

Stock code: 000301.SZ Stock abbreviation: Eastern Shenghong Announcement number: 2026-036
Bond code: 127030 Bond abbreviation: Shenghong Convertible Bond

Jiangsu Eastern Shenghong Co., Ltd.

Announcement on Provision for Asset Impairment in 2026Q1

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.

Jiangsu Eastern Shenghong Co., Ltd. (hereinafter referred to as “the Company”) held the 3th meeting of the 10th Board of Directors on April 27, 2026, which approved the Proposal of Provision for Asset Impairment in the first quarter of 2026. Based on the provisions of the *Shenzhen Stock Exchange's Guidelines for Self-Discipline Regulation of Listed Companies No.1 - Business Processing*, the Company's Articles of Association, and the *Internal Control System for Provision for Asset Impairment and Loss Treatment*, this proposal does not require submission to the Shareholders' Meeting for consideration. The details are announced as follows:

I. Overview of the Provision for Asset Impairment

In accordance with the Accounting Standard for Business Enterprise (the “ASBE”) and the Company's relevant accounting policies, in order to objectively and fairly reflect the value of the Company's assets, financial condition, and operating results, the Company conducted a comprehensive examination and impairment testing of various assets as of March 31, 2026. The details are as below:

Unit: RMB '0,000

Items		Amounts
Credit impairment losses (losses expressed with "-")	Bad debt provision	4,628.60
Assets impairment losses (losses expressed with "-")	Provision for inventory impairment	-332.72
Total		4,295.88

Note: The provision for asset impairment pertains to the reporting period from January 1, 2026, to March 31,

2026.

II. Specific Information of the Provision for Asset Impairment

1. Accounts Receivable

In accordance with the ASBE and the Company's relevant accounting policies, the Company assessed the expected credit losses on account receivables as of March 31, 2026 and reversed a bad debt provision of RMB46.2860 million in 2026Q1.

2. Inventory

As of the balance sheet date, inventories are valued at the lower of cost or net realizable value. A provision for decline in the value of inventories is made if the cost is higher than the net realizable value.

The Company conducted impairment tests on its inventories as of March 31, 2026 and provided a provision for inventory impairment of RMB3.3272 million in 2026Q1.

III. Impact on the Financial Position of the Company

The reversal for bad debt provisions of receivables and provision for impairment of inventory in 2026Q1 increased the total profit of the Company's consolidated financial statement in 2026Q1 by RMB42.9588 million. The reversal for bad debt provisions of receivables and provision for impairment of inventory complies with the ASBE and the Company's relevant accounting policies. The above amount has not been audited. The final impact is subject to the determination after the annual audit.

IV. Opinions of the Board of Directors

The Company's reversal for bad debt provisions of receivables and provision for impairment of inventory are in compliance with the ASBE and other relevant regulations, reflecting the principle of prudence in accounting. The basis for the provision is adequate and in line with the actual situation of the Company.

V. Documents Available for Inspection

1. Resolutions of the 3th Meeting of the 10th Board of Directors;

This is hereby announced.

Jiangsu Eastern Shenghong Co., Ltd.

Board of Directors

April 28, 2026