

Ningbo Shanshan Co., Ltd.
Materials of Fourth Extraordinary
General Meeting of 2022



宁波杉杉股份有限公司
Ningbo Shanshan Co., Ltd.

7 November 2022

Ningbo Shanshan Co., Ltd.

Materials of Fourth Extraordinary General Meeting of 2022

I. Date and time of the EGM

Date and time of the on-site meeting: 7 November 2022 13:30

Start and end dates and voting hours for online voting: 7 November 2022, The online voting system of the Shanghai Stock Exchange for general meetings is adopted. The time for voting through the voting platform of the trading system shall be the trading time on the date of the EGM, i.e., 9:15-9:25, 9:30-11:30, 13:00-15:00; the time of voting through the online voting platform shall be 9:15-15:00 on the date of the EGM.

II. Venue of the on-site meeting

Meeting Room, F/28, Shanshan Plaza, No. 777 Rili Middle Road, Yinzhou District, Ningbo, Zhejiang, PRC

III. Voting method

The voting method adopted at the EGM is the combination of on-site voting and online voting

- (I) Shareholders of the Company exercising their voting rights through the online voting system of the Shanghai Stock Exchange for general meetings can either log on to the trading system voting platform (through the trading terminal of the designated trading securities company) or log on to the Internet voting platform (website: vote.sseinfo.com) to cast their votes. For the first time to log on to the Internet voting platform to vote, investors need to complete the shareholder identification. Please see the instructions on the Internet voting platform website for specific operations.
- (II) Shareholders can exercise their voting rights through the online voting system of the Shanghai Stock Exchange for general meetings. If they have more than one shareholder account, they can use any shareholder account holding shares of the Company to participate in the online voting. After voting, all of the ordinary shares of the same class or preferred shares of the

same variety under their shareholder accounts are deemed to have been voted with the same opinion, respectively.

(III) If the same voting right is repeatedly voted through on-site, the online voting system of the Shanghai Stock Exchange for general meetings or other means, the result of the first vote shall prevail.

(IV) Shareholders will vote on all proposals before they can be submitted.

IV. Agenda

(I) The meeting presider announces the start of the EGM .

(II) Proposals for consideration at the EGM

1. Proposal on the Fulfilment of the Conditions for the Private Placement of Shares by the Company

2. Proposal on the Scheme for Private Placement of Shares of the Company

2.01 Type and nominal value of shares of the private placement

2.02 Issuance method and issuance time

2.03 Target subscribers and subscription method

2.04 Issuance price and pricing principle

2.05 Number of shares to be issued

2.06 Lock-up period

2.07 Disposal of Accumulated Undistributed Profits before the Private Placement of Shares

2.08 Place of listing

2.09 Validity of resolution

2.10 Use of proceeds

3. Proposal on the Plan for 2022 Private Placement of Shares by Ningbo Shanshan Co., Ltd.

4. Proposal on the Feasibility Analysis Report on the Use of Proceeds from Private Placement of Shares by Ningbo Shanshan Co., Ltd. in 2022

5. Proposal on the Dilution of Immediate Return Resulting from the Private Placement of Shares by the Company and the Remedial Measures and Undertakings by Relevant Entities

6. Proposal on the Report on the Use of Proceeds from Previous Offering

7. Proposal on Return Plan for Shareholders for the Coming Three Years (2022 to 2024)

8. Proposal on the General Meeting Authorizing the Board to Fully Handle the Affairs Related to the Private Placement of Shares

(III) Shareholders' Q&A.

(IV) Voting on proposals.

(V) The convener of the Supervisory Committee announces the voting results.

(VI) The meeting presider announces the resolutions of the EGM.

(VII) The lawyers read out the legal opinion.

(VIII) The meeting presider announces the end of the EGM .

1. Proposal on the Fulfilment of the Conditions for the Private Placement of Shares by the Company

In accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司证券发行管理办法》), Detailed Rules for the Implementation of Private Placement of Shares by Listed Companies (《上市公司非公开发行股票实施细则》), the Supervision Q&A on Issuance — Regulatory Requirements relating to Guidance on Standardizing Financing Activities of Listed Companies (《发行监管问答——关于引导规范上市公司融资行为的监管要求》) and other relevant laws, regulations and normative documents, the Board conducted a self-examination of the actual situation of the Company item by item and concluded that the Company is in compliance with the provisions of the existing laws and regulations on the private placement of shares and has the conditions for the private placement of shares, and agreed to the application of the Company for the private placement of shares.

