

Stock code: 000301 Stock abbreviation: Eastern Shenghong Announcement number: 2024-046  
Bond code: 127030 Bond abbreviation: Shenghong Convertible Bond

**Press Release - Ad-hoc announcement pursuant to Art. 53 LR**

**Jiangsu Eastern Shenghong Co., Ltd.**  
**Announcement on the Expiration and Completion of the**  
**Shareholding Increase in the Company by the Controlling**  
**Shareholder and Its Concerted Action**

The Company and all members of the Board of Directors warrant that the content of the information disclosure is true, accurate and complete, and there are no false representations, misleading statements or material omissions.

**Special Notice:**

1. Jiangsu Eastern Shenghong Co., Ltd. (hereinafter referred to as "the Company", "Listed Company") disclosed an announcement on November 14, 2024, regarding the plan to increase shareholding in the Company by the controlling shareholder and its concerted action through their own funds and special loans (Announcement Number: 2024-073). The controlling shareholder of the Company, Jiangsu Shenghong Technology Co., Ltd. (hereinafter referred to as "Shenghong Technology") and its concerted action, Shenghong Petrochemical Group Co., Ltd. (hereinafter referred to as "Shenghong Petrochemical"), Shenghong (Suzhou) Group Co., Ltd. (hereinafter referred to as "Shenghong Suzhou Group") (collectively referred to as "the Increase Entities"), plans to increase their holdings of the Company's A-shares within six months from November 14, 2024, through centralized bidding on the Shenzhen Stock Exchange, with a total planned investment of no less than RMB 2000 million and no more than RMB 4000 million, among which: Shenghong Technology will increase its holdings by no less than RMB 800 million and no more than RMB 1600 million; Shenghong Petrochemical will increase its holdings by no less than RMB 600 million and no more than RMB 1200 million; Shenghong Suzhou Group will increase its holdings by no less than RMB 600 million and no more than RMB 1200 million, based on a firm confidence in the Company's future sustainable and stable development and recognition of the long-term investment value of the Company, as well as to enhance investor confidence, effectively safeguard the interests of small and medium-sized shareholders and market stability, and promote the Company's continuous, stable, and healthy development.

2. The Increase Entities collectively increased their shareholding by 223,712,060 shares of the Company through centralized bidding on the Shenzhen Stock Exchange from November 14, 2024, to May 13, 2025, accounting for 3.38% of the total share capital (based on a total share capital of 6,611,226,689 shares as of May 13, 2025, same as below) of the Company, with an increase amount of RMB 2,020.3104 million (excluding transaction costs). Among them, Shenghong Technology increased its shareholdings in the Company by 90,266,900 shares, accounting for 1.37% of the Company's total share capital, with an increase amount of RMB 809.9180 million (excluding transaction costs); Shenghong Petrochemical increased its shareholdings in the Company by 66,288,096 shares, accounting for 1.00% of the Company's total share capital, with an increase amount of RMB 600.4599 million (excluding transaction costs); Shenghong Suzhou Group increased its shareholdings in the Company by 67,157,064 shares, accounting for 1.02% of the Company's total share capital, with an increase amount of RMB 609.9325 million (excluding transaction costs). As of the date of this announcement, the Shareholding Increase has been completed.

The Company recently received a letter from the Increase Entities regarding the "Completion of the Shareholding Increase in Jiangsu Eastern Shenghong Co., Ltd." Details are hereby announced as follows:

#### **I. Basic Information on the Entity of the Shareholding Increase**

(I) Entity of the Shareholding increase: The controlling shareholder Shenghong Technology and its concerted action Shenghong Petrochemical, Shenghong Suzhou Group.

(II) Before this Shareholding Increase, Shenghong Technology, Shenghong Petrochemical and Shenghong Suzhou Group collectively holds 4,155,451,447 A-shares of the Company, representing approximately 62.85% of the total share capital of the Company. Among them, Shenghong Technology directly holds 2,768,225,540 A-shares of the Company, representing approximately 41.87% of the total share capital of the Company; Shenghong Petrochemical directly holds 1,052,404,479 A-shares of the Company, representing approximately 15.92% of the total share capital of the Company; Shenghong Suzhou Group directly holds 334,821,428 A-shares of the Company, representing approximately 5.06% of the total share capital of the Company.

(III) During the 12 months prior to this announcement, the Increasing Entities has not increased its shareholding in the Company.

