

Stock code: 002032

Short form: Supor

Announcement No.:2020-004

Announcement of Progress of Using Excessive Cash to Purchase Financial Products

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.

Zhejiang Supor Co., Ltd. (hereinafter referred to as the “Company”, “the Company” or “Supor”) adopted the *Proposal on Short-term Investment Using Excessive Cash* at the Annual General Meeting of Shareholders for 2018 Fiscal Year on April 19, 2019, agreeing to invest in different financial products using excessive cash, the limit of which is no more than RMB 5 billion. For specific announcement contents, see *Announcement of Short-term Investment Using Excessive Cash* disclosed on *Securities Times*, *Securities Daily*, *China Securities Journal* and *cninfo.com.cn* dated on March 28, 2019 (Announcement No.2019-017). The detailed information of financial products newly-purchased is announced as follows:

I. Financial Products Newly-purchased

No.	Company (Subsidiary)	Financial products	Date of subscription	Amount of subscription Unit: 10K RMB	Value date	Due date	Days	Expected annual yield rate
1	Zhejiang Supor Electrical Appliance Manufacturing Co., Ltd.	Bank of China CNY-linked Structured Deposit	2019/10/29	10,000	2019/10/30	2020/1/6	68	3.82%
2	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2019/10/29	15,000	2019/10/29	2020/1/6	69	3.90%
3	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2019/11/1	15,000	2019/11/1	2020/1/9	69	3.90%
4	Zhejiang Supor Electrical Appliance Manufacturing Co., Ltd.	Bank of China CNY-linked Structured Deposit	2019/12/11	10,000	2019/12/12	2020/1/9	28	3.75%
5	Zhejiang Supor Co.,	Bank of China	2019/12/11	20,000	2019/12/12	2020/1/9	28	3.75%

	Ltd.	CNY-linked Structured Deposit						
6	Zhejiang Supor Co., Ltd.	Bank of China CNY-linked Structured Deposit	2019/12/16	20,000	2019/12/17	2020/1/17	31	3.75%
7	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	Bank of China CNY-linked Structured Deposit	2019/12/19	30,000	2019/12/20	2020/2/7	49	3.75%
	Total			120,000				

II. The Details of Financial Products Newly-purchased

(I) The financial products newly purchased by Zhejiang Supor Co., Ltd., Zhejiang Supor Electrical Appliance Manufacturing Co., Ltd. and Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd. are Bank of China CNY-linked Structured Deposit, whose details are stated as follows:

(1) Name: CNY-linked Structured Deposit

(2) Product Code: CNYRSD

(3) Asset management agent: Bank of China

(4) Currency: CNY

(5) Type: guaranteed financial product

(6) Scopes of investment: this financial product is managed by Bank of China, and the investment targets include government loans, Central Bank bills, financial bonds, deposits, negotiable certificate deposits, bonds repurchase, inter-bank borrowing, corporate bonds, short-term financing bonds, medium term note, assets backed securities, non-public directional debt financing instruments. The scopes of investment are assets management agents of above low-risk and high-fluidity financial assets including securities/fund/trust assets management plan and financial derivatives such as options and swap deals. The investment percentage of bonds accounts for 0-90%, the investment percentage of inter-bank borrowing, deposits, negotiable certificate deposits, securities/fund/trust assets management plan is 10%-90% and the investment percentage of financial derivatives such as option and swap deals is 0-10%. According to its own commercial judgment, the Bank of China can independently adjust the above-mentioned investment ratio up or down by no more than 10%.

(7) Repay capital and interest: on redemption date or early termination date

(8) Source of Capital: self-owned cash

(9) Connected relationship: the Company and its subsidiaries have no connected relationship with Bank of China.

(II) The financial products newly purchased by Zhejiang Supor Co., Ltd. are Credit Agricole CIB CNY Range Accrual Structured Deposit, whose details are stated as follows:

- (1) Name: CNY Range Accrual Structured Deposit
- (2) Asset management agent: Credit Agricole CIB
- (3) Currency: CNY
- (4) Type: guaranteed financial product with floating return
- (5) Repay capital and interest: redemption date or early termination date
- (6) Source of Capital: self-owned cash
- (7) Connected relationship: the Company and its subsidiaries have no connected relationship with Credit Agricole CIB.

III. Impact on the Company of Financial Products

The Company invested in different short-term financial products, under the conditions that the normal operating requirements on cash by the Company and its subsidiaries will not be affected at all.

Above financial products newly-purchased are principal protected financial products with low risk and high liquidity, aiming at increasing the yield of excessive cash of the Company.

IV. Internal Risk Control Procedures

(1) The Finance Department would be responsible to prepare the investment proposal including type, term and amount of financial product to be invested. All investments shall be approved jointly by Supor's CFO and CEO.

(2) The Finance Department needs to prepare monthly report before the 10th business day after each month end closing, with all the supporting contracts indicating, in as much detail as possible, the nature of the underlying investments, and send to all the Audit Committee Members. They are also responsible to follow up closely the detailed status of each investment product, if there is a possibility to affect the safety of investment capital or to affect the normal capital liquidity demands through evaluation, they should take corresponding preservation or redemption measures to control investment risks.

(3) The Company would also follow related regulations issued by Shenzhen Stock Exchange to disclose

the detailed investment products and the yield periodically.

V. Information of Previous Financial Products Purchased

No.	Company (Subsidiary)	Financial product	Subscription date	Subscription amount (unit: 10KRMB)	Value date	Due date	Estimated annual yield rate	Actual annual yield rate
1	Zhejiang Supor Co., Ltd.	Bank of China Guaranteed Financial Product	2019/1/9	30,000	2019/1/9	2019/7/12	3.90%	3.90%
2	Zhejiang Supor Co., Ltd.	Bank of China Guaranteed Financial Product	2019/1/9	20,000	2019/1/9	2019/7/12	3.90%	3.90%
3	Shanghai SEB Electrical Appliances Co., Ltd.	Bank of Communications-Structured Deposit-S Premium 0621190001	2019/2/12	3,000	2019/2/13	2019/7/5	3.70-3.90%	3.64%
4	Zhejiang Supor Electrical Appliance Manufacturing Co., Ltd.	Bank of China Guaranteed Financial Product	2019/3/8	15,000	2019/3/8	2019/5/21	3.99%	3.99%
5	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2019/3/12	3,000	2019/3/13	2019/9/16	3.90%	3.90%
6	Zhejiang Supor Co., Ltd.	Bank of China Guaranteed Financial Product	2019/3/15	10,000	2019/3/15	2019/5/21	3.95%	3.95%
7	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2019/7/5	3,000	2019/7/5	2020/1/6	4.00%	4.00%
8	Zhejiang Supor Co., Ltd.	Bank of China Guaranteed Financial Product	2019/7/12	20,000	2019/7/12	2019/10/17	3.95%	3.95%
9	Zhejiang Supor Electrical Appliance Manufacturing Co., Ltd.	Bank of China Guaranteed Financial Product	2019/7/12	10,000	2019/7/12	2019/10/25	3.95%	3.95%
10	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2019/9/16	3,000	2019/9/16	2020/3/16	3.75%	Undue
11	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2019/9/24	7,000	2019/9/24	2019/10/24	3.85%	3.85%

Board of Directors of Zhejiang Supor Co., Ltd.

January 14, 2020