

Stock code: 002032

Short form: Supor

Announcement No.:2021-004

## 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 2019 Fiscal Year on May 20, 2020, agreeing to invest in different financial products using excessive cash, the limit of which is no more than RMB 4 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 April 29, 2020 (Announcement No.2020-018). 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 Water Heaters Co., Ltd.	ICBC Tianlibao Net Value Financial Product	2020/7/16	5,500.30	2020/7/16	2021/6/24	343	2.60%
2	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/10/22	3,000	2020/10/22	2021/1/22	92	2.70%
3	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/10/22	3,000	2020/10/22	2021/4/22	182	2.80%
	<b>Total</b>			<b>11,500.30</b>				

Notes: Zhejiang Supor Water Heaters Co., Ltd. renewed the duration of financial product on Dec. 30 (the original due date).

The actual annual yield of above financial product on Dec. 30 is 2.64% calculated internally.

### II. The Details of Financial Products Newly-purchased

(I) The financial product purchased by Zhejiang Water Heaters Co., Ltd. is ICBC-Tianlibao Net Value Financial Product, whose details are stated as follows:

- (1) Name: ICBC-Tianlibao Net Value Financial Product
- (2) Product Code: TLB1801
- (3) Asset management agent: wealth management subsidiary of ICBC
- (4) Currency: CNY
- (5) Type: financial product with floating return and PR1
- (6) Scopes of investment: this product is mainly invested in the following fixed income assets that meet the regulatory requirements, including but not limited to all kinds of bonds, deposits, money market funds, bond funds, pledge type and buyout repo, bank acceptance bill investment, etc. At the same time, due to the liquidity needs, the products can carry out the financing business such as deposit pledge and bond repurchase. The assets or asset investment portfolio are strictly approved and selected by ICBC Financial Management Co., Ltd., and meet the investment standards when investing. Unless further specified, the credit rating of all kinds of bonds to be invested is above AA (inclusive) and the credit rating of short-term financing bonds is above A-1 (inclusive).
- (7) Repay capital and interest: on redemption date or within two business days after early termination date
- (8) Source of Capital: self-owned cash
- (9) Connected relationship: the Company and its subsidiaries have no connected relationship with ICBC and its subsidiary.

(II) The financial product newly purchased by Shanghai SEB Electrical Appliances Co., Ltd. is 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) Investment Amount: calculated together by guaranteed rate plus conditional rate
- (6) Repay capital and interest: redemption date or early termination date
- (7) Source of Capital: self-owned cash
- (8) Connected relationship: the Company and its subsidiaries have no connected relationship with Credit

### 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 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 10<sup>th</sup> 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	Financial product	Subscription date	Subscription amount (unit: 10K yuan)	Value date	Due date	Estimated annual yield	Actual annual yield
1	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/1/6	3,000	2020/1/6	2020/7/6	3.80%	3.80%
2	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/1/16	20,000	2020/1/16	2020/6/4	4.00%	4.00%
3	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured	2020/1/17	30,000	2020/1/17	2020/4/9	3.80%	3.80%

		Deposit						
4	Zhejiang Supor Co., Ltd.	Bank of Ningbo Institution Structured Deposit 200308	2020/1/13	10,000	2020/1/15	2020/6/4	3.90%	3.90%
5	Zhejiang Supor Co., Ltd.	Bank of Ningbo Institution Structured Deposit 200308	2020/1/15	20,000	2020/1/17	2020/7/17	3.95%	3.95%
6	Zhejiang Supor Co., Ltd.	Bank of China CNY-linked Structured Deposit	2020/1/17	20,000	2020/1/20	2020/4/20	3.80%	3.80%
7	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	Bank of China CNY-linked Structured Deposit	2020/1/17	20,000	2020/1/20	2020/4/20	3.80%	3.80%
8	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/2/6	15,000	2020/2/6	2020/3/9	3.80%	3.80%
9	Zhejiang Supor Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/2/24	10,000	2020/2/24	2020/6/4	3.90%	3.90%
10	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	China Guangfa Bank Xinjiaxin No. 16 CNY Structured Deposit	2020/2/26	20,000	2020/2/26	2020/6/4	4.00%	4.00%
11	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	China Guangfa Bank Xinjiaxin No. 16 CNY Structured Deposit	2020/3/10	10,000	2020/3/10	2020/7/9	3.95%	3.95%
12	Shanghai SEB Electrical Appliances Co., Ltd.	Credit Agricole CIB CNY Range Accrual Structured Deposit	2020/3/16	3,000	2020/3/16	2020/9/16	3.70%	3.70%
13	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	China Guangfa Bank Xinjiaxin No. 16 CNY Structured Deposit	2020/4/7	10,500	2020/4/7	2020/7/1	3.85%	3.85%
14	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	China Guangfa Bank Wuhuatianbao Type-W No. 19 in 2020 CNY Structured Deposit	2020/4/7	4,500	2020/4/8	2020/5/15	3.60%	3.60%
15	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	Bank of China CNY-linked Structured Deposit	2020/4/8	10,000	2020/4/10	2020/7/2	3.75%	3.75%
16	Zhejiang Supor Co., Ltd.	Bank of China	2020/4/21	20,000	2020/4/23	2020/5/8	3.50%	3.50%

		CNY-linked Structured Deposit						
17	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	Bank of China CNY-linked Structured Deposit	2020/4/21	20,000	2020/4/23	2020/5/8	3.50%	3.50%
18	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	China Guangfa Bank Xinjiaxin No. 16 CNY Structured Deposit	2020/4/21	10,000	2020/4/21	2020/7/1	3.73%	3.73%
19	Zhejiang Supor Water Heaters Co., Ltd.	ICBC Tianlibao Net Value Financial Product	2020/4/22	4,000	2020/4/22	2020/6/29	3.00%	2.87%
20	Zhejiang Shaoxing Supor Domestic Electrical Appliances Co., Ltd.	China Guangfa Bank Xinjiaxin No. 16 CNY Structured Deposit	2020/7/9	10,000	2020/7/10	2020/11/9	1.5%	1.5%

Board of Directors of Zhejiang Supor Co., Ltd.

January 16, 2021