

## **Suggestive Announcement on Listing of Restricted Stock Unlockable during the Second Unlock Period of 2021 Restricted Stock Incentive Plan**

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.

### **Special Notes:**

1. The number of Incentive Employees applying for unlocking is 266 and totally 548,250 shares of Restricted Stock will be unlocked, accounting for 0.07% of the total capital stock of the Company.
2. The date of circulation of the Restricted Stock unlockable during the second unlock period is February 11, 2025.
3. The Restricted Stock Incentive Plan implemented is in line with that of previous disclosure.

The 13<sup>th</sup> Session of the Eighth Board of Directors of Zhejiang Supor Co., Ltd. (hereinafter referred to as “Company”, “the Company” or “Supor”) reviewed and adopted the *Proposal on Unlocking of Restricted Stock within the Second Unlock Period of 2021 Restricted Stock Incentive Plan* and the Board of Directors concluded that the unlocking conditions for the Restricted Stock during the second unlock period of 2021 Restricted Stock Incentive Plan (Draft, hereinafter referred to as “2021 Restricted Stock Incentive Plan”) had been satisfied. In accordance with the provisions of 2021 Restricted Stock Incentive Plan and the authorization of the Third Interim General Meeting of Shareholders 2021, the Board of Directors has managed the work of unlocking the Restricted Stock during the second unlocking period. The number of Incentive Employees applying for unlocking is 266 and totally 548,250 shares of Restricted Stock will be unlocked, accounting for 0.07% of the total capital stock of the Company. The date of circulation of the Restricted Stock unlockable during the second unlock period is February 11, 2025. Related information is announced as follows:

**I. Brief of the 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.

2. On December 25, 2021, the Company disclosed Verification Opinions on List of Incentive Employees for 2021 Restricted Stock Incentive Plan. The Board of Supervisors has verified the Incentive Employees of 2021 Restricted Stock Incentive Plan and concluded that the subjective qualifications of the Incentive Employees 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 Employees, agreeing to grant 1,209,500 shares of Restricted Stock to totally 293 Incentive Employees.

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 employees 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 Employees 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 Employees 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 Employees 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 Employees 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, and above shares were canceled on August 7, 2024.

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*, the first restriction period of Restricted Stock is 24 months after completion of grant registration and the restriction period was expired on January 26, 2024. The Company agreed to unlock the Restricted Stock for 270 qualified Incentive Employees 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 above Restricted Stock is February 2, 2024.

12. On March 29, 2024, the 7<sup>th</sup> Session of the Eighth Board of Directors and 7<sup>th</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 Employees due to their resignation, the Company has decided to repurchase and cancel 5,500 shares of Restricted Stock at the price of 1 yuan per share, and above shares were canceled on August 7, 2024.

13. On January 10, 2025, the 13<sup>th</sup> Session of the Eighth Board of Directors and 13<sup>th</sup> Session of the Eighth Board of Supervisors reviewed and adopted the *Proposal on Unlocking of Restricted Stock within the Second Unlock Period of 2021 Restricted Stock Incentive Plan*.

## **II. Attainment of Unlocking conditions of Restricted Stock during the Second Unlock Period as defined in 2021 Restricted Stock Incentive Plan**

### **1. Expiration of lock period**

The Restricted Stock granted by this Incentive Plan is restricted to 24 months and 36 months from the date of completion of the registration. The second unlock period starts from the first transaction date within 36 months after the completion of registration of the restricted stock to the last transaction date within 48 months after the completion of the registration of the restricted stock, and the proportion to be unlocked is 50% of restricted stock granted.

The completion date of the registration of 2021 Restricted Stock Incentive Plan is January 27, 2022, and the second lock period expired on January 27, 2025.

