

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Vesync Co., Ltd**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2148)**

### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTION RECEIVABLES DISCOUNTING AGREEMENT**

Reference is made to the announcement of Vesync Co., Ltd (the “**Company**”) dated July 22, 2024 in relation to the Receivables Discounting Agreement (the “**Announcement**”). Unless otherwise stated, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Company would like to provide the following additional information in relation to the Receivables Discounting Agreement.

Pursuant to the Receivables Discounting Agreement, the Bank will purchase from Etekcitey all the outstanding Eligible Receivables based on the receivables notices submitted by Etekcitey, 70% of the sales invoices amount applied for in the receivables notice (the “**Funded Amount**”) shall be disbursed to Etekcitey on the date of the Bank’s approval of the receivables notice and the remaining of the receivables shall be settled on the earlier of the following dates of: (i) the Bank’s collection in full of the receivables; (ii) the expiry of 60 days after the due date for the receivables; or (iii) the date that is 60 days following the Buyer’s insolvency, and shall be returned to or covered by Etekcitey on the basis of net settlement amounts. Pursuant to the trade agreement or engagement between Etekcitey and the Buyer, Etekcitey recognises trade receivables balance on a net basis by deducting certain expenses, these expenses include allowances, discounts, products marketing expenses and various adjustments (the “**Dilutions**”), which usually account for approximately 30% of the sales invoices amounts based on historical experience. Therefore, the Receivables Discounting Agreement considers the effect of the Dilutions on the Buyer’s payments, the Bank shall have recourse to Etekcitey for all the Dilutions in case that the Bank does not receive full of the receivables from the Buyer due to the Dilutions.

Discounted balance of receivables in the Announcement means the outstanding purchased Eligible Receivables by the Bank at any time and the maximum amount of the outstanding purchased Eligible Receivables (the “**Credit Limit**”) is US\$60,000,000. For clarification purpose, the formula of discounted fee amount should be “Discount fee amount = the Funded Amount × discount rate × number of days between the relevant settlement date on which the receivables are purchased and 3 days from the relevant sales invoices due dates or 150 days from the relevant sales invoices dates, whichever is the sooner/360”. The amount of such discount fee shall be paid by Etekcity to the Bank upon receipt of the Funded Amount.

Since the discount fee is determined based on the actual Funded Amount, market interest rate and reasonable period covered and the remaining of receivables (30% of the outstanding Eligible Receivables) will be paid when the above conditions are fulfilled, the Directors consider that the terms of the Receivables Discounting Agreement are fair, reasonable and in the interests of the Company and its shareholders as a whole.

### **THE IMPLICATIONS OF LISTING RULES**

The submission of the Receivables Notice I, Receivables Notice II and Receivables Notice III to the Bank would constitute disposal of assets under Rule 14.04(1)(a) of the Listing Rules. Losses of the Receivables Notice I, Receivables Notice II and Receivables Notice III in aggregate amounts to US\$482,907.86 is expected to be accrued based on the discount fee amount.

### **USE OF DISCOUNTING PROCEEDS**

The discounting proceeds from the Receivables Discounting Agreement will be used as the Group’s general working capital.

This announcement is in addition to, and should be read in conjunction with, the Announcement. Unless otherwise indicated, the above supplementary information does not affect any information and contents contained in the Announcement.

By order of the Board  
**Vesync Co., Ltd**  
**YANG Lin**  
*Chairperson*

Hong Kong, August 2, 2024

*As of the date of this announcement, the Board comprises Ms. Yang Lin, Mr. Yang Hai and Mr. Chen Zhaojun as executive Directors, Mr. Yang Yuzheng as non-executive Director, and Mr. Fong Wo, Felix, Mr. Gu Jiong and Mr. Tan Wen as independent non-executive Directors.*