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SHANGHAI PIONEER HOLDING LTD

上海先鋒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01345)

VOLUNTARY ANNOUNCEMENT SIGNING OF BUSINESS AGREEMENTS

In October 2022, Hunan Tiantong Environmental Protection Co., Ltd. (湖南天童環保有限公司) (“**Tiantong Environmental Protection**”), a subsidiary of Shanghai Pioneer Holding Ltd (the “**Company**”), entered into four contracts with Hebei Yongnian Industrial Park Management Committee (河北永年工業園區管理委員會), Hebei Mengcun Economic Development Zone Management Committee (河北孟村經濟開發區管理委員會), Hebei Huanghua Economic Development Zone Management Committee (河北黃驊經濟開發區管理委員會) and Shenyang Gangzhijia Panel Co., Ltd. (沈陽鋼之家板材有限公司) (collectively the “**Business Partners**”), respectively, in respect of the investment in production lines (collectively the “**Business Agreements**”). According to the Business Agreements, Tiantong Environmental Protection will set up four new projects in Handan, Cangzhou and Huanghua of Hebei Province and Shengyang of Liaoning Province to provide steel dephosphorization, rust removal, passivation and galvanization services by adopting ECD acid-free cleaning technology developed by Tiantong Environmental Protection, with a total investment of approximately RMB500 million.

Hebei Yongnian is the capital of fasteners in China, with more than 5 million tons of carbon steel discs and special-shaped parts in need of dephosphorization and rust removal every year. Hebei Mengcun is the capital of elbow flange pipe fittings in China, with more than 20 million tons of special-shaped parts in need of dephosphorization, rust removal and galvanization every year. Huanghua is a hub for special-shaped parts processing with over 400 special-shaped parts manufacturers in the periphery. Shenyang Gangzhijia Panel Co., Ltd. is a steel trading enterprise integrating steel sales, processing, logistics and distribution. As serious environmental problems could be caused by waste water, slag and exhaust gas produced by the traditional acid cleaning process, such process has been expressly restricted and banned by the National Development and Reform Commission of China. The ECD acid-free cleaning technology developed by Tiantong Environmental Protection with full intellectual property rights was submitted to China National Intellectual Property Administration for 16 invention and utility model patents and it was identified as a high-tech product and assessed to be at

international advanced level by China Environmental Protection Association on 27 February 2022, which can fully replace traditional acid cleaning without generation and emission of sewage, exhaust gas and solid waste. In consideration of the business needs, environmental protection requirements and corporate image of the related enterprises, as well as the market prospects, including the regional prospects of the market for oxidized skin scale removal on surface of metal materials, the Business Partners entered into the Business Agreements with Tiantong Environmental Protection, with an aim to fill the vacancies in the industrial chain and achieve refined development.

Signing the Business Agreements is one of the indications of the continuous maturity and marketization of the ECD acid-free cleaning technology of Tiantong Environmental Protection, which will bring potential revenue to the Company, and also respond to the strategic decision of the Chinese government to achieve carbon peak and carbon neutrality, contributing to the environmental protection undertakings in China.

By Order of the Board
Shanghai Pioneer Holding Ltd
LI Xinzhou
Chairman

Hong Kong, 31 October 2022

As at the date of this announcement, Mr. LI Xinzhou, Mr. XIAO Guoguang and Mr. YANG Yuewen are executive Directors, Ms. HU Mingfei is a non-executive Director and Mr. ZHANG Hong, Mr. WONG Chi Hung, Stanley and Mr. LAI Chanshu are independent non-executive Directors.