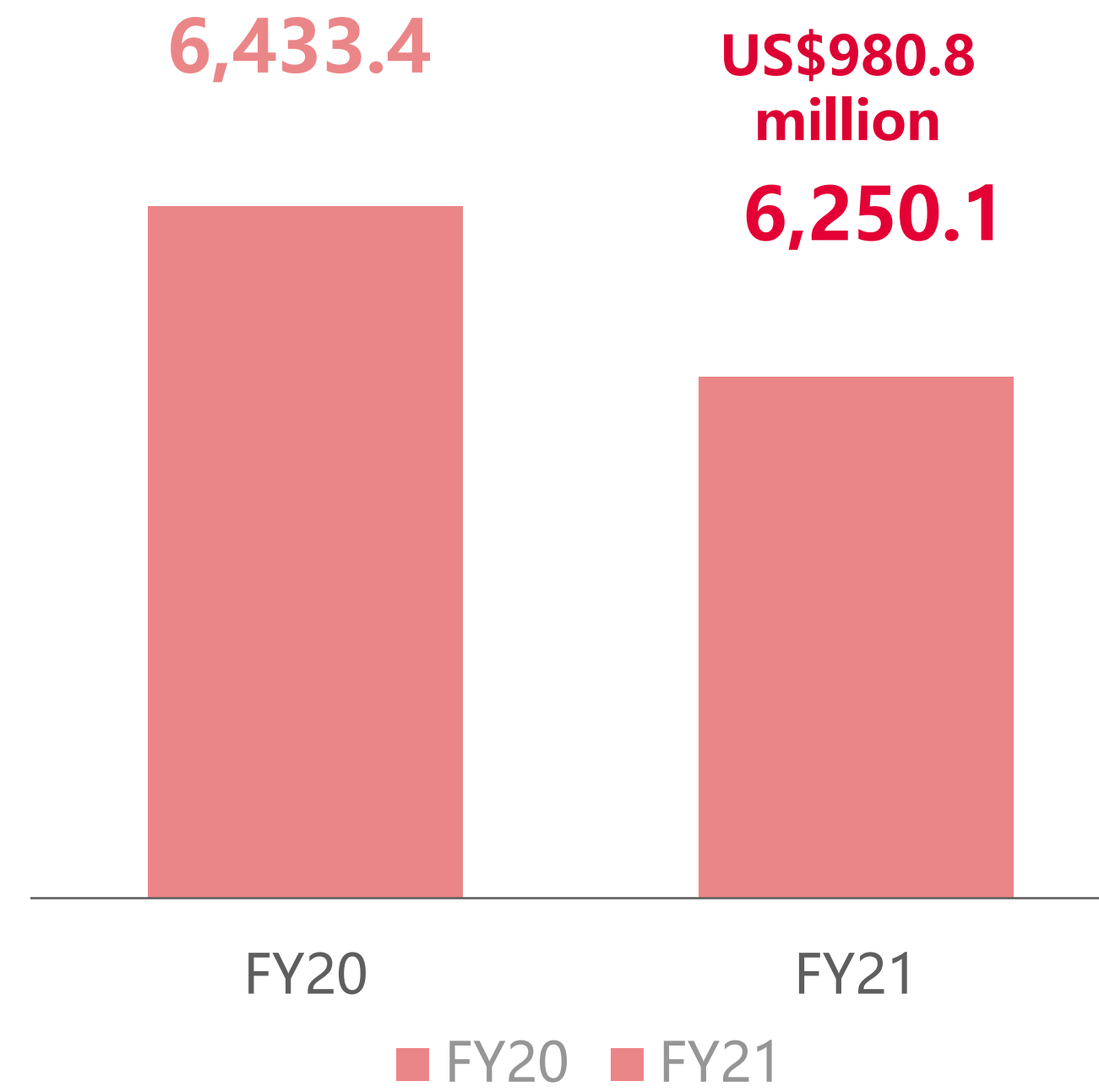
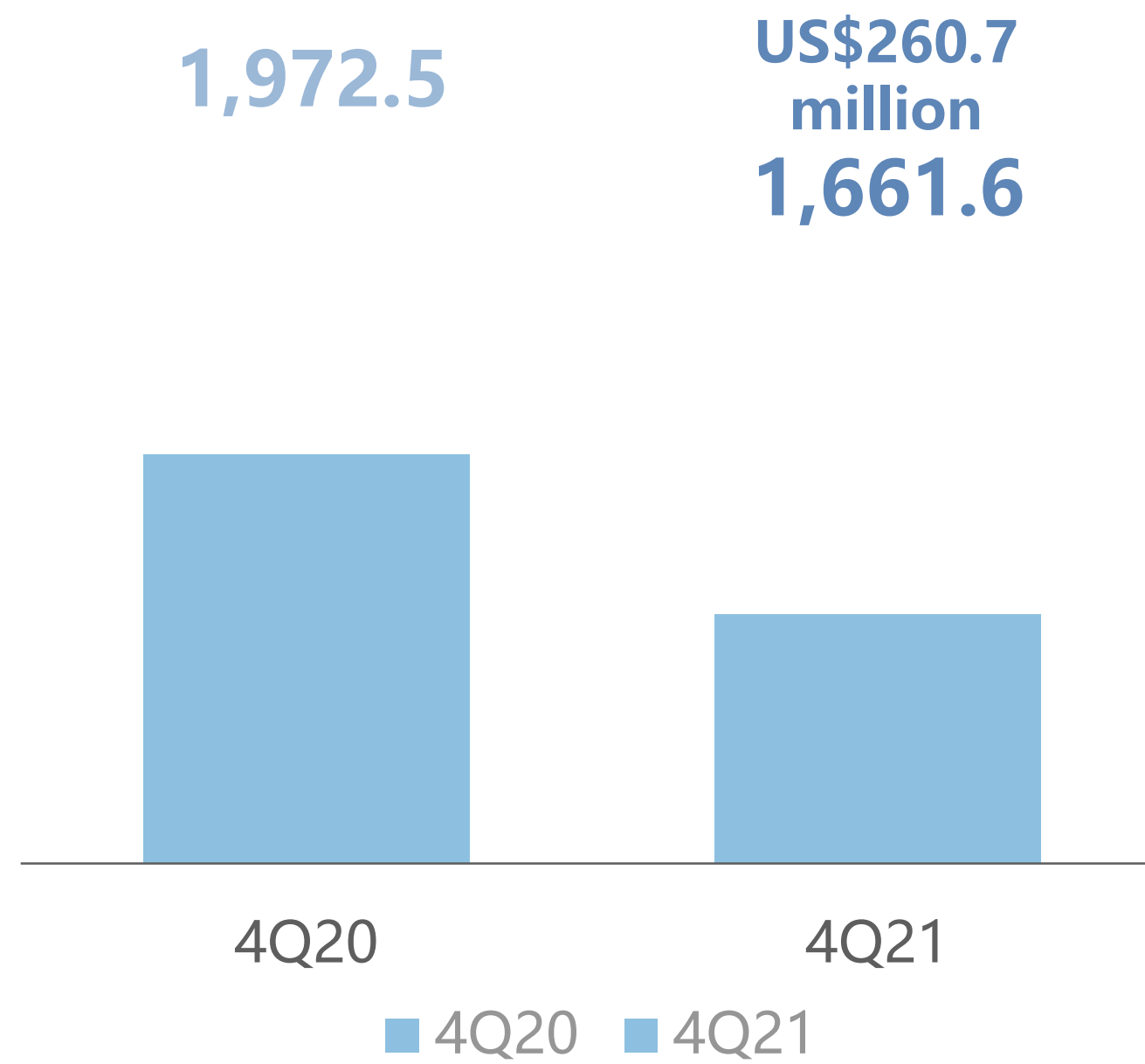
Self-branded

