

Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

**Announcement on the Progress of Exchangeable
Corporate Bonds Exchange and Equity Changes by
the Controlling Shareholders**

Important Notice:

- This equity change is due to the conversion of the 2022 exchangeable corporate bonds issued by Shanshan Group Co., Ltd. (the "Shanshan Group") to professional investors, which has led to a passive reduction in the shareholding ratio of Shanshan Group in Ningbo Shanshan Co., Ltd. (the "Company" or "Shanshan"). Shanshan Group is the controlling shareholder of the Company. This equity change does not trigger a tender offer.
- This equity change will not result in a change in the Company's control.

On February 14, 2025, the Company received a notice from its controlling shareholder, Shanshan Group, stating that in accordance with the resolutions of the 2025 First Bondholder Meeting of Shanshan Group's 2022 Non-Public Issuance of Exchangeable Corporate Bonds (Phase 1 to Phase 4) to Professional Investors, the bondholders of "Shanshan Group's 2022 Non-Public Issuance of Exchangeable Corporate Bonds to Professional Investors (Phase 1)" (the "H22 Shan EB1"), "Shanshan Group's 2022 Non-Public Issuance of Exchangeable Corporate Bonds to Professional Investors (Phase 2)" (the "H22 Shan EB2"), "Shanshan Group's 2022 Non-Public Issuance of Exchangeable Corporate Bonds to Professional Investors (Phase 3)" (the "H22 Shan EB3"), "Shanshan Group's 2022 Non-Public Issuance of Exchangeable Corporate Bonds to Professional Investors (Phase 4)" (the "H22 Shan EB4") exchanged a total of 370,540,078 shares at a price of RMB 8.67 per share, and the transfer of ownership was completed on February 14, 2025, resulting in a passive reduction of 16.44% of the holding ratio of the controlling shareholder of the Company. The relevant

share exchange situation is announced as follows:

I. Basic Information on the Current Exchange of Exchangeable Corporate Bonds and the Equity Change

Basic Information of the Information Disclosure Obligor	Name	Shanshan Group Co., Ltd.		
	Registered Address	26th Floor, 777 Rili Middle Road, Shounan Street, Yinzhou District, Ningbo, Zhejiang Province		
	Date of Equity Change	February 14, 2025		
Details of Equity Change	Method of Change	Date of Change	Exchange and Reduction of shares (shares)	Ratio of Change (%)
	Exchangeable Corporate Bonds Exchange (H22 Shan EB1)	February 14, 2025	128,514,447	5.70
	Exchangeable Corporate Bonds Exchange (H22 Shan EB2)	February 14, 2025	74,930,136	3.33
	Exchangeable Corporate Bonds Exchange (H22 Shan EB3)	February 14, 2025	103,549,225	4.60
	Exchangeable Corporate Bonds Exchange (H22 Shan EB4)	February 14, 2025	63,546,270	2.82
	Total			370,540,078

II. The Shareholding of the Controlling Shareholder and Its Concerted Action Persons Before and After the Company's Exchangeable Bond Holders Exchanging Shares and the Equity Changes

Name of Shareholders	Before the Current Equity Change		After the Current Equity Change	
	Number of shareholdings (%)	Proportion of shareholdings (%)	Number of shareholdings (%)	Proportion of shareholdings (%)
Zheng, Yonggang	655,267	0.03	655,267	0.03

Shanshan Holdings Co., Ltd.	72,212,189	3.20	72,212,189	3.20
Shanshan Group	722,782,178	32.08	352,242,100	15.63
Ningbo Pengze Trading Co., Ltd.	205,264,756	9.11	205,264,756	9.11
Ningbo Yinzhou Jielun Investment Co., Ltd.	29,580,000	1.31	29,580,000	1.31
Total	1,030,494,390	45.73	659,954,312	29.29

III. Other Related Explanations

The current equity change is mainly due to the passive decrease in the shareholding ratio of Shanshan Group caused by the exchangeable bond holders of Shanshan Group exchanged shares. It does not involve a tender offer and there is no violation of relevant regulations and commitments such as the *Securities Law*, the *Administrative Measures on the Acquisition of Listed Companies*, and the *Listing Rules of the Shanghai Stock Exchange* and other relevant commitments.

Shanshan Group will prepare and disclose the "Simplified Equity Change Report" in accordance with the relevant provisions of the *Measures for the Administration on the Acquisition of Listed Companies* and the *Standards for the Content and Format of Information Disclosure by Publicly Issued Securities Companies No. 15 - Equity Change Report*.

After the completion of this share exchange, Shanshan Group's 2022 non-public issuance of exchangeable corporate bonds to professional investors has cumulatively converted into 429,979,936 shares, accounting for 19.08% of the Company's total share capital. After the completion of this share exchange, the total number of unlimited tradable shares of Shanshan in the pledge account of the 2022 non-public issuance of exchangeable corporate bonds to professional investors is 0 share, and the total number

of unlimited tradable shares of Shanshan in the bond trust guarantee account are 64 shares. Shanshan Group sets up a pledge guarantee for this bond with its 108,000,000 restricted and tradable shares of Shanshan and 22,000,000 restricted and tradable shares of Shanshan held by its subsidiary Ningbo Pengze Trading Co., Ltd.

After this equity change, Shanshan Group and its concerted action persons hold a total of 659,954,312 shares of the Company, accounting for 29.29% of the total share capital. This equity change will not result in a change in the Company's control.

During the share exchange period, there is uncertainty regarding whether holders of exchangeable corporate bonds choose to exchange shares, as well as the specific number and timing of the exchange. The controlling shareholder of the Company, Shanshan Group, will continue to monitor the situation related to its exchangeable corporate bonds and fulfill its information disclosure obligations in accordance with relevant laws and regulations.

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

It is hereby announced.

Board of Directors of Ningbo Shanshan Co., Ltd.

15 February 2025