

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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 PRELIMINARY DISCLOSURE OF SHAREHOLDING REDUCTION BY CONTROLLING SHAREHOLDER**

Zhejiang Shibao Company Limited (“**Zhejiang Shibao**”, “**the Company**”) recently received a “Notification Letter on the Proposed Reduction of Shareholding in the Company” from its controlling shareholder, Zhejiang Shibao Holding Group Co., Ltd. (“**Shibao Holding**”). Shibao Holding proposes to reduce its shareholding in the Company by no more than 8,226,323 A shares in aggregate (representing not exceeding 1% of the Company’s total share capital) through centralized bidding within 3 months after 15 trading days from the date of this announcement (i.e. from 22 May 2026 to 19 August 2026, no reduction during sensitive periods); and to reduce its shareholding in the Company by no more than 16,452,647 A shares in aggregate (representing not exceeding 2% of the Company’s total share capital) through block trading. The total number of shareholdings to be reduced will not exceed 24,678,970 A shares, which is not more than 3% of the Company’s total share capital (the “**Shareholding Reduction Plan**”). As at the date of this announcement, Shibao Holding holds a total of 270,657,951 A shares of the Company, accounting for 32.90% of the total share capital of the Company.

#### **I. THE MAIN CONTENT OF THE SHAREHOLDING REDUCTION PLAN**

1. Reason for Shareholding Reduction: Shareholder’s own capital requirements.
2. Source of Shares: Shares issued prior to the Company’s initial public offering and shares obtained as a result of conversion of capital reserve into share capital by the Company after the Company’s listing of the above shares.
3. Methods of Shareholding Reduction: Centralized bidding and block trading
4. Reduction Period: For the Shareholding Reduction Plan, shareholding reduction through centralized bidding will be carried out within 3 months after 15 trading days from the date of disclosure of the announcement on the Shareholding Reduction Plan (i.e. from 22 May 2026 to 19 August 2026, no reduction during sensitive periods); shareholding reduction through block trading will be carried out within 3 months after 15 trading days from the date of disclosure of the announcement on the Shareholding Reduction Plan (i.e. from 22 May 2026 to 19 August 2026, no reduction during sensitive periods), and the transferee shall not transfer the transferred shares within 6 months.

5. Number and Proportion of Shares to be Reduced: The proposed reduction in the number of shares of the Company will not exceed 24,678,970 A shares (inclusive) (if any events of changes in the stock price of the Company, such as bonus shares or conversion of capital reserve into share capital, occur during the period, such number should be adjusted accordingly), and the proposed reduction in the proportion of shares will not exceed 3% of the Company's total share capital (inclusive). Pursuant to the relevant regulations, the total number of shares reduced through block trading within any consecutive 90 calendar days shall not exceed 2% of the Company's total share capital, and the transferee shall not reduce the transferred shares within 6 months after the transfer; the total number of shares reduced through centralized bidding within any consecutive 90 calendar days shall not exceed 1% of the Company's total share capital.

6. Price Range for Reduction: To be determined based on the secondary market price and transaction method (if any ex-rights or ex-dividends events of the shares of the Company, such as the declaration of dividends, bonus shares, and conversion of capital reserve into share capital, occur during the reduction period, the number of shares reduced and the price range for reduction will be adjusted accordingly).

7. There is no inconsistency between the proposed reduction and the previously disclosed commitments.

## **II. COMMITMENTS AND PERFORMANCE STATUS**

Shibao Holding and its concert parties, namely Zhang Shi Quan, Zhang Bao Yi, Tang Hao Han, Zhang Lan Jun and Zhang Shi Zhong, made the following shareholding intention and reduction intention commitments in the "Prospectus for Initial Public Offering and Listing on the Main Board" and "Announcement on Listing for Initial Public Offering on the Main Board" of the Company:

1. Shibao Holding undertakes: Within 36 months from the date the Company's shares are listed, it will not transfer or entrust others to manage its shares in the Company, nor will these shares be repurchased by the Company. After the expiration of the aforementioned period, the annual transfer of shares shall not exceed 25% of the Company's total shares it holds.

2. Zhang Shi Quan, Zhang Bao Yi, Tang Hao Han, Zhang Lan Jun and Zhang Shi Zhong undertake: Within 36 months from the date the Company's shares are listed, they will not transfer the equity of Shibao Holding they hold. After the expiration of the aforementioned period, during their tenure, the annual transfer of Shibao Holding's equity shall not exceed 25% of the equity they hold in Shibao Holding, and within 6 months after leaving their positions as directors or officers of Zhejiang Shibao, they will not transfer the equity of Shibao Holding they hold.

3. Zhang Shi Quan undertakes: Within 36 months from the date the Company's shares are listed, he will not transfer or entrust others to manage the shares he holds in the Company, nor will these shares be repurchased by the Company. At the same time, as a director and officer of the Company, Zhang Shi Quan also undertakes that after the expiration of the aforementioned period, the shares transferred annually during his tenure will not exceed 25% of the total shares he holds in the Company, and within 6 months after leaving the position, he will not transfer the shares he holds in the Company.

As at the date of this announcement, Shibao Holding and its concert parties have strictly fulfilled the above commitments, and there has been no breach of these commitments. The proposed reduction in holdings is consistent with the commitments and intentions previously disclosed and does not violate the provisions of Articles 5 to 9 of the Shenzhen Stock Exchange Self-Discipline Supervision Guide for Listed Companies No.18 - Shareholding Reduction by Shareholders and Directors, and Officers (《深圳證券交易所上市公司自律監管指引第 18 號——股東及董事、高級管理人員減持股份》).

### III. RELEVANT RISK WARNING

1. The shareholder intending to reduce shareholding will decide whether to implement the Shareholding Reduction Plan on a timely basis according to the market conditions and the Company's stock price, with uncertainties regarding the time and price of the reduction as well as whether it can be implemented as scheduled.

2. The implementation of the Shareholding Reduction Plan will not result in a change of control of the Company and will not have a significant impact on the Company's governance structure and ongoing operations.

3. The Shareholding Reduction Plan does not violate relevant provisions of the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Stock Listing Rules of Shenzhen Stock Exchange (《深圳證券交易所股票上市規則》), the Shenzhen Stock Exchange Self-Discipline Supervision Guide for Listed Companies No.1 - Standardized Operation of Listed Mainboard Companies (《深圳證券交易所上市公司自律監管指引第 1 號——主板上市公司規範運作》) and the Shenzhen Stock Exchange Self-Discipline Supervision Guide for Listed Companies No.18 - Shareholding Reduction by Shareholders and Directors, and Officers (《深圳證券交易所上市公司自律監管指引第 18 號——股東及董事、高級管理人員減持股份》), etc.

4. The Company will continue to monitor the progress of such reduction and fulfill its information disclosure obligations in a timely manner. Investors are advised to pay attention to the investment risks.

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

Hangzhou, Zhejiang, the PRC  
28 April 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. Gong Jun Jie, Mr. Min Haitao, Mr. Tsui Chun Shing and Mr. Li Xing Jian as independent non-executive directors.*

*\* For identification purpose only*