

## **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 7<sup>th</sup> Session of the Eighth 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 March 29, 2024. Totally 15,000 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) and 2022 Restricted Stock Incentive Plan of Zhejiang Supor Co., Ltd. (draft) (hereinafter referred to as 2022 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. 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.. 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 10<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. 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. Above shares were canceled on June 29, 2022.
- (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, and above shares were canceled on June 29, 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 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, and above shares were canceled on June 29, 2023.
- (10) On August 30, 2023, the 2<sup>nd</sup> Session of the Eighth Board of Directors and 2<sup>nd</sup> Session of the Eighth 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 2,000 shares of Restricted Stock at the price of 1 yuan per share. Above repurchase and cancelation of Restricted Stocks shall be submitted to the General Meeting of Shareholders for approval.
- (11) On January 26, 2024, the 6<sup>th</sup> Session of the Eighth Board of Directors and 6<sup>th</sup> Session of the Eighth Board of Supervisors reviewed and adopted the *Proposal on Unlocking of Restricted Stock within the First Unlock Period of 2021 Restricted Stock Incentive Plan*, agreeing to unlock the Restricted Stock for 270 qualified Incentive Objects in the first unlock period. The number of Restricted Stock unlocked is 555,750 shares, accounting for 0.07% of the total capital stock of the Company. The date of circulation of the Restricted Stock unlockable during the first unlock period is February 2, 2024.

## 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. 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. 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. The Company completed the registration work for the grant of Restricted Stock involved in the Restricted Stock Incentive Plan 2022 (Draft) except for the postponed portion. The Company granted 1,253,500 shares of Restricted Stock to totally 288 Incentive Objects with grant price of 1 yuan per share, and the listing date for the Restricted Stock granted is 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. 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. The Company completed the registration work for the grant of the postponed portion of Restricted Stock involved in the Restricted Stock Incentive Plan 2022 (Draft). The Company granted 79,000 shares of Restricted Stock to 2 Incentive Objects with grant price of 1 yuan per share, and the listing date for the Restricted Stock granted is 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, and above shares were canceled on June 29, 2023.
- (10) On August 30, 2023, the 2<sup>nd</sup> Session of the Eighth Board of Directors and 2<sup>nd</sup> Session of the Eighth

Board of Supervisors reviewed and adopted 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 3,250 shares of Restricted Stock at the price of 1 yuan per share. Above repurchase and cancelation of Restricted Stocks shall be submitted to the General Meeting of Shareholders for approval.

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

### 1. 2021 Restricted Stock Incentive Plan

#### (1) Adjustments due to resignation of the Incentive Objects:

Since the incentive objects Mr. Pan Lingguo and Mr. Shen Jianzhong under the Restricted Stock Incentive Plan 2021 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 2021, the Company will repurchase and cancel the unlocked restricted stock at the price of CNY1.00 per share. In conclusion, the restricted stock to be repurchased for cancellation from resigned incentive objects of Restricted Stock Incentive Plan 2021 is 5,500 shares.

### 2. 2022 Restricted Stock Incentive Plan

#### (1) Adjustments due to resignation of the Incentive Objects:

Since the incentive objects Mr. Pan Lingguo, Mr. Sun Jie, Ms. Zhou Yuhong and Mr. Shen Jianzhong 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 restricted stock to be repurchased for cancellation from resigned incentive objects of Restricted Stock Incentive Plan 2022 is 9,500 shares.

After the adjustments, the share number of Restricted Stock granted to Incentive Objects in accordance with Restricted Stock Incentive Plan 2021 and 2022 is changed as follows:

### 1. The changes in the Restricted Stock Incentive Plan 2021:

Name	Position	Restricted Stock unlocked during first unlock period (share)	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	30,000	30,000	0	30,000
Xu Bo	Chief Financial Officer	22,500	22,500	0	22,500
Ye Jide	Vice General Manager, Secretary of Board	10,000	10,000	0	10,000
Other Incentive Objects		493,250	491,250	5,500	485,750
<b>Total</b>		<b>555,750</b>	<b>553,750</b>	<b>5,500</b>	<b>548,250</b>

Note: The number of "Restricted Stock granted" has deducted 2,000 shares of Restricted Stock to be repurchased and canceled

for resignation of Incentive Objects adopted by the 2<sup>nd</sup> Session of the Eighth Board of Directors.

