

Stock code: 002032

Short form: Supor

Announcement No.:2022-064

Announcement of Profit Distribution Plan for Third Quarter of 2022

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.

On October 24, 2022, the Proposal on Profit Distribution Plan for Third Quarter of 2022 was reviewed and adopted at the 16th Session of the Seventh Board of Directors and the 15th Session of the Seventh Board of Supervisors of Zhejiang Supor Co., Ltd. (hereinafter referred to as “the Company”, “this Company” or “Supor”). The above proposal shall be submitted to the Second Interim General Meeting of Shareholders 2022 for approval, and the details are as follows:

I. Brief of the Profit Distribution Plan

In accordance with the standard unqualified audit report provided by KPMG Certified Public Accountants (Special General Partnership), the undistributed profit at the end of 2021 for the parent company of Zhejiang Supor Co., Ltd. is CNY5,141,307,982.39. Therefore, after deducting the annual cash dividends for 2021 fiscal year of CNY1,559,494,958.68 distributed on May 26, 2022, the remaining amount of distributable profit to shareholders is CNY3,581,813,023.71 on September 30, 2022.

Based on the 805,329,407 shares at the end of third quarter of 2022 (total capital stock of 808,654,476 shares at the end of third quarter of 2022 deducted by 3,325,069 shares of repurchased shares in the Company’s special stock repurchase account), the Company will distribute all shareholders cash dividends of CNY12.50 per 10 shares (tax included), and total amount of cash dividends is CNY1,006,661,758.75. The Company will issue 0 bonus shares (tax included) and 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.

To provide positive returns to all shareholders, the Profit Distribution Preplan gives full consideration to the

Company's long-term development and the interests of all shareholders. In addition, it considers both the current and future financial conditions and fund demands of the Company, and is in compliance with *the Company Law*, *Regulatory Guidelines for Listed Companies No.3-Cash Dividend of Listed Companies*, *the Articles of Association* of the Company, and other regulations. The implementation of the profit distribution is not expected to have significant impacts on the Company's operating cash flows, and will not damage the interest of shareholders, especially that of minority shareholders.

II. Relevant Approval Procedures

1. On October 24, 2022, the 16th Session of the Seventh Board of Directors reviewed and adopted the Proposal on Profit Distribution Plan for Third Quarter of 2022, and the Board of Directors agrees to submit the above proposal to the Second Interim General Meeting of Shareholders 2022 for approval. Independent Directors have addressed independent opinions on the above proposal.
2. On October 24, 2022, the 15th Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Profit Distribution Plan for Third Quarter of 2022, and the Board of Supervisors concludes that the Profit Distribution Preplan is law and rule compliant, and conforms to the commitment made by the Company in the profit distribution policy specified in *the Articles of Association*, and agrees to submit the above proposal to the Second Interim General Meeting of Shareholders 2022 for approval.

III. Relevant Risk Reminder

Before implementation, the Profit Distribution Preplan for Third Quarter of 2022 shall be submitted to the Second Interim General Meeting of Shareholders 2022 for approval, please take caution to relevant investment risks.

IV. Reference Documents

1. Resolutions of the 16th Session of the Seventh Board of Directors;
2. Resolutions of the 15th Session of the Seventh Board of Supervisors;
3. Independent Opinions of Independent Directors on Related Issues;
4. 2021 Annual Audit Report (KPMG Huazhen Shenzi No.2203346).

Board of Directors of Zhejiang Supor Co., Ltd.

October 25, 2022