

## Fangda Carbon New Materials Co., Ltd.

### Announcement Regarding Intended Participation in the Recruitment of Investors for the Substantive Merger and Restructuring of Shanshan Group

The Board of Directors and all directors of the Company hereby confirm that this announcement contains no false records, misleading statements, or material omissions, and assume legal responsibility for the authenticity, accuracy, and completeness of its content.

#### **Important Notice:**

1. The Company intends to apply to participate in the recruitment of restructuring investors for the substantive merger of Shanshan Group and its wholly-owned subsidiary Pengze Trading. Whether the Company will ultimately become a formal restructuring investor remains uncertain;
2. If the Company is confirmed as a restructuring investor, subsequent legal procedures such as the signing of the Restructuring Investment Agreement and court rulings remain uncertain;
3. There exists uncertainty regarding the successful implementation of this restructuring investment and whether the integration outcomes will meet investment expectations, which may result in discrepancies from the Company's anticipated operating performance.

Fangda Carbon New Materials Technology Co., Ltd. (hereinafter referred to as the "Company") convened the Fourteenth Extraordinary Meeting of the Ninth Board of Directors on November 24, 2025. The meeting reviewed and approved the "Proposal on Participating in the Recruitment of Investors for the Substantive Merger and Restructuring of Shanshan Group and Its Wholly-Owned Subsidiary." The Company agreed to participate as an industrial synergy partner in the recruitment of investors for the substantive merger and reorganization of Shanshan Group Co., Ltd. (hereinafter referred to as "Shanshan Group") and its wholly-owned subsidiary, Ningbo Pengze Trading Co., Ltd. (hereinafter referred to as "Ningbo Pengze"). Concurrently, the Company authorized its management to act on its behalf in preparing and submitting application materials for the reorganization investment, signing confidentiality agreements for due diligence, conducting due diligence, and submitting the Reorganization Investment Plan, among other related tasks.

Participation in the recruitment of restructuring investors does not constitute a related-party transaction or a major asset restructuring and does not require submission to a shareholders' meeting for approval. The Company will promptly fulfill the corresponding approval procedures and information disclosure obligations as the restructuring matters progress.

## **I. Overview of Relevant Circumstances**

On February 25, 2025, the Yinzhou District People's Court of Ningbo City, Zhejiang Province (hereinafter referred to as the Yinzhou Court) issued Civil Ruling No. (2025) Zhe 0212 Pu Shen 8, ruling to accept the bankruptcy reorganization case of Shanshan Group and concurrently appointing the administrator of Shanshan Group (hereinafter referred to as the Administrator). On March 20, 2025, Yinzhou Court issued Civil Ruling No. (2025) Zhe 0212 Pu 12, ruling to conduct a substantive consolidated reorganization of Shanshan Group and Ningbo Pengze.

On June 6, 2025, the Administrator issued the “Announcement on the Recruitment of Intending Investors,” publicly recruiting and selecting restructuring investors in accordance with the Enterprise Bankruptcy Law of the People's Republic of China (hereinafter referred to as the “Enterprise Bankruptcy Law”) and relevant legal provisions. Subsequently, as the “Restructuring Plan (Draft) for Shanshan Group Co., Ltd. and Ningbo Pengze Trading Co., Ltd.” (hereinafter referred to as the “Restructuring Plan (Draft)”) was not approved by the creditors' meeting, the investor requested the administrator to return the performance bond and confirm termination of the agreement. Following deliberation and approval by the selection panel, the restructuring investment agreement was lawfully terminated. To facilitate the smooth progress of the reorganization of Shanshan Group and Ningbo Pengze, the administrator issued an announcement on November 7, 2025, to continue recruiting prospective investors in accordance with the Enterprise Bankruptcy Law and relevant legal provisions.

On June 6, 2025, the Administrator issued the “Announcement on the Recruitment of Intending Investors,” publicly recruiting and selecting restructuring investors in accordance with the Enterprise Bankruptcy Law of the People's Republic of China (hereinafter referred to as the “Enterprise Bankruptcy Law”) and relevant legal provisions. Subsequently, as the “Restructuring Plan (Draft) for Shanshan Group Co., Ltd. and Ningbo Pengze Trading Co., Ltd.” (hereinafter referred to as the “Restructuring Plan (Draft)”) was not approved by the creditors' meeting, the investor requested the administrator to return the performance bond and confirm termination of the agreement. Following deliberation and approval by the selection panel, the restructuring investment agreement was lawfully terminated. To facilitate the smooth progress of the reorganization of Shanshan Group and Ningbo Pengze, the administrator issued an announcement on November 7, 2025, to continue recruiting prospective investors in accordance with the Enterprise Bankruptcy Law and relevant legal provisions.

## **II. Basic Information of the Restructuring Target**

According to the “Announcement by Shanshan Group Co., Ltd. on Termination of the Restructuring Investment Agreement for the Substantive Merger Restructuring of the Company and Its Wholly-Owned Subsidiary and Continued Recruitment of Prospective Investors” published by Shanshan Group on the Shanghai Stock Exchange website on November 7, 2025, the basic information of the restructuring target is as follows:

(I) Basic Information of the Restructuring Target

Shanshan Group was established in 1994 with a registered capital of RMB 298,418,756. Its registered address is 26th Floor, No. 777 Rili Middle Road, Shounan Subdistrict, Yinzhou District, Ningbo City, Zhejiang Province. Ningbo Pengze was established in 2016 with a registered capital of RMB 520,000,000. Its registered address is Room 2128, Office Building No. 10, Business Center, Meishan Avenue, Beilun District.

