荣盛石化股份有限公司
RONGSHENG PETROCHEMICAL CO.,LTD.

2025年度报告
Annual Report

股票代码（stock code）:002493

A Letter to Investors

Dear Investors:

Strengthening the nation through industry to build new dreams; keeping our original aspiration like a torch to embark on a new journey. Standing firm in the real economy and moving towards prosperity, we have tempered our resilience within industry cycles and stood at the forefront of industrial transformation. On the occasion of the disclosure of the 2025 Annual Report, we carry our gratitude and commitment in this letter to express our most sincere thanks to global investors for your long-term trust and support! In 2025, amidst the surging industrial waves and accelerating evolution of industry changes, we have walked hand in hand with all shareholders, forging foundations with perseverance, breaking new ground through innovation, and creating value through hard work, marching towards the light on the path of high-quality development.

Enhancing the foundation to improve quality and efficiency; expanding new horizons through chain synergy. In 2025, the global macro-economic environment remained complex, and the petrochemical industry was in a period of bottom adjustment within the cycle. Relying on its world-leading ultra-large integrated refining and chemical platform, the Company stabilized operations, improved quality and efficiency, and sought upgrades, achieving high-quality and steady development. On one hand, the Company continuously strengthened market judgment and overall production and operation coordination, achieving a total operating revenue of RMB 308.6 billion and total assets exceeding RMB 386.6 billion. On the other hand, the Company focused deeply on its core business, fully releasing its core advantages of the entire industrial chain integration—delving into internal potential for cost reduction and efficiency, while optimizing external layouts to extend the value chain. We have orderly advanced the tank farm and terminal engineering of the Jintang crude oil storage and transportation base to enhance logistics and storage resilience; laid out the Zhoushan-Ningbo petrochemical base interconnection pipeline project to achieve efficient synergy among the three major bases; implemented the ZPC refining and chemical integration transformation and enhancement project to strengthen the flexible adjustment capability of chemical and petroleum products; constructed chain-optimization and extension projects such as high-performance resins and high-end new materials, accelerating the upgrade of the product structure toward high-end and differentiated fields. The 40 mtpa refining and chemical integration project primarily operated by the Company remains the largest single-entity project in the world; the production capacities of core products such as PX and PTA rank among the top globally. We have built a complete industrial ecosystem from "a drop of oil to everything in the world," forming multiple barriers in scale, cost, and industrial chain synergy. Meanwhile, the Company garnered multiple heavy-weight industry honors, ranking 5th on the "Brand Finance Chemicals 25" list, 7th in the "Chemical Company Billion Dollar Club," and 9th among the "Global Top 100 Chemical Companies," with our global industrial influence and brand status continuing to rise.

Connecting the globe for strategic layout; gathering strength for win-win results. Current global energy patterns are restructuring rapidly, meanwhile industrial and supply chains are deeply integrated. The Company actively promotes its "Five Globalization paths" strategy, drafting a long-term development blueprint with an international vision. From Hangzhou Bay to the Arabian Gulf, and from the Yangtze River Economic Belt to the new RCEP corridor, the Company is accelerating the construction of a vertically and horizontally linked, collaborative, and efficient global industrial network. Through strategic equity participation and mutual investment projects, the deep cooperation between the Company and Saudi Aramco has become an industry model of mutual benefit in the multinational energy and chemical field. We have also built a supply chain security barrier through a globalized and diversified procurement system to ensure the stable operation of the industrial chain. Furthermore, with green petrochemistry as the foundation, the Company is fully forging a new growth engine and continuously refining its global marketing system. Using Singapore and Hong Kong as core hubs, we have steadily extended our sales network to emerging markets such as Europe and Africa, building an internally and externally connected trade pattern that radiates globally, significantly enhancing cross-border trade operational efficiency and profitability. In 2025, the Company's overseas operating revenue accounted for 16.84%, demonstrating strong momentum in international development. Looking ahead, the Company will continue to lead high-quality development with global thinking, accelerate the construction of a global R&D layout, implement a global talent recruitment strategy, and deepen diversified cross-border financial cooperation to continuously empower the improvement and upgrade of local manufacturing, bridging industrial cooperation between China and the rest of the world.

