Ningbo Shanshan Co., Ltd.
Announcement on the Resolution of the Second Meeting of the Eleventh Session of Board of Supervisors

I. The Meeting of the Board of Supervisors

(I) The Second Meeting of the Eleventh Session of Board of Supervisors (BOS) of Ningbo Shanshan Co., Ltd. (the "Company") was held in accordance with the *Company Law of the People's Republic of China, the Articles of Association of Ningbo Shanshan Co., Ltd.* and applicable laws and regulations.

(II) Notice of this meeting of the BOS was given in writing on 28 July 2023.

(III) This meeting of the BOS was held on 2 August 2023 by way of communication voting.

(IV) This meeting of the BOS was chaired by the Convener of the BOS. There were 3 Supervisors should attend the meeting of the BOS, among which, 3 Supervisors actually attended the meeting, and there were no absent Supervisors.

II. Results of the Meeting of the Board of Supervisors

The meeting deliberated and approved the following proposal:

Proposal on the Company's 2022 Share Options and Restricted Share Incentive Plan to Adjust the Relevant Equity Price, Cancellation of Certain Share Options and Repurchase and Cancellation of Certain Restricted Shares

(For details, please refer to the website of the Company)

(3 voted in favor, 0 voted against, 0 abstained)

In accordance with the relevant provisions of the Company's 2022 Share Options and Restricted Share Incentive Plan (the "Incentive Plan") and the authorization of the Company's First Extraordinary General Meeting in 2022, the Board of Directors of the Company agreed to adjust the exercise price of share options in the incentive plan to RMB 27.55/share. The repurchase price of restricted shares was adjusted to RMB 13.46/share or RMB 13.46/share plus the sum of bank deposit interest for the same

period, total 12,436,200 share options that have been granted but not yet exercised were cancelled, and 4,980,725 restricted shares that have been granted but not yet lifted were repurchased and cancelled. The details are as follows:

1. Reasons and Circumstances of the Adjustment of the Relevant Equity Prices

(1) Reasons for Adjustment

On 10 May 2023, the 2022 Annual Shareholders' Meeting of the Company approved the Proposal on the 2022 Annual Profit Distribution Plan, agreeing to distribute a cash dividend of RMB3.00 (including tax) to all shareholders for every 10 shares based on the number of shares to be distributed on the registration date of equity distribution (total share capital minus the total number of shares in the Company's repurchase special account) in 2022.

The above equity distribution was completed on June 2, 2023.

(2) Adjustment situation

1) Adjustment of exercise price for share options

According to the provisions of this Incentive Plan, if there are any matters such as dividend distribution, capital nt Eit(ovi)62p4(a) .n.(0(g)10(t)-2(o t)-2 nt)-2(E)-2(t)-wf(1 (e)(e)4(r

decrease in its operating revenue caused by the significant decline in the price of overall lithium industry in the electrolyte business and the operating revenue growth below expectations caused by the staged downward industry demand for the Company's polarizer business in the second half of 2022. Therefore, the Company proposes to cancel all share options/restricted shares in the first exercise/release of restricted sales period of all incentive targets that have been granted but have not yet been exercised/released of restricted sales. The repurchase price of restricted shares will be the sum of the price of RMB 13.76/share and the bank deposit interest in the same period.

(2) The incentive targets' resignation or retirement

1) Among the incentive targets of the share options granted according to the Incentive Plan, 18 persons have resigned, 2 persons has retired, and they no longer qualify as incentive targets. It is planned to cancel all share options granted but not yet exercised;

2) Among the incentive targets of the restricted shares granted according to the Incentive Plan, 13 persons have resigned, 1 person has retired, and they no longer qualify as incentive targets. It is planned to repurchase and cancel all restricted shares granted but not yet released of restricted sales; The repurchase price of restricted shares for the resigned persons is RMB 13.46/share, and that of the retired persons will be the sum of price of RMB 13.46/share and the bank deposit interest in the same period.

In summary, the total number of share options to be cancelled this time is 12,436,200, among which the numbers of share options to be cancelled in the four exercise periods are 11,130,000, 435,400, 435,400 and 435,400 respectively. After the cancellation this time, the incentive targets of the share options in the Company's Incentive Plan will be adjusted from 430 to 410, and the number of the share options granted but not yet exercised will be adjusted from 44,520,000 to 32,083,800 correspondingly.

The total number of the restricted shares to be repurchased and cancelled this time is 4,980,725, among which the numbers of the restricted shares to be repurchased and cancelled in the four releasing of restricted sales periods are 4,583,525, 132,400, 132,400 and 132,400 respectively. After the repurchase and cancellation this time, the incentive persons of the restricted shares in the Company's Incentive Plan will be adjusted from 417 to 403, and the number of the restricted shares granted but not yet

released of restricted sales will be adjusted from 18,334,100 to 13,353,375 correspondingly. The Company plans to pay a total of RMB 67,040,558.50 for the repurchase of the restricted shares (plus the bank deposit interest payable for the same period as required), and the source of funds is the Company's own funds.

Opinions of attending supervisors: The Board of Supervisors believed that when the Board of Directors of the Company reviewed the adjustment of relevant equity prices, cancellation of share options and repurchase and cancellation of restricted shares, the related directors had avoided voting and the independent directors had expressed their independent opinions; According to the authorization of the Company's First Extraordinary General Meeting in 2022, the relevant equity prices will be adjusted this time The approval process and content of share options cancellation and restricted shares repurchase cancellation are in line with the relevant provisions of the 2022 Incentive Plan for Share Options and Restricted Shares of Ningbo Shanshan Co., Ltd. in 2022 (Revised Draft) and the Administrative Measures for Implementation Assessment of 2022 Incentive Plan for Share Options and Restricted Shares of Ningbo Shanshan Co., Ltd. (Revised Draft), and there is no situation that harms the interests of the Company and shareholders. We agree to the equity price adjustment, share options cancellation and restricted shares repurchase cancellation.

It is hereby announced.

The Board of Supervisors of Ningbo Shanshan Co., Ltd.

2 August 2023