

## **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.

### **Important Notes:**

1. The number of Restricted Stock cancelled: 75,750 shares;
2. The proportion of total capital stock before cancellation: 0.009%;
3. Total capital fund used to repurchase: 75,750 yuan;
4. The number of Incentive Objects involved: 18.

Pursuant to the resolution adopted at the Annual General Meeting of Shareholders for 2022 Fiscal Year of Zhejiang Supor Co., Ltd. (hereinafter referred to as the "Company", "the Company" or "Supor") held on April 25, 2023, the Company has completed the repurchase and cancellation of Restricted Stock on June 29, 2023, after it was reviewed and confirmed by Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. Totally 75,750 shares of Restricted Stock were repurchased at the price of 1 yuan per share and cancelled. Related matters are announced as follows:

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

#### **1. 2021 Restricted Stock Incentive Plan**

- (1) On December 10, 2021, the 10<sup>th</sup> Session of the Seventh Board of Directors and 9<sup>th</sup> 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). The Board of Supervisors have conducted preliminary verifications on the List of Incentive Objects.
- (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 11<sup>th</sup> Session of the Seventh Board of Directors and 9<sup>th</sup> 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 and the Grant Date is January 6, 2022. Independent Directors have addressed independent opinions on above Proposals. The Board of Supervisors have confirmed the List of Incentive Objects.
- (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 12<sup>th</sup> Session of the Seventh Board of Directors and 11<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted 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.
- (8) On August 30, 2022, the 14<sup>th</sup> Session of the Seventh Board of Directors and 13<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of thirteen Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 53,000 shares of Restricted Stock at the price of 1 yuan per share.
- (9) On March 29, 2023, the 19<sup>th</sup> Session of the Seventh Board of Directors and 18<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Repurchasing and Canceling a

Part of Restricted Stock. For disqualification of four Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 21,000 shares of Restricted Stock at the price of 1 yuan per share.

## 2. 2022 Restricted Stock Incentive Plan

- (1) On August 30, 2022, the 14<sup>th</sup> Session of the Seventh Board of Directors and the 13<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on 2022 Restricted Stock Incentive Plan (Draft) and its Abstract. Independent Directors have addressed independent opinions on the Incentive Plan. The Board of Supervisors have conducted preliminary verifications on the List of Incentive Objects.
- (2) On September 16, 2022, the Company disclosed Verification Opinions on List of Incentive Objects for 2022 Restricted Stock Incentive Plan. The Board of Supervisors has verified the Incentive Objects of 2022 Restricted Stock Incentive Plan and concluded that the subjective qualifications of the Incentive Objects involved in this plan are legal and valid.
- (3) On September 21, 2022, the First Interim General Meeting of Shareholders 2022 reviewed and adopted the Proposal on 2022 Restricted Stock Incentive Plan (Draft) and its Abstract, Proposal on Assessment Measures for the Implementation of the 2022 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 September 22, 2022, the Company disclosed Self-verification on Buying or Selling the Company's Shares by Insiders and Incentive Objects of 2022 Restricted Stock Incentive Plan. The Company's insiders did not trade the Company's shares or involved in insider trading during the process of planning. In addition, the Company's insiders and Incentive Objects did not trade the Company's shares or involved in insider trading within six months before the publication of the Incentive Plan.
- (5) On October 12 2022, the 15<sup>th</sup> Session of the Seventh Board of Directors and the 14<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Grant of Restricted Stock to Incentive Objects, agreeing to grant 1,253,500 shares of Restricted Stock to totally 288 Incentive Objects and the Grant Date is October 12, 2022. Independent Directors have addressed independent opinions on the above Proposal. The Board of Supervisors have confirmed the List of Incentive Objects.
- (6) On November 11, 2022, the Company disclosed Announcement of Completion of Registration for

Grant of Restricted Stock of 2022. Totally 1,253,500 shares of Restricted Stock have been registered under the name of 288 incentive objects on November 10, 2022.

- (7) On January 31, 2023, the 18<sup>th</sup> Session of the Seventh Board of Directors and the 17<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Grant of Postponed Portion of Restricted Stock to Incentive Objects, agreeing to grant 79,000 shares of postponed portion of Restricted Stock to totally 2 Incentive Objects and the Grant Date is February 1, 2023. Independent Directors have addressed independent opinions on the above Proposal. The Board of Supervisors have confirmed the List of Incentive Objects.
- (8) On February 27, 2023, the Company disclosed Announcement of Completion of Registration for Grant of Postponed Portion of Restricted Stock of 2022. Totally 79,000 shares of postponed portion of Restricted Stock have been registered under the name of 2 incentive objects on February 24, 2023.
- (9) On March 29, 2023, the 19<sup>th</sup> Session of the Seventh Board of Directors and 18<sup>th</sup> Session of the Seventh Board of Supervisors reviewed and adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock. For disqualification of two Incentive Objects due to their resignation, the Company has decided to repurchase and cancel 1,750 shares of Restricted Stock at the price of 1 yuan per share.

