Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

Announcement on the Share Repurchase Scheme through Centralized Bidding Transactions, Report of Repurchase and Implementation of "Enhancing Quality, Increasing Efficiency and Valuing Returns" Action Plan

Important:

z To adhere to the "investor-oriented" development philosophy as a listed company

ng-term value and confidence in investment, based on confidence in the ure development prospects and value appreciation, and considering as the Company's operating situation and financial condition, the Board f the Company resolved to initiate a repurchase plan aimed at the val of the Company and the interests of shareholders, in order to e "Enhancing Quality, Increasing Efficiency, and Valuing Returns" the Company and to establish a good market image. The main contents hase plan are as follows:

ose of the proposed share repurchase: the purpose of this share to safeguard the value of the Company and the interests of shareholder sed shares will be used for sale in accordance with relevant regulat n not sold within the stipulated period will be canceled in accordance

of the Share Repurchase: the aggregate amount of the repurchase funds ess than RMB250 million (inclusive) or more than RMB500 million

d of Repurchase: Not exceeding 3 months commencing from the date

on which the Board of Directors approves the Share Repurchase Scheme

4. Repurchase price range: no more than RMB18.60 per share (inclusive), the price shall not be higher than 150% of the average trading price of the Company's shares on the 30 trading days prior to the adoption of the repurchase resolution by the Company's Board of Directors

5. Source of funds for the repurchase: the Company's own funds

z Whether the relevant shareholders having a shareholding reduction plan: as at the date on which the Board of Directors approves the Share Repurchase Scheme, none of the directors, supervisors, senior management, controlling shareholders, and shareholders holding more than 5% of the shares of the Company had a plan to reduce their shareholdings for the next 3 or 6 months (Except for the passive reduction caused by the holder of convertible corporate bonds choosing to convert shares after the non-public offering of convertible corporate bonds by Shanshan Group Co., Ltd., the controlling shareholder of the Company, enters the share convertible period). Should the relevant personnels and entities plan to implement the shareholding reduction plan in the future, the Company will perform its obligation of information disclosure in a timely manner in accordance with relevant regulations.

z Risks warning:

1. During the Period of Repurchase, should the Company's share price constantly exceed the price ceiling as set forth in the Share Repurchase Scheme, there may be risks of the Scheme being unable to be completed in part or in all.

2. In the event of significant changes in the Company's production and operation, financial conditions, or external environment, or other events that cause the Board of Directors to decide to terminate the Share Repurchase Scheme, there may be risks of failure in the successful implementation of the Share Repurchase Scheme, or changes in or termination of the Share Repurchase Scheme according to the applicable rules.

3. The shares repurchased this time are intended to be sold within the prescribed

period (i.e., from 12 months after the disclosure of the repurchase results and shareholding changes announcement to within 3 years). If the sale cannot be completed within the aforementioned period, there may be a risk of the portion held up

will be resumed and disclosed in a timely manner following the resumption of trading of its shares.

(V) The purpose of the Share Purchase Scheme, number of shares to be repurchased, its percentage in the Company's total share capital, and aggregate amount of funds for the Repurchase

The aggregate amount of funds for the Share Repurchase is not less than RMB250 million (inclusive) or more than RMB500 million (inclusive). Based on the upper limit of the repurchase price of RMB18.60 per share and the maximum repurchase amount of RMB500 million, with the Share Repurchase being completed successfully, the estimated number of shares to be repurchased will be approximately 26,881,720 shares, accounting for 1.19% of the Company's total issued share capital (2,258,223,223 shares); and based on the minimum amount of RMB250 million, the estimated number of shares to be repurchased will be approximately 13,440,860 shares, accounting for 0.60% of the Company's total issued share capital. The final number and amount of shares repurchased shall be subject to the actual number and

Directors passing the resolution on the Share Repurchase. The specific repurchase price will be determined during the Period of Repurchase with the Company's share price, financial conditions and operating results taken into account.

Should there be ex-rights and ex-dividends events such as conversion of capital reserves into the Company's share capital, distribution of shares or cash dividends, share division or shrinkage, etc. occurring during the Period of Repurchase, the Company shall adjust the upper limit of the repurchase price accordingly, starting from the date of ex-rights and ex-dividends, in compliance with the relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange.

(VII) Source of funds

The aggregate amount of funds for the Share Repurchase is not less than RMB250 million (inclusive) or more than RMB500 million (inclusive), which are the Company's own funds.

