Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

Announcement on share pledge for non-public offering of convertible corporate bonds by the controlling shareholder

Important Notice:

Shanshan Group Co., Ltd. 7,522,036 shares of Ningbo Shanshan Co., Ltd.
securities lending, accounting for 32.95% of the total share capital of the Company. Prior to the share pledge, Shanshan Group has pledged 251,863,870 shares of the Company, accounting for 34.15% of the total shares of the Company it holds and 11.25% of the total share capital of the Company. After the share pledge, Shanshan Group will have 327,863,870 shares of the Company pledged (including the shares pledged this time), accounting for 44.45% of the total shares of the Company it holds and 14.65% of the total share capital of the Company.

According to the Letter on Approving the Listing and Transfer of convertible Corporate Bonds Issued by Shanshan Group Co., Ltd issued by Shanghai Stock Exchange (Shang Zheng Han [2022] No.1242), Shanghai Stock Exchange approved the non-public offering of convertible corporate bonds of no more than RMB 6 billion by Shanshan Group to professional investors (the Bonds), which will be issued by tranches.

At present, the Company has received the notice from Shanshan Group that it will initiate the issuance of first tranche of the Bonds in the near future. Shanshan Group has pledged

1. Basic information of the share pledge

Name of shareholder	Whether it is the controlling shareholder	Number of shares pledged this time (shares)	Whether they are restricted shares	Whether it is a supplement pledge	Pledge starting date	Pledge ending date	Pledgee	Proportion in the shares it holds (%)	Proportion in the total share capital of the Company (%)	Use of pledge financing funds
Shanshan Group	Yes	76,000,000	No	No	18 August 2022	Until the date of cancellation of pledge registration	LC Securities	10.30	3.40	To provide guarantees for share conversion of the convertible corporate bond holders and the principal and interest repayment of

Shanshan Group	737,522,036	32.95	251,863,870	327,863,870	44.45	14.65	78,420,000	0	126,844,756	40,441,711
Ningbo Pengze Trading Co., Ltd.	205,264,756	9.17	78,420,000	78,420,000	38.20	3.50	78,420,000	0	126,844,756	0
Ningbo Yinzhou Jielun Investment Co., Ltd.	77,873,254	3.48	29,580,000	29,580,000	37.98	1.32	29,580,000	0	48,293,254	0
Total	1,138,227,502	50.85	359,863,870	435,863,870	38.29	19.47	186,420,000	0	301,982,766	103,833,154

4. It is expected that the share pledge will not cause impact on the production, operation and corporate governance of the Company.

5. The final offering scheme for the convertible corporate bonds of Shanshan Group will be determined based on the market status upon the offering. The Company will fulfill the obligation of information disclosure in a timely manner in strict accordance with relevant laws and regulations. Investors are advised to pay attention to investment risks.

It is hereby announced.

Board of Directors of Ningbo Shanshan Co., Ltd.

19 August 2022