(IV) There has been no reduction in the shareholding of the Company by the Increasing Entities in the six months prior to the date of this announcement.

## **II. Main Contents of the Shareholding Increase Plan**

(I) Purpose of the Proposed Increase in Shareholding: This increase is based on a strong confidence in the Company's future sustainable and stable development and recognition of its long-term investment value, as well as to enhance investor confidence, effectively protect the interests of small and medium-sized shareholders, maintain market stability, and promote the continuous, stable, and healthy development of the Company.

(II) Amount of the Proposed Increase in Shareholding: The total amount for this increase in shareholding shall be no less than RMB 2000 million and no more than RMB 4000 million, among which: Shenghong Technology will increase its holdings by no less than RMB 800 million and no more than RMB 1600 million; Shenghong Petrochemical will increase its holdings by no less than RMB 600 million and no more than RMB 1200 million; Shenghong Suzhou Group will increase its holdings by no less than RMB 600 million and no more than RMB 1200 million.

(III) Price of the Shares to be Acquired under the Proposed Increase in Shareholding: No price range is specify for this Shareholding Increase Plan. The Increasing Entities will implement the plan based on the price fluctuations of the Company's shares and the overall trends in the capital market.

(IV) Implementation Period of the Shareholding Increase Plan: The plan will be implemented within six months from November 14, 2024, subject to compliance with relevant regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange. If the Company's stock is suspended during the implementation period, the Shareholding Increase Plan will be postponed until after the stock resumes trading.

(V) Methods and Types of the Proposed Increase in shareholding: The increase will be conducted through centralized bidding on the Shenzhen Stock Exchange to acquire A-shares of the Company.

(VI) Funding Arrangement for the Shareholding Increase Plan: A combination of self-owned funds and special loans.

(VII) Commitment of the Increasing Entities of the Shareholding Increase: The Increasing Entities commits to completing this Shareholding Increase Plan within the aforementioned implementation period, not reducing its shareholding in the Company during the implementation period of the Shareholding Increase and within the statutory period, and to strictly complying with the relevant laws, regulations, and normative documents of the China Securities Regulatory Commission and the Shenzhen Stock Exchange, ensuring no insider trading, trading during sensitive periods, short-term trading, etc.

(VIII) Other Matters: The Shareholding Increase will strictly adhere to the arrangements regarding share lock-up periods as stipulated by the China Securities Regulatory Commission and the Shenzhen Stock Exchange.

### III. Implementation of the Shareholding Increase Plan

The Increase Entities collectively increased their shareholding by 223,712,060 shares of the Company through centralized bidding on the Shenzhen Stock Exchange from November 14, 2024, to May 13, 2025, accounting for 3.38% of the total share capital (based on a total share capital of 6,611,226,689 shares as of May 13, 2025) of the Company, with an increase amount of RMB 2,020.3104 million (excluding transaction costs). Among them, Shenghong Technology increased its shareholdings in the Company by 90,266,900 shares, accounting for 1.37% of the Company's total share capital, with an increase amount of RMB 809.9180 million (excluding transaction costs); Shenghong Petrochemical increased its shareholdings in the Company by 66,288,096 shares, accounting for 1.00% of the Company's total share capital, with an increase amount of RMB 600.4599 million (excluding transaction costs); Shenghong Suzhou Group increased its shareholdings in the Company by 67,157,064 shares, accounting for 1.02% of the Company's total share capital, with an increase amount of RMB 609.9325 million (excluding transaction costs). As of the date of this announcement, the Shareholding Increase has been completed.

The details of equity change in the Company's controlling shareholder Shenghong Technology and its concerted action Shenghong Petrochemical, Shenghong Suzhou Group, Lianyungang Bohong Industrial Co., Ltd.(hereinafter referred to as "Bohong Industrial"), Zhu Hongmei, Zhu Hongjuan, and Zhu Minjuan before and after this Shareholding Increase are hereby as follows:

Name of Shareholder	Shareholding Before this Shareholding Increase		Shareholding After this Shareholding Increase	
	Number of Shares	Proportion of total Share Capital	Number of Shares	Proportion of total Share Capital
Shenghong Technology	2,768,225,540	41.87%	2,858,492,440	43.24%
Shenghong Petrochemical	1,052,404,479	15.92%	1,118,692,575	16.92%
Shenghong Suzhou Group	334,821,428	5.06%	401,978,492	6.08%
Bohong Industrial	59,123,847	0.89%	59,123,847	0.89%
Zhu Hongmei	861,800	0.01%	861,800	0.01%
Zhu Hongjuan	62,600		62,600	

Zhu Minjuan	47,500		47,500	
Total shareholding	4,215,547,194	63.76%	4,439,259,254	67.15%

Note 1: The GDR issued by the Company were listed on the Swiss Exchange on December 28, 2022 (Swiss time). The shares of the Company held by Shenghong Technology do not include a total of 8,310,000 equity of GDRs held through overseas securities investment products of the Qualified Domestic Institutional Investor (QDII), and income swap contract.

