Ningbo Shanshan Co., Ltd.

Announcement on Completion of the Sale of Part of the Equity Interest in a Company's Controlling Subsidiary

In order to further focus on the development of the core business of Ningbo Shanshan Co., Ltd. (the "Company"), optimize the allocation of resources and continuously enhance the core competitiveness of the Company, on December 8, 2022, the general manager's office meeting of the Company considered and agreed that Ningbo Yongquan Investment Co., Ltd. ("Yongquan Investment"), a wholly-owned subsidiary of the Company, shall transfer its 51% equity interest in Shanshan New Material (Quzhou) Co., Ltd. ("Quzhou Shanshan") to Sunyes Electronic Manufacturing (Guangdong) Holding Co., Ltd. or its designated controlling subsidiary established for the transaction ("Sunyes Manufacturing"). For details, please refer to the relevant announcement on the Company's website on December 8, 2022.

On February 17, 2023, the relevant parties to the transaction signed the Memorandum of Settlement. Sunyes Manufacturing has paid the equity transfer funds of RMB358.94 million (including the intention payment of RMB70 million paid for the acquisition

This announcement is hereby made.

Board of Directors of Ningbo Shanshan Co., Ltd.

17 February 2023