### **2. Explanation on the attainment of unlocking conditions of the second unlock period**

During the unlock period, the restricted stocks granted to the incentive employees can only be unlocked when the following conditions are met simultaneously:

No.	Unlocking conditions of Restricted Stock during the Second Unlock Period as defined in Incentive Plan	Information on whether to satisfy the unlocking conditions
1	<p>a. None of the following circumstances has occurred in the Company:</p> <p>① The financial and accounting report of the mostly recent accounting year was given the adverse opinion or was presented the audit report with the disclaimer of opinion by the certified public accountant.</p> <p>② The internal control of the financial report of the mostly recent accounting year was given the adverse opinion or was presented the audit report with the disclaimer of opinion by the certified public accountant.</p> <p>③ The company occurred the circumstance in which the profit was distributed without abiding by the laws, regulations, articles of association and public commitment within the recent 36 months after being listed.</p> <p>④ The law or regulation prohibits to execute the equity incentive.</p> <p>⑤ The other circumstances recognized by CSRC (China Securities Regulatory Commission).</p>	Therefore, the Company satisfies the unlocking conditions.
2	b. None of the following circumstances has happened to the	Therefore, the Incentive Employees

	<p>Incentive Employees:</p> <p>① The incentive employee was recognized as the inappropriate candidate by the stock exchange in recent 12 months.</p> <p>② The incentive employee was recognized by CSRC or its agency as the inappropriate candidate in recent 12 months.</p> <p>③ The incentive employee was given the administrative punishment or was not given the market access permit by CSRC or its agency due to his/her significant default behavior or illegal behavior in recent 12 months.</p> <p>④ The incentive employee was involved in the circumstance in which he/she is not suitable for acting as the director or the senior management of the Company in accordance with the regulations of the Company Law.</p> <p>⑤ The incentive employee who is not allowed to participate in the equity incentive according to laws or regulations.</p> <p>⑥ The other circumstances recognized by CSRC (China Securities Regulatory Commission).</p>	satisfy the unlocking conditions.
3	Requirements for company performance assessment: Net profit attributable to shareholders of the parent company in 2023 shall not be less than 105% of that in 2022.	Net profit attributable to shareholders of the parent company in 2023 increased by 5.42% compared to that in 2022, the unlocking condition is satisfied.
4	Requirements for business unit performance assessment: the performance of the business unit where the incentive employee serves shall reach the basic goals or above.	The performance of the business unit in where the incentive employee serves reach the basic goals or above, the unlocking condition is satisfied.
5	Requirements for individual performance assessment: according to the Assessment Measures for the Implementation of the 2021 Restricted Stock Incentive Plan, the assessment result of the incentive employee in 2023 should be qualified or above.	In 2023, 266 Incentive Employees are assessed as qualified, which satisfied the unlocking conditions.

In conclusion, the Board of Directors believes that unlocking conditions of Restricted Stock during the Second Unlock Period as defined in Restricted Stock Incentive Plan 2021 have been satisfied. The Board of Directors concludes that the Incentive Plan implemented this time is consistent with the Incentive Plan disclosed.

### III. Verification Opinions of the Compensation and Appraisal Committee of Board of Directors on Unlocking of Restricted Stock during the Second Unlock Period

The Compensation and Appraisal Committee of Board of Directors has verified the 2021 Restricted Stock Incentive Plan, satisfaction of unlocking conditions, and list of Incentive Employees, and concluded that all Incentive Employees involved satisfied the qualification requirements of *Measures for the Administration of the Equity Incentives of Listed Companies*, *Shenzhen Stock Exchange Self-Regulatory Guidance for Listed Companies No.1- Business Handling* and *2021 Restricted Stock Incentive Plan (Draft)*, they all passed appraisals of the year, and satisfied all unlocking conditions such as performance indicators; the subjective qualifications of the Incentive Employees are legal and effective.

#### **IV. Verification Opinions of the Board of Supervisors on the List of Incentive Employees with Restricted Stock during the Second Unlock Period**

After verification of the List of Incentive Employees, the Board of Supervisors concluded the subjective qualifications of the 266 Incentive Employees are legal and effective, and all Incentive Employees satisfy the unlocking conditions of the second unlock period of 2021 Restricted Stock Incentive Plan. The Board of Supervisors agrees with the Board of Directors for dealing with unlocking procedures for Incentive Employees.