Innovation as wings for a longer flight; technology empowerment leading the trend. 2025 marks the concluding year of the "14th Five-Year Plan" and a crucial year for the layout of the "15th Five-Year Plan." The Company has always upheld the innovation-driven development strategy and continuously increased R&D investment, with cumulative R&D funding exceeding RMB 20 billion over the past five years. We were successfully selected for the "2025 EU Industrial R&D Investment Scoreboard" among the top 2,000 global industrial R&D investors. The Company actively deploys high-value-added new materials, advanced processes, and green low-carbon technologies, solidifying the talent foundation and technical support for digital and intelligent transformation; we have continuously achieved new breakthroughs in key core technologies in the high-end and fine chemical tracks. The ZPC Research Institute was rated as a "Key Enterprise Research Institute for Petrochemical New Materials in Zhejiang Province," providing core technical support for industrial chain extension and value chain enhancement. Optical-grade PMMA products were selected for the Guiding Catalogue for the First Batch Application Demonstration of Key New Materials in Zhejiang Province (2025 Edition) due to their excellent performance, injecting Rongsheng's power into solving "bottleneck" technical problems in related fields.

The Company's digital transformation leads the industry. Three digitalization cases from ZPC were selected as "Excellent Digital Transformation Cases in the Petroleum and Chemical Industry during the 14th Five-Year Plan," covering the three core scenarios of safety, equipment, and operation, providing a replicable "ZPC Solution" for the industry. The ZPC high-end new materials intelligent factory was rated as a "2025 Zhejiang Provincial Advanced Intelligent Factory," and the Shengyuan Chemical Fiber intelligent factory for new polyester fibers and differentiated fibers was selected as a "2025 Zhejiang Provincial Intelligent Factory," building a full-process intelligent manufacturing closed loop from upstream refining to downstream chemical fiber manufacturing. Facing the era's wave of building a modern industrial system and developing new quality productive forces, the Company recognizes that Industrial AI is a transformative force for reshaping the modern industrial system and has deeply integrated it into the core aspects of Rongsheng Petrochemical's production and operations. We have constructed a new industrial intelligence system centered on "intelligent instrumentation + predictive maintenance + data governance," following a fusion path of "AI + Mechanism" to help technology truly land in key production scenarios and achieve substantial breakthroughs. With leading digital management, the Company was successfully selected as a "Manufacturing Quality Benchmark in Zhejiang Province."

Practicing the "Dual Carbon" mission; demonstrating leadership as an industry giant. The Company has always integrated green and low-carbon concepts into the entire process of production and operation, deeply implementing the national "Dual Carbon" strategy. In 2025, breakthroughs in green process technology R&D continued. The "Integrated Technology for Energy Saving and Emission Reduction in PTA Production Process" passed scientific and technological appraisal, reaching an international advanced level and being successfully applied to achieve near-zero wastewater discharge and resource utilization. The "New High-Efficiency Carbon Dioxide Hydrogenation to Methanol Catalyst Project" was successfully shortlisted for the Ministry of Industry and Information Technology's 2025 " Open bidding for selecting the best candidates for key technology breakthroughs". The "Petrochemical Product Carbon Footprint Evaluation Technology" successfully passed achievement evaluations, and its calculation tools have been applied to more than ten types of products, helping the industry cope with international green trade barriers. Hainan Yisheng was successfully selected as a National-level Green Factory, setting a model for green production in the industry. All of the above are significant evidence for the Company’s results in green production practices.

