

Ad hoc announcement pursuant to Art. 53 LR

Ningbo Shanshan Co., Ltd.

Announcement on Semi-Annual Performance

Forecast for 2024

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 15 million to 22.5 million in the first half of 2024, which will decrease by RMB 990.59 million to 998.09 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 97.78% to 98.52%. It is estimated that the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses in the first half of 2024 will be RMB 16.5 million to 24.75 million, which will decrease by RMB 563.06 million to 571.31 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 95.79% to 97.19%.
- During the reporting period, the Company's core businesses, anode materials and polarizer business, were affected by the changes in the prosperity of its industry, and its net profit declined year-on-year. In addition, the Company continued to promote the focused strategy, the divestiture of non-core business and the impairment of related assets had a negative impact on the Company's performance. And selling part of the equity of electrolyte business in the same period last year confirmed an investment income of about RMB 244 million, while there was no investment income corresponding to this business in the current period.

I. Current Performance Forecast

(I) Performance forecast period

From January 1, 2024 to June 30, 2024.

(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 15 million to 22.5 million in the first half of 2024, which will decrease by RMB 990.59 million to 998.09 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 97.78% to 98.52%.

It is estimated that the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses in the first half of 2024 will be RMB 16.5 million to 24.75 million, which will decrease by RMB 563.06 million to 571.31 million compared to the same period last year (statutory disclosure data), and a year-on-year decrease of 95.79% to 97.19%.

It is estimated that the net profit attributable to shareholders of the listed company in the second quarter of 2024 will be RMB 88.28 million to 95.78 million. And the net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses will be RMB89.85 million to 98.1 million.

(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) Total profit: RMB 1,372.97 million. Net profit attributable to shareholders of the listed company: RMB 1,013.09 million. Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses: RMB 587.81 million.

(II) Earnings per share: RMB 0.542

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

During the reporting period, the Company's core business anode materials and polarizer business were still in the industry adjustment period, product prices continued to be under pressure, industry profitability declined year-on-year, and the net profit of anode materials and polarizer business declined year-on-year due to changes in industry prosperity. In addition, the Company continued to promote the focused strategy, the divestiture of non-core business and the impairment of related assets had a negative

impact on the Company's performance. And selling part of the equity of electrolyte business in the same period last year confirmed an investment income of about RMB 244 million, while there was no investment income corresponding to this business in the current period.

Although the lithium battery material industry is still in the period of industry adjustment, the Company's anode material business has achieved significant growth in sales by increasing market expansion, further optimizing customer structure and deeply binding with major customers in the industry, and continuously maintaining product leadership in iteration. Especially in the second quarter of 2024, orders were full and sales increased significantly quarter-on-quarter. At the same time, the Company actively took measures to reduce costs and increase efficiency, and net profit of the second quarter also improved significantly quarter-on-quarter. The Company's polarizer business continued to consolidate the global leading position of LCD polarizer products, while increasing the research and development and mass production of new OLED polarizer products, and achieved stable supply of OLED polarizer products in the first half of 2024.

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 2024 semi-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.

9 July 2024