

Announcement of Repurchasing and Canceling a Part of Restricted Stock

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.

The 14th Session of the Seventh Board of Directors of Zhejiang Supor Co., Ltd. (hereinafter referred to as “the Company”, “this Company” or “Supor”) reviewed and adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock on August 30, 2022. Totally 53,000 shares of Restricted Stock will be repurchased and canceled in accordance with 2021 Restricted Stock Incentive Plan of Zhejiang Supor Co., Ltd. (draft, hereinafter referred to as 2021 Restricted Stock Incentive Plan). This proposal shall be submitted to the General Meeting of Shareholders for approval. Relevant issues are now announced as follows:

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

1. On December 10, 2021, the 10th Session of the Seventh Board of Directors and 9th Session of the Seventh Board of Supervisors reviewed and adopted the 2021 Restricted Stock Incentive Plan (Draft) of Zhejiang Supor Co., Ltd. Independent Directors have addressed independent opinions on the 2021 Restricted Stock Incentive Plan (Draft).
2. On December 25, 2021, the Company disclosed Verification Opinions on List of Incentive Objects for 2021 Restricted Stock Incentive Plan. The Board of Supervisors has verified the Incentive Objects of 2021 Restricted Stock Incentive Plan and concluded that the subjective qualifications of the Incentive Objects involved in this plan are legal and valid.
3. On December 30, 2021, the Third Interim General Meeting of Shareholders 2021 reviewed and adopted the Proposal on 2021 Restricted Stock Incentive Plan (Draft) and its Abstract, Proposal on Assessment Measures for the Implementation of the 2021 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.
4. On December 31, 2021, the Company disclosed Self-verification on Buying or Selling the Company's Shares by Insiders of 2021 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.
5. On January 6 2022, the 11th Session of the Seventh Board of Directors and 9th Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Grant of Restricted Stock to Incentive Objects, agreeing to grant 1,209,500 shares of Restricted Stock to totally 293 Incentive Objects.

Independent Directors have addressed independent opinions on above Proposals.

6. On January 28, 2022, the Company disclosed Announcement of Completion of Registration for Grant of Restricted Stock. The Restricted Stock has been registered under the name of all incentive objects on January 27, 2022.
7. On March 31, 2022, the 12th Session of the Seventh Board of Directors and 11th Session of the Seventh 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 24,000 shares of Restricted Stock at the price of 1 yuan per share. Above shares were canceled

II. Reasons, Quantity, Price and Pricing Basis for Repurchasing and Canceling of Restricted Stock

With resignation of Restricted Stock incentive objects Mr. Zheng Changhua, Ms. Lu Xingjia, Mr. Li Shenghong, Ms. Li Yan, Mr. Zheng Jinxing, Mr. Liu Chuanhua, Mr. Qin Yong, Ms. Wang Yashu, Mr. Ye Xin, Mr. Zhang Le, Mr. Liao Ling, Mr. Chen Zicheng, and Mr. Peng Hao for personal reasons, the Company shall, according to Article 3(4) of Chapter VIII “Change to the Company and the Incentive Objects” of the 2021 Restricted Stock Incentive Plan, repurchase and cancel at the price of 1 yuan per share the Restricted Stock not meeting the un-lock conditions (the shares of Restricted Stock not meeting the unlock conditions account for 100% of total Restricted Stock granted to them). Totally 53,000 shares of Restricted Stock will be repurchased and canceled at the price of 1 yuan per share.

After the adjustments, the share number of Restricted Stock granted to Incentive Objects in accordance with 2021 Restricted Stock Incentive Plan is changed as follows:

| Name | Position | Restricted Stock not unlocked (share) | Repurchased and Canceled Restricted Stock for resignation of Incentive Objects (share) | Restricted Stock remaining locked (share) |
|-------------------------|--|---------------------------------------|--|---|
| Cheung Kwok Wah | General Manager | 60,000 | 0 | 60,000 |
| Xu Bo | Chief Financial Officer | 45,000 | 0 | 45,000 |
| Ye Jide | Vice General Manager, Secretary of Board | 20,000 | 0 | 20,000 |
| Other Incentive Objects | | 1,060,500 | 53,000 | 1,007,500 |
| Total | | 1,185,500 | 53,000 | 1,132,500 |

Totally 53,000 shares of Restricted Stock will be repurchased at the price of 1 yuan per share and canceled.

III. Notes on Stock Repurchase

| Content | Explanation |
|---------------------------|--------------------------------------|
| Type of stock repurchased | Restricted Stock by Equity Incentive |

| | |
|--------------------------------------|-----------------|
| Number of stock repurchased (share) | 53,000 |
| Proportion in total Restricted Stock | 4.38% |
| Proportion in total Capital Stock | 0.0066% |
| Unit price for repurchase (yuan) | 1 |
| Capital used for repurchase (yuan) | 53,000 |
| Capital resource | Self-owned fund |

IV. Change of Equity Structure before and after the Repurchase

| | Before change | | Number of stock repurchased and canceled Qty. | After change | |
|---------------------------------------|------------------|----------------|---|------------------|----------------|
| | Number of Shares | Percentage (%) | The Previous This Time | Number of Shares | Percentage (%) |
| I. Restricted outstanding shares | 1,855,823 | 0.23% | 53,000 | 1,802,823 | 0.22% |
| II. Non-restricted outstanding shares | 806,798,653 | 99.77% | | 806,798,653 | 99.78% |
| III. Total shares | 808,654,476 | 100% | 53,000 | 808,601,476 | 100% |

V. Impact on Business Performance

The repurchasing and canceling a part of Restricted Stock won't have any significant impact on the Company's business performance or the management team's due diligence. The management team will continue to fulfill in good faith their obligations to create values for shareholders.

VI. Opinions of Independent Directors

The opinions of Independent Directors after verification:

Pursuant to the rules of 2021 Restricted Stock Incentive Plan: with resignation of Restricted Stock incentive objects, Mr. Zheng Changhua, Ms. Lu Xingjia, Mr. Li Shenghong, Ms. Li Yan, Mr. Zheng Jinxing, Mr. Liu Chuanhua, Mr. Qin Yong, Ms. Wang Yashu, Mr. Ye Xin, Mr. Zhang Le, Mr. Liao Ling, Mr. Chen Zicheng, and Mr. Peng Hao for personal reasons, we agree to repurchase at the price of 1 yuan per share and cancel their Restricted Stock not meeting the un-lock conditions and also agree to submit this Proposal to the General Meeting of Shareholders for approval. We believe the repurchasing and canceling procedures are law and regulation compliant, and won't have any significant impact on the Company's business performance or the management team's due diligence.

VII. Opinions of the Board of Supervisors

After verifying the plan and the list of incentive objects, the Board of Supervisors has concluded that the repurchasing and canceling procedures of 53,000 shares of restricted stock are in compliance with the rules of the 2021 Restricted Stock Incentive Plan and the *Measures for the Administration of the Equity Incentives of Listed Company*. And this Proposal shall be submitted to the General Meeting of Shareholders for approval.

VIII. Legal Statement and Conclusive Opinions

Attorneys from Grandall Legal Group Hangzhou Office conclude that repurchasing and canceling of a part of Restricted Stock is in compliance with the provisions of 2021 Restricted Stock Incentive Plan, and is valid and effective. All procedures involved have obtained all necessary approvals and authorizations. The number of Restricted Stock to be repurchased and canceled is consistent with the requirements of 2021 Restricted Stock Incentive Plan.

Board of Directors of Zhejiang Supor Co., Ltd.

August 31, 2022