Ningbo Shanshan Co., Ltd.

Announcement on Re-engagement of the Accounting Firm

Important Content Notice:

- Name of the accounting firm to be engaged: BDO China Shu Lun Pan Certified Public Accountants LLP (hereinafter referred to as "**Shu Lun Pan CPAs**") was re-establishe in 1986 and became the first special general partnership accounting firm in China to l restructured in 2010 with the registration address in Shanghai. The chief partner is Mr. Zh Jiandi. Shu Lun Pan CPAs is a member firm of the international accounting network of BD it has been engaged in securities service business for a long time and held securities an futures business licenses before the implementation of the New Securities Law. It ha auditing qualification for H-shares, and has been registered with the American Publ Company Accounting Oversight Board (PCAOB).

  As of the end of 2023, Shu Lun Pan CPAs had 278 partners, 2,533 certified publ accountants and a total of 10,730 practitioners, including 693 certified public accountan who had signed audit reports on securities service business.

  Shu Lun Pan CPAs's business income in 2023 (audited) was RMB5.001 billion, of whic income from audit business was RMB3.516 billion and income from securities business wa RMB1.765 billion.

  In 2023, Shu Lun Pan CPAs has provided annual report audit services to 671 liste companies for total audit fees amounting to RMB832 million. Shu Lun Pan CPAs has 43 auc clients of listed companies in the same industry of the Company.

  2. Investor protection capability

  As of the end of 2023, Shu Lun Pan CPAs had drawn down an occupational risk fund RMB166 million and purchased occupational insurance with an accumulated limit RMB1.25 billion, and the relevant occupational insurance is able to cover civil liability f compensation arising from audit failures.

Details that Shu Lun Pan CPAs has been required to bear any civil liabilities due to civil litigation related to its practice in the past three years are as follows:

Plaintiff / claimant	Defendant / respondent	Litigation / arbitration	Amount involved	Outcome
Investors	Geeya Technology, Zhou Xuhui and Shu Lun Pan CPAs	2014 Annual Report	There is more than RMB10 million left in the litigation process	Joint liability. The occupational insurance purchased by Shu Lun Pan CPAs is sufficient to cover the compensation amount and the obligations stipulated in the effective judgments have been fulfilled.

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The above personnel had no adverse record in the past three years.

3. Audit fees

Accounting audit fees and internal control audit fees for the year 2023 are RMB3 million and RMB1 million respectively. Accounting audit fees and internal control audit fees for the year 2022 are RMB3 million and RMB1 million respectively.

Audit fees of the accounting firm are based primarily on the responsibilities and expertise required of the professional service providers, taking into account the experience and the level of fee-earners involved, as well as the amount of time invested in the work. Proposals will be proposed by the Company at the General Meeting to authorize the Board of Directors to determine accounting audit fees and internal control audit fees for the year 2024 in accordance with the audit work carried out by Shu Lun Pan CPAs in 2024 and the relevant market rates.

II. PROCEDURES TO BE FULFILLED BY THE PROPOSED RE-ENGAGEMENT OF ACCOUNTING FIRM

(I) Deliberative opinions of the Audit Committee

Having carefully reviewed the relevant qualifications of Shu Lun Pan CPAs and information about the institution and project members, tracked and summarized the audit work carried out by Shu Lun Pan CPAs for the year 2023, the Audit Committee of the Board of D

The re-engagement of accounting firm is subject to be submitted to the 2023 Annual General Meeting of the Company for consideration, and will be effective from the date of approval by the 2023 Annual General Meeting of the Company.

It is hereby announced.

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

25 April 2024