

## Announcement of Canceling a Part of Stock Options

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 14<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 Canceling a Part of Stock Options* on March 27, 2025. Totally 64,500 shares of stock option granted to the incentive employees will be canceled in accordance with the Proposal on 2024 Stock Option Incentive Plan (Draft) of Zhejiang Supor Co., Ltd. (hereinafter referred to as “2024 Stock Option Incentive Plan”). Relevant issues are now announced as follows:

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

- (1) On August 29, 2024, the 9<sup>th</sup> Session of the Eighth Board of Directors and 9<sup>th</sup> Session of the Eighth Board of Supervisors reviewed and adopted the Proposal on 2024 Stock Option Incentive Plan (Draft) and Abstract of Zhejiang Supor Co., Ltd. The Board of Supervisors have conducted preliminary verification on the List of Incentive Employees.
- (2) On September 14, 2024, the Company disclosed the Verification Opinions on List of Incentive Employees for 2024 Stock Option Incentive Plan. The Board of Supervisors has verified the Incentive Employees of 2024 Stock Option Incentive Plan and concluded that the subjective qualifications of the Incentive Employees involved in this plan are legal and valid.
- (3) On September 20, 2024, the Third Interim General Meeting of Shareholders 2024 reviewed and adopted the Proposal on 2024 Stock Option Incentive Plan (Draft) and Abstract, the Proposal on Assessment Measures for the Implementation of the 2024 Stock Option Incentive Plan and the Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Deal with Issues Related to the Company's 2024 Stock Option Incentive Plan.
- (4) On September 21, 2024, the Company disclosed Self-verification on Buying or Selling the Company's Shares by Insiders of 2024 Stock Option 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 2024 Stock Option Incentive Plan.
- (5) On September 27, 2024, the 10<sup>th</sup> Session of the Eighth Board of Directors and 10<sup>th</sup> Session of the Eighth Board of Supervisors reviewed and adopted the Proposal on Grant of Stock Option to Incentive Employees, agreeing to grant 1,131,000 shares of Stock Option to totally 57 Incentive Employees. The Board of Supervisors have confirmed the List of Incentive Employees.

- (6) On October 15, 2024, the Company disclosed Announcement of Completion of Registration for Grant of Stock Option. The Stock Option has been registered under the name of all incentive employees on October 14, 2024.

## II. Reasons, Basis, and Quantity for Canceling of Stock Option

Since the incentive employees Mr. Cheung Kwok Wah, and Mr. Tu Yun under the 2024 Stock Option Incentive Plan were resigned due to personal reasons, in accordance with the stipulations of article 3(4) of Abnormal Change in Incentive Employee of Chapter 8 of 2024 Stock Option Incentive Plan, the Company will cancel the stock options that have not yet reached the conditions for exercise (The Company shall cancel the Stock Option of the second exercise period which accounts for 50% of total Stock Option granted to them). The stock option to be canceled due to resignation of incentive employees of 2024 Stock Option Incentive Plan is 64,500 shares.

After making the adjustments aforesaid, the change in the quantity of stock option granted to the incentive employees according to the 2024 Stock Option Incentive Plan is detailed as follows:

Name	Position	Number of stock options granted (share)	Stock option canceled due to resignation of Incentive Employees (share)	Stock option remaining non-exercisable (share)
Cheung Kwok Wah	Former General Manager	96,000	48,000	48,000
Xu Bo	Chief Financial Officer	68,000	0	68,000
Ye Jide	Vice General Manager, Secretary of Board	25,000	0	25,000
Other Incentive Employees		942,000	16,500	925,500
<b>Total</b>		<b>1,131,000</b>	<b>64,500</b>	<b>1,066,500</b>

The other contents and conditions of the 2024 Stock Option Incentive Plan remain unchanged.

All in all, the Company will cancel 64,500 shares of stock option.

## III. Impact on Business Performance

The Cancellation of a part of Stock Option 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.

## IV. Opinions of the Board of Supervisors

The Proposal on Canceling a Part of Stock Option was reviewed and adopted at the 14<sup>th</sup> Session of the Eighth Board of Supervisors. After verifying the plan and the list of incentive employees, the Board of Supervisors agreed to cancel 64,500 shared of Stock Option. The Board of Supervisors has concluded that: the canceling procedures of stock option are in compliance with the rules of the 2024 Stock Option Incentive Plan, and the *Measures for the Administration of the Equity Incentives of Listed Company*.

**V. Legal Statement and Conclusive Opinions**

Attorneys from Grandall Legal Group Hangzhou Office conclude that: the cancellation of a part of Stock Option is in compliance with the *Company Law*, the *Measures for the Administration of the Equity Incentives of Listed Company*, and the provisions of *2024 Stock Option Incentive Plan*, and have obtained all necessary approvals and authorizations at this stage. The quantity of stock options to be canceled, and the reason of cancellation are in compliance with the *Measures for the Administration of the Equity Incentives of Listed Company*, and the provisions of *2024 Stock Option Incentive Plan*. The Company still needs to handle the cancellation registration and fulfill the corresponding information-disclosure obligations in accordance with relevant regulations.

**VI. Reference Documents**

1. Resolutions of the 14<sup>th</sup> Session of the Eighth Board of Directors
2. Resolutions of the 14<sup>th</sup> Session of the Eighth Board of Supervisors
3. Legal Statement and Conclusive Opinions on the cancellation of a part of stock options

Board of Directors of Zhejiang Supor Co., Ltd.

March 28, 2025