

Stock Code: 002032

Short Form: Supor

Announcement No.: 2023-027

Announcement of Terminating the Public Shares Repurchase Plan

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 March 29, 2023, the Proposal on Terminating the Public Shares Repurchase Plan was reviewed and adopted at the 19th Session of the Seventh Board of Directors and the 18th Session of the Seventh Board of Supervisors of Zhejiang Supor Co., Ltd. (hereinafter referred to as “the Company”, “this Company” or “Supor”), agree with the Company to terminate the Public Shares Repurchase Plan disclosed on April 26, 2022, and the details are as follows:

I. Brief of the Share Repurchase Plan:

The Proposal on Public Shares Repurchase Plan was reviewed and adopted by the 12th Session of Seventh Board of Directors and the Annual General Meeting of Shareholders for 2021 Fiscal Year, the aim of this Share Repurchase Plan is to reduce registered capital fund of the Company and to implement equity incentive plan. The maximum price for repurchasing shares shall not exceed CNY57.96 per share (adjusted to CNY54.78 per share after Profit Distribution for Third Quarter of 2022). The top limitation of shares to be repurchased will not exceed 16,173,570 shares and the bottom limitation of shares will not be lower than 8,086,785 shares, in which estimated 3,000,000 shares could be used for implementing equity incentive and the rest could be canceled to reduce registered capital fund. The valid duration of public shares repurchase plan shall be within 12 months after the general meeting of shareholders having approved the Resolution on Public Shares Repurchase Plan.

The above-mentioned Public Shares Repurchase Plan has been approved by the Annual General Meeting of Shareholders for 2021 Fiscal Year held on April 25, 2022. The Repurchase Report on Public Shares of Zhejiang Supor Co., Ltd. was published on April 26, 2022. Details of the Repurchase Report on Public Shares can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn (Announcement No.: 2022-028).

II. Progress of Public Shares Repurchase Plan

1. The Company initially implemented repurchase of the public shares on May 6, 2022, totally 85,000 shares were repurchased on that day. The Announcement of Initial Repurchase of Public Shares was published in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated May 7, 2022 (Announcement No.: 2022-032).
2. Due to the implementation of the Profit Distribution Plan for 2021 Fiscal Year and the Profit Distribution Plan for Third Quarter of 2022, the Company adjusted the maximum price of Shares Repurchase Plan in accordance with relevant requirements of China Securities Regulatory Commission and Shenzhen Stock Exchange on repurchasing public shares for listed companies. The Announcements on Adjusting Share Price for Public Shares Repurchase Plan can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated May 26, 2022 and December 6, 2022 (Announcement No.: 2022-035&2022-071).
3. The Company has disclosed the implementation process of share repurchase plan during May 9, 2022 to March 11, 2023 and fulfilled the information disclosure obligation in time. Announcement on the Progress of Public Shares Repurchase (Announcement No.: 2022-033, 2022-036, 2022-038, 2022-044, 2022-053, 2022-057, 2022-066, 2022-070, 2023-005, 2023-012 and 2023-016).
4. Totally 4,870,069 shares have been repurchased during May 6, 2022 to February 8, 2023, amounting to 0.60% of the total capital stock and 60.22% of the bottom limitation of shares to be repurchased regulated in the plan. The Company repurchased above shares by using cash of CNY242.88 million (transaction fees excluded), in specific, the highest price is CNY54.00 per share and the lowest price is CNY44.55 yuan per share.
5. On November 10, 2022, 1,253,500 shares of repurchased shares have been transferred to incentive objects involved in the Restricted Stock Incentive Plan 2022. On February 24, 2023, 79,000 shares of repurchased shares have been transferred to incentive objects involved in the postponed portion of Restricted Stock Incentive Plan 2022. As of disclosure date, there are totally 3,537,569 shares in the Company's special stock repurchase account, amounting to 0.44% of the total capital stock of the Company. *Announcement of Completion of Registration for Grant of Restricted Stock of 2022* and *Announcement of Completion of Registration for Grant of Postponed Portion of Restricted Stock of 2022* were published in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn (Announcement No.:2022-067&2023-015).

III. Explanation on Terminating the Public Shares Repurchase Plan

In accordance with the Repurchase Report on Public Shares disclosed on April 26, 2022, the maximum price for repurchasing shares shall not exceed CNY57.96 per share (adjusted to CNY54.78 per share after Profit Distribution for Third Quarter of 2022). The Company's recent stock price continues to surpass the maximum repurchase price as stipulated in above Public Shares Repurchase Plan and we are not allowed to repurchase shares since March 17, 2023 due to block period of Annual Report. Therefore, the share repurchase plan cannot be proceeded. Moreover, given that the implementation period of share repurchase plan will expire soon on April 24, 2023 and there are only 8 trading days remained for the Company to repurchase shares excluding block period of First Quarterly Report. After comprehensive considerations of the market and the Company's actual situation, the Company is planning to terminate the above Public Shares Repurchase Plan and formulate a new Public Shares Repurchase Plan. Details of this new Public Shares Repurchase Plan can be found in Announcement of Public Shares Repurchase Plan (Announcement No.: 2023-028).