The other contents and conditions of the Restricted Stock Incentive Plan 2021 remain unchanged.

**2. The changes in the Restricted Stock Incentive Plan 2022**

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 Manager, Secretary of Board	21,000	0	21,000
Other Incentive Objects		1,166,500	9,500	1,157,000
<b>Total</b>		<b>1,327,500</b>	<b>9,500</b>	<b>1,318,000</b>

Note: The number of “Restricted Stock granted” has deducted 3,250 shares of Restricted Stock to be repurchased and canceled for resignation of Incentive Objects adopted by the 2<sup>nd</sup> Session of the Eighth Board of Directors.

The other contents and conditions of the Restricted Stock Incentive Plan 2022 remain unchanged.

All in all, the Company will repurchase 15,000 shares of restricted stock from Restricted Stock Incentive Plan 2021&2022 at the price of 1 yuan per share for cancellation.

**III. Notes on Stock Repurchase**

Content	Explanation
Type of stock repurchased	Restricted Stock by Equity Incentive
Number of stock repurchased (share)	15,000
Proportion in total Restricted Stock	0.59%
Proportion in total Capital Stock	0.002%
Unit price for repurchase (yuan)	1
Capital used for repurchase (yuan)	15,000
Capital resource	Self-owned fund

**IV. Change of Equity Structure before and after the Repurchase**

	Before change		Number of shares to be repurchased and canceled that adopted by the 2 <sup>nd</sup> Session of the Eighth Board of Directors	Number of shares to be repurchased and canceled this time	After change	
	Number of Shares	Percentage (%)			Number of Shares	Percentage (%)
I. Restricted outstanding shares	2,138,817	0.27%	5,250	15,000	2,118,567	0.26%
II. Non-restricted	804,569,840	99.73%	0	0	804,569,840	99.74%

outstanding shares						
III. Total shares	806,708,657	100%	5,250	15,000	806,688,407	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 the Board of Supervisors

The Proposal on Repurchasing and Canceling a Part of Restricted Stock was reviewed and adopted at the 7<sup>th</sup> Session of the Eighth Board of Supervisors. After verifying the plan and the list of incentive objects, the Board of Supervisors agreed to repurchase and cancel 15,000 shared of Restricted Stock and submit this proposal to the General Meeting of Shareholders of the Company for approval. The Board of Supervisors has concluded that: the repurchasing and canceling procedures of restricted stock are in compliance with the rules of the 2021 Restricted Stock Incentive Plan, 2022 Restricted Stock Incentive Plan, and the *Measures for the Administration of the Equity Incentives of Listed Company*.

## VII. Legal Statement and Conclusive Opinions

Attorneys from Grandall Legal Group Hangzhou Office conclude that: the repurchasing and canceling of a part of Restricted Stock is in compliance with the *Company Law*, the *Measures for the Administration of the Equity Incentives of Listed Company*, and the provisions of *2021 Restricted Stock Incentive Plan (Draft)* and *2022 Restricted Stock Incentive Plan (Draft)*, and have obtained all necessary approvals and authorizations at this stage. The quantity of stocks to be repurchased, repurchase price and the repurchase capital resource are in compliance with the *Company Law*, the *Measures for the Administration of the Equity Incentives of Listed Company*, and the provisions of *2021 Restricted Stock Incentive Plan (Draft)* and *2022 Restricted Stock Incentive Plan (Draft)*. In accordance with the *Company Law*, the *Articles of Association* of the Company, and other relevant regulations, the repurchase and cancellation of a part of the Restricted Stocks and the reduction of the registered capital is still subject to the approval procedures by the General Meeting of Shareholders, the procedures of public announcements, the registration changes, and the cancellation process of the Restricted Stocks through Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

Board of Directors of Zhejiang Supor Co., Ltd.

March 30, 2024