Please vote after deliberation.

2. Proposal on the Scheme for Private Placement of Shares of the Company

The Company's Scheme for Private Placement of Shares is as follows:

(1) Type and nominal value of shares of the private placement

The shares to be issued in the private placement are domestic listed RMB ordinary shares (A shares) with a nominal value of RMB1.00 each.

(2) Issuance method and issuance time

The issuance of all of the shares will be carried out by way of private placement to specific target subscribers, and the Company will choose an appropriate opportunity to issue shares to specific target subscribers within the validity period after this issuance is approved by the CSRC.

(3) Target subscribers and subscription method

Target subscribers of the Private Placement are no more than 35 (including 35) specific investors, including the qualified securities investment fund management companies, securities companies, trust companies, finance companies, asset management companies, insurance institutional investors, and qualified foreign institutional investors who meet the conditions specified by the CSRC and other legal persons, natural persons or institutional investors who meet the conditions specified in the relevant laws and regulations. Where a securities investment fund management company, a securities company, a qualified foreign institutional investor or a Renminbi qualified foreign institutional investor subscribes for the shares in the name of two or more products under its management, it shall be treated as one target subscriber. Where the target subscriber is a trust company, it must subscribe with its own capital.

All the target subscribers shall subscribe for the shares to be issued during the Private Placement in cash. The final target subscribers will be determined by the Board of Directors of the Company within the authority granted by the general meeting in consultation with the Sponsor (lead underwriter) for the Private Placement based on the inquiry result and in accordance with the relevant laws, administrative regulations and normative documents after the Company obtains the approval of the CSRC.

(4) Issuance price and pricing principle

The price benchmarking date of the private placement shall be the first day of the

offering period of the private placement. The offering price shall not be lower than 80% of the average trading price of the Shares of the Company for the 20 trading days prior to the price benchmarking date (average trading price of the Shares for the 20 trading days prior to the Price Benchmarking Date = Total trading amount of the Shares of the Company in the 20 trading days prior to the price benchmarking date/total trading volume of the Shares of the Company in the 20 trading days prior to the Price Benchmarking Date).

The floor offering price of the private placement shall be adjusted accordingly in cases of ex-rights and ex-dividends matters such as distribution, bonus issuance, repurchase and conversion of capital reserve into share capital during the period from the price benchmarking date of the private placement to the offering date.

On the basis of the above floor offering price, the final offering price will be determined by the Board of Directors of the Company within the authority granted by the general meeting in consultation with the Sponsor (lead underwriter) for the private placement based on the subscription quotation of the target subscribers and in accordance with the price priority principle and the relevant laws, regulations and normative documents after the Company obtains the approval of the CSRC.

(5) Number of shares to be issued

The number of shares offered through private placement is calculated by dividing the total amount of funds raised through the private placement by the offering price. In addition, according to the Q&A on Issuance Supervision - Supervision Requirements on Directing and Regulating the Financing Acts of Listed Companies (Revision) released by the CSRC, the number of shares offered through private placement shall not exceed 30% of the total share capital of the Company prior to the private placement, that is, no more than 671,539,661 shares (including 671,539,661 shares, subject to the number approved by the CSRC).

The upper limit of the number of shares to be issued in the private placement shall be adjusted accordingly in cases of capital change matters such as bonus issuance, repurchase and conversion of capital reserve into share capital during the period from the date of announcement of the board resolution in connection with the private placement to the offering date. Within the above range, the final offering quantity shall be determined by the board of directors under the authority of the general meeting and in consultation with the sponsor (lead underwriter) of the private placement according to the actual situation of the issuance.

(6) Lock-up period

The shares issued through the private placement shall not be transferred within six months from the ending date of the private placement. The target subscribers who reduce their shareholding by transferring the shares they subscribe in the private placement upon expiration of the lock-up period are required to comply with the relevant requirements of the CSRC and Shanghai Stock Exchange.

During the lock-up period, the shares obtained by the target subscribers under private placement due to the bonus issuance and the conversion of capital reserve to share capital shall also be subject to the above lock-up arrangement.

(7) Disposal of Accumulated Undistributed Profits before the Private Placement of Shares

In order to take into account the interests of the new and old shareholders, the accumulated undistributed profits of the Company before the private placement shall be shared by the new and old shareholders according to their shareholding proportion after the completion of the private placement.

(8) Place of listing

Shares to be issued during the private placement will be listed and traded on the Shanghai Stock Exchange.