7.6 M

**Adjusted net income, a non-GAAP financial measure, represents net income excluding share-based compensation, and such adjustment has no impact on tax

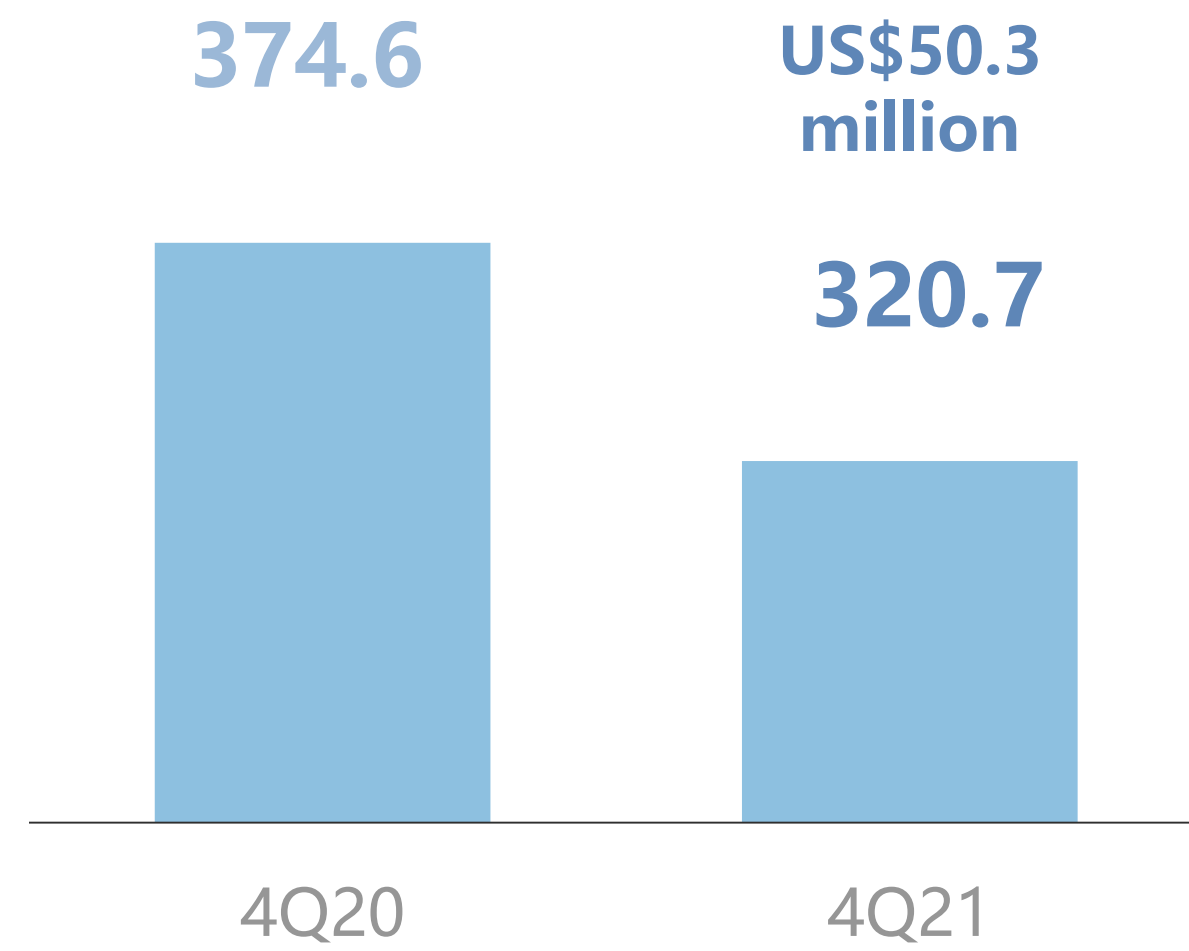
Revenue

(RMB in Millions)

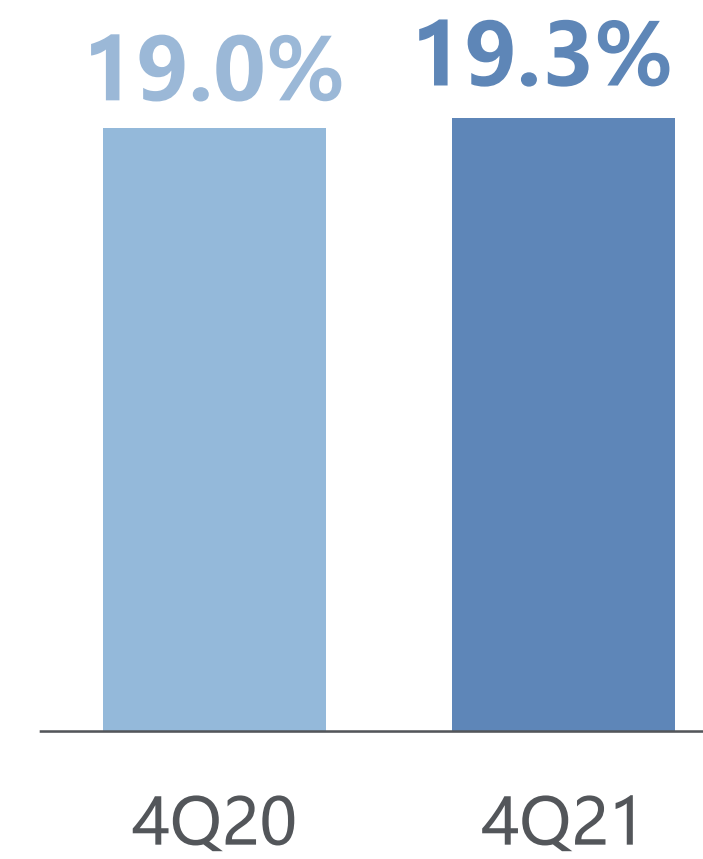


Gross margin 4Q21

Gross Profit (RMB in Millions)

