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Jiangsu Eastern Shenghong Co., Ltd.

Announcement on the Proposal Not to Distribute Profits in 2025 and Interim Cash Dividend Distribution Matters in 2026

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.

I. Review Procedures

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 considered and approved the Proposal on the Company’s Profits Distribution Plan in 2025 and Proposal on Authorizing the Board of Directors to Formulate the Interim Cash Dividend Distribution Plan. Those proposals need to be submitted to the Shareholders’ Meeting of the Company for review. Relevant matters are hereby announced as follows:

II. Details of the Profit Distribution Proposal in 2025

According to the audit of BDO China Shu Lun Pan Certified Public Accountants LLP, the Company achieved a net profit attributable to shareholders of the listed Company of RMB133,746,317.81 in FY2025, while the parent company achieved a net profit of RMB294,285,693.22. As of December 31, 2025, the Company’s accumulated undistributed profits in the consolidated financial statements were RMB3,566,679,486.81, while the accumulated undistributed profits in the parent company financial statements were RMB761,812,686.27.

The Company's profit distribution plan in 2025 is: no cash dividends will be distributed for the year 2025, no bonus shares will be issued, and no transfer of capital reserve to increase share capital will take place.

III. Details of the Cash Dividends Distribution Plan of the Company in 2025

(I) The Company will not distribute cash dividends for the year 2025 and will not involve in any

other risk warning situations

Items	2025	2024	2023
Total amount of cash dividends (RMB)	0.00	0.00	661,121,445.00
Total amount of repurchased and canceled shares (RMB)	0.00	0.00	0.00
Net profit attributable to shareholders of the listed company (RMB)	133,746,317.81	-2,296,841,255.74	717,031,594.87
Accumulated undistributed profits at the end of the current year in the consolidated financial statements (RMB)	3,566,679,486.81		
Accumulated undistributed profits at the end of the current year in the parent company financial statements (RMB)	761,812,686.27		
The Company listed for three accounting years	Yes		
Total cash dividends accumulated over the last three accounting years (RMB)	661,121,445.00		
Total amount of repurchases and cancellations accumulated over the last three accounting years (RMB)	0.00		
Average net profit for the last three accounting years (RMB)	-482,021,114.35		
Total cash dividends and repurchases and cancellations accumulated over the last three accounting years (RMB)	661,121,445.00		
Involve circumstances that may trigger other risk warning measures as specified in Article 9.8.1 (9) of the Listing Rules	No		

(II) Specific reasons for not triggering other risk warning circumstances

The Company, in light of the above indicators and in accordance with the *Shenzhen Stock Exchange Listing Rules* (the "Listing Rules"), does not involve circumstances that may trigger other risk warning measures as stipulated in Article 9.8.1 of the rules.

(III) Explanation of the rationale for the Company's decision not to distribute cash dividends for the year 2025

1. Company Development and Capital Requirements

Currently, the global chemical industry landscape is accelerating its reshaping, with the supply pattern undergoing further adjustments. The company will continue to build its "1+N" industrial structure—a core raw material platform coupled with a diversified high-tech industrial chain—while capitalizing on the industry trends toward high-end, digital-intelligent, and green development. Considering the industrial characteristics, the Company's profitability in 2025,, future development plans, funding needs, shareholders' long-term interests and other factors, and in order to ensure that the Company maintains the necessary and sufficient funds to address the current changes in the external macroeconomic environment and development needs, the Board of Directors has proposed the following profit distribution plan: no cash dividends will be distributed for the year 2025, no bonus shares will be issued, and no transfer of capital reserve to increase share capital will take place.

2. Specific Use of Retained Undistributed Profits

The company's undistributed profits for 2025 will be carried forward to the next year, in order to provide reliable support for the smooth implementation of the company's medium- to long-term development strategy. Such arrangement does not harm the interests of the company's shareholders, particularly minority shareholders.

3. Measures proposed to enhance the level of returns for investors

The Company values reasonable investment returns for investors. In the future, the Company will solidify its "1+N" strategy, persistently pursue quality and efficiency improvements, strengthen independent innovation, and further promote high-end industrial development, large-scale production, specialized technology, and scientific management. By diversifying its product mix, enhancing core competitiveness, and increasing intrinsic value, the company will commit to creating long-term investment value for shareholders in a manner that balancing both corporate development and shareholder returns.

This profit distribution plan for 2025 complies with the relevant provisions of the profit distribution policy in the *Guidelines for Regulatory Oversight of Listed Companies No. 3 - Cash Dividends of Listed Companies*, *Self-Regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 1 — Standardized Operation of Main Board Listed Companies* and the Company's Articles of Association, *Shareholder Return Plan for the Next Three Years (2025-2027)* and other relevant regulations. The distribution plan conforms to the Company's established profit distribution policy, and possesses legality, compliance, and rationality.

IV. Interim Cash Dividend Distribution Plan

Based on the outlook for the Company's first-quarter 2026 performance and the improvement in industry prosperity, in order to enhance the level of returns to investors, while balancing the Company's development, the Company actively responds to the call for interim cash dividends distribution. In accordance with the provisions of the China Securities Regulatory Commission's *Guidelines No. 3 for Listed Company — Cash Dividends of Listed Company* and the Shenzhen Stock Exchange's *Self-Regulatory Guidelines No. 1 for Listed Company on the Main Board — Standard Operation of Main Board Listed Company*, the Company requests the Shareholders' Meeting to authorize the Board of Directors to formulate and implement the 2026 Interim Cash Dividend Distribution plan upon satisfaction of the following interim dividend conditions, including but not limited to whether to declare a dividend, the specific dividend plan, and the specific amount and timing of the dividend distribution:

(I) Preconditions for Interim Cash Dividend Distribution

1. The Company is profitable in the current period and has positive cumulative undistributed profits;
2. The implementation of the cash dividend will not affect the Company's normal operations plan or long-term development.

(II) Cap on Interim Cash Dividend Distribution

The cap on the dividend amount shall not exceed the net profit attributable to shareholders of the listed company for the corresponding period.

(III) Authorization Period

The authorization shall be valid from the date of approval by the 2025 annual Shareholders' Meeting until the completion of the above authorized matters.

V. Risk Notice

(I) The Proposal on Distribution of Profits Plan of the Company in 2025 and Proposal on Authorizing the Board of Directors to Formulate the Interim Cash Dividend Distribution Plan are subject to approval by the Company's 2025 Annual Shareholders' Meeting before they can be implemented.

(II) This request for the Shareholders' Meeting to authorize the Board of Directors to formulate the 2026 Interim Cash Dividend Distribution plan does not constitute a substantive commitment by the Company to implement an interim dividend in 2026, and there is uncertainty as to whether an interim dividend will subsequently be implemented. If authorized by the 2025 Annual Shareholders' Meeting, the Board of Directors will comprehensively consider factors such as the current operating conditions, working capital requirements, medium-to-long-term development plans, and the amount of

undistributed profits, and will prudently decide whether to declare a dividend and the specific dividend plan.

Investors are advised to pay attention to investment risks.

VI. 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