

Stock code: 002032

Short form: Supor

Announcement No.:2022-010

## **Announcement of Resolutions of the 12<sup>th</sup> Session of the Seventh Board of Directors**

This Company and all members of the Board of Directors hereby warrant that all information disclosed here are true, accurate and complete, and contain no fictitious statement, misleading information or significant omission.

The notice of the 12<sup>th</sup> Session of the Seventh Board of Directors of Zhejiang Supor Co., Ltd. (hereinafter referred to as “the Company”, “this Company” or “Supor”) has been sent to directors via email on March 21, 2022. The Meeting has been held via on-site and communication means on March 31, 2022. Nine (9) directors should attend the meeting and the actual number of directors presented was nine (9). The on-site meeting was presided over by director Mr. Tai Wai Chung. Supervisors and top management of the Company attended the meeting. The convening, holding and voting procedures of the meeting are in compliance with relevant laws, regulations and the Articles of Association of the Company.

Following resolutions were made after serious discussion of the directors present at the meeting:

### **I. The Proposal on the Work Report of General Manager 2021 was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

### **II. The Proposal on the Work Report of the Board of Directors 2021 was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Work Report of the Board of Directors 2021 can be found in Section III of the Annual Report 2021. The full text of the Annual Report 2021 is published in [cninfo.com.cn](http://cninfo.com.cn) dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

Independent directors Mr. Hervé MACHENAUD, Mr. Jean-Michel PIVETEAU and Mr. Chen Jun,

have submitted to the Board of Directors their “Report on Duty Performance of Independent Directors in 2021”, and will report on their works at the Annual General Meeting of Shareholders for 2021 Fiscal Year.

The Reports on Duty Performance of Independent Directors in 2021 are published in [cninfo.com.cn](http://cninfo.com.cn) dated April 1, 2022.

### **III. The Proposal on Annual Report 2021 and Abstract was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

The full text of the Annual Report 2021 is published on [cninfo.com.cn](http://cninfo.com.cn) dated April 1, 2022; the Abstract is published in Securities Times, China Securities Journal, Securities Daily and [cninfo.com.cn](http://cninfo.com.cn) dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

### **IV. The Proposal on Corporate Social Responsibility Report 2021 was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

The full text of the Corporate Social Responsibility Report 2021 is published on [cninfo.com.cn](http://cninfo.com.cn) dated April 1, 2022

### **V. The Proposal on Final Financial Report 2021 was reviewed and adopted.**

The total sales for 2021 realized CNY21,585.33 million yuan, increased by 16.07% YoY; total profit was CNY2,385.78 million yuan, increased by 8.43% YoY; and the net profit attributable to the parent company was CNY1,943.94 million yuan, increased by 5.29% YoY.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

### **VI. The Proposal on Profit Distribution Plan 2021 was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

After discussion, the Company decided to distribute cash dividends to investors. The distribution

plan is as follows:

Based on the 808,678,476 shares at the end of 2021, the Company will distribute all shareholders cash dividends of CNY19.30 per 10 shares (tax included), issue 0 bonus shares (tax included) and will not convert capital reserves to capital.

During the period from the disclosure of this profit distribution preplan to the actual implementation date, if the Company's capital stock changes due to conversion of convertible bonds into stocks, share repurchases, equity incentive exercise, and refinancing and new share listing, it will be executed based on the changed capital stock, and the above distribution ratio remains unchanged.

The Board of Directors believes that the Profit Distribution Plan is in compliance with Company Law, rules of CSRC and Shenzhen Stock Exchange, and provisions of the Articles of Association.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**VII. The Proposal on Self-Evaluation Report on Internal Control System 2021 was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Self-Evaluation Report on Internal Control System 2021 can be found in cninfo.com.cn dated April 1, 2022.

**VIII. The Proposal on Continuing to Engage Audit Authority 2022 was reviewed and adopted.**

In light of very high business proficiency and good service awareness, KPMG Certified Public Accountants (special general partnership) reflected the Company's financial conditions very objectively and fairly on the principle of independent audit in 2021 fiscal year. The Company decided to engage KPMG Certified Public Accountants (special general partnership) to serve as the financial audit authority in 2022 fiscal year to be liable for the financial audit of the Company.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Announcement of Continuing to Engage Audit Authority 2022 can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**IX.The Proposal on Signing Daily Connected Transaction Agreement with SEB S.A. for 2022 Year was reviewed and adopted.**

The proposal was adopted with the voting results of 4 in favor, 0 against, 0 abstention and 5 withdrawal.

