Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

Announcement on the Court's Ruling on the Substantive Merger and Reorganization of the Controlling Shareholder Shanshan Group Co., Ltd. and Its Wholly-Owned Subsidiary Ningbo Pengze Trading Co., Ltd

Important Notice:

Ningbo Shanshan Co., Ltd. (the "Company") has received the Civil Ruling (2025) Zhe 0212 Po 12(the "Civil Ruling") forwarded by the administrator of Company's controlling shareholder Shanshan Group Co., Ltd. (the "Shanshan Group"). It is stated that the People's Court of Yinzhou District, Ningbo, Zhejiang Province (the "Yinzhou Court") has ruled on March 20, 2025 to carry out substantive merger and reorganization of Shanshan Group and Ningbo Pengze Trading Co., Ltd. (the "Pengze Trading").

Pengze Trading is a wholly-owned subsidiary of Shanshan Group, currently holding 205,264,756 shares of the Company, accounting for 9.11% of the total share capital of the Company. The shares held by Pengze Trading are all in a state of pledge and freeze.

At present, the Yinzhou Court has ruled that Shanshan Group and Pengze Trading have entered the substantive merger and reorganization process, and there is still

production and operation are normal, and this matter has not had a significant substantive impact on the Company's daily production and operation. The Company will continue to make efforts to conduct a good job in various business management to ensure the stable operation of the listed Company.

On March 21,2025, the Company received the Civil Ruling forwarded by the administrator of Company’s controlling shareholder Shanshan Group. It is stated that the Yinzhou Court has ruled on March 20, 2025 to carry out substantive merger and reorganization of Shanshan Group and Pengze Trading. The specific situation is hereby announced as follows:

I. The Situation that the Court Ruled on the Substantive Merger and Reorganization of the Controlling Shareholder and Its Wholly-Owned Subsidiary

(I) Brief description of substantive merger and reorganization application

On March 5, 2025, the administrator of Shanshan Group applied to the Yinzhou Court for substantive merger and reorganization of Shanshan Group and Pengze Trading, citing Pengze Trading's obvious lack of solvency and highly confused with the legal personality of Shanshan Group. The Yinzhou Court held a hearing on March 13, 2025, hearing the opinions of relevant stakeholders such as the administrator of Shanshan Group, the respondent, and some creditors.

(II) The time and main contents of the court's ruling

On March 20, 2025, the Yinzhou Court issued a Civil Ruling, which mainly includes the following contents:

According to Article 2, Article 4, and Article 71 of the Enterprise Bankruptcy Law of the People's Republic of China, and Article 157 (1) (11) of the Civil Procedure Law of the People's Republic of China, the ruling is as follows:

Substantive merger and reorganization of Shanshan Group Co., Ltd. and Ningbo Pengze Trading Co., Ltd.

If you are dissatisfied with this ruling, you may apply for reconsideration to the Intermediate People's Court of Ningbo, Zhejiang Province within 15 days from the

delivery date of this ruling.

This ruling shall come into effect from today.

II. The Impact of this Matter on the Listed Company and Related Explanations

At present, the controlling shareholder of the Company does not have any situations that infringe upon the interests of the listed Company, such as non-operational fund occupation or illegal guarantees. The Company has independent and complete business and independent management capabilities, and maintains independence from the controlling shareholder in terms of assets, business, finance, and other aspects. At present, the Company's production and operation process normally, and this matter has not had a significant substantive impact on the Company's daily production and operation. The Company will continue to make efforts to conduct a good job in various business management to ensure the stable operation of the listed Company.

As of the date of the Yinzhou Court's ruling on the substantive merger and reorganization of Shanshan Group and Pengze Trading (March 20, 2025), Shanshan Group holds 320,296,700 shares of the Company, accounting for 14.21% of the total share capital of the Company. Pengze Trading holds 205,264,756 shares of the Company, accounting for 9.11% of the total share capital of the Company. The aforementioned shares of the Company are subject to a high proportion of pledge, judicial frozen, marking or waiting for frozen. Given that Shanshan Group and Pengze Trading have entered the reorganization process, the subsequent implementation of the reorganization may result in adjustments to their shareholder equity in the Company, which may lead to change in the Company's control.

III. Risk Warning

At present, the Yinzhou Court has ruled that Shanshan Group and Pengze Trading have entered the substantive merger and reorganization process, and there is still uncertainty about whether the reorganization will be successful in the future. Given that Shanshan Group and Pengze Trading have entered the reorganization process, the subsequent implementation of the reorganization may result in adjustments to their

shareholder equity in the Company, which may lead to change in the Company's control.

The Company will continue to monitor the progress of the above matter and strictly fulfill its obligation to disclose information in a timely manner in accordance with relevant laws, regulations, and normative documents.

The Company solemnly reminds investors that the designated media for the Company's information disclosure are the China Securities Journal, the Shanghai Securities Journal, the Securities Daily, the Securities Times, and the Shanghai Stock Exchange website (www.sse.com.cn). All information of the Company is based on the relevant announcements published in the above-designated media. Investors are advised to invest rationally and pay attention to investment risks.

It is hereby announced.

Board of Directors of Ningbo Shanshan

22 March 2025