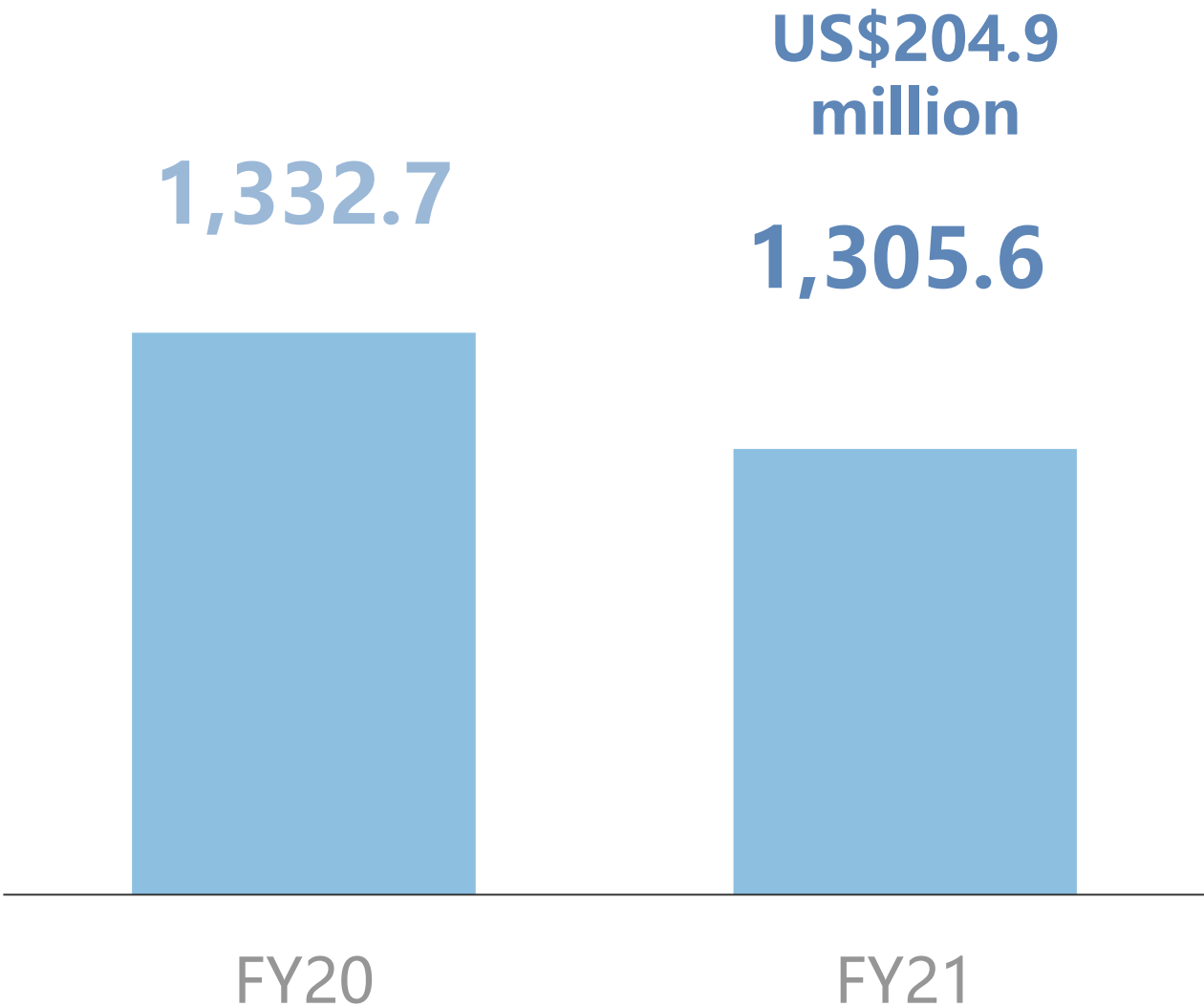


Gross margin as a % of total revenue

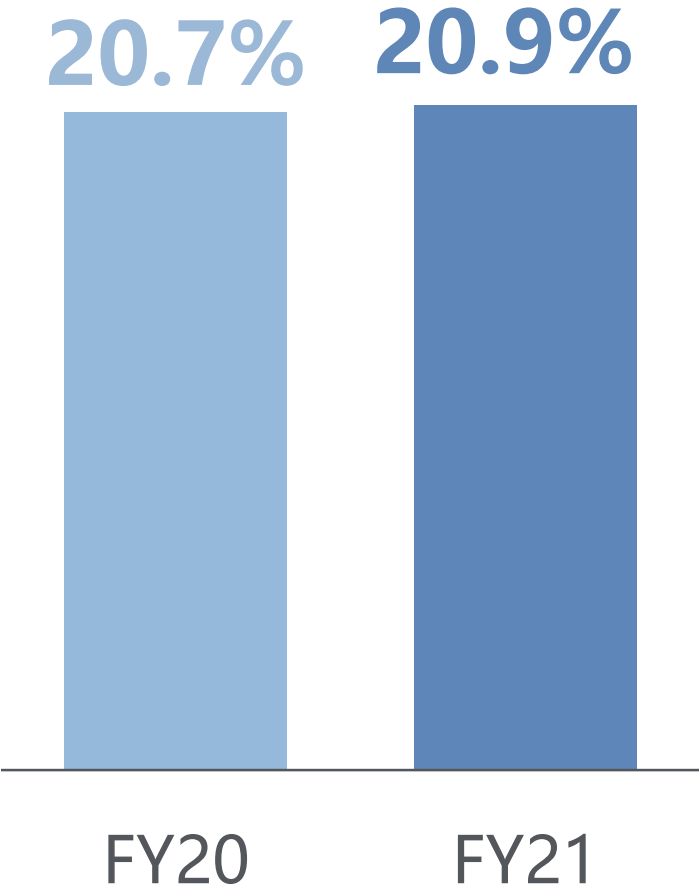


Gross margin FY21

Gross Profit (RMB in Millions)