(II) Key Assets of the Restructuring Target

As of the valuation benchmark date of February 25, 2025, the principal assets of Shanshan Group and Ningbo Pengze are as follows:

**Category I:** A combined total of 525,561,456 shares in the listed company Ningbo Shanshan Co., Ltd. (hereinafter referred to as Shanshan Co., stock code: 600884) held by Shanshan Group and Ningbo Pengze, representing 23.32% of Shanshan Co.'s total share capital. Among these, 33,284,600 shares (representing 1.47% of Shanshan Co.'s total share capital) are currently subject to ownership disputes;

Shanshan Co., Ltd. (600884.SH) is a globally leading high-tech enterprise specializing in the development of lithium battery anode materials and polarizer films. As China's first company engaged in the R&D and production of artificial graphite anode materials for lithium-ion batteries, Shanshan Co., Ltd. possesses over 20 years of experience in R&D and industrial production within the lithium battery materials sector, establishing itself as the global leader in anode materials. In 2021, Shanshan Co. acquired LG Chem's LCD polarizer business, becoming the global leader in polarizers and establishing a new dual-core business model.

**Category II:** The 100% equity interest in Zhongjing Sihai Industrial Co., Ltd. held by Shanshan Group, with underlying assets primarily consisting of a 3.64% equity interest (506,102,476 shares) in Huishang Bank Co., Ltd., and the claim amount of RMB 1,882,315,420 plus related fees held by Shanshan Group against Zhongjing Xinhua Asset Management Co., Ltd. pursuant to the Civil Judgment (2023) Hu Min Zhong No. 341 issued by the Shanghai High People's Court, Shanshan Group's claim against Zhongjing Xinhua Asset Management Co., Ltd. for RMB 1,882,315,420 plus related expenses (subject to the counter-performance obligation to return 51.6524% equity in Zhongjing Sihai Industrial Co., Ltd.).

**Category III:** Shanshan Group holds a 50% partnership interest in Ningbo Xingtong Chuangfu Enterprise Management Partnership (Limited Partnership), with underlying assets primarily comprising the Shanshan Healthcare segment (including Shanghai Jun'ai Rehabilitation Hospital Co., Ltd., Shanghai Blue Cross Rehabilitation Hospital Investment Management Co., Ltd., Wuxi Huaqing Hospital Co., Ltd., and Wuxi Huatai Rehabilitation Hospital Co., Ltd.), and a 13.94% equity interest (71,840,117 shares) in Jinzhou Yongshan Lithium Industry Co., Ltd., among others.

**Category IV:** Real estate held by Shanshan Group at Floors 24 to 26 of Shanshan Tower, No. 777 Rili Middle Road, Shounan Subdistrict, Yinzhou District, Ningbo City (area: 5,302.76 square meters);

**Category V:** Other real estate held by Shanshan Group, along with miscellaneous assets such as vehicles and office equipment;

**Category VI:** In addition to Shanshan Co., Ltd. and Zhongjing Sihai Industrial Co.,

Ltd., Shanshan Group holds equity interests in 16 subsidiaries;

**Category VII:** Equity interests held by Shanshan Group in 8 investee companies, excluding Ningbo Xingtong Chuangfu Enterprise Management Partnership (Limited Partnership);

**Category VIII:** Trademark and copyright assets with no book value;

**Category IX:** Accounts receivable with a book value of approximately RMB 9.598 billion.

The Company has no related party relationship with Shanshan Group or its wholly-owned subsidiary Ningbo Pengze.

### **III. Impact of Participating in the Restructuring on the Company**

By leveraging its technological, capital, and channel advantages in the anode industry, the Company will participate as an industrial synergist in the substantive merger and restructuring of Shanshan Group and its wholly-owned subsidiary Pengze Trading.

in the substantive merger restructuring of Shanshan Group and its wholly-owned subsidiary Pengze Trading. This will accelerate the Company's anode industry layout, achieve integrated industrial chain operations and long-term stable supply chain security, fully leverage synergies in new energy sectors such as solid-state batteries, enhance profitability, and strengthen core competitiveness. Participating in the substantive merger restructuring of Shanshan Group and Pengze Trading aligns with the Company's industrial strategy and development goals. It is expected to positively impact the Company's future operations and development.

### **IV. Risk Disclosure**

(1) The Company intends to apply to participate in the recruitment of restructuring investors for the substantive merger of Shanshan Group and its wholly-owned subsidiary Pengze Trading. Whether the Company will ultimately become a formal restructuring investor remains uncertain;

(2) If the Company is confirmed as a restructuring investor, subsequent legal procedures such as the signing of the Restructuring Investment Agreement and court rulings remain uncertain;

(3) There exists uncertainty regarding the successful implementation of this restructuring investment and whether the integration outcomes will meet investment expectations, which may result in discrepancies from the Company's anticipated operating performance.

The Company will promptly fulfill the corresponding approval procedures and information disclosure obligations as matters progress. Investors are advised to pay attention to investment risks.

Hereby announced

Fonda Carbon New Materials Co., Ltd.

Board of Directors

November 25, 2025