

Stock code: 002032

Short form: Supor

Announcement No.:2023-075

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 2022 Fiscal Year on April 25, 2023, 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 March 31, 2023 (Announcement No.: 2023-022). 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: 10KRMB | Value date | Due date | Days | Expected annual yield rate |
|-----|---|---|-------------------------|---|------------|-----------|------|----------------------------------|
| 1 | Zhejiang Shaoxing Supor Housewares Co., Ltd., | Bank of Ningbo Institution Structured Deposit | 2023/7/28 | 10,000.00 | 2023/7/31 | 2024/5/22 | 296 | 1.50% to 3.15% |
| 2 | Zhejiang Supor Co., Ltd. | Bank of China Linked Structured Deposit | 2023/9/12 | 10,000.00 | 2023/9/14 | 2024/1/22 | 130 | 1.17% to 3.10% |
| | Total | | | 20,000.00 | | | | |

II. The Details of Financial Products Newly-purchased

(I) The financial products newly purchased by Zhejiang Shaoxing Supor Housewares Co., Ltd., and Zhejiang Supor Co., Ltd., are Bank of Ningbo Institution Structured Deposit, whose details are stated as follows:

- (1) Name: Institution Structured Deposit
- (2) Asset management agent: Bank of Ningbo
- (3) Currency: CNY

(4) Type: guaranteed financial product with floating return

(5) Repay capital and interest: the principal is returned on the maturity date and the investment return is settled within two business days after maturity date

(6) Scopes of investment: structured deposits are deposits taken by commercial banks that are embedded with financial derivative products, enabling depositors to earn a corresponding return while assuming a certain level of risk by linking them to fluctuations in interest rates, exchange rates, indices or to the creditworthiness of an entity. The actual return is made up of a guaranteed return and an option floating return, with the option fee derived from the principal amount of the deposit and its operating income. If the investment is made in the right direction, the customer will receive a high/medium return; if the direction is wrong, the customer will receive a low return, with no impact on the principal.

(7) Source of Capital: self-owned cash

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

(II) The financial product newly purchased by Zhejiang Supor Co., Ltd., is Bank of China Linked Structured Deposit, whose details are stated as follows:

(1) Name: Structured Deposit Linked to Exchange Rate

(2) Asset management agent: Bank of China

(3) Currency: CNY

(4) Type: guaranteed financial product with floating return

(5) Target linked: Spot Exchange rate from Australian dollar to US dollar

(6) Repay capital and interest: the principal is returned on the maturity date and the investment return is settled within two business days after maturity date

(7) Scopes of investment: operated by Bank of China and managed in accordance with the principle of separating basic deposits from derivative transactions. The principal portion is included in the operation of Bank of China's internal funds as the payment of deposit reserve and deposit insurance premium. The embedded derivative portion of the product is invested in exchange rates, interest rates, commodities, index and other derivative products, and the final yield of the product is linked to the derivative products. During the investment period, Bank of China will value the embedded option price of this structured deposit based on the income approach.

(8) Source of Capital: self-owned cash

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

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.

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 possibility to affect the safety of investment capital or 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 | Zhejiang Shaoxing Supor Housewares Co., Ltd., | Bank of Ningbo Institution Structured Deposit | 2022/10/24 | 8,000.00 | 2022/10/25 | 2023/5/24 | 1.50% to 3.40% | 3.40% |
| 2 | Zhejiang Supor Co., Ltd., | Bank of Ningbo Institution Structured Deposit | 2022/12/13 | 20,000.00 | 2022/12/14 | 2023/5/25 | 1.50% to 3.40% | 3.40% |
| 3 | Zhejiang Supor Co., Ltd. | J.P. Morgan Structured Deposit | 2023/5/24 | 10,000.00 | 2023/5/26 | 2024/5/26 | 0.15 to 5% | Undue |

| | | | | | | | | |
|---|--------------------------|---|-----------|-----------|----------|----------|----------------|-------|
| 4 | Zhejiang Supor Co., Ltd. | Bank of China Linked Structured Deposit | 2023/5/31 | 10,000.00 | 2023/6/2 | 2023/9/1 | 1.40% to 3.40% | 3.40% |
| 5 | Zhejiang Supor Co., Ltd. | Ruilong No.3 Single Asset Management Plan | 2023/6/1 | 5,000.00 | 2023/6/8 | 2024/6/4 | 0.50% to 4.35% | Undue |

Board of Directors of Zhejiang Supor Co., Ltd.

October 20, 2023