

**Fangda Carbon New Material Co., Ltd.**  
**Announcement Regarding the Share Reduction Plan Through Centralized Bidding  
of Repurchased Shares**

The Board of Directors, all directors, and relevant shareholders 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.

**Vital content notice:**

● **Basic Information on Share Repurchase**

To safeguard corporate value and shareholder interests, Fangda Carbon New Material Co., Ltd. (hereinafter referred to as the “Company”) repurchased 196,324,457 shares of its stock (representing 4.88% of the Company's total share capital) through centralized competitive bidding transactions between September 19, 2024, and November 4, 2024. For specific details, please refer to the “Announcement on the Implementation Results of Share Repurchase and Share Changes by Fangda Carbon” (Announcement No.: 2024-080) disclosed by the Company on November 5, 2024.

● **Key Details of the Share Reduction Plan**

Within six months starting 15 trading days after the date of this announcement, the Company will reduce its holdings by no more than 75,688,240 shares (representing 1.88% of the total share capital) through centralized bidding at market prices. Should any share adjustments occur during the reduction period due to events such as bonus share distributions or capitalization of capital reserves, the Company will make corresponding adjustments to the reduction plan. The difference between the sale price and the repurchase price of the shares will be recorded in the Company's capital reserves, thereby increasing net assets. Proceeds from the sale of repurchased shares will be used to supplement the Company's working capital for daily operations.

The Company convened the Thirteenth Extraordinary Meeting of the Ninth Board of Directors on November 6, 2025, and reviewed and approved the “Proposal on the Share Repurchase and Concentrated Auction Sale Plan.” It agreed that the Company may reduce its shareholding through concentrated auction sales in accordance with relevant regulations such as the “Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 7—Share Repurchase” and the purpose stipulated in the “Repurchase Report on Share Repurchase via Concentrated Auction Trading” (Announcement No.: 2024-063, hereinafter referred to as the “Repurchase Report”) disclosed by the Company on September 19, 2024. Repurchase Report on Share Repurchases via Centralized Auction Trading“ (Announcement No.: 2024-063, hereinafter referred to as the ”Repurchase Report”) disclosed by the Company on September 19, 2024. The details of this reduction plan are as follows:

**I. Basic Information of the Selling Entity**

Shareholder Name	Fangda Carbon New Materials Technology Co., Ltd. Share Repurchase Dedicated Securities Account
Shareholder Status	Controlling Shareholders, Actual Controllers, and Parties Acting in Concert <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Shareholders with Direct Holdings Exceeding 5% <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Directors, Supervisors, and Senior Management Personnel <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Other: Repurchase Dedicated Securities Accounts
Number of Shares Held	249,372,465 Shares
Shareholding Percentage	6.19%
Source of Current	Acquired through centralized auction trading: 249,372,465 shares

Shareholding	
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The aforementioned entities reducing their holdings have no concerted action parties.

## II. Key Details of the Share Reduction Plan

Shareholder Name	Fangda Carbon New Materials Technology Co., Ltd. Repurchase Dedicated Securities Account
Planned Reduction Quantity	Not exceeding: 75,688,240 shares
Planned Reduction Ratio	Not exceeding: 1.88%
Reduction Method and Corresponding Quantity	Reduced through centralized bidding, not exceeding: 75,688,240 shares
Reduction Period	December 1, 2025 to May 30, 2026
Source of Shares to be Reduced	Acquired through centralized bidding transactions
Reason for Proposed Reduction	In accordance with the terms and requirements of the Company's "Repurchase Report."

During the pre-disclosure period, if the company's stock is suspended from trading, the actual commencement date of the share reduction shall be postponed accordingly based on the suspension period.

(I) Whether relevant shareholders have made other arrangements  Yes  No

(II) Whether major shareholders and directors, supervisors, and senior management have previously made commitments regarding shareholding ratios, shareholding quantities, holding periods, disposal methods, disposal quantities, disposal prices, etc.  Yes  No

(III) Other matters required by the Exchange

i. Reasons and Purpose for the Reduction:

The Company has completed the share repurchase conducted to safeguard corporate value and shareholder interests. This reduction of repurchased shares complies with the relevant provisions of the Shanghai Stock Exchange Listing Rules No. 7—Share Repurchase and the Repurchase Report.

ii. Sale price: Determined based on the secondary market price at the time of sale.

iii. Use of Proceeds from Share Reduction and Specific Allocation Arrangements: To supplement the company's working capital.

iv. Changes in the Company's Shareholding Structure Following the Completion of the Share Reduction:

This share reduction will not result in a change of control over the company or alter its equity structure. Based on the maximum reduction of 75,688,240 shares, the number of shares held in the company's special securities repurchase account will decrease from 249,372,465 shares to 173,684,225 shares. with the holding ratio decreasing from 6.19% to 4.31% (the ratio difference is due to rounding during calculation). The final figures shall be subject to the actual number of shares sold and their proportion of the company's total share capital upon the expiration of the reduction period or the completion of the reduction plan.

v. Management's Statement on the Impact of the Reduction of Repurchased Shares on the Company's Operations, Financial Condition, and Future Development:

The difference between the share reduction price and the repurchase price will be recorded in the company's capital surplus, thereby increasing net assets. This will not affect the company's current profits and will not have a material impact on its operations, finances, or future development. It will help supplement the working capital required for the company's daily operations.

vi. Transactions in the company's shares by directors, supervisors, senior management, controlling shareholders, and actual controllers within six months prior to the board of directors' resolution to reduce holdings:

Upon verification by the Company, the directors, supervisors, senior management, controlling shareholders, and actual controllers of the Company did not engage in any trading of the Company's shares within the six months

preceding the Board of Directors' resolution to reduce holdings and repurchase shares.

### **III. Risk Disclosure Regarding the Share Reduction Plan**

(I) Uncertainty risks associated with the implementation of the share reduction plan, such as the preconditions and restrictive conditions for plan execution, as well as specific circumstances under which relevant conditions are satisfied or eliminated.

In accordance with the Shanghai Stock Exchange Listing Rules No. 7—Share Repurchase and other relevant regulations, the Company's share reduction shall comply with the following requirements:

- i. The declared price shall not be the daily price limit for downward movement of the Company's shares;
- ii. No sell orders may be placed during the Shanghai Stock Exchange's opening auction, the half-hour preceding market close, or on trading days when share prices are not subject to daily price fluctuation limits;
- iii. The daily sale volume shall not exceed 25% of the average daily trading volume over the 20 trading days preceding the pre-disclosure date, except where the daily sale volume does not exceed 200,000 shares.
- iv. The total number of shares sold within any consecutive 90-day period shall not exceed 1% of the company's total share capital.
- v. Other requirements stipulated by the China Securities Regulatory Commission and the Shanghai Stock Exchange.

Based on the above provisions and potential uncertainties, there may be circumstances where the reduction cannot be completed as planned.

(II) Risk of Potential Change in Control of the Listed Company Resulting from the Implementation of the Share Reduction Plan

Yes  No

(3) Other Risk Disclosures

During the period of reducing the repurchased shares, the Company will strictly comply with the relevant provisions of the Shanghai Stock Exchange Listing Rules and the Shanghai Stock Exchange Self-Regulatory Guidelines No. 7—Share Repurchase, and will promptly fulfill its information disclosure obligations. We kindly remind all investors to engage in rational investment and be mindful of investment risks.

Hereby announced

Board of Directors of Fangda Carbon New Materials Co., Ltd.

November 8, 2025