According to the authorization of the Company's Annual General Meeting of Shareholders for 2021 Fiscal Year, the termination of the above Public Shares Repurchase Plan is within the approval limit of the Board of Directors, no need to submit to the General Meeting of Shareholders for approval.

IV. Impact of Terminating the Public Shares Repurchase Plan on the Company

The termination of the Public Shares Repurchase Plan has undergone necessary approval procedures, and the termination of share repurchase will not have a significant impact on the Company's finance, operation, research and development, debt performance and other aspects, and there is no harm to the interests of the Company and all shareholders, and will not adversely affect the Company's financial condition and normal operation.

V. Instructions of related parties on buying or selling the Company's shares within share repurchase period

After verification by the Company, the information on buying or selling the Company's shares by directors, supervisors, top management, controlling shareholder and actual controller is stated as below:

CFO Mr. Xu Bo and Vice General Manager and Board Secretary Mr. Ye Jide sold respectively 43,434 shares and 13,048 shares on July 28, 2022 with average share price at 47.70 yuan/per share.

Except for the above, the Company's director, supervisor, top management, controlling shareholder

and actual controller did not trade the Company's shares.

VI. Other Notes

The time period, the quantity of shares repurchased and time period of entrustment for collective trading by bidding all meet the requirements of Article No. 17, 18 and 19 regulated in *Shenzhen Stock Exchange Regulatory Guidelines for Listed Companies No. 9 – Repurchase Shares*.

1. The Company has not repurchased any public share within the following time periods:

- (1) Within 10 trading days prior to the announcement of the Company's annual report and semiannual report, the announcement date is delayed due to special causes, the blocking period shall be counted from the tenth day prior to the originally determined announcement date;
- (2) Within 10 trading days prior to announcement of the Company's quarterly report, business performance forecast and business flash report;
- (3) From the occurrence date or decision-making procedure date of material events with material influence on the transaction price of the Company's stocks and derivatives to the legal disclosure date;
- (4) Other periods recognized by CSRC.

2. The total stock trading volume of the Company during 5 trading days before the date initially implemented for the public shares repurchase plan (May 6, 2022) is 13,284,900 shares accumulatively. The total shares repurchased during every 5 trading days has not surpassed the 25% of the total stock trading volume of the Company during 5 trading days before the initial date (amounting to 3,321,225 shares).

3. The Company has not entrusted any share repurchase in the following trading time:

- (1) Collective Bidding in the opening;
- (2) Within half an hour before the closing;
- (3) The situation of no limit on the rise or fall of share price.

The share repurchase price of the Company is lower than the limit on the rise of share price in each trading day.

VII. Other Arrangements of Repurchased Shares

There are totally 3,537,569 shares in the Company's special stock repurchase account currently, among which the Company will cancel 1,870,069 shares to reduce registered capital as authorized by the Annual General Meeting of Shareholders for 2021 Fiscal Year. The remaining 1,667,500 shares will be used for

implementing future equity incentive plans, and if the Company fails to do so within three years after the termination of the Public Shares Repurchase Plan, those repurchased shares will be cancelled accordingly. Before completion of cancellations and implementation of equity incentive plans, the repurchased shares are deposited in the Company's special stock repurchase account. Above repurchased shares are not entitled to profit distribution, capitalization of provident fund, issuance of new shares and allotment of shares, pledge, voting rights at shareholders' meetings and other related rights.

VIII. Equity Change

Totally 1,870,069 shares are canceled to reduce registered capital, the equity change is stated as below:

Category of Shares	Prior to this Repurchase		After this Repurchase	
	Total shares (share)	(%)	Total shares (share)	(%)
Circulation stock with sales restrictions	2,960,635	0.37%	2,960,635	0.37%
Circulation stocks without sales restrictions	805,618,091	99.63%	803,748,022	99.63%
Total capital stock	808,578,726	100%	806,708,657	100%

Note: The "Circulation stock with sales restrictions" and "Total capital stock" under the "Prior to this repurchase" column has deducted 75,750 shares of Restricted Stock to be repurchased for cancellation.

IX. Opinions of Independent Directors

In view of the Company's stock price continues to surpass the maximum repurchase price recently and the implementation period of share repurchase plan will end on April 24, 2023. After given comprehensive considerations of the market and the Company's actual situation, the Company is planning to terminate the Public Shares Repurchase Plan disclosed on April 26, 2022. The decision to terminate the share repurchase plan is made according to the changes in the capital market and the implementation of the repurchase, which conforms to the actual situation of the Company. There is no damage to the interests of all shareholders, and it will not adversely affect the production, operation and financial condition of the Company. We agree with the Company's decision to terminate this share repurchase plan.

Board of Directors of Zhejiang Supor Co., Ltd.

March 31, 2023