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

### **1. 2021 Restricted Stock Incentive Plan**

The 14<sup>th</sup> Session of the Seventh Board of Directors held on August 30, 2022 adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock, agreeing to repurchase and cancel 53,000 shares of Restricted Stock granted to thirteen incentive objects who had resigned from the Company. In addition, the 19<sup>th</sup> Session of the Seventh Board of Directors held on March 29, 2023 adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock, agreeing to repurchase and cancel 21,000 shares of Restricted Stock granted to thirteen incentive objects who had resigned from the Company. The Annual General Meeting of Shareholders for 2022 Fiscal Year held on April 25, 2023 adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock, agreeing to repurchase and cancel 74,000 shares of Restricted Stock granted to above-mentioned seventeen incentive objects who have resigned from the Company. The detailed adjustment to the 2021 Restricted Stock Incentive Plan is stated as follows:

Since the 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, Mr. Peng Hao, Mr. Pan Xianguo, Mr. Shen Qian, Mr. Liu Rigui, and Ms. Jiang Miao under the Restricted Stock Incentive Plan 2021 were resigned due to personal reasons, in accordance with the stipulations of article 3(4) of Chapter VIII “Change to the Company and the Incentive Objects” of 2021 Restricted Stock Incentive Plan, 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 100% of the total Restricted Stock granted to them ). The amount of restricted stock to be repurchased for cancellation is 74,000 shares. Details can be found in the Announcement of Repurchasing and Canceling a Part of Restricted Stock published in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated August 31, 2022 and March 31, 2023 (Announcement No.: 2022-050 and 2023-026).

## 2. 2022 Restricted Stock Incentive Plan

The 19<sup>th</sup> Session of the Seventh Board of Directors held on March 29, 2023 adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock, agreeing to repurchase and cancel 1,750 shares of Restricted Stock granted to two incentive objects who had resigned from the Company. The Annual General Meeting of Shareholders for 2022 Fiscal Year held on April 25, 2023 adopted the Proposal on Repurchasing and Canceling a Part of Restricted Stock, agreeing to repurchase and cancel 1,750 shares of Restricted Stock granted to above-mentioned two incentive objects who have resigned from the Company. The detailed adjustment to the 2022 Restricted Stock Incentive Plan is stated as follows:

Since the incentive objects Ms. Jiang Miao and Mr. Cao Liang under the Restricted Stock Incentive Plan 2022 were resigned due to personal reasons, in accordance with the stipulations of article 3(4) of Abnormal Change in Incentive Object of Chapter 8 of Restricted Stock Incentive Plan 2022, 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 100% of the total Restricted Stock granted to them. Among which, incentive object Mr. Cao Liang resigned in the second assessment period. Therefore, the Company shall repurchase and cancel the Restricted Stock of the second assessment period which accounts for 50% of total Restricted Stock granted to him). The restricted stock to be repurchased for cancellation from resigned incentive objects of Restricted Stock Incentive Plan 2022 is 1,750 shares. Details can be found in the Announcement of Repurchasing and Canceling a Part of Restricted Stock published in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated March 31, 2023 (Announcement No.: 2023-026).

All in all, the Company repurchases 75,750 shares of restricted stock from Restricted Stock Incentive Plan 2021&2022 at the price of 1 yuan per share for cancellation.

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

Totally 75,750 shares of restricted stock of eighteen Incentive Objects were to be repurchased and canceled at the price of 1 yuan per share complying with Restricted Stock Incentive Plan 2021&2022, accounting for 0.009% of the total capital stock of the Company. The Company has already paid repurchase fund amounting to RMB 75,750 yuan to above Incentive Objects. Zhejiang Pan-China Certified Public Accountants (special general partnership) also issued the Capital Verification Report No.304 (2023) dated on June 20, 2023.

The number of Restricted Stock granted to Incentive Objects in accordance with Restricted Stock Incentive Plan 2021&2022 is changed as follows:

#### 1. 2021 Restricted Stock Incentive Plan

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	74,000	986,500
Total		<b>1,185,500</b>	<b>74,000</b>	<b>1,111,500</b>

#### 2. 2022 Restricted Stock Incentive Plan

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	82,000	0	82,000
Xu Bo	Chief Financial Officer	58,000	0	58,000
Ye Jide	Vice General	21,000	0	21,000

	Manager, Secretary of Board			
Other Incentive Objects		1,171,500	1,750	1,169,750
Total		<b>1,332,500</b>	<b>1,750</b>	<b>1,330,750</b>

**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	3,040,360	0.38%	75,750	2,964,610	0.37%
II. Non-restricted outstanding shares	803,744,047	99.62%		803,744,047	99.63%
III. Total shares	806,784,407	100%	75,750	806,708,657	100%

Board of Directors of Zhejiang Supor Co., Ltd.

June 30, 2023