

## **Announcement of Completion of Repurchase and Cancellation of Restricted Stock**

This Company and all members of the Board of Directors hereby warrant that all information announced here are true, accurate and complete, and shall undertake responsibilities for any fictitious statement, misleading information or significant omission of the Announcement.

Pursuant to the resolution adopted at the Annual General Meeting of Shareholders for 2020 Fiscal Year of Zhejiang Supor Co., Ltd. (hereinafter referred to as the "Company", "the Company" or "Supor") held on April 22, 2021, the Company has completed the repurchase and cancellation of Restricted Stock, after it was reviewed and confirmed by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. Totally 26,000 shares of Restricted Stock were repurchased at the price of 1 yuan per share and canceled. Related matters are announced as follows:

### **I. Examination and Approval Procedures for and Implementation of the Equity Incentive Plan**

1. On August 29, 2017, the 2<sup>nd</sup> Session of the Sixth Board of Directors and 2<sup>nd</sup> Session of the Sixth Board of Supervisors reviewed and adopted the 2017 Restricted Stock Incentive Plan (Draft) of Zhejiang Supor Co., Ltd. Independent Directors have addressed independent opinions on the 2017 Restricted Stock Incentive Plan (Draft) and the Board of Supervisors has verified the List of Incentive Objects preliminarily.

2. On October 18, 2017, the 3<sup>rd</sup> Session of the Sixth Board of Directors and 3<sup>rd</sup> Session of the Sixth Board of Supervisors reviewed and adopted the Proposal on Adjusting the 2017 Restricted Stock Incentive Plan and the 2017 Restricted Stock Incentive Plan (Revised Draft) of Zhejiang Supor Co., Ltd. Independent Directors have addressed independent opinions on the 2017 Restricted Stock Incentive Plan (Revised Draft) and the Board of Supervisors has verified the List of Incentive Objects again.

3. On November 11, 2017, the Company disclosed Verification Opinions on List of Incentive Objects for 2017 Restricted Stock Incentive Plan (Revised Version). The Board of Supervisors has verified the Incentive Objects of 2017 Restricted Stock Incentive Plan and concluded that the subjective qualifications

of the Incentive Objects involved in this plan are legal and valid.

4. On November 16, 2017, the Second Interim General Meeting of Shareholders 2017 reviewed and adopted the Proposal on 2017 Restricted Stock Incentive Plan (Revised Draft) and its Abstract, Proposal on Assessment Measures for the Implementation of the 2017 Restricted Stock Incentive Plan and Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Deal with Issues Related to the Company's Restricted Stock Incentive Plan.

5. On November 17, 2017, the Company disclosed Self-verification on Buying or Selling the Company's Shares by Insiders of 2017 Restricted Stock Incentive Plan, the Company's insiders did not trade the Company's shares or involved in insider trading within six months before the publication of the Incentive Plan and the process of planning as well.

6. On December 4, 2017, the 4<sup>th</sup> Session of the Sixth Board of Directors and 4<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and adopted the Proposal on Adjusting the 2017 Restricted Stock Incentive Plan and the Proposal on First Grant of Restricted Stock to Incentive Objects. Independent Directors have addressed independent opinions on above Proposals.

7. On December 28, 2017, the Company disclosed Announcement of Completion of Registration for First Grant of Restricted Stock. The first grant of Restricted Stock has been registered under the name of all incentive objects on December 29, 2017.

8. On March 29, 2018, the 6<sup>th</sup> Session of the Sixth Board of Directors and 6<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and approved the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of three Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 43,650 shares of Restricted Stock at the price of 1 yuan per share.

9. On March 29, 2018, the 6<sup>th</sup> Session of the Sixth Board of Directors and 6<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and adopted the Proposal on Unlocking of Restricted Stock within the First Unlock Period of 2017 Restricted Stock Incentive Plan, agreeing to unlock the Restricted Stock for 181 qualified Incentive Objects in the first unlock period. The number of restricted stock unlocked is 387,400, accounting for 0.0472% of the total capital stock of the Company.