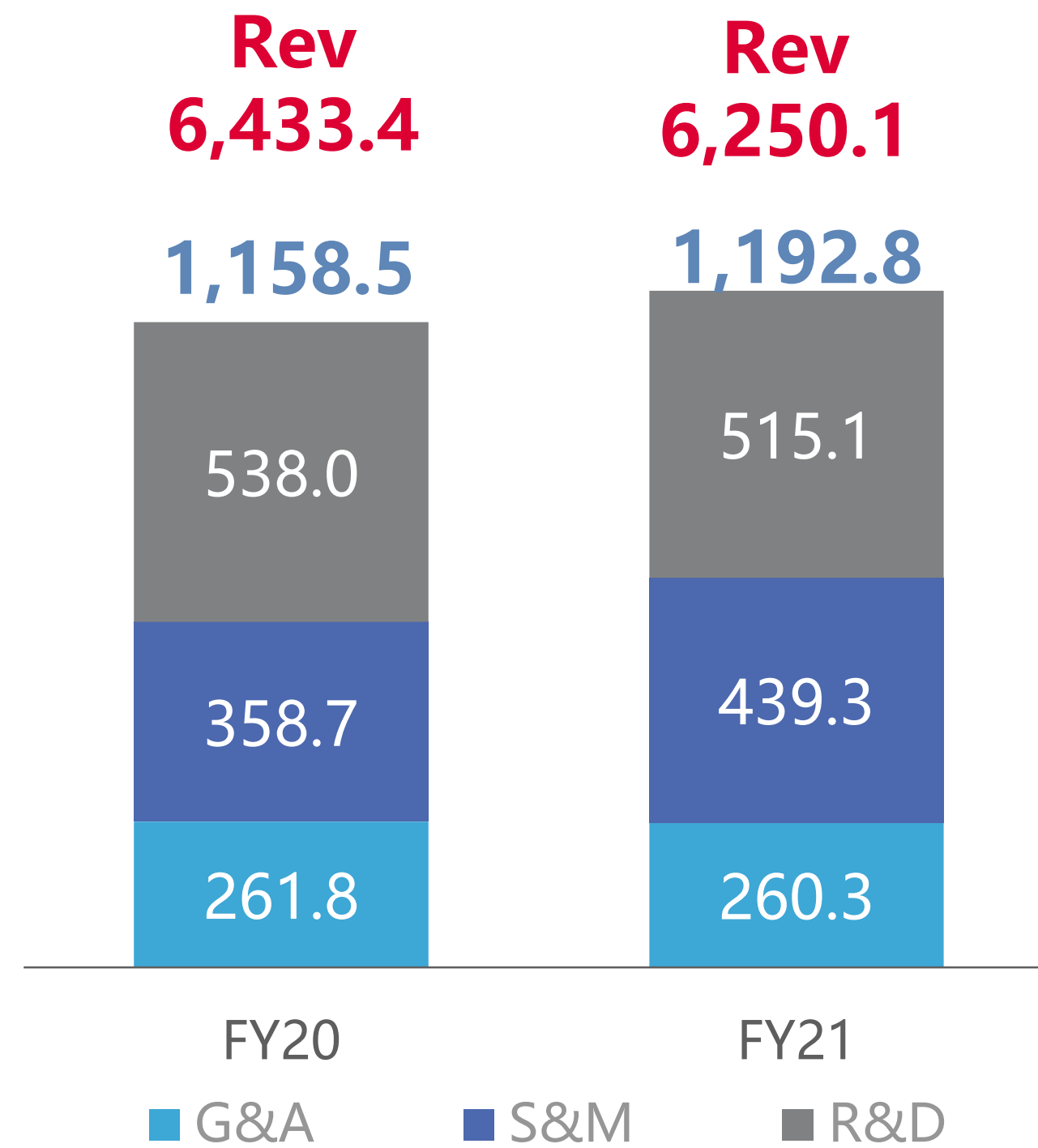


Gross margin as a % of total revenue

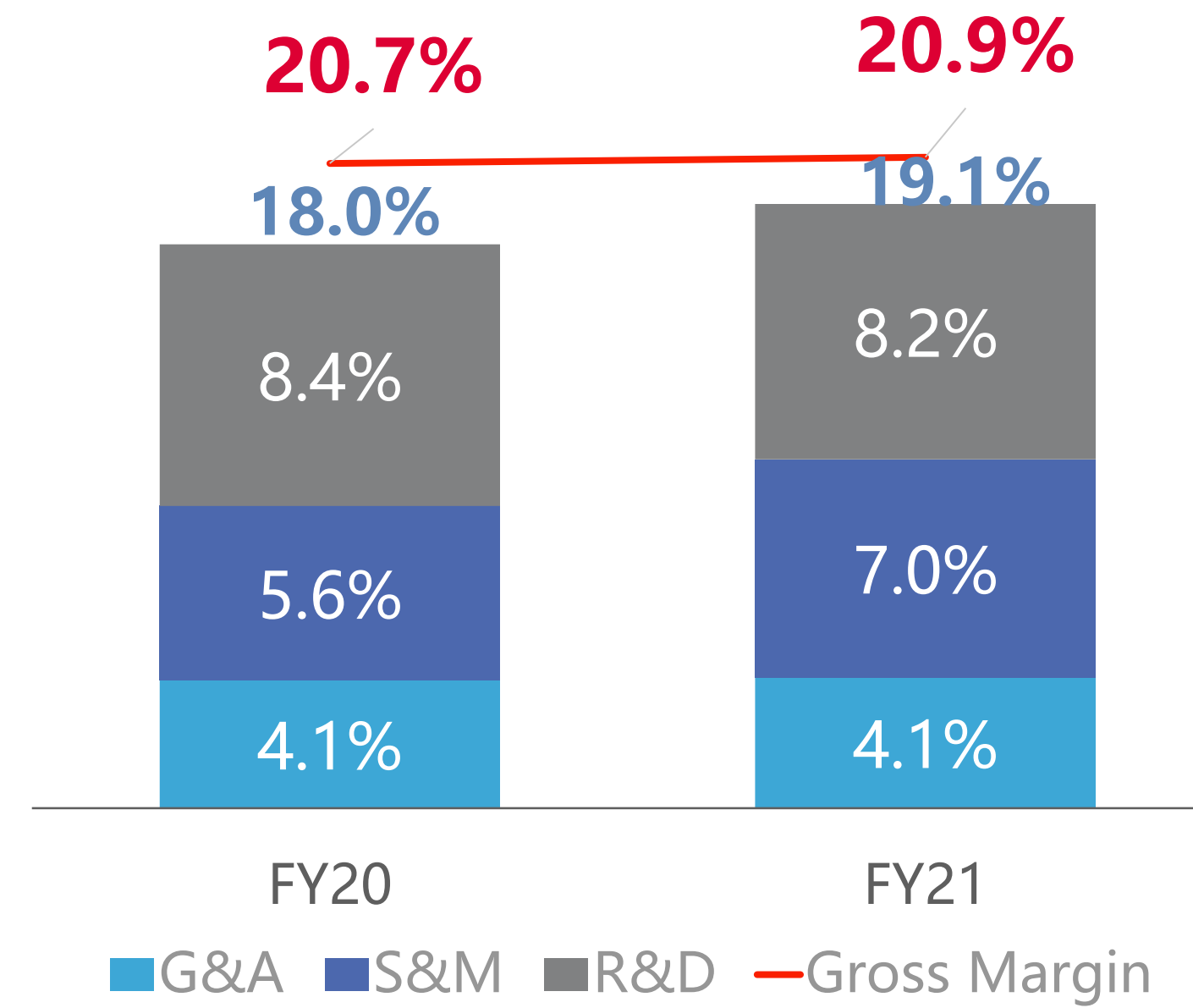


Operating expenses trend-FY21

