Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

Announcement of Annual Performance Reduction for 2023

Important Notice:

The current performance forecast is applicable to situations where profitability is achieved and net profit has decreased by more than 50% compared to the same period last year.

Ningbo Shanshan Co., Ltd. (the "Company") is expected to achieve the net profit attributable to shareholders of the listed company of RMB 860 million to 1,100 million in 2023, which will decrease by RMB 1,591.26 million to 1,831.26 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 59% to 68%.

It is estimated that the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses in 2023 will be RMB 280 million to 420 million, which will decrease by RMB 1,908.89 million to 2,048.89 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 82% to 88%.

The year-on-year change in performance for this period is mainly due to the significant decrease in lithium carbonate price and intensified market competition in the reporting period, the net profit of BASF Shanshan Battery Materials Co., Ltd., calculated using the equity method, decreased significantly year-on-year. Due to o(Tc (n)(D)-2fq)e assets in the current period.

I. Current Performance Forecast

(I) Performance forecast period

From January 1, 2023 to December 31, 2023.

(II) Forecast of performance

According to preliminary calculations by the finance department, it is expected to achieve the net profit attributable to shareholders of the listed company of RMB 860 million to 1,100 million in 2023, which will decrease by RMB 1,591.26 million to 1,831.26 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 59% to 68%.

The net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses will be RMB 280 million to 420 million, which will decrease by RMB 1,908.89 million to 2,048.89 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 82% to 88%.

(III) This performance forecast has not been audited by certified public accountant.

II. Operating Results and Financial Situation of the Same Period Last Year

(I) Net profit attributable to shareholders of the listed company: RMB 2,691.2626 million. Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses: RMB 2,328.8948 million.

(II) Earnings per share: RMB 1.23/share.

III. The Main Reasons for the Expected Reduction in Performance for This Period

During the reporting period, due to the significant decrease in the price of lithium carbonate and intensified market competition, the net profit of BASF Shanshan Battery Materials Co., Ltd., calculated using the equity method, decreased significantly year-on-year. There were multiple factors such as a decrease in upstream raw material price, a decrease in graphitization processing price, and intensified competition due to changes in industry supply and demand have driven the overall decline in anode price. Due to price pressures, the profit margin of the anode industry has narrowed. The non-core business of the Company, electrolyte and photovoltaic businesses, has shifted from profit to loss, which has also had a certain impact on the Company's performance. As of the disclosure date of this announcement, the Company has completed the equity

sale of electrolyte and photovoltaic businesses. At the same time, taking into account factors such as changes in the industry market and actual operating conditions, and based on the principle of prudence, the Company expects to make provisions for impairment of goodwill and other assets in the current period.

IV. Risk warning

Based on the professional judgment of the Company's finance department, there are no significant uncertainties that may affect the accuracy of this performance forecast.

V. Other Explanatory Matters

The above forecast data is only preliminary accounting data. The specific and accurate financial data shall be subject to the audited 2023 annual report officially disclosed by the Company. Investors are advised to pay attention to investment risks.

It is hereby announced.

Board of Directors of Ningbo Shanshan Co., Ltd.

30 January 2024