**Ad hoc announcement pursuant to Art. 53 LR**

# Ningbo Shanshan Co., Ltd.

# Announcement on the Share Repurchase Scheme through Centralized Bidding Transactions and Report of Repurchase

**Important:**

To adhere to the “Investor-oriented” development philosophy as a listed company, safeguard the interests of all shareholders of Ningbo Shanshan Co., Ltd. (hereinafter referred to as the “Company”), enhance investor recognition of the Company's long-term value and confidence in investment, based on confidence in the Company's future development prospects and value appreciation, and considering factors such as the Company's operating situation and financial condition, the Board of Directors of the Company resolved to initiate a repurchase plan aimed at safeguarding the value of the Company and the interests of shareholders. The main contents of this repurchase plan are as follows:

1. Purpose of the proposed share repurchase: the purpose of this share repurchase is to safeguard the value of the Company and the interests of shareholders. The repurchased shares will be used for sale in accordance with relevant regulations, and any portion not sold within the stipulated period will be canceled in accordance with the law.

2. Scale of the Share Repurchase: the aggregate amount of the repurchase funds shall not be less than RMB200 million (inclusive) or more than RMB400 million (inclusive).

3. Period 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 RMB16.60 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 or self-financing funds.

**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, and the shareholding changes caused by the Company's implementation of the disclosed repurchase and cancellation of restricted shares). 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.

**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 unsold portion

being entirely canceled in accordance with the law.

4. In the event that regulatory authorities issue new regulatory documents regarding repurchases, there may be a risk of needing to adjust the corresponding repurchase terms according to the latest regulations from the regulatory authorities during the implementation process of this repurchase.

5. The Share Repurchase will not have a material effect on the Company's operations, financial conditions or future development, nor will it hinder the listing status of the Company. The Company will make a timely decision to repurchase its shares based on the market conditions within the Period of Repurchase and put it into implementation at an appropriate time, and fulfill its information disclosure obligations in a timely manner according to the progress of the Share Repurchase. Investors are advised to remain attention of the investment risks.

To adhere to the “Investor-oriented” development philosophy as a listed company, safeguard the interests of all shareholders of the Company, enhance investor recognition of the Company's long-term value and confidence in investment, based on confidence in the Company's future development prospects and value appreciation, and considering factors such as the Company's operating situation and financial condition, the Board of Directors of the Company resolved to initiate a repurchase plan aimed at safeguarding the value of the Company and interests of shareholders.

**I. Procedures for review and implementation of the Share Repurchase Scheme**

On June 6, 2024, during the tenth meeting of the eleventh session of the Board of Directors, the *Proposal on the Share Repurchase Scheme through Centralized Bidding Transactions* was approved with 11 votes in favor, 0 vote against,0 abstention and 0 avoidance.

According to the relevant provisions of the Articles of Association of Ningbo Shanshan Co., Ltd. (the "Articles of Association"), the implementation of the Share

Repurchase Scheme has been approved with a resolution by more than two-thirds of the directors attending the board meeting, and therefore does not need to be reviewed and approved by the Company's general meeting of shareholders.

As of the close of trading on June 6, 2024, the closing price of the shares of the Company was RMB9.38 per share. This price meets the condition specified in *the Guidelines for Self-Regulation of Listed Companies of Shanghai Stock Exchange No. 7- Repurchase of Shares (Revised December 2023)*" Article 2, Clause 2, which include “the closing price of the shares of a company being lower than the latest net asset per share” and “the closing price per share of the company has fallen by 20% in 20 consecutive trading days”.

The time and procedures of the board meeting for the consideration of the share repurchase are in line with the relevant provisions of the *Guidelines for Self-Regulation of Listed Companies of Shanghai Stock Exchange No. 7- Repurchase of Shares (Revised December 2023)* and the Articles of Association.

## II. Main contents of the Share Repurchase Scheme

### (I) Purpose of the Share Repurchase

It is based on the confidence in the Company's future development and recognition of its long-term value, and considering the current capital market and changes in the Company's stock price, in order to encourage long-term rational value investment by investors, enhance investor confidence, and promote the Company's long-term stable development, following a thorough consideration of its operating results and financial conditions, etc., the Company intends to repurchase shares through centralized bidding transactions. The purpose of this share repurchase is to safeguard the value of the Company and the interests of shareholders.

### (II) Types of shares to be repurchased

The ordinary shares (A shares) in RMB issued by the Company.

### (III) Method of proposed share repurchase

Repurchase the Company's shares through the trading system of Shanghai Stock

Exchange through centralized bidding transactions.

**(IV) Period of Repurchase**

1. The Period of Repurchase shall not exceed 3 months commencing from the date on which the Board of Directors approves the Share Repurchase Scheme. If one of the following conditions is met, the period of repurchase will expire early:

(1) If the repurchase funds are used up within the Period of Repurchase, the Share Repurchase Scheme will be deemed completed successfully, and the Period of Repurchase will expire early on that date.