Operating expenses (RMB in Millions)



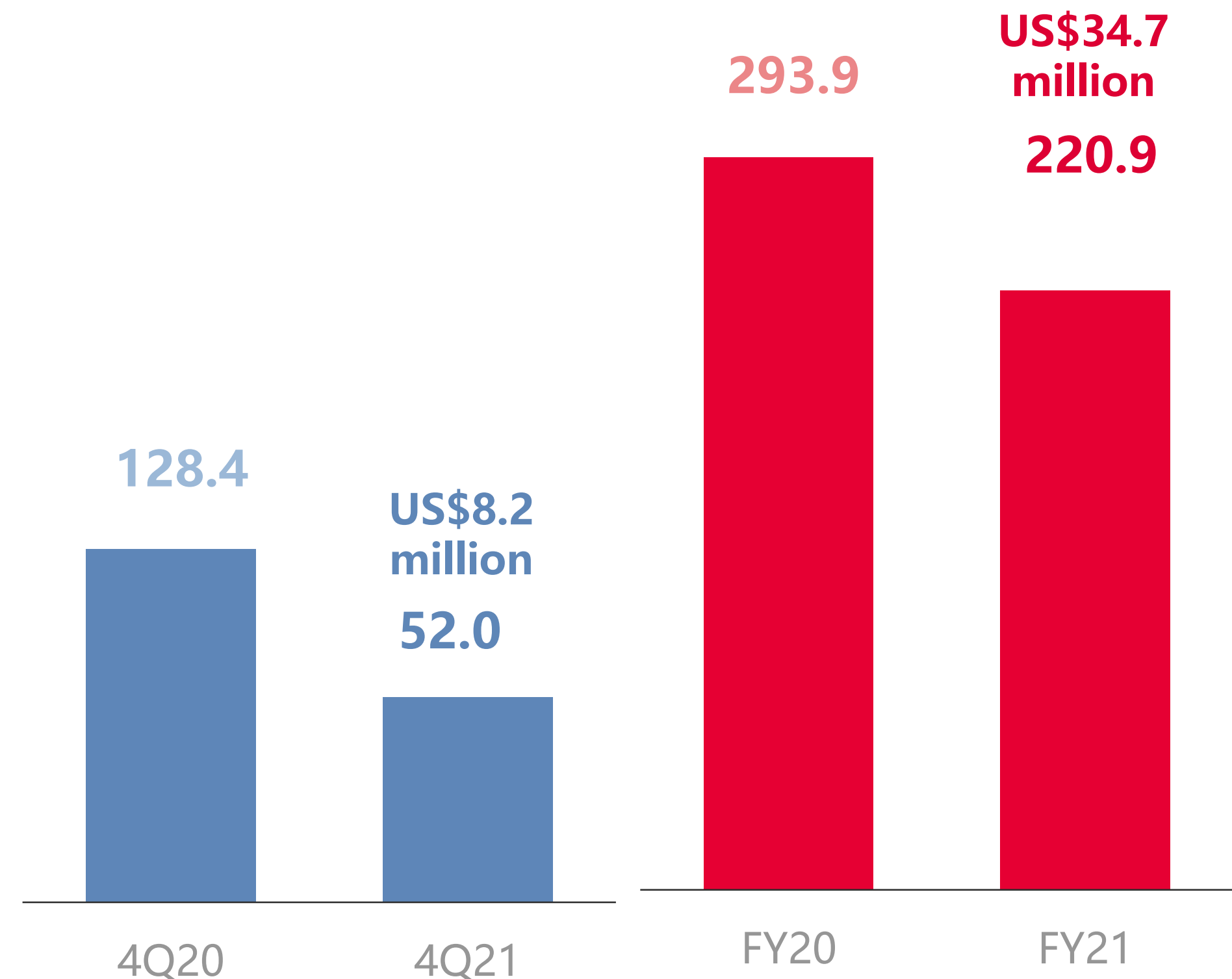
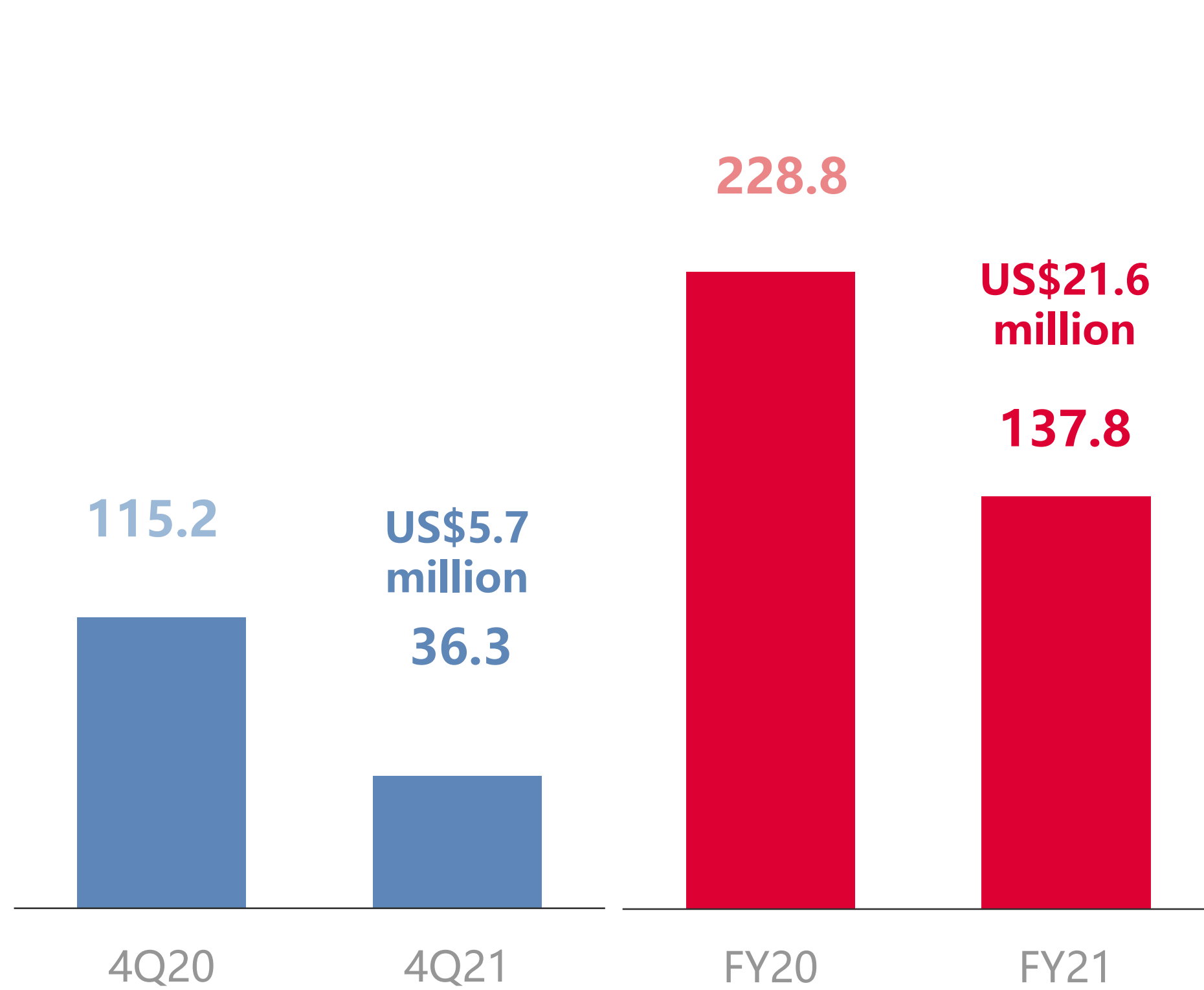
Operating expenses as a % of total revenue



