

Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

Announcement on Shares Pledge by the Controlling Shareholder

Important Notice:

Shanshan Group Co., Ltd. (“Shanshan Group”) holds 782,222,036 shares of Ningbo Shanshan Co., Ltd. (“the Company”), accounting for 34.64% of the total share capital (2,258,223,223 shares) of the Company. Prior to completion of the shares pledge, Shanshan Group holds 590,143,870 shares of the Company pledged, accounting for 75.44% of the total shares of the Company it holds and 26.13% of the total share capital of the Company. After completion of the shares pledge, Shanshan Group holds 688,143,870 shares of the Company pledged (including the shares pledged this time), accounting for 87.97% of the total shares of the Company it holds and 30.47% of the total share capital of the Company.

Shanshan Group and its persons acting in concert hold a total of 1,138,227,502 shares of the Company, accounting for 50.40% of the total share capital. After this share pledge, Shanshan Group and its persons acting in concert have cumulatively pledged 796,143,870 shares (including this time), accounting for 69.95% of the total shares held by them and 35.26% of the total share capital of the Company.

According to relevant provisions of Shanshan Group’s Prospectus for Issuance of Non-public Offering of Convertible Corporate Bonds (the First Tranche, 2022) to Professional Investors, Prospectus for Issuance of Non-public Offering of Convertible Corporate Bonds (the Second Tranche, 2022) to Professional Investors, Prospectus for Issuance of Non-public Offering of Convertible Corporate Bonds (the Third Tranche, 2022) to Professional Investors and Prospectus for Issuance of Non-public Offering of Convertible Corporate Bonds (the Fourth Tranche, 2022) to Professional Investors, Shanshan Group has respectively pledged 149.13 million, 86.95 million, 120.16 million and 73.74 million unrestricted outstanding shares of the Company to Lian Chu Securities Co., Ltd. The purpose of the pledges was to provide guarantee for share conversion and repayment of current bonds of the holders of “22 Shan EB1”, “22 Shan EB2”, “22 Shan EB3” and “22 Shan EB4” convertible corporate bonds. (Please refer to the relevant announcements of the Company on Company’s official website (www.ssgf.net) for details.)

At present, the Company has received the notice from Shanshan Group. In accordance with relevant agreements and guarantee situation of the “22 Shan EB1”, “22 Shan EB2”, “22 Shan EB3” and “22 Shan EB4” bonds, Shanshan Group has pledged 98.00 million restricted outstanding shares of the Company it holds to Lian Chu Securities Co., Ltd., the trustee for the aforementioned Bonds. The details are as follows:

1. Basic information of the share pledge

Name of shareholder	Whether it is the controlling shareholder	Number of shares pledged this time (million 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	98	Yes	No	2024/2/19	Until the date of cancellation of pledge registration	Lian Chu Securities Co., Ltd.	12.53	4.34	Non-financing pledge. To provide guarantees and credit enhancement for the issued "22 Shan EB1", "22 Shan EB2", "22 Shan EB3" and "22 Shan EB4" convertible corporate bonds

2. The pledged shares shall not be used as guarantee or other safeguard purposes for the performance compensation of major assets restructuring.

3. Share pledges by the shareholders

After the completion of this pledge, the share pledges by the above shareholder and its persons acting in concert are as follows:

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
Zheng Yonggang	655,267	0.03	0	0	0	0	0	0	0	0
Shanshan Holdings Co., Ltd.	72,212,189	3.20	0	0	0	0	0	0	0	0
Shanshan Group	782,222,036	34.64	590,143,870	688,143,870	87.97	30.47	176,420,000	0	28,844,756	0
Ningbo Pengze Trading Co., Ltd.	205,264,756	9.09	78,420,000	78,420,000	38.20	3.47	78,420,000	0	126,844,756	0
Ningbo Yinzhou Jielun Investment Co., Ltd.	77,873,254	3.45	29,580,000	29,580,000	37.98	1.31	29,580,000	0	48,293,254	0
Total	1,138,227,502	50.40	698,143,870	796,143,870	69.95	35.26	284,420,000	0	203,982,766	0

4. Other descriptions of the pledged shares by the controlling shareholder

Shanshan Group has no pledged shares that will mature in the next six months, no pledged shares that will mature in the next twelve months (not including the maturity within six months).

Shanshan Group does not infringe on the interests of the listed company through occupation of non-operating capital, illegal guarantees and connected transactions. The pledge of shares is expected to have no impact on the Company's production and operation as well as corporate governance.

The Company will continue to monitor the follow-up situation of this pledge and 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.

21 February 2024