(VIII) Estimated changes in the Company's shareholding structure following the Share Repurchase

Based on the lower limit of the repurchase amount of RMB250 million and the upper limit of RMB500 million, as well as the upper limit of the repurchase price of RMB18.60 per share, assuming that all the shares repurchased are sold, the total share capital and shareholding structure of the Company will remain unchanged; if the repurchased shares cannot be sold and thus all will be cancelled, it is estimated that there will be changes in the Company's shareholding structure after the repurchase and cancellation as follows:

Nature of shares	Before the Share Repurchase		After the Share Repurchase and Cancellation Based on the Upper Limit of the Repurchase Amount		After the Share Repurchase and Cancellation Based on the Lower Limit of the Repurchase Amount	
	Number of shares	Percentage (%)	Number of shares	Percentage (%)	Number of shares	Percentage (%)

Restricted shares	500,986,731	22.18	500,986,731	22.45	500,986,731	22.32
Unrestricted shares	1,757,236,492	77.82	1,730,354,772	77.55	1,743,795,631	77.68
Total	2,258,223,223	100	2,231,341,503	100	2,244,782,362	100

The actual changes in shares will be disclosed in the announcement on the results of Share Repurchase published after the repurchase is completed. The repurchase of shares of the Company will be sold through centralized bidding transactions after 12 months from the disclosure of the repurchase results and shareholding changes announcement, and the sale will be completed within 3 years after the disclosure of the repurchase results and shareholding changes announcement. If the Company fails to complete the sale within the aforementioned period, the unsold portion of the shares will be canceled following the relevant procedures.

(IX) Analysis of the possible impact of the Share Repurchase on the Company's daily operations, finance, R&D, profitability, debt performance, future development and maintenance of its listing status

As at September 30, 2022 (unaudited), the Company's total assets amounte -2.08 Tds

(X) Explanation for whether the directors, supervisors, senior management, and controlling shareholders of the Listed Company had traded in the Company's shares within 6 months before the Board of Directors passed the resolution on the Share Repurchase, whether there is a conflict of interests with the Share Repurchase Scheme, whether there were insider transactions and Market manipulation and whether they had a plan to increase or decrease their shareholding during the Period of Repurchase

Except for the relevant shareholding changes resulting from the cancellation of restricted stock repurchase and the implementation of disclosed shareholding increase plans, the directors, supervisors, senior management and controlling shareholders did not trade in the stocks of the Company within 6 months before the Board of Directors passed the resolution on the Share Repurchase

1. According to the decisions made during the second meeting of the eleventh Board of Directors convened on August 2, 2023, the Company completed the procedures for the repurchase and cancellation of relevant restricted stocks on October 16, 2023, which includes 112,500 shares of restricted stock held by Ms. Li Fengfeng, a director and senior executive, and 73,500 shares held by Mr. Zhu Zhiyong, a director and senior executive. (For details, please refer to the announcement disclosed by the Company on the official website)

2. The Company disclosed announcements titled Announcement on Plan for Additional Share Acquisition by Certain Directors and Senior Management of Ningbo Shanshan Co., Ltd. and Announcement on Progress of Plan for Additional Share Acquisition by Certain Directors and Senior Management of Ningbo Shanshan Co., Ltd. on the Company's official website (www.ssgf.net) on August 29, 2023, and February 1, 2024, respectively. As of February 1, 2024, a total of 8 participants in the plan for additional share acquisition have cumulatively increased their holdings of A shares of the Company by 1,826,200 shares through centralized bidding transactions on the system of the Shanghai Stock Exchange, which accounts for 0.08% of the total

share capital of the Company, with a cumulative amount for additional share of acquisition of RMB 20,937,400. Among of the which, Mr. Zheng Ju, the chairman of the Board of Directors of the Company, further acquired A shares of the Company by 1,810,000 shares, with a amount for additional share of RMB 20,728,700. The plan for additional share acquisition has not yet been fully implemented. (For details, please refer to the announcement disclosed by the Company on the official website)

Based on the above, there is no conflict of interests, insider transaction, or market manipulation between the relevant entities and the Share Repurchase Scheme.

As of the date on which the Board of Directors approves the Share Repurchase Scheme, except for the disclosed plan for increase of shares of the Company of certain directors and senior managements, the Company's directors, supervisors, senior management and controlling shareholders had no plans to increase or decrease their shareholdings of the Company during the Period of Repurchase (Except for the passive reduction caused by the holder of convertible corporate bonds choosing to convert shares after the non-public offering of convertible corporate bonds by Shanshan Group Co., Ltd., the controlling shareholder of the Company, enters the 10(e)4(r)3(t)-

(Except for the passive reduction caused by the holder of convertible corporate bonds choosing to convert shares after the public offering of convertible corporate bonds by Shanshan Group Co., Ltd., the controlling shareholder of the Company, enters the share convertible period), they will fulfill their obligation of information disclosure in accordance with relevant laws and regulations.

