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. (“Shanshan Group”) holds 782,222,036 shares of Ningbo Shanshan Co., Ltd. (“the Company”), including 21.09 million shares for securities lending, accounting for 34.94% of the total share capital of the Company. Prior to the share pledge, Shanshan Group has pledged 407,863,870 shares of the Company, accounting for 52.14% of the total shares of the Company it holds and 18.22% of the total share capital of the Company. After the share pledge, Shanshan Group will have 493,863,870 shares of the Company pledged (including the shares pledged this time), accounting for 63.14% of the total shares of the Company it holds and 22.06% 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 third tranche of the Bonds in the near future. Shanshan Group has pledged 86,000,000 unrestricted outstanding shares of the Company it holds to the trustee for the Bonds, and transferred these shares to the “Shanshan Group Co., Ltd. - Special pledge account for non-public offering of convertible corporate bonds (the third tranche) to professional investors” opened by Shanshan

Name of shareholder	Number of shares held (shares)	Shareholding ratio (%)	Number of shares pledged prior to the current pledge (shares)	Number of shares pledged after the current pledge (shares)	Proportion in the shares it holds (%)	Proportion in the total share capital of the Company (%)	The pledged shares (shares)		The unpledged shares (shares)	
							Number of restricted shares in the pledged shares	Number of frozen shares in the pledged shares	Number of restricted shares in the unpledged shares	Number of frozen shares in the unpledged shares
Shanshan Group	782,222,036	34.94	407,863,870	493,863,870	63.14	22.06	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	515,863,870	601,863,870	52.88	26.89				

It is hereby announced.

Board of Directors of Ningbo Shanshan Co., Ltd.

23 September 2022