(2) If the Board of Directors decides to terminate the Share Repurchase Scheme, the Period of Repurchase will expire early on the date when the Board of Directors makes the said decision.

2. The Company shall not repurchase its shares in the following periods (in the event of changes in the relevant provisions of the laws and regulations, the latest versions should prevail):

(1) the period starting from the day on which a major event that may have a significant impact on the Company's price of secur-1.95 Td [(s)-1>BDC -7.89 -1.9rcfd(me)4( pe-2(pa)

upper limit of the repurchase price of RMB

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 RMB200 million (inclusive) or more than RMB400 million (inclusive), which are the Company's own or self-financing funds.

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

Based on the lower limit of the repurchase amount of RMB200 million and the upper limit of RMB400 million, as well as the upper limit of the repurchase price of RMB16.60 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 | 22.42 | 500,986,731 | 22.30 |
| Unrestricted shares | 1,757,236,492 | 77.82 | 1,733,140,107 | 77.58 | 1,745,188,299 | 77.70 |
| Total | 2,258,223,223 | 100.00 | 2,234,126,838 | 100.00 | 2,246,175,030 | 100.00 |

The actual changes in shares will be disclosed in the announcement on the results of Share Repurchase published after the repurchase is completed. This repurchase of shares of the Company will be sold through centralized bidding transactions after 12

**(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**

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 the Results of Plan for Additional Share Acquisition by Certain Directors and Senior Management* on the Company's official website (www.ssgf.net) on August 29, 2023, and March 1, 2024, respectively. As of February 29, 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 an amount for additional share of RMB 20,728,700. The plan for additional share acquisition has been fully implemented. (For details, please refer to the announcement disclosed by the Company on the official website)

In addition to the above changes in shareholding caused by the implementation of the disclosed plan for increase of shares, the directors, supervisors, senior managers and controlling shareholders of the Company did not purchase or sell the Company's shares within six months before the Board of Directors conducted a resolution to repurchase shares. There is no conflict of interests, insider transaction, or market manipulation between the relevant entities and the Share Repurchase Scheme.

According to the relevant decisions of the eighth meeting of the eleventh session of the Board of Directors held on April 24, 2024, the Company will handle the repurchase and cancellation procedures for certain restricted shares after the expiration of the notice period for creditors to repurchase and cancel certain restricted shares, including 112,500 shares and 73,500 shares of restricted shares held by Ms. Li Fengfeng and Mr. Zhu Zhiyong, respectively, who are directors and senior managers. (The specific implementation time for cancellation shall be subject to the announcement issued by the Company on the website of the Shanghai Stock Exchange the appointed time)

As of the date on which the Board of Directors approves the Share Repurchase Scheme, except for the relevant shareholding changes caused by the implementation of the disclosed repurchase and cancellation of restricted shares, 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 share convertible period). If they plan to increase or decrease their shareholdings in the future, the Company will fulfill its information disclosure obligations in a timely manner in accordance with relevant regulations.

**(XI) The Listed Company's enquiry on whether the directors, supervisors, senior management, controlling shareholders, and shareholders holding more than 5% of the shares have a shareholding reduction plan in the next 3 months or 6 months**

On June 6, 2024, the Company issued an inquiry letter to its directors, supervisors, senior management, controlling shareholders and shareholders holding more than 5% of its shares, inquiring if they had any plans to reduce their shareholdings in the Company for the next 3 or 6 months after the date on which the Board of Directors approves the Share Repurchase Scheme, to which all of them have

answered NO and added that if they plan to reduce their shareholdings in the future (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, and the shareholding changes caused by the Company's implementation of the disclosed repurchase and cancellation of restricted shares), they will fulfill their obligations 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 related matters;

2. To the extent permitted by the applicable laws, regulations and regulatory documents, formulating and adjusting the specific implementation plan for the Share Repurchase according to the specific conditions of the Company and the market within the Period of Repurchase, including but not limited to the timing, price, and quantity of repurchase and other matters related thereto;

3. Handling the relevant applications, including but not limited to formulating, revising, authorizing, signing, and executing all the necessary documents, contracts, agreements, etc. related to the Share Repurchase;

4. Should there be any changes in the policies of the regulatory authority on the Share Repurchase or in the market conditions, except for the matters related to applicable laws, regulations and the Articles of Association that must be re-voted by the Board of Directors, the senior management of the Company will be authorized to make-6(es(o a)4(ut)0 Tw 33.93 0 Td ( )Tj -0.004 Tc 0.004 Tw 31.z)4(v( ne)7 ne)7 ne Died thnh.1c4(nt)

risks of the Share Repurchase Scheme being unable to be completed successfully in part or in all.

2. Should there be major changes in the Company's production and operation, financial conditions, and external environment, or events that cause the Company's Board of Di