

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 11th 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 October 24, 2024. Totally 178,674 shares of Restricted Stock will be repurchased and canceled in accordance with the 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 Fourth Interim General Meeting of Shareholders 2024 for approval. Relevant issues are now announced as follows:

I. Approval Procedures and Implementation of the Equity Incentive Plan

- (1) On August 30, 2022, the 14th Session of the Seventh Board of Directors and the 13th 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 Employees.
- (2) On September 16, 2022, the Company disclosed *Verification Opinions on List of Incentive Employees for 2022 Restricted Stock Incentive Plan*. The Board of Supervisors has verified the Incentive Employees of 2022 Restricted Stock Incentive Plan and concluded that the subjective qualifications of the Incentive Employees 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 Employees 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 Employees 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 15th Session of the Seventh Board of Directors and the 14th Session of the Seventh Board of Supervisors reviewed and adopted the *Proposal on Grant of Restricted Stock to Incentive Employees*, agreeing to grant 1,253,500 shares of Restricted Stock to totally 288 Incentive Employees and the Grant Date is October 12, 2022. The Board of Supervisors have confirmed the List of Incentive Employees.
- (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 were registered under the name of 288 incentive employees on November 10, 2022.
- (7) On January 31, 2023, the 18th Session of the Seventh Board of Directors and the 17th Session of the Seventh Board of Supervisors reviewed and adopted the *Proposal on Grant of Postponed Portion of Restricted Stock to Incentive Employees*, agreeing to grant 79,000 shares of postponed portion of Restricted Stock to totally 2 Incentive Employees and the Grant Date is February 1, 2023. The Board of Supervisors have confirmed the List of Incentive Employees.
- (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 were registered under the name of 2 incentive employees on February 24, 2023.
- (9) On March 29, 2023, the 19th Session of the Seventh Board of Directors and 18th 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 Employees 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 2nd Session of the Eighth Board of Directors and 2nd 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 Employees 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, and above shares were canceled on August 7, 2024.
- (11) On March 29, 2024, the 7th Session of the Eighth Board of Directors and 7th Session of the Eighth Board of Supervisors reviewed and adopted the *Proposal on Repurchasing and Canceling a Part of Restricted Stock*. For disqualification of four Incentive Employees due to their resignation, the Company has decided to repurchase and cancel 9,500 shares of Restricted Stock at the price of 1 yuan per share, and above shares were canceled on August 7, 2024.
- (12) On October 24, 2024, the 11th Session of the Eighth Board of Directors and 11th Session of the Eighth Board of Supervisors reviewed and adopted the *Proposal on Unlocking of Restricted Stock within the First Unlock Period of 2022 Restricted Stock Incentive Plan and Proposal on Repurchasing and Canceling a Part of Restricted Stock*.

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

Since the performance assessment of business units that incentive employees serve did not achieve the

100% unlocking target under the first unlock period of Restricted Stock Incentive Plan 2022, in accordance with the stipulations of article VI(3) of Specific Contents of the Incentive Plan of Chapter V of Restricted Stock Incentive Plan 2022, it is one of the preconditions that the incentive employee can lift the restriction in the phase wholly or partially if the relevant performance of the foregoing business unit reaches the basic goals or above; and if the relevant performance of the business unit fails to reach the basic goal, the Company will repurchase and cancel the restricted stock in the current period in accordance with the provisions of the Plan. The overall performance assessment of the business units in 2022 where incentive employees serve is 73.11%, the Company determines the amount of restricted stock to be unlocked according to the achievement rate of the performance of each business unit in the current assessment period, so totally 456,201 shares of restricted stock will be unlocked, and the other 178,674 shares of Restricted Stock will be repurchased for cancellation.

Details of the *Announcement of Unlocking of Restricted Stock within the First Unlock Period of 2022 Restricted Stock Incentive Plan* can be found in Securities Times, China Securities Journal, Securities Daily and cninfo.com.cn dated October 25, 2024 (Announcement No.: 2024-057).

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

Category	Name	Position	Restricted Stock not unlocked (share)	Restricted Stock to be unlocked during first unlock period (share)	Repurchased and canceled Restricted Stock this time (share)	Restricted Stock remaining locked (share)
Initial Granting Portion	Cheung Kwok Wah	General Manager	82,000	30,750	10,250	41,000
	Other Incentive Employees		1,157,000	425,451	158,549	573,000
Postponed Granting Portion	Xu Bo	Chief Financial Officer	58,000	0	7,250	50,750
	Ye Jide	Vice General Manager, Secretary of Board	21,000	0	2,625	18,375
Total			1,318,000	456,201	178,674	683,125

Note: The unlocking of Restricted Stock within the first unlock period of the postponed granting portion will be reviewed by another session of Board of Directors later on and relevant formalities will be handled accordingly.

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

All in all, the Company will repurchase 178,674 shares of restricted stock 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)	178,674

Proportion in total Restricted Stock (currently in effect)	9.57%
Proportion in total Capital Stock	0.02%
Unit price for repurchase (yuan)	1
Capital used for repurchase (yuan)	178,674
Capital resource	Self-owned fund

IV. Change of Equity Structure before and after the Repurchase

	Before change		Number of stock to be repurchased and canceled	After change	
	Number of Shares	Percentage (%)		Number of Shares	Percentage (%)
I. Restricted outstanding shares	2,151,067	0.27%	178,674	1,972,393	0.25%
II. Non-restricted outstanding shares	799,387,340	99.73%	0	799,387,340	99.75%
III. Total shares	801,538,407	100%	178,674	801,359,733	100%

V. Impact on Business Performance

The repurchase and cancellation 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 11th Session of the Eighth Board of Supervisors. After verifying the plan and the list of incentive employees, the Board of Supervisors agreed to repurchase and cancel 178,674 shares of Restricted Stock and submit this proposal to the General Meeting of Shareholders of the Company for approval. The Board of Supervisors concluded that: the repurchasing and canceling procedures of restricted stock are in compliance with the rules of the 2022 Restricted Stock Incentive Plan, and the *Administrative Measures for Equity Incentive of Listed Companies*.

VII. Legal Statement and Conclusive Opinions

Attorneys from Grandall Legal Group Hangzhou Office concluded that: the repurchasing and canceling of a part of Restricted Stock is in compliance with the *Company Law*, the *Administrative Measures for Equity Incentive of Listed Companies*, and the provisions of *2022 Restricted Stock Incentive Plan*, 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 *Administrative Measures for Equity Incentive of Listed Companies*, and the provisions of *2022 Restricted Stock Incentive Plan*. 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.

October 25, 2024