Net Income Performance

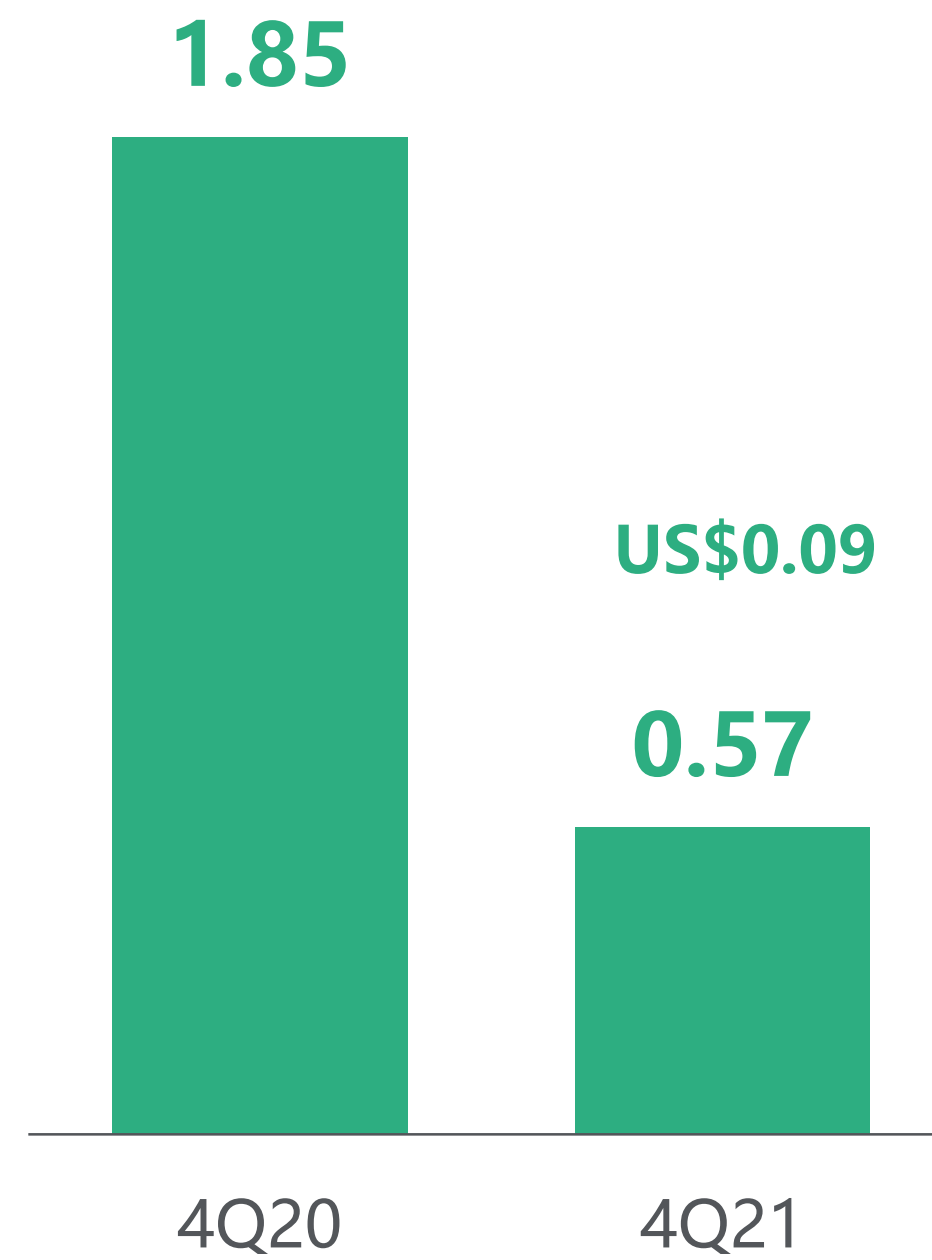
Net Income Attributable to Zepp
(RMB in Millions)

