

Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

**Announcement on share pledge for non-public
offering of convertible corporate bonds by the
controlling shareholder**

Important Notice:

Shanshan Group Co., Ltd. 782,222,036 shares of
Ningbo Shanshan Co., Ltd. 5.99 million shares for
securities lending, accounting for 34.94% of the total share capital of the Company.
Prior to the share pledge, Shanshan Group has pledged 510,863,870 shares of the
Company, accounting for 65.31% of the total shares of the Company it holds and
22.82% of the total share capital of the Company. After the share pledge, Shanshan
Group will have 562,863,870 shares of the Company pledged (including the shares
pledged this time), accounting for 71.96% of the total shares of the Company it holds
and 25.15% of the total share capital of the Company.

According to the Letter on Approving the Listing and Transfer of convertible
Corporate Bonds Issued by Shanshan Group Co., Ltd issued by Shanghai Stock
Exchange (Shang Zheng Han [2022] No.1242), Shanghai Stock Exchange approved
the non-public offering of convertible corporate bonds of no more than RMB 6 billion
by Shanshan Group to professional investors (the Bonds), which will be issued by
tranches.

At present, the Company has received the notice from Shanshan Group that it
will initiate the issuance of fourth tranche of the Bonds in the near future. In
accordance with relevant agreements, Shanshan Group has pledged 52,000,000
unrestricted outstanding shares of the Company it holds to the trustee for the Bonds,
and transferred . - Special pledge
account for non-public offering of convertible corporate bonds (the fourth tranche,
2022) to professional inves opened by Shanshan Group and the trustee at China

1. Basic information of the share pledge

Name of shareholder	Whether it is the controlling shareholder	Number of shares pledged this time (shares)	Whether they are restricted shares	Whether it is a supplement pledge	Pledge starting date	Pledge ending date	Pledgee	Proportion in the shares it holds (%)	Proportion in the total share capital of the Company (%)	Use of pledge financing funds
Shanshan Group	Yes	52,000,000	No	No	20 October 2022	Until the date of cancellation of pledge registration	LC Securities	6.65	2.32	To provide guarantees for share conversion of the convertible corporate bond holders and the principal and interest repayment of the Bonds

2. The pledged shares shall not be used as guarantee or other safeguard purposes for the performance compensation of major assets restructuring.

3. Share pledges by the shareholders

As of the signing date of this announcement, the share pledges by the above shareholder and its persons acting in concert 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

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	3.23	0	0	0	0	0	0	0	63,391,443
Shanshan Group	782,222,036	34.94	510,863,870	562,863,870	71.96	25.15	78,420,000	0	126,844,756	40,441,711
Ningbo Pengze Trading Co., Ltd.	205,264,756	9.17	78,420,000	78,420,000	38.20	3.50	78,420,000	0	126,844,756	0
Ningbo Yinzhou Jielun Investment Co., Ltd.	77,873,254	3.48	29,580,000	29,580,000	37.98	1.32	29,580,000	0	48,293,254	0
Total	1,138,227,502	50.85	618,863,870	670,863,870	58.94	29.97	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 sha

governance.

The Company will fulfill the obligation of information disclosure in a timely manner in strict accordance with relevant laws and regulations. Investors are advised to pay attention to investment risks.

It is hereby announced.

Board of Directors of Ningbo Shanshan Co., Ltd.

24 October 2022