

Jiangsu Eastern Shenghong: 2025 Annual Results and Provision for Asset Impairment of 2025 and 2026Q1 and Profit Distribution Proposal and 2026Q1 Results

Suzhou City, China, April 28, 2026

Jiangsu Eastern Shenghong Co., Ltd. (the "**Company**") today released financial results of 2025 full year and the first quarter of 2026.

- During 2025, the Company achieved operating revenue of RMB125.59 billion, a decrease of 8.78% compared to the full year 2024 and net profit attributable to shareholders of the listed company of RMB0.13 billion, an increase of 105.82% compared to the full year 2024. Net cash flows from operating activities accounts to RMB16.05 billion. During the year 2025, the polyester chemical fiber business and the new chemical materials business of the Company maintained good profitability. However, given the complex and volatile international and domestic environment in 2025, the petrochemical industry faced multiple challenges on both the supply and demand sides. Crude oil prices experienced wide fluctuations with a downward trend in the center of the range, coupled with cyclical pressure on demand in some downstream sectors, which had a certain impact on the growth of the Company's operating revenue.
- The provision for impairment of assets in 2025 decreased the total profit of the Company's consolidated financial statement in 2025 by RMB484.3730 million. The Company conducted a comprehensive examination and impairment testing of various assets as of December 31, 2025. Based on the testing results, the Company made provisions for impairment for assets where impairment indicators were identified.
- 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.
- 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 RMB0.13 billion in FY2025, while the parent company achieved a net profit of RMB0.29 billion. As of December 31, 2025, the Company's accumulated undistributed profits in the consolidated financial statements were RMB3.5 billion, while the accumulated undistributed profits in the parent company financial statements were RMB0.76 billion. 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.
- During the first quarter of 2026, the Company achieved operating revenue of RMB32.02 billion, an increase of 5.65% over the same period last year, and net profit attributable to shareholders of the listed company of RMB1.43 billion, an increase of 319.86% over the same period last year. Net cash flows from operating activities accounts to RMB3.53 billion. The changes in revenue were mainly due to fluctuations in crude oil prices, some price of the Company products increased, resulting in an increase in the Company's revenue and profits.

1. Key accounting data and financial indicators of Full Year 2025

	Year 2025	Year 2024	YoY increase or decrease

	Year 2025	Year 2024	YoY increase or decrease
Operating revenue (RMB)	125,587,320,327.07	137,674,557,166.85	-8.78%
Net profit attributable to shareholders of the listed company (RMB)	133,746,317.81	-2,296,841,255.74	105.82%
Net profit attributable to shareholders of listed company after deduction of non-recurring profit and loss (RMB)	-543,086,674.71	-2,653,831,987.53	79.54%
Net cash flows from operating activities (RMB)	16,052,986,507.39	10,474,825,680.95	53.25%
Basic earnings per share (RMB/share)	0.02	-0.35	105.71%
Diluted earnings per share (RMB/share)	0.02	-0.35	105.71%
Return on weighted average net assets	0.39%	-6.73%	Increase by 7.12%
	As at the end of 2025	As at the end of 2024	YoY increase or decrease
Total assets (RMB)	205,227,818,129.13	204,312,488,701.89	0.45%
Net assets attributable to shareholders of listed company (RMB)	34,107,334,069.28	34,033,834,904.63	0.22%

2. Provision for Asset Impairment on the Financial Position of the Company in 2025

To provide a true and accurate reflection of the Company's asset condition and financial position as of December 31, 2025, the Company and its subsidiaries conducted impairment tests on various assets based on the principle of prudence and made provisions for the possible asset impairment as of December 31, 2025. The details are as below:

Unit: RMB '0,000

Items		Amounts
Credit impairment losses (losses expressed with "-")	Bad debt provision	-6,018.40
Assets impairment losses (losses expressed with "-")	Provision for inventory impairment	-42,418.90
Total		-48,437.30

Note: The provision for asset impairment pertains to the reporting period from January 1, 2025, to December 31, 2025.