Adjusted Net Income Attributable to Zepp
(RMB in Millions)

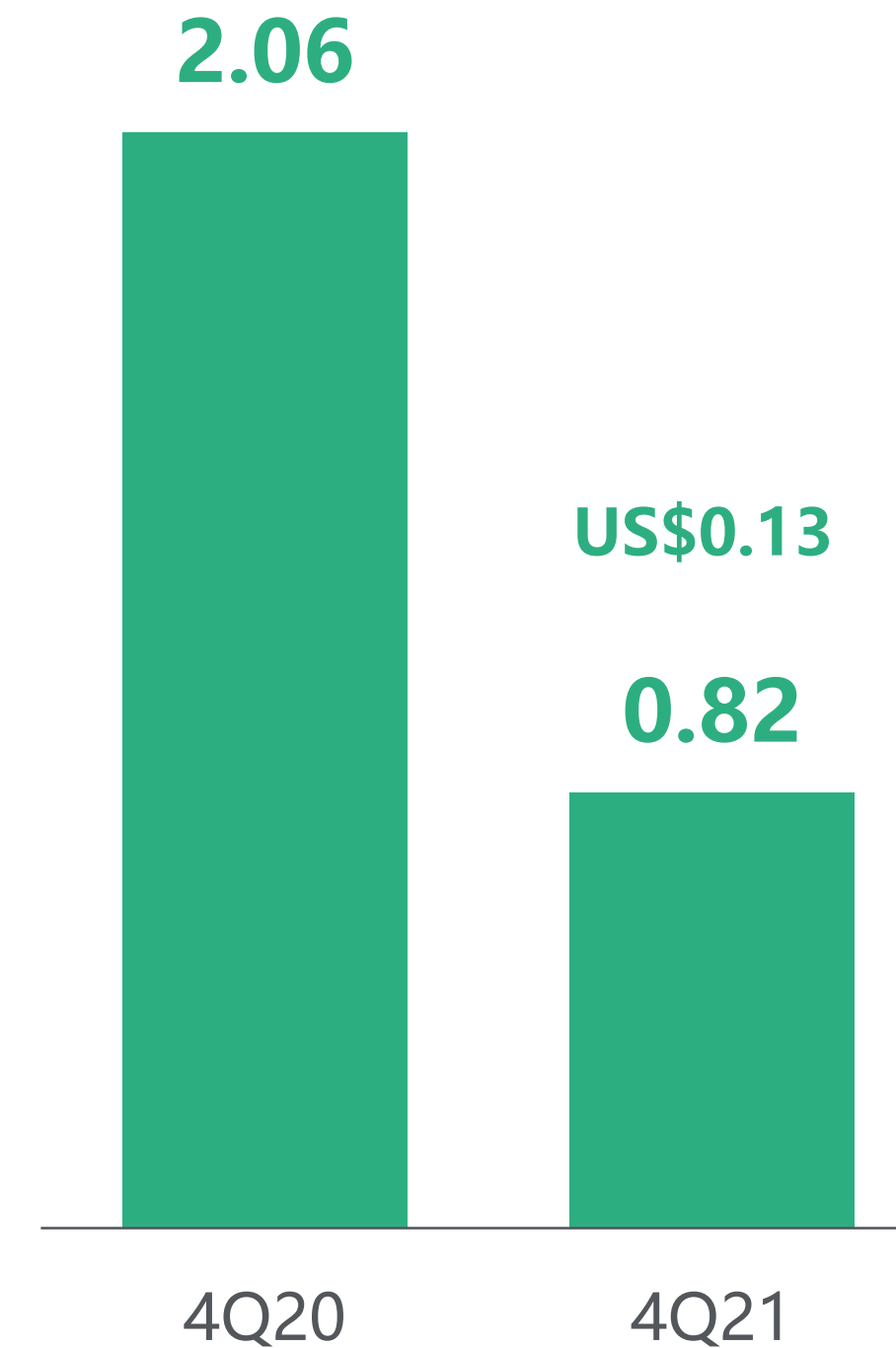


ITQ Earnings Performance

Earnings per ADS
(Basic)
(RMB)