10. On August 29, 2018, the 8<sup>th</sup> Session of the Sixth Board of Directors and 8<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and approved the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of six Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 39,150 shares of Restricted Stock at the price of 1 yuan per share.

11. On August 29, 2018, the 8<sup>th</sup> Session of the Sixth Board of Directors and 8<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and adopted the Proposal on Grant of Reserved Restricted Stock to Incentive Objects, agreeing to grant 426,000 shares of Reserved Restricted Stock to totally 50 Incentive Objects on August 30, 2018. The listing date of the Reserved Restricted Stock granted is November 14, 2018. Independent Directors have addressed independent opinions on the above Proposal and the Board of Supervisors has verified the List of Incentive Objects.

12. On March 26, 2019, the 11<sup>th</sup> Session of the Sixth Board of Directors and 10<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and approved the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of three Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 84,900 shares of Restricted Stock at the price of 1 yuan per share.

13. On March 26, 2019, the 11<sup>th</sup> Session of the Sixth Board of Directors and 10<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and adopted the Proposal on Unlocking of Restricted Stock within the Second Unlock Period and Reserved Restricted Stock within the First Unlock Period of 2017 Restricted Stock Incentive Plan, agreeing to unlock the Restricted Stock for 221 qualified Incentive Objects in the second unlock period and Reserved Restricted Stock in the first unlock period. The number of restricted stock unlocked is 840,600, accounting for 0.1024% of the total capital stock of the Company. The unlockable Restricted Stock during the second unlock period has been circulated on December 30, 2019. The unlockable Reserved Restricted Stock during the first unlock period has been circulated on November 15, 2019.

14. On August 29, 2019, the 14<sup>th</sup> Session of the Sixth Board of Directors and 13<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and approved the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of one Incentive Object due to their resignation, the Company has decided to repurchase and cancel 3,500 shares of Restricted Stock at the price of 1 yuan per share.

15. On April 28, 2020, the 16<sup>th</sup> Session of the Sixth Board of Directors and 15<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and approved the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of eight Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 32,550 shares of Restricted Stock at the price of 1 yuan per share.

16. On April 28, 2020, the 16<sup>th</sup> Session of the Sixth Board of Directors and 15<sup>th</sup> Session of the Sixth Board of Supervisors reviewed and adopted the Proposal on Unlocking of Restricted Stock within the Third Unlock Period and Reserved Restricted Stock within the Second Unlock Period of 2017 Restricted Stock Incentive Plan, agreeing to unlock the Restricted Stock for 210 qualified Incentive Objects in the third unlock period

and Reserved Restricted Stock in the second unlock period. The number of restricted stock unlocked is 1,213,050, accounting for 0.148% of the total capital stock of the Company. The unlockable Restricted Stock during the third unlock period has been circulated on December 30, 2020. The date of circulation of the Reserved Restricted Stock during the second unlock period is November 16, 2020.

17. On August 27, 2020, the 2nd Session of the Seventh Board of Directors and 2nd Session of the Seventh Board of Supervisors reviewed and approved the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of five Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 26,000 shares of Restricted Stock at the price of 1 yuan per share.

18. On March 31, 2021, the 5<sup>th</sup> Session of the Seventh Board of Directors and 4<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Unlocking of Restricted Stock within the Fourth Unlock Period and Reserved Restricted Stock within the Third Unlock Period of 2017 Restricted Stock Incentive Plan, agreeing to unlock the Restricted Stock for 204 qualified Incentive Objects in the fourth unlock period and Reserved Restricted Stock in the third unlock period. The number of restricted stock unlocked is 1,629,200, accounting for 0.199% of the total capital stock of the Company.