#### **V. Verifying Opinions of Independent Financial Consultant about Issues related to Unlocking of Restricted Stock during the Second Unlock Period**

Independent Financial Consultants from China International Capital Co., Ltd. concluded that the unlocking conditions of the second unlock period of this Incentive Plan have been fulfilled, and the relevant matters are in compliance with the relevant provisions of the *2021 Restricted Stock Incentive Plan*, and the necessary procedures required have been implemented at this stage. All procedures are in line with *Company Law*, *Securities Law*, *Administrative Measures for Equity Incentive of Listed Companies*, *Rules governing the Listing of Shares on Shenzhen Stock Exchange*, *Shenzhen Stock Exchange Self-Regulatory Guide for Listed Companies No. 1 - Business Handling* and other laws, regulations and standardized documents. There is no circumstances that will harm the interests of the listed company and all shareholders; the aforesaid matters shall be subject to the fulfilment of the obligation of information disclosure in accordance with the relevant provisions, and the procedures relating to the unlocking of restricted stocks shall be carried out in accordance with the provisions of the relevant laws and regulations.

## VI. Legal Statement of Grandall Legal Group (Hangzhou) about Issues related to Unlocking of Restricted Stock during the Second Unlock Period

Attorneys from Grandall Legal Group Hangzhou Office concluded that the unlocking conditions of Restricted Stock during the second unlock period as defined in the Incentive Plan were satisfied; the unlocking issues should be proceeded with after the approval of the Board of Directors for the unlocking applications submitted by Incentive Employees.

## VII. Circulation of Restricted Stock unlocked during the Second Unlock Period

1. The date of circulation of the Restricted Stock unlockable during the second unlock period is February 11, 2025.

2. Totally 548,250 shares of restricted stock will be unlocked, accounting for 0.07 % of the total capital stock of the Company and 50% of the total Restricted Stock granted (which has deducted the shares granted to resigned incentive employees repurchased and canceled due to their resignation).

3. The number of Incentive Employees applying for unlocking is 266.

4. Circulation conditions of Restricted Stock unlocked are as follows:

No.	Name	Position	Restricted Stock granted (shares)	Restricted Stock unlocked during first unlock period (share)	Restricted Stock to be unlocked this time (share)	Restricted Stock remaining locked (share)
1	Cheung Kwok Wah	Former General Manager	60,000	30,000	30,000	0
2	Xu Bo	Chief Financial Officer	45,000	22,500	22,500	0
3	Ye Jide	Vice General Manager, Secretary of Board	20,000	10,000	10,000	0
4	Other Incentive Employees		979,000	493,250	485,750	0
Total			1,104,000	555,750	548,250	0

Note: The number of "Restricted Stock granted" has deducted the cancelled Restricted Stocks which were originally granted to the Incentive Employees who have resigned from the Company.

Among these Incentive Employees, Mr. Xu Bo and Mr. Ye Jide are top managements of the Company.

Pursuant to the *Rules on Shareholding of Directors, Supervisors and Top Management Staffs and Relevant Changes* and other pertinent laws, regulations and provisions of Incentive Plan, the percentage of shares to be tradable in the market each year after unlocking their Restricted Stock granted shall not exceed 25% of the total shares held by them. Former General Manager Mr. Cheung Kwok Wah has resigned on January 23, 2025, after the unlocking of the restricted shares held by him will be managed in accordance with the relevant provisions of Regulatory Guidelines for Listed Companies No. 18- Shares Reduction by Shareholders, Directors, Supervisors and Top Management of Listed Company and other relevant regulations.

#### VIII. Change of Capital Structure after unlocking Restricted Stock during the Second Unlock Period

Category of Shares	Before change		Increase/ decrease	After change	
	Total shares (share)	Share proportion (%)		Total shares (share)	Share proportion (%)
Circulation stock with sales restrictions	1,477,862	0.18%	-548,250	929,612	0.12%
Circulation stocks without sales restrictions	799,881,871	99.82%	+548,250	800,430,121	99.88%
Total capital stocks	801,359,733	100%	0	801,359,733	100%

Note: The data in the form is preliminarily calculated by the Company and the detailed data shall refer to the capital structure statement of the list company issued by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited.

Board of Directors of Zhejiang Supor Co., Ltd.

February 10, 2025