(9) Validity of resolution

The resolution in relation to the private placement shall remain valid for twelve months from the date on which relevant resolutions are considered and approved at the general meeting.

(10) Use of proceeds

The total proceeds from the private placement, which is no more than RMB 6,000 million (inclusive), shall be used for the investments in the following projects after deducting the relevant issuance expenses:

Unit: RMB0'000

No.	Project name	Total project investment	Amount of proceeds invested	Implementation entity
1	The lithium-ion battery anode material integration base project with the annual output of 300,000 tons of Yunnan Shanshan New Material Co., Ltd. (云南杉杉新材料有限公司) (Phase 1)	792,710.64	420,000.00	Yunnan Shanshan New Material Co., Ltd.
2	Supplement to working capital	180,000.00	180,000.00	Shanshan

Total	972,710.64	600,000.00	-
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If the actual amount of proceeds from the Private Placement after deducting the issuance expenses is less than the proposed amount of proceeds to be applied in the above projects, the Company will adjust the order of priority and specific investment amounts of each project based on the actual amount of net proceeds and the priority of each project, and any shortfall in the proceeds will be made up by utilizing the self-raised capital of the Company.

Prior to the receipt of the proceeds from the Private Placement, the Company may contribute self-raised capital in accordance with the actual progress of the projects, which will be replaced with the proceeds upon its delivery.

Please vote after deliberation.

3. Proposal on the Plan for 2022 Private Placement of Shares by Ningbo Shanshan Co., Ltd.

In accordance with the relevant provisions of laws, regulations and normative documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司证券发行管理办法》), No. 25 Guideline on the Contents and Formats of Information Disclosure of Public Issuance by the Companies – Advanced Proposal and Issuance Reports on the Private Placement of Shares by Listed Companies (《公开发行证券的公司信息披露内容与格式准则第 25 号——上市公司非公开发行股票预案和发行情况报告书》), the Company has prepared the Plan for 2022 Private Placement of Shares by Ningbo Shanshan Co., Ltd. (《宁波杉杉股份有限公司 2022 年度非公开发行股票预案》).

[For details, please refer to the announcement disclosed on the Company website.](#)

The proposal shall be submitted to China Securities Regulatory Commission (CSRC) in accordance with relevant procedures after being reviewed and approved by the shareholders' general meeting of the Company, and the final plan approved by CSRC shall prevail.

Please vote after deliberation.

4. Proposal on the Feasibility Analysis Report on the Use of Proceeds from Private Placement of Shares by Ningbo Shanshan Co., Ltd. in 2022

The Company made a prudent analysis on the feasibility of the use of proceeds raised from private placement of shares, and prepared the Feasibility Analysis Report on the Use of Proceeds from Private Placement of Shares by Ningbo Shanshan Co., Ltd. in 2022 (《宁波杉杉股份有限公司 2022 年度非公开发行股票募集资金使用的可行性分析报告》).

[For details, please refer to the announcement disclosed on the Company website.](#)

Please vote after deliberation.

5. Proposal on the Dilution of Immediate Return Resulting from the Private Placement of Shares by the Company and the Remedial Measures and Undertakings by Relevant Entities

In order to protect the interests of medium and small investors, the Company has carefully analyzed the impact of the private placement on the dilution of immediate return, formulated solutions for the dilution of immediate return resulting from the private placement of shares and the remedial measures, and issued undertakings by the relevant entities on the effective implementation of the measures to fill the return in accordance with the relevant requirements of the Several Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market issued by the State Council (《国务院关于进一步促进资本市场健康发展的若干意见》), the Opinion of General Office of the State Council on Further Enhancing Protection of Rights and Interests of Medium and Small Investors in Capital Market (《国务院办公厅关于进一步加强资本市场中小投资者合法权益保护工作的意见》) and Instructions on Issues Related to Immediate Return Dilution Arising from IPO, Refinancing and Major Asset Restructuring (《关于首发及再融资、重大资产重组摊薄即期回报有关事项的指导意见》) of CSRC.

[For details, please refer to the announcement disclosed on the Company website.](#)

Please vote after deliberation.

6. Proposal on the Report on the Use of Proceeds from Previous Offering

The Company has prepared the Report on the Use of Proceeds from Previous Offering (《前次募集资金使用情况报告》) in accordance with the Regulations on the Report on the Use of Proceeds from Previous Offering (《关于前次募集资金使用情况报告的规定》) and other relevant regulations.

[For details, please refer to the announcement disclosed on the Company website.](#)

Please vote after deliberation.

