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

# Ningbo Shanshan Co., Ltd.

# Announcement on Supplementary Share Pledge for Non-public Offering of Convertible Corporate Bonds 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 34.55% of the total share capital of the Company. Prior to the share pledge, Shanshan Group has pledged 538,743,870 shares of the Company, accounting for 68.87% of the total shares of the Company it holds and 23.80% of the total share capital of the Company. After the share pledge, Shanshan Group will have 542,943,870 shares of the Company pledged (including the shares pledged this time), accounting for 69.41% of the total shares of the Company it holds and 23.98% of the total share capital of the Company.

According to the relevant provisions of Shanshan Group's the Prospectus for Issuance of Non-public Offering of Convertible Corporate Bonds (the Second Tranche, 2022) to Professional Investors, Shanshan Group has cumulatively pledged 66.2 million unrestricted outstanding shares of the Company to LC Securities Co., Ltd. The starting dates of the pledge were September 8, 2022 and January 4, 2023, respectively. The purpose of the pledge was to provide guarantee for share conversion and repayment of current bonds of the holders of "22 Shan EB2" convertible corporate bonds. (Please refer to the relevant announcements of the Company on Company's official website (www.ssgf.net) on September 9, 2022, October 25, 2022 and January 5, 2023 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 EB2" bonds, Shanshan Group has pledged 4.20 million supplementary unrestricted outstanding shares of the Company it holds to the trustee for the Bonds, and has completed the corresponding pledge registration procedures in China Securities Depository and Clearing Co., Ltd. The details 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 | 3.19 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 63,391,443 |
| Shanshan Group | 782,222,036 | 34.55 | 538,743,870 | 542,943,870 | 69.41 | 23.98 | 78,420,000 | 0 | 126,844,756 | 40,441,711 |
| Ningbo Pengze Trading Co., Ltd. | 205,264,756 | 9.07 | 78,420,000 | 78,420,000 | 38.20 | 3.46 | 78,420,000 | 0 | 126,844,756 | 0 |
| Ningbo Yinzhou Jielun Investment Co., Ltd. | 77,873,254 | 3.44 | 29,580,000 | 29,580,000 | 37.98 | 1.31 | 29,580,000 | 0 | 48,293,254 | 0 |
| Total | 1,138,227,502 | 50.28 | 646,743,870 | 650,943,870 | 57.19 | 28.75 | 186,420,000 | 0 | 301,982,766 | 103,833,154 |

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). At present, Shanshan Group operates normally, and has great credit standing as well as sufficient risk control capability, and there is no risk of liquidation or forced liquidation of the pledged shares.

Shanshan Group does not infringe on the interests of listed companies 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