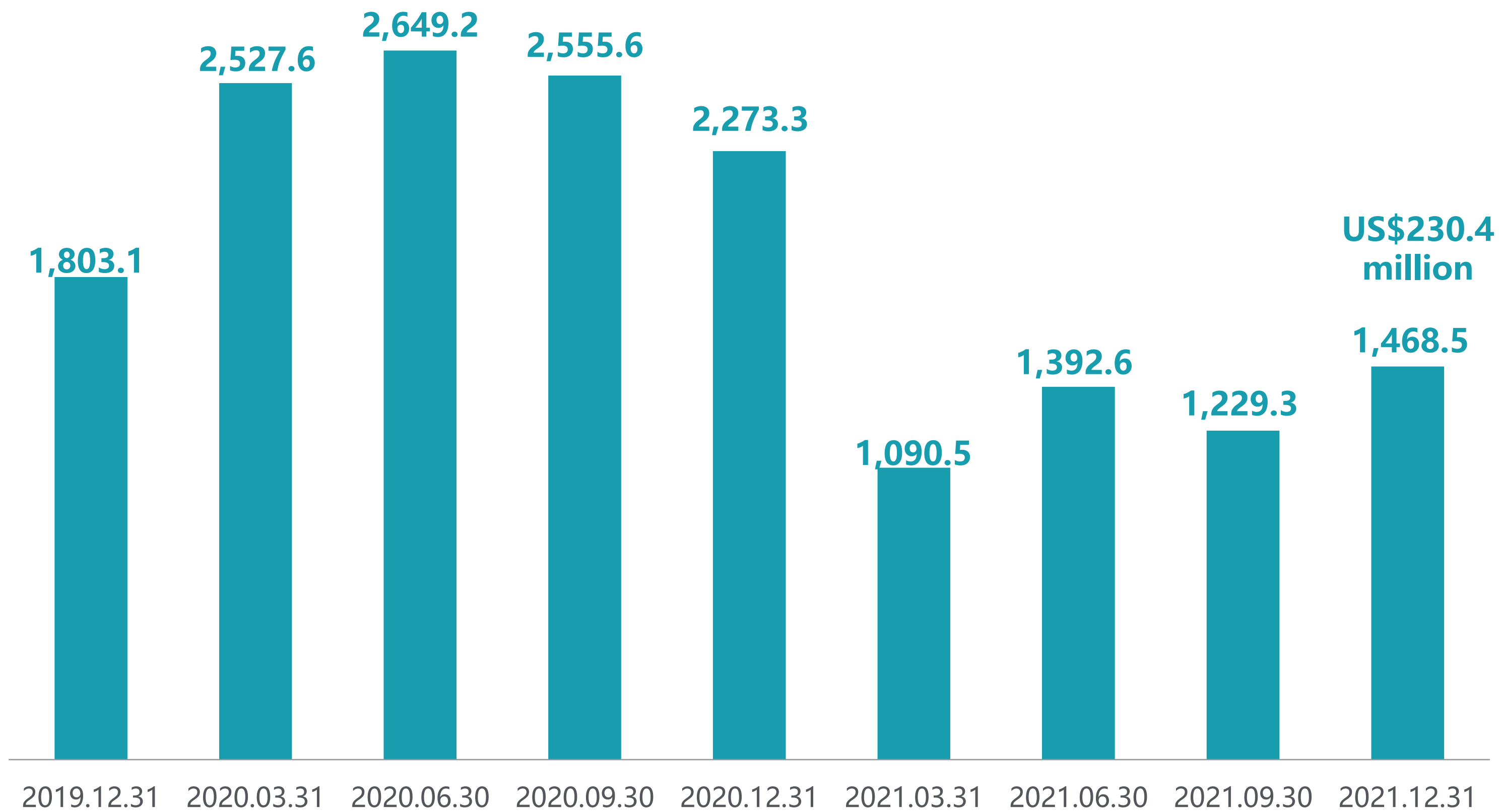


Adjusted Earnings per ADS
(Basic)**
(RMB)



Liquidity Position

Cash and Cash Equivalents
(RMB in Millions)



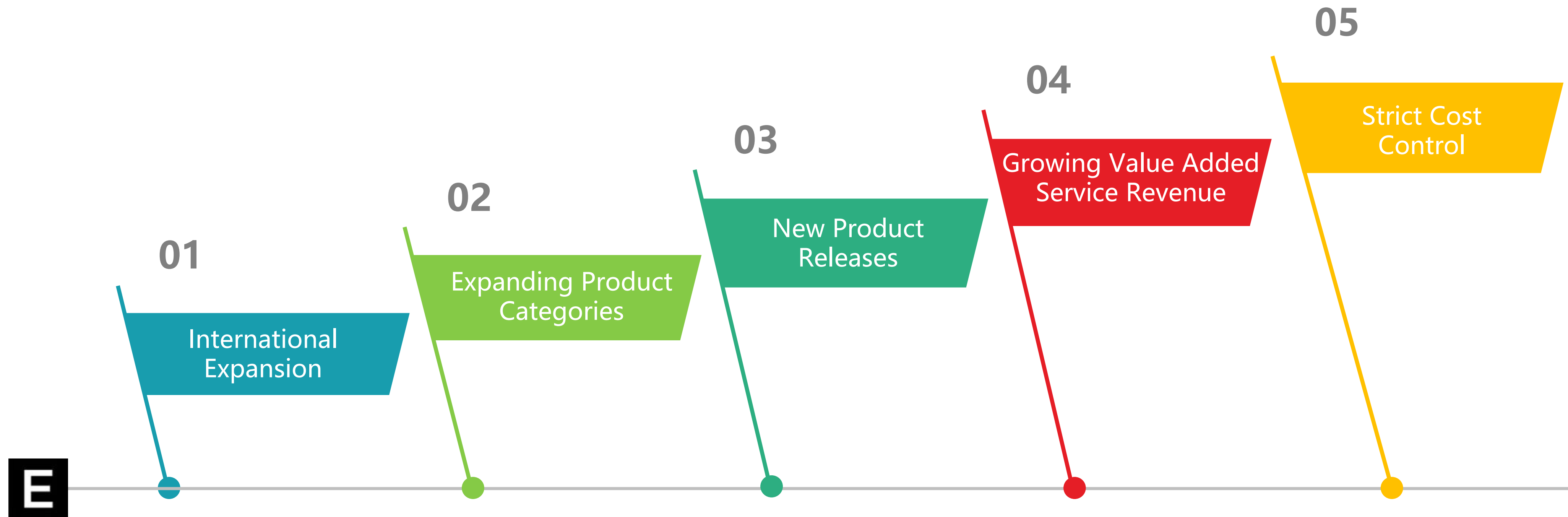
- Share Repurchase Program**
- 2021/12/31 - US\$3.4 million
 - Until today – US\$6 million

- Special Dividend**
Cash dividend
- US\$0.025 per ordinary share
 - US\$0.1 per ADS

Business Outlook

For the first quarter of 2022, the Company currently expects:

- Net revenues to be between RMB0.75 billion and RMB1.0 billion, compared with RMB1.15 billion in the first quarter of 2021.





THANKS



Key financial tables

Fourth Quarter and Full Year 2021 Financial Summary

GAAP in millions, except for percentages and per share/ADS amounts	For the Three Months Ended		For the Full Year Ended	
	Dec. 31, 2021	Dec. 31, 2020 ¹	Dec. 31, 2021	Dec. 31, 2020 ¹
Revenue RMB	1,661.6	1,972.5	6,250.1	6,433.4
Revenue US\$	260.7	302.3	980.8	986.0
Gross Margin	19.3%	19.0%	20.9%	20.7%
Net income attributable to Zepp Health Corporation RMB	36.3	115.2	137.8	228.8
Adjusted net income attributable to Zepp Health Corporation RMB ²	52.0	128.4	220.9	293.9
Diluted net income per share RMB	0.14	0.44	0.52	0.88
Diluted net income per ADS US\$	0.09	0.27	0.33	0.54
Adjusted diluted net income per share RMB ³	0.20	0.49	0.84	1.13
Adjusted diluted net income per ADS US\$	0.12	0.30	0.52	0.69
Units Shipped	8.3	13.3	36.1	45.7