## **II. Basis for Repurchase and Cancellation of Restricted Stock**

The 2<sup>nd</sup> Session of the Seventh Board of Directors held on August 27, 2020 adopted the *Proposal on Repurchasing and Canceling a Part of Restricted Stock*, agreeing to repurchase and cancel 26,000 shares of Restricted Stock granted to five incentive objects who has resigned from the Company. The Annual General Meeting of Shareholders for 2020 Fiscal Year held on April 22, 2021 adopted the *Proposal on Repurchasing and Canceling a Part of Restricted Stock*, agreeing to repurchase and cancel 26,000 shares of Restricted Stock granted to nine incentive objects who have resigned from the Company. The detailed adjustment to the equity incentive plan is stated as follows:

Since the incentive objects Mr. Fu Weihua, Ms. Ma Zhengqing, Mr. Chen Ying, Mr. Jiang Jiaqing and Mr. Ma Lei, under the Restricted Stock Incentive Plan 2017 were resigned due to personal reasons, in accordance with the stipulations of article 3(4) of Abnormal Change in Incentive Object of Chapter 7 of Restricted Stock Incentive Plan 2017, the Company will repurchase and cancel the unlocked restricted stock at the price of CNY1.00 per share (the shares of Restricted Stock not meeting the unlock conditions accounting for 40% of the total Restricted Stock granted to them ). The amount of restricted stock to be repurchased for cancellation is 26,000 shares. Details can be found in the Announcement of Repurchasing

and Canceling a Part of Restricted Stock (2020-048) published in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated August 28, 2020.

### III. Quantity and Price for Repurchase and Cancellation of Restricted Stock

Totally 26,000 shares of restricted stock of five Incentive Objects were to be repurchased and canceled at the price of 1 yuan per share complying with Restricted Stock Incentive Plan 2017, accounting for 0.003% of the total capital stock of the Company. The Company has already paid repurchase fund amounting to RMB 26,000 yuan to above five Incentive Objects. Zhejiang Pan-China Certified Public Accountants (special general partnership) also issued the Capital Verification Report No. 334(2021) dated on June 23, 2021.

The number of Restricted Stock granted to Incentive Objects in accordance with Restricted Stock Incentive Plan 2017 is changed as follows:

Category	Name	Position	Restricted Stock not unlocked (share)	Restricted Stock unlocked during the Fourth Unlock Period and Reserved Restricted Stock unlocked during the Third Unlock Period (share)	Repurchased and canceled Restricted Stock for resignation of Incentive Objects (share)	Restricted Stock remaining locked (share)
The First Granted Part	Su Ming-Jui	Former General Manager	104,000	104,000	0	0
	Xu Bo	Chief Financial Officer	64,000	64,000	0	0
	Ye Jide	Vice General Manager, Secretary of Board	28,000	28,000	0	0
	Other Incentive Objects		1,260,200	1,234,200	26,000	0
The Reserved Part	Xu Bo	Chief Financial Officer	7,500	7,500	0	0
	Other Incentive Objects		191,500	191,500	0	0
	Total		1,655,200	1,629,200	26,000	0

Notes: The unlockable shares of restricted stock in the fourth unlock period and reserved restricted stock in the third unlock period have not been listed and circulated yet.

**IV. Changes of Shares after Completion of the Repurchase and Cancellation**

	Before change		Number of stock repurchased and canceled Qty.	After change	
	Number of Shares	Percentage (%)		Number of Shares	Percentage (%)
I. Restricted outstanding shares	208,713,354	25.55%	26,000	208,687,354	25.55%
1. Shares held by the State	0	0	0	0	0
2. Shares held by state-owned legal entities	0	0	0	0	0
3. Shares held by other domestic investors	2,345,764	0.29%	26,000	2,319,764	0.29%
In which: Shares held by domestic legal entities	0	0	0	0	0
Shares held by domestic natural persons	2,345,764	0.29%	26,000	2,319,764	0.29%
4. Shares held by foreign investors	206,367,590	25.26%	0	206,367,590	25.26%
In which: Shares held by foreign legal entities	206,367,590	25.26%	0	206,367,590	25.26%
Shares held by foreign natural persons	0	0	0	0	0
II. Non-restricted outstanding shares	608,159,307	74.45%	0	608,159,307	74.45%
1. Renminbi common shares	608,159,307	74.45%	0	608,159,307	74.45%
III. Total shares	816,872,661	100%	26,000	816,846,661	100%

Board of Directors of Zhejiang Supor Co., Ltd.

July 5, 2021