(XII) Relevant arrangements for cancellation or transfer of shares after the Share Repurchase

This repurchase of shares of the Company will be sold through centralized bidding transactions after 12 months from the disclosure of the repurchase results and shareholding changes announcement, and the sale will be completed within 3 years after the disclosure of the repurchase results and shareholding changes announcement. If the Company fails to complete the sale within the aforementioned period, the unsold portion of the shares will be canceled following the relevant procedures. The Company will also fulfill its information disclosure obligations in a timely manner according to the specific implementation results.

(XIII) The Company's arrangements for preventing infringements on the interests of its creditors

This share repurchase is aimed at safeguarding the value of the Company and the interests of shareholders, and it will not affect the normal ongoing operations of the Company. In the event of share cancellation, the Company will comply with the provisions of the relevant laws and regulations, fulfill statutory procedures such as notifying creditors, etc., and fully safeguard the legitimate rights and interests of creditors.

(XIV) Specific authorization for proceeding with the Share Repurchase

In order to complete the Share Repurchase in a smooth, efficient and orderly manner, the Company's Board of Directors has authorized its senior management to deal with all the specific matters related to the Share Repurchase. The details and scope of such authorization include but not limited to the following:

1. Setting up a special securities account for the Share Repurchase and other

(II) Subsequent arrangement for information disclosure

The Company will fulfill its information disclosure obligations during the implementation of the Share Repurchase in accordance with relevant laws, regulations and regulatory documents in a timely manner.

V. The implementation of other relevant actions regarding "Enhancing Quality, Increasing Efficiency, and Valuing Returns" by the Company

(I) Focusing on operation and enhancing core competitiveness

With the vision of "building a respected global high-tech enterprise and achieving sustainable and quality development", the Company focuses on the development of its two core businesses of lithium-ion battery anode materials and polarizers. In 2023, the Company achieved stable development through active market expansion, high-quality products and services, upgrade of manufacturing processes, reasonable reductions on costs and expenses. The Company's core businesses achieved steady growth in sales, further consolidating its leading position in the industry.

The Company will continue to take technological innovation as the engine, constantly improves manufacturing and operation capabilities, deepens cost reduction and efficiency enhancement, as well as continuously strengthens its leading position in the anode material and polarizer industries, in order to achieve steady growth in global market share and long-term profitability, striving to become a world-class high-tech enterprise.

(II) Focusing on investors' returns

The Company strictly implements the shareholders' dividend plan and profit distribution policy in order to actively reward investors. In the past three years (2020-2022), the cumulative cash dividends amounted to RMB1.525 billion, accounting for 24.72% of the cumulative net profit attributable to shareholders of the Company in the past three years. Of which, cash dividends of RMB347 million, RMB707 million and RMB671 million were declared from 2020 to 2022, respectively, accounting for

106.17%, 21.17%, and 24.95% of the net profit attributable to shareholders of the Company for the corresponding year, respectively.

Meanwhile, taking into account the changes in the capital market and the Company's share prices, in order to boost investor confidence and maintain the Company's value, the Company planned to carry out share repurchase in December 2022. In 2022 and 2023, the Company implemented share repurchase amounting to RMB247 million and RMB546 million, respectively. The above-mentioned repurchase amounts are considered as cash dividends, accounting for 9.18% and 49.59%/93.43% of the net profit attributable to shareholders of the Company for the corresponding year (according to preliminary estimates in the 2023 performance forecast).

Looking forward, the Company will adhere to providing continuous and stable cash dividends to investors in accordance with relevant regulations, based on the Company's operations as well as business development goals, while ensuring normal operations. This will bring long-term investment returns to shareholders and enhance their sense of fulfillment.

(III) Strengthening communication with investors

The Company attaches great importance to the maintenance of investor relations, strictly abides by the requirements of relevant laws and regulations, the Company's information disclosure management and other relevant systems, with a view to fulfilling its information disclosure obligations truthfully, accurately, completely, timely, and fairly. The Company actively maintains investor relations through multiple channels such as listed company announcements, investor exchange meetings, press releases, on-site investor visits, investor hotlines, SSE e-interactive platform and investor email, in a bid to strengthen communication and exchange of views with investors, enabling them to comprehensively and timely understand the Company's development strategies, business models and operating conditions, thereby enhancing their understanding and recognition of the Company.

This announcement is hereby made.

Board of Directors of Ningbo Shanshan Co., Ltd.

February4, 2024