7. Proposal on Return Plan for Shareholders for the Coming Three Years (2022 to 2024)

The Company prepared the Return Plan for Shareholders for the Next Three Years (2022-2024) of Ningbo Shanshan Co., Ltd. (《宁波杉杉股份有限公司未来三年（2022-2024年）股东回报规划》) on the basis of full consideration of the actual situation and future development needs of the Company, and in accordance with the Notice of the China Securities Regulatory Commission on Further Implementation of Matters Relating to Cash Dividends for Listed Companies (《关于进一步落实上市公司现金分红有关事项的通知》) and the relevant provisions of the No. 3 Guidelines for Supervision of Listed Companies -- Cash Dividends for Listed Companies (《上市公司监管指引第3号——上市公司现金分红》).

[For details, please refer to the announcement disclosed on the Company website.](#)

Please vote after deliberation.

8. Proposal on the General Meeting Authorizing the Board to Fully Handle the Affairs Related to the Private Placement of Shares

In order to ensure the successful completion of the Company's private placement of shares, in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司证券发行管理办法》) and other laws and regulations and the relevant provisions of the Articles of Association of the Company, the Board of the Company requests the general meeting to authorize the Board to fully handle the matters relating to the private placement of shares within the scope of the resolution, including but not limited to:

1. to determine and implement the specific plan for the private placement of shares in consultation with the sponsor (lead underwriter) according to the specific circumstances, including but not limited to determining and adjusting all matters related to the private placement, such as the number of shares to be issued, the issuance price, the timing of the issuance, the issuance method, the issuance start and end dates, the specific subscription method, the size of the funds to be raised, the selection of the target subscribers, the subscription ratio, and the signing of relevant agreements or supplementary agreements with the target subscribers;

2. to make supplements, amendments and adjustments to the specific scheme of this private placement (including but not limited to determining the pricing benchmark date, issuance number range, target subscribers, issuance price and adjusting the maximum total amount of proceeds) and the application documents and supporting documents of this private placement in accordance with the changes in regulations and policies related to this private placement scheme, the review opinions of the relevant regulatory authorities on this private placement application and changes in the securities market, implementation, market conditions and ex-rights and ex-dividend matters, except for those matters that are required to be re-voted by the general meeting as stipulated in the relevant laws and regulations and the Articles of Association of the Company;

3. to revise the scheme to comply with the relevant laws, regulations, regulatory documents or the requirements of the relevant regulatory authorities (except for matters subject to re-voting by the general meeting as stipulated in the relevant laws and regulations and the Articles of Association), and make corresponding adjustments

to the specific issuance scheme in accordance with the specific requirements of the regulatory authorities.

4. to determine and engage the intermediaries involved in the private placement, to sign all agreements and documents related to the issuance and the equity subscription, including but not limited to the underwriting agreement, the sponsorship agreement, the engagement agreement of other intermediaries and other related agreements, and to handle other matters related thereto;

5. to determine the special account for the proceeds, sign the tripartite supervision agreement for the storage of the proceeds and other matters related to the use of the proceeds and handle the capital verification procedures related to the issuance.

6. to sign major contracts in the operation course of the investment projects funded by the proceeds raised from the private placement of shares;

7. to handle the reporting and listing of the private placement of shares, including making, amending, supplementing, signing, submitting, filing and executing all agreements and application documents relating to the reporting and listing of the issuance and handling the related reporting and listing matters;

8. to handle the subscription, registration, lock-up and listing of shares in the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited after the completion of the issuance of shares;

9. after the completion of the issuance, to increase the registered capital of the Company, amend the corresponding articles of the Articles of Association and handle the registration of industrial and commercial changes and other related matters according to the results of this private placement of shares;

10. in the event of force majeure or other circumstances sufficient to make the private placement difficult to implement, or which may be implemented but will bring adverse consequences to the Company, or in the event of changes in the private placement policy, to determine the postponement, suspension or termination of the private placement scheme at its discretion, or to continue to handle the private placement in accordance with the new private placement policy;

11. to handle other matters related to the private placement.

The authorization shall remain valid for 12 months from the date of approval by the general meeting.

Subject to the condition that the general meeting of the Company authorizes the

Board to fully handle the issuance, the Board authorizes the chairman of the Board and his/her authorized persons to be solely responsible for the above authorization, and the Board authorizes the chairman of the Board and his/her authorized persons for the same period as the general meeting authorizes the Board.

Please vote after deliberation.