Mr. Thierry de LA TOUR D'ARTAISE, Mr. Stanislas de GRAMONT, Ms. Nathalie LOMON, Ms. Delphine SEGURA VAYLET and Mr. Tai Wai Chung are concurrently top management of SEB Group. Therefore, they are connected directors who have withdrawn from the voting of this proposal.

Details of the Announcement of Estimation of Daily Connected Transactions in 2022 can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**X. The Proposal on Short-term Investment Using Excessive Cash was reviewed and adopted.**

The Company plans to make short-term investment using excessive cash not exceeding 4 billion yuan.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Announcement of Short-term Investment Using Excessive Cash can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XI.The Proposal on Foreign Exchange Derivatives Trading was reviewed and adopted.**

The Company plans to invest in foreign exchange derivatives using excessive cash not exceeding US \$100 million or other currencies of the same amount.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Announcement of Investing in Foreign Exchange Contract Business can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

**XII. The Proposal on Guarantee for Wholly-owned Subsidiaries and Mutual Guarantee among Wholly-owned Subsidiaries was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0

withdrawal.

Details of the Announcement of Guarantee for Wholly-owned Subsidiaries and Mutual Guarantee can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XIII. The Proposal on Repurchasing and Canceling a Part of Restricted Stock was reviewed and adopted.**

With resignation of some incentive objects, totally 24,000 shares of Restricted Stock will be repurchased and canceled by the Company at the price of 1 yuan per share in accordance with the 2021 Restricted Stock Incentive Plan.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Announcement of Repurchasing and Canceling a Part of Restricted Stock can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XIV. The Proposal on Public Shares Repurchase Plan was reviewed and adopted.**

**14.1 Purpose and use of repurchased shares**

The purpose is to reduce registered capital and to implement equity incentive.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

**14.2 Way of repurchasing shares**

Repurchase social public shares from the secondary market through concentrated competitive bidding.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

**14.3 Price and pricing principle of repurchased shares**

The maximum price of the Company for repurchasing shares shall not exceed CNY57.96 per share.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0

withdrawal.

#### **14.4 Type and quantity of shares to be repurchased and its percentage of total capital stock**

The type of the share to be repurchased will be the Share A public shares issued by the Company.

The top limitation of shares to be repurchased by the Company will not exceed 2% of the total capital stock of the Company, amounting to 16,173,570 shares. And the bottom limitation of shares to be repurchased by the Company will not lower than 1% of the total capital stock of the Company, amounting to 8,086,785 shares, in which estimated 3,000,000 shares could be used for implementing equity incentive.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

#### **14.5 Total fund amount for repurchasing shares**

If the maximum price for repurchasing shares does not exceed CNY57.96 per share, the maximum fund for repurchasing shares shall not exceed CNY937.42 million and the minimum fund shall not lower than CNY468.71 million.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

#### **14.6 Fund source for repurchasing shares**

The fund source will be the self-owned fund (excessive fund) of the Company.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

#### **14.7 Implementation period of share repurchase plan**

The implementation period of share repurchase plan will not exceed 12 months as of the general meeting of shareholders adopts the plan.

1) If the number of repurchased share reaches the maximum limit during the repurchase period, the repurchase plan implementation finishes, and the repurchase period shall expire as of the date.

2) If the Board of Directors of the Company decides to terminate the repurchase plan, the repurchase period will expire in advance as of the date the Board of Directors decides to terminate the repurchase plan.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

**14.8 Period of validity of resolution of share repurchase plan**

This share purchase plan shall take effective as of the date it is adopted by the General Meeting of Shareholders.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

**14.9 Authorization for share repurchase plan**

(1) To implement or terminate the repurchase plan according to the actual conditions of the Company and the stock price of the Company;

(2) To authorize the Board of Directors and the authorized persons to repurchase company shares at the appropriate time in accordance with the relevant regulations, including the time, price and quantity of repurchase.

