the repurchased shares will be used for the employee share ownership scheme or equity incentive scheme of Ningbo Shanshan Co., Ltd. (the "Company") at an appropriate time in the future, and will be transferred within 3 years following the announcement on the results of Share Repurchase and changes

[redacted]

[redacted]

[redacted]

share

The ordinary shares (A shares) in RMB issued by the Company.

Repurchase the Company's shares through the trading system of Shanghai Stock Exchange through Centralized bidding transaction.

1. The Period of Repurchase is 12 months commencing from the date on which the Board of Directors approves the Share Repurchase Scheme. If one of the following conditions is met, the period of repurchase will expire early:

(1) If the repurchase funds are used up within the Period of Repurchase, the Share Repurchase Scheme will be deemed completed successfully, and the Period of Repurchase will expire early on that date.

(2) If the Board of Directors decides to terminate the Share Repurchase Scheme, the Period of Repurchase will expire early on the date when the Board of Directors makes the said decision.

2. The Company's management shall, as authorized by the Board of Directors, make a timely decision to repurchase its shares based on the market conditions within the Period of Repurchase and put it into implementation at an appropriate time. The Company shall not repurchase its shares in the following periods (in the event of changes in the relevant provisions of the laws and regulations, the latest versions should prevail):

(1) 10 trading days before the publication of the Company's annual reports, interim reports, and quarterly reports. If the dates of publication of such reports are postponed for certain reasons, then the period starting from the 10 trading days prior to the original publication date to the day immediately before the publication of the reports;

(2) 10 trading days before the announcement of the Company's results forecast or

[redacted]

For emp... owner... or equity incentive scheme	[redacted] 21,735,150	[redacted] 0.36%	[redacted]	[redacted] Repurchase Scheme

[redacted]

The [redacted]

RMB23 per share, assuming that all the shares repurchased are reserved for the employee share ownership scheme or equity incentive scheme and will be locked up in its entirety, it is estimated that there will be changes in the Company's shareholding structure after the repurchase as follows:

Restricted shares	506,736,866	22.38	528,475,996	23.12	519,780,345	22.83
Unrestricted shares	1,757,236,492	77.62	1,757,236,492	76.88	1,757,236,492	77.17
Total	2,263,973,358	100.00	2,285,712,488	100.00	2,277,016,837	100.00

The actual number of shares will be disclosed in the announcement on the results of Share Repurchase published after the repurchase is completed. Should there be ex-rights and ex-dividends events such as conversion of capital reserves into share capital, distribution of shares or cash dividends, share division, shrinkage, allotment, or issuance of warrants, etc. occurring during the Period of Repurchase, the Company shall adjust the number of the shares to be repurchased accordingly starting from the date of ex-rights and ex-dividends.

As at September 30, 2022 (unaudited), the Company's total assets amounted to RMB46.892 billion, and net assets attributable to the shareholders of the Listed Company were RMB22.927 billion, with its monetary funds amounting to RMB8.902 billion, which indicates that the Company has sufficient monetary funds at its disposal. Assuming that the upper limit of the repurchase funds of RMB500 million are all used up, as at September 30, 2022, the funds for the repurchase will account for approximately 1.07%, 2.18%, and 5.62%, respectively, of the total assets, net assets

attributable to shareholders of the Listed Company and monetary funds of the Company, which

of its employees, and promoting the long-term sustainable development of the Company. The Share Repurchase is definitely necessary.

3. The funds for the Share Repurchase will come from the Company's own funds, thus the Share Repurchase will not have a major impact on the Company's operations, finance, and future development, nor will it affect its listing status, thus the Share Repurchase Scheme is feasible. The implementation of the Share Repurchase Scheme will not impair the legitimate rights and interests of the Company and its shareholders.

4. The Share Repurchase will be implemented through centralized bidding transactions, and there will be no impairment to the interests of the Company and its shareholders, especially those of the small and medium shareholders.

To sum up, we believe that the Share Repurchase is legal and compliant with the applicable laws and regulations, and the Share Repurchase Scheme is feasible and necessary, which is in the interests of the Company and its shareholders, therefore, we unanimously agreed on the Share Repurchase Scheme.

On September 23, 2022, the Company disclosed the Announcement on the Transfer of the Company's Partial Shares through Block Trading among Subsidiaries of the Actual Controller and other relevant announcements. Shanshan Group Co., Ltd. Has accumulated received 44.7 million shares of the Company's unrestricted tradable shares held by its controlling shareholder Shanshan Holding Co., Ltd. through block trading on September 21 and 22, 2022. This equity change is an internal transfer between different entities controlled by the same actual controller, and does not

involv[illegible] increase[illegible]res[illegible]et o[illegible]der offer. (For d[illegible] website of Shanghai Stock Exchange)

On December 12, 2022, [illegible] published an announcement on the Exercise of the Share Options Granted for the First Time under the 2019 Equity Incentive Scheme for the Second Round in the Third Exercise Period and the Listing of Shares. After exercising their share options, certain directors and senior management (Mr. Zhuang Wei, the Vice Chairman; Mr. Li Zhihua, the [illegible]

On December 26, 2022, the Company issued an inquiry letter to its directors, supervisors, senior management, controlling shareholders, de facto controllers, and shareholders holding mor !er

The repurchased shares are to be used for the Company's employee share ownership scheme or equity incentive scheme%e ъ

purc accordance with applicable laws, regulations and relevant provisions of the regulatory authorities.

The above authorization starts from the date when the Board of Directors of the Company approves the Share Repurchase Scheme to the date when the above-mentioned authorization-related matters are completed.

1. During the Period of Repurchase, should the Company's share price constantly exceed the price ceiling as set forth in the Share Repurchase Scheme, there may be risks of the Share Repurchase Scheme being unable to be completed successfully in part or in all;

2. Should there be major changes in the Company's production and operation, financial conditions, the external environment, or events that cause the Company's Board of Directors to decide to terminate the Share Repurchase Scheme, there may be risks in the smooth implementation of the Share Repurchase Scheme, or risks of changes to or termination of the Share Repurchase Scheme according to the rules.

3. The repurchased shares are to be used for the Company's employee share ownership scheme or equity incentive scheme in the future, as a result, there may be risks of the repurchased shares being unable to be transferred or granted in part or in all due to the relevant rules