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

Jiangsu Eastern Shenghong Co., Ltd.
Announcement on Progress at the Midpoint of the Shareholding
Increasement in the Company by the Controlling Shareholder and
Its Concerted Action

On February 13, 2025, Jiangsu Eastern Shenghong Co., Ltd. (hereinafter referred to as "the Company") received a Progress Notification Letter on the Progress at the Midpoint of the Shareholding Increasement Period from its controlling shareholder, Jiangsu Shenghong Technology Co., Ltd. (hereinafter referred to as "Shenghong Technology"), and its concerted action, Shenghong Petrochemical Group Co.(hereinafter referred to as "Shenghong Petrochemical") and Shenghong (Suzhou) Group Co., Ltd.(hereinafter referred to as "Shenghong Suzhou Group") (collectively referred to as "the Increase Entities"). Pursuant to the "Self-Regulatory Guidelines for Listed Companies No. 10 – Shareholding Changes Management" issued by the Shenzhen Stock Exchange and other relevant regulations, the Company hereby announces the following details:

I. Basic information of the Shareholding Increasement

The Increase Entities, plans to increase their shareholdings 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.

The specific details of the Shareholding Increasement can be found in the "Announcement on the Plan to

Increase Shareholding in the Company by the Controlling Shareholder and Its Concerted Action" (Announcement No.: 2024-073), which was disclosed by the Company on November 14, 2024, in *Securities Times*, *China Securities Journal*, *Shanghai Securities Journal*, and CNINFO (www.cninfo.com.cn).

II. Progress of the Shareholding Increase

As of February 13, 2025, the implementation period of the Shareholding Increase has surpassed half of its duration. From November 14, 2024, to February 13, 2025, the Increase Entities increased its holdings by a total of 111,680,875 shares through centralized bidding on the Shenzhen Stock Exchange, accounting for 1.69% of the Company's total share capital (Based on the total share capital of the Company of 6,611,222,758 shares as of February 12, 2025, the same bellow). The details of direct shareholding are as follows:

| Name of Shareholder | Shareholding Before this Change | | Shareholding Increase | Shareholding After this Change | |
|-------------------------|---------------------------------|-----------------------------------|-----------------------|--------------------------------|-----------------------------------|
| | Number of Shares | Proportion of total Share Capital | | Number of Shares | Proportion of total Share Capital |
| Shenghong Technology | 2,768,225,540 | 41.87% | 56,771,107 | 2,824,996,647 | 42.73% |
| Shenghong Petrochemical | 1,052,404,479 | 15.92% | 33,369,822 | 1,085,774,301 | 16.42% |
| Shenghong Suzhou Group | 334,821,428 | 5.06% | 21,539,946 | 356,361,374 | 5.39% |
| Total | 4,155,451,447 | 62.85% | 111,680,875 | 4,267,132,322 | 64.54% |

As of February 13, 2025, the Company's controlling shareholder Shenghong Technology along with its concerted action Shenghong Petrochemical, Shenghong Suzhou Group, Liangyungang Bohong Industrial Co., Ltd., Zhu Hongmei, Zhu Hongjuan, and Zhu Minjuan, collectively and directly held a total of 4,327,228,069 shares, representing 65.45% of the Company's total share capital.

III. Other Relevant Explanations

1. The changes in equity and the shareholding increase plan comply with 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 Shenzhen Stock Exchange—

Standard Operations for Listed Company," "Self-Discipline Regulatory Guidelines No. 10 for Listed Companies on the Shenzhen Stock Exchange—Management of Share Changes," and other relevant laws and regulations, departmental rules.

2. The changes in equity and the shareholding increasement plan will not result in the Company's equity distribution failing to meet the listing requirements, nor will it lead to a change in the Company's controlling structure.

3. The Company will closely monitor the follow-up progress of relevant matters and will fulfill its information disclosure obligations in a timely manner. Investors should invest rationally and pay attention to investment risks.

IV. Documents for Reference

1. "The Notification Letter of the Progress at the Midpoint of the Shareholding Increase Period," collectively issued by the Increase Entities.

This is hereby announced.

Jiangsu Eastern Shenghong Co., Ltd.
Board of Directors
February 13, 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.