(3) To authorize the Board of Directors and the authorized persons to adjust the specific implementation plan according to the laws, regulations and the rules of regulatory department, handle the issues related to share repurchase.

(4) To authorize the Board of Directors and the authorized persons to prepare, amend, supplement, sign, submit all the agreements, contracts or documents related to share repurchase.

(5) To authorize the Board of Directors to modify the Articles of Association on the change registration of the registered capital and total capital stock of the Company.

(6) To authorize the Board of Directors to deal with other issues which are not stated above but are required by the implementation of share repurchase plan.

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

Details of the Announcement of Public Shares Repurchase Plan can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated April 1, 2022.

**XV. The Proposal on Adjusting the Compensation to Independent Directors was reviewed and adopted.**

The Company plans to increase the compensation to independent directors from CNY150,000 to CNY250,000 per person after taking the compensation level of the industry, the regional economic development level, the business operation situation of the Company and the workload and professionalism of independent directors in performing their duties.

The proposal was adopted with the voting results of 6 in favor, 0 against, 0 abstention and 3

withdrawal.

Independent directors Mr. Hervé MACHENAUD, Mr. Jean-Michel PIVETEAU and Mr. Chen Jun have withdrawal from the voting as connected directors.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XVI. The Proposal on Revising the Articles of Association was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

The CSRC has revised and issued *the Guideline for Articles of Association of Listed Companies, the Rules for General Meeting of Shareholders* and the *Rules for the Independent Directors of Listed Companies* in January, 2022. In order to better improve the internal governance of the Company, the Company intends to amend some articles in the *Articles of Association* of the Company.

Details of the amendments and *Articles of Association* (Revised Version) can be found in cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XVII. The Proposal on Revising Rules and Procedures for the Shareholders' Meeting was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

To ensure that the shareholders' meeting exercise its functions and powers by law, safeguard the legitimate rights and interests of shareholders, the Company plans to revise part of Articles in the *Rules and Procedures for the Shareholders' Meeting* according to *the Rules for General Meeting of Shareholders* newly issued.

Details of the amendments and *Rules and Procedures for the Shareholders' Meeting* (Revised Version) can be found in cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XVIII. The Proposal on Revising Rules and Procedures for the Board of Directors was reviewed and adopted.**



The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

To protect directors and the Board of Directors to effectively perform their duties, and ensure the Board of Directors to function standardly and efficiently, and to make decisions in relative rational and scientific way, the Company plans to revise some Articles in the *Rules and Procedures for the Board of Directors* according to the *Rules for General Meeting of Shareholders* newly issued.

Details of the amendments and *Rules and Procedures for the Board of Directors* (Revised Version) can be found in cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XIX. The Proposal on Issuing New Working System for Independent Directors was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

To further perfect the corporate governance structure of the Company, improve the structure of Board of Directors, strengthen the restraint and supervision mechanism on the internal directors and management, protect the interests of minority shareholders and creditors, and promote the standardized operation of the Company, the Company formulates *New Working System for Independent Directors* according to the *Rules for the Independent Directors of Listed Companies*, the *Code of Corporate Governance of Listed Companies* and the *Shenzhen Stock Exchange Self-regulatory Guidelines for Listed Companies No. 1 - Standardized Operation of Companies Listed on the Main Board* and the *Articles of Association* of the Company.

Details of the amendments and *Working System for Independent Directors* can be found in cninfo.com.cn dated April 1, 2022.

This Proposal shall be submitted to the Annual General Meeting of Shareholders for 2021 Fiscal Year for review.

**XX. The Proposal on Convening Annual General Meeting of Shareholders for 2021 Fiscal Year was reviewed and adopted.**

The proposal was adopted with the voting results of 9 in favor, 0 against, 0 abstention and 0 withdrawal.

The Annual General Meeting of Shareholders for 2021 Fiscal Year is expected to be held on April 25, 2022.

Details of the Notice on Convening the Annual General Meeting of Shareholders for 2021 Fiscal Year can be found in Securities Times, China Securities Journal, Securities Daily and [cninfo.com.cn](http://cninfo.com.cn) dated April 1, 2022.

Board of Directors of Zhejiang Supor Co., Ltd.

April 1, 2022