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

Jiangsu Eastern Shenghong: 2026 Semi-annual Results and Provision for Asset Impairment and Scrapping of Certain Fixed Assets for Half Year 2026

Suzhou City, China, August 28, 2026

Jiangsu Eastern Shenghong Co., Ltd. (the "**Company**") today released financial results of the first half of 2026.

- During the first half of 2026, the Company achieved operating revenue of RMB69.92 billion, a increase of 14.79% compared to the first half of 2025 and net profit attributable to shareholders of the listed company of RMB 4.50 billion, an increase of 1,065.10% compared to the first half of 2025. Net cash flows from operating activities accounts to RMB18.14 billion. In the first half of 2026, the average oil price rose temporarily due to geopolitical conflicts. Shipping disruptions in the straits limited access to raw materials, causing a rapid tightening of market supply. Combined with downstream stockpiling demand, this led to a sharp rise in petrochemical product prices, resulting in increased operating revenue for the Company and a marked improvement in product gross margins.
- The provision for impairment of assets and scrapping of certain fixed assets in half year 2026 decreased the total profit of the Company's consolidated financial statement in half year 2026 by RMB 398.4164 million. The Company conducted a comprehensive examination and impairment testing of various assets as of June 30, 2026. Based on the testing results, the Company made provisions for impairment for assets where impairment indicators were identified and scrapped those that could no longer meet production and operation needs.

1. Key accounting data and financial indicators of the First Half of 2026

	First Half of 2026	First Half of 2025	Increase/decrease compared with the First Half of 2025
Operating revenue (RMB)	69,924,386,581.16	60,916,418,734.57	14.79%
Net profit attributable to shareholders of the listed company (RMB)	4,500,151,589.93	386,245,051.32	1,065.10%
Net profit attributable to shareholders of listed company after deduction of non-recurring profit and loss (RMB)	4,315,503,400.85	271,723,916.35	1,488.19%
Net cash flows from operating activities (RMB)	18,135,334,213.98	2,811,195,924.26	545.11%
Basic earnings per share (RMB/share)	0.68	0.06	1,033.33%
Diluted earnings per share (RMB/share)	0.66	0.06	1,000.00%
Return on weighted average net assets	12.39%	1.13%	Increase by 11.26%

	As at June 30, 2026	As at December 31, 2025	Increase/decrease compared with December 31, 2025
Total assets (RMB)	208,634,409,739.91	205,227,818,129.13	1.66%
Net assets attributable to shareholders of listed company (RMB)	38,788,030,721.54	34,107,334,069.28	13.72%

2. Provision for Asset Impairment on the Financial Position of the Company in Half Year 2026

To provide a true and accurate reflection of the Company's asset condition and financial position as of June 30, 2026, 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 June 30, 2026. The details are as below:

Unit: RMB '0,000

Items		Amounts
Credit impairment losses (losses expressed with "-")	Bad debt provision	3,819.69
Assets impairment losses (losses expressed with "-")	Provision for inventory impairment	-31,013.74
Total		**-27,194.05**

Note: The provision for asset impairment pertains to the reporting period from January 1, 2026, to June 30, 2026.

3. Scrapping of Certain Fixed Assets in Half Year 2026

To improve asset utilization efficiency, the Company conducted an inventory and assessment of fixed assets and scrapped those that could no longer meet production and operation needs. During the first half of 2026, the net value of scrapped fixed assets amounted to RMB 137.8312 million, with a scrapping loss of RMB 126.4128 million, which will reduce the Company's consolidated total profit for the half year of 2026 by RMB 126.4128 million.

Our full announcement on Provision for Asset Impairment and Scrapping of Certain Fixed Assets for Half Year 2026 is available on our website at https://www.jsessh.com/en/tzzcat/other-announcements/

Detailed Reporting

The Company's 2026 Semi-annual 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.