Note 2: The discrepancies of data in the announcement are due to rounding if occur.

#### **IV. Other Relevant Explanations**

1. This Shareholding Increase complies with the provisions of the "Company Law of the People's Republic of China," "Securities Law of the People's Republic of China," "Measures for the Management of Listed Company Acquisitions," "Listing Rules of the Shenzhen Stock Exchange," "Self-Discipline Regulatory Guidelines No. 1 for Listed Companies on the Main Board—Regulated Operation of Listed Companies," "Self-Discipline Regulatory Guidelines No. 10 for Listed Companies on the Shenzhen Stock Exchange—Management of Share Changes," and other relevant laws, regulations, and normative documents.

2. This Shareholding Increase will not lead to an equity distribution of equity that fails to meet listing conditions and will not result in a change of control of the Company.

3. The Increase Entities of this Shareholding Increase complies with the conditions for exemption from the obligation to make a tender offer as stipulated in the “Administrative Measures for the Acquisition of Listed Companies”.

#### **V. Lawyer’s Verification Opinion**

Grandall Law Firm (Shanghai) believes that as of the date of this legal opinion, the Increase Entities of this Shareholding Increase have the qualifications to carry out the increase. This Shareholding Increase complies with the conditions for exemption from the obligation to make a tender offer as stipulated in Article 63, paragraph (5) of the “Administrative Measures for the Acquisition of Listed Companies”. The Company has fulfilled its current information disclosure obligations regarding this Shareholding Increase.

#### **VI. Documents for Inspection**

1. Detailed changes in shareholding of China Securities Depository and Clearing Co., Ltd..
2. Notice letter from the Increase Entities regarding the "Completion of the Shareholding

Increase in Jiangsu Eastern Shenghong Co., Ltd."

3. Legal Opinion of Grandall Law Firm (Shanghai) regarding the exemption of the controlling shareholder of Jiangsu Eastern Shenghong Co., Ltd. and its concerted action from the obligation to increase their shareholding through a tender offer.

This is hereby announced.

**Jiangsu Eastern Shenghong Co., Ltd.**

**Board of Directors**

**May 14, 2025**

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#### **About Jiangsu Eastern Shenghong Co., Ltd.**

Shenghong has established leading positions in business segments such as renewable energy materials, performance chemicals, petrochemicals, and chemical fiber industries. Underpinned by its leading position and high brand awareness, the products are widely adopted in downstream applications. In particular, Shenghong is a pioneer in the renewable energy materials and performance chemicals sector, and it intends to continually invest in this sector to capture its strong growth potential.

At present, the Company has the 16 million tons/year refining and chemical integration unit, 2.4 million tons/year MTO unit and 700,000 tons/year PDH unit, realizing the full coverage of three olefin production process routes, namely, "oil head", "coal head" and "gas head". Through the differentiated and diversified layout of raw material sources of "oil, coal and gas", the Company has more options and possibilities in terms of comprehensive cost control, coping with the risk of cyclical fluctuations, new product research and development, and process route selection of downstream high-end petrochemical products, building a solid foundation for the Company to further play the advantages of scale operation,

reduce the operational risk caused by cyclical fluctuations of the industry, and better realize anti-cycle and cross - cycle steady development.

#### **Disclaimer**

This announcement may contain forward looking statements, estimates, opinions and projections with respect to the anticipated performance of the Company ("forward-looking statements"). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "forecast", "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Forward-looking statements are based on the current views, expectations and assumptions of the management of the Company and involve significant known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements included herein only speak as at the date of this release. We undertake no obligation, and do not expect to publicly update, or publicly revise, any of the information, forward-looking statements or the conclusions contained herein or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof, whether as a result of new information, future events or otherwise. We accept no liability whatsoever in respect of the achievement of such forward-looking statements and assumptions.