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Zhejiang Shibao Company Limited*
浙 江 世 寶 股 份 有 限 公 司
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1057)

ANNOUNCEMENT ON THE CONTROLLING SHAREHOLDER'S EARLY TERMINATION OF THE SHARE REDUCTION PLAN

Reference is made to the announcement of Zhejiang Shibao Company Limited (the "**Company**") dated 28 April 2026 (the "**Announcement**") in relation to its controlling shareholder, Zhejiang Shibao Holding Group Co., Ltd. ("**Shibao Holding**") holding a total of 270,657,951 A shares of the Company (representing 32.90% of the Company's total share capital) plans to reduce its shareholding in the Company by no more than 8,226,323 A shares in aggregate (representing no more than 1% of the Company's total share capital) through centralized bidding and by no more than 16,452,647 A shares in aggregate (representing no more than 2% of the Company's total share capital) through block trading, in total not exceeding 24,678,970 A shares of the Company (representing no more than 3% of the Company's total share capital), within 3 months after 15 trading days from the disclosure date of the Announcement (i.e. from 22 May 2026 to 19 August 2026, no reduction during sensitive periods) (the "**Shareholding Reduction Plan**").

Reference is also made to the announcement of the Company dated 23 May 2026 in relation to Shibao Holding reduced its holdings of 8,226,315 A shares of the Company (representing 1.00% of the Company's total share capital) through centralized bidding and 901,882 A shares of the Company (representing 0.11% of the Company's total share capital) through block trading, representing a total reduction of 9,128,197 A shares of the Company (representing 1.11% of the Company's total share capital), respectively, on 22 May 2026 (the "**Reduction**"). After the Reduction, Shibao Holding hold 261,529,754 A shares (shares without selling restrictions), representing 31.79% of the Company's total share capital.

The Company recently received a "Notification Letter Regarding the Early Termination of the Share Reduction Plan and the Results of the Reduction" from Shibao Holding. As at the date of this announcement, within the term of the Shareholding Reduction Plan, Shibao Holding has reduced its holdings of the Company's A shares by an aggregate of 9,128,197 shares, representing 1.11% of the Company's total share capital, through centralized bidding and block trading; it has decided to terminate the Shareholding Reduction Plan early, and the remaining shares will not be reduced.

By order of the Board
Zhejiang Shibao Company Limited
Zhang Shi Quan
Chairman

Hangzhou, Zhejiang, the PRC
28 July 2026

As at the date of this announcement, the board of directors of the Company comprises Mr. Zhang Bao Yi, Mr. Tang Hao Han, Ms. Zhang Lan Jun and Mr. Zhou Yu as executive directors; Mr. Zhang Shi Quan and Mr. Zhang Shi Zhong as non-executive directors; Mr. Wu Lang Ping as employee director; and Mr. Li Xing Jian, Mr. Min Haitao, Mr. Tsui Chun Shing and Mr. Wang Zhi Fu as independent non-executive directors.

* *For identification purpose only*