Ningbo Shanshan Co., Ltd.

Announcement on Implementation of Repurchase and Cancellation of Restricted Shares under the Equity Incentive Plan

Important Notice:

- Reasons for Repurchase and Cancellation: Pursuant to the relevant provisions of the *Measures for the Administration of Equity Incentives of Listed Companies* and the *2022 Stock Option and Restricted Share Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*, given that the performance assessment targets for the fourth vesting period were not met and that certain incentive recipients are no longer eligible as incentive recipients due to resignation or retirement, the Company repurchases and cancels such restricted shares accordingly.
- Relevant Information on the Cancellation of Shares:

Number of Repurchased Shares (shares)	Number of Cancelled Shares (shares)	Date of Cancellation
3,773,605	3,773,605	2026-07-30

I. Decision-Making and Information Disclosure regarding the Repurchase and Cancellation of Restricted Shares

The 23rd meeting of the Eleventh Board of Directors of Ningbo Shanshan Co., Ltd. (the "Company") was held on April 28, 2026, at which the *Proposal on the Cancellation of Stock Options and the Repurchase and Cancellation of Restricted Shares under the Company's 2022 Stock Option and Restricted Share Incentive Plan* was reviewed and approved. Pursuant to the relevant provisions of the *Measures for the Administration of Equity Incentives of Listed Companies*, the *2022 Stock Option and Restricted Share Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*, and the authorization granted by the Company's First Extraordinary Shareholders' Meeting of 2022, the Company agreed to repurchase and cancel the remaining 3,773,605 restricted shares corresponding to the failure to meet the performance assessment targets for the fourth vesting period and to the ineligibility of incentive recipients due to resignation or retirement.

On April 30, 2026, in accordance with the *Company Law of the People's Republic of China* and other applicable laws and regulations, the Company carried out the procedure for notifying creditors with respect to the repurchase and cancellation of restricted shares, and disclosed the *Announcement on Notifying Creditors of the Repurchase and Cancellation of Restricted Shares of Ningbo Shanshan Co., Ltd.* on the Shanghai Stock Exchange website (www.sse.com.cn) and other designated media, notifying creditors that, within 30 days after receiving the Company's notice, or within 45 days from the date of this disclosed announcement for those who did not receive the notice, they have the right to require the Company to repay their debts or provide corresponding guarantees by presenting valid creditor's rights documents and relevant supporting materials. As of the expiry date of the creditor claim period set forth in the aforementioned announcement, the Company had not received any claim from creditors requiring the Company to repay debts or provide corresponding guarantees.

II. Repurchase and Cancellation of Restricted Shares

(I) Reasons and Basis for the Repurchase and Cancellation of Restricted Shares

Pursuant to the relevant provisions of the *Measures for the Administration of Equity Incentives of Listed Companies*, the *2022 Stock Option and Restricted Share Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*, and the authorization granted by the Company's First Extraordinary Shareholders' Meeting of 2022, the Company has the right to unilaterally repurchase and cancel the restricted shares corresponding to the failure to meet the performance assessment targets for the fourth vesting period and to the ineligibility of incentive recipients due to resignation or retirement.

(II) Persons and Quantities Involved in the Repurchase and Cancellation

The repurchase and cancellation of restricted shares involve 338 incentive recipients (including 326 persons who failed to meet the performance assessment targets for the fourth vesting period, 10 persons who have resigned, and 2 persons who have retired), with a total of 3,773,605 restricted shares to be repurchased and cancelled. Upon completion of the repurchase and cancellation, the number of restricted shares under the equity incentive plan will be reduced to zero.

(III) Arrangements for Repurchase and Cancellation

The Company has opened a special share repurchase account at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (Securities Account Number: B885436653), and has applied to the Shanghai Branch of China Securities Depository and Clearing Corporation Limited for the repurchase and cancellation procedures for 3,773,605 restricted shares. The cancellation of such restricted shares is expected to be completed on 30 July 2026.

III. Changes in the Company's Share Capital Structure after the Repurchase and Cancellation of Restricted Shares

After the repurchase and cancellation of restricted shares this time, the changes in the Company's share capital structure are as follows:

Unit: shares

	Before the Change	**Number of change**	**After the Change**
Restricted tradable shares	414,303,117	-3,773,605	410,529,512
Unrestricted tradable shares	1,835,109,746	0	1,835,109,746
Total	2,249,412,863	-3,773,605	2,245,639,258

IV. Explanations and Undertakings

The Board of Directors of the Company hereby explains that the decision-making procedures and information disclosure relating to the repurchase and cancellation of restricted shares comply with the provisions of laws, regulations, the *Measures for the Administration of Equity Incentives of Listed Companies*, and the arrangements under the Company's equity incentive plan and the restricted share grant agreements, and do not prejudice the legitimate rights and interests of the incentive recipients or the interests of creditors.

The Company hereby undertakes that it has verified and warrants that the information relating to the persons, number of shares and cancellation date involved in the repurchase and cancellation of restricted shares is true, accurate and complete, that it has fully notified the relevant incentive recipients of the repurchase and cancellation, and that no incentive recipient has expressed any objection to the repurchase and cancellation. In the event of any dispute arising from the repurchase and cancellation with any incentive recipient, the Company shall bear the relevant legal liabilities arising therefrom.

V. Concluding Opinion of the Legal Opinion

Beijing Tian Yuan Law Firm has issued a legal opinion on the Company's repurchase and cancellation of restricted shares, the concluding opinion of which is as follows:

1. The repurchase and cancellation of restricted shares have obtained the necessary approvals and authorizations, and the corresponding information disclosure has been made. The above procedures already completed comply with the *Measures for the Administration of Equity Incentives of Listed Companies* and other applicable laws, regulations and normative documents, as well as the relevant provisions of the *2022 Stock Option and Restricted Share Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*.

2. The reasons, quantity and price for the repurchase and cancellation of restricted shares comply with the *Measures for the Administration of Equity Incentives of Listed Companies* and other applicable laws, regulations and normative documents, as well as the relevant provisions of the *2022 Stock Option and Restricted Share Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*.

3. The arrangements relating to creditor notification and the cancellation date for the repurchase and cancellation comply with the provisions of the *Company Law of the*

People's Republic of China, the *Securities Law of the People's Republic of China*, the *Measures for the Administration of Equity Incentives of Listed Companies*, and other applicable laws, regulations and normative documents, as well as the *2022 Stock Option and Restricted Share Incentive Plan of Ningbo Shanshan Co., Ltd. (Revised Draft)*.

It is hereby announced.

The Board of Directors of Ningbo Shanshan Co., Ltd.

28 July 2026