Our full announcement on Provision for Asset Impairment in 2025 is available on our website at <https://www.jsessh.com/en/tzzcat/other-announcements/>

3. Provision for Asset Impairment on the Financial Position of the Company in 2026Q1

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.

Our full announcement on Provision for Asset Impairment in 2026Q1 is available on our website at <https://www.jsessh.com/en/tzzcat/other-announcements/>

4. Profit Distribution Proposal

The Company held the 3th meeting of the 10th Board of Directors on April 27, 2026, which considered and unanimously approved the Proposal on the Profits Distribution Plan of the Company in 2025.

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 feature, profits condition of 2025, future development plans, funding needs, shareholders' long-term interests and other factors, to ensure the Company maintaining 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.

Our full announcement on Profit Distribution Proposal is available on our website at <https://www.jsessh.com/en/tzzcat/other-announcements/>.

5. Key accounting data and financial indicators of 2026Q1

	2026Q1	Same period last Year (2025Q1)	YoY increase or decrease
Operating revenue (RMB)	32,022,404,528.27	30,309,373,926.52	5.65%

	2026Q1	Same period last Year (2025Q1)	YoY increase or decrease
Net profit attributable to shareholders of the listed company (RMB)	1,432,428,907.29	341,165,717.89	319.86%
Net profit attributable to shareholders of listed company after deduction of non-recurring profit and loss (RMB)	1,316,436,824.28	292,850,923.80	349.52%
Net cash flows from operating activities (RMB)	3,534,458,412.20	-2,691,660,545.33	231.31%
Basic earnings per share (RMB/share)	0.22	0.05	340.00%
Diluted earnings per share (RMB/share)	0.21	0.05	320.00%
Return on weighted average net assets	4.11%	1.00%	Increase by 3.11%
Total assets (RMB)	210,358,570,404.38	205,227,818,129.13	2.50%
Net assets attributable to shareholders of listed company (RMB)	35,641,562,189.81	34,107,334,069.28	4.50%

Detailed Reporting

The Company's 2025 Annual Report and 2026Q1 Report can be downloaded via this link:

<https://www.jsessh.com/en/tzzcat/financial-statements/>

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About Jiangsu Eastern Shenghong Co., Ltd.

The Company is a globally leading energy and chemical enterprise that has vertically integrated the whole industrial chain and been deeply engaged in the new energy and new materials business.

The Company has a refining-petrochemical integration plant with a capacity of 16 million metric tons/year, a methanol-to-olefin (MTO) plant with a capacity of 2.4 million metric tons/year, and a propane dehydrogenation (PDH) plant with a capacity of 700,000 metric tons/year, and has formed an industrial pattern of "double chains" of olefins and aromatics and has unique

capabilities in integrative production of olefins, kerosene, coal and natural gas which has gradually formed an integrated chemical industry chain with vertical integration. Relying on refining integration, alcohols coproduction and propylene industry chain projects, the Company has established a basic chemical raw material supply platform for downstream fine chemicals industries. The Company has established a new development strategy of "strengthening, extending and supplementing" the industrial chains from upstream oil refining to downstream high-value-added fine chemicals. The Company has formed an industrial layout of "1 core platform + N diversified industry chains" for new energy, new materials, electronic chemicals, biotechnology and other emerging industries developing in a coordinated way. Looking ahead, the Company will, on one hand, further expand the vertical integration of its entire industrial chain and deepen strategic layouts in new energy and new materials, and on the other hand, begin implementing its artificial intelligence strategy, including strengthening AI infrastructure construction, deepening scenario empowerment, focusing on the application of petrochemical refining, new energy and new materials, high-end textiles, and other industries fields, continue to cultivate 'new quality productivity' to build a world-class energy and chemical enterprise under the wave of AI.

Disclaimer

This announcement contains 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.