The Company actively lays out clean energy construction to practice its carbon reduction strategy. ZPC introduced offshore wind power, effectively reducing Scope 2 greenhouse gas emissions. ZJPC carried out green electricity trading to promote the consumption of new energy. The distributed photovoltaic power generation project of Shengyuan Chemical Fiber achieved full-capacity grid connection, practicing the concept of low-carbon development through the "PV + Industry" model. The Company's ESG governance level has continued to improve, gaining wide recognition. In 2025, Rongsheng Petrochemical's MSCI ESG rating was successfully upgraded to Grade A, placing us at the forefront of the global petrochemical industry; meanwhile, we were awarded the "Best ESG Management Listed Company of 2024," fully demonstrating the capital market's high recognition of the Company's environmental, social, and governance work.

Investor-oriented; casting trust with sincerity. Since its listing, the Company has always adhered to the core principle of "Shareholder Interests First" and remained true to its mission of rewarding shareholders. Over the past sixteen years, the Company has maintained a stable cash dividend policy without interruption, conveying development confidence through "tangible returns" and fulfilling its commitments through practical actions to share development results with shareholders. From 2022 to 2024, the Company implemented three phases of share buyback plans, cumulatively repurchasing 553 million shares with an amount totaling RMB 6.988 billion (excluding transaction fees). In July 2025, the Company completed the cancellation of 136 million shares from the first phase of repurchases, accounting for 1.3440% of the total share capital before cancellation, and correspondingly reduced the registered capital. From 2024 to 2025, the controlling shareholder, Rongsheng Holding, launched three phases of shareholding increase plans, cumulatively increasing its holdings by 289 million shares with a total amount of RMB 2.705 billion, demonstrating firm confidence in the Company's long-term value and future development.

Forging ahead to chase the waves; acting with pragmatism toward the future. Currently, the global petrochemical industrial pattern is undergoing systematic reconstruction, and China's petrochemical industry is accelerating its leap toward high-end, intelligent, green, and international development. Looking ahead, the Company will unswervingly follow the path of high-quality development: using synergy as wings to deepen the integration of industry, academia, and research; using digital intelligence as the engine to empower operational improvement; using green development as the foundation to improve the ESG governance system; using globalization as the layout to optimize resource allocation; and using value as the essence to reward shareholders through steady operation. The journey is long, but our original aspiration remains as firm as a rock. We walk steadily because of your trust and go far because of our shared vision. The Company will strive forward with practical actions and an enterprising spirit, constantly forging ahead on the new journey to create excellent value for shareholders, society, and the era!

Board of Directors of Rongsheng Petrochemical Co., Ltd.

April 2026

2025 Annual Report

Section I Important Notice, Table of Contents and Definitions

The Board of Directors, the Directors and Senior Management of the Company warrant that the contents in this annual report are true, accurate, and complete and have no false representations, misleading statements or material omissions, and they will severally and jointly accept legal responsibility for such contents.

Mr. Li Shuirong, Principal of the Company, Ms. Wang Yafang, Person in Charge of Accounting Work, and Ms. Zhang Shaoying, Person in Charge of the Accounting Department (Accounting Officer), hereby declare that they warrant the truthfulness, accuracy, and completeness of the financial report in this annual report.

All Directors have attended the Board meeting to deliberate on the report.

The profit distribution proposal approved by the Board of Directors is as follows: Based on 9,572,292,142 shares, the Company will distribute a cash dividend of RMB 1 (tax inclusive) for every 10 shares to all shareholders, and 0 bonus shares (tax inclusive) will be granted. No share capital will be increased from the capital reserve.

In case of any discrepancy between this version and Chinese version, the Chinese version shall prevail.

Contents

Contents of Documents for Future Reference

(1) The financial statements containing signature and seals of the person in charge of the Company, the person in charge of accounting work and the person in charge of the Accounting Department (Accounting Officer);

(2) The original auditor’s report with the seal of Pan-China Certified Public Accountants LLP and the signature and seal of the certified public accountants;

(3) Written confirmation from Directors and Senior Management of the Company on the 2025 Annual Report;

(4) The originals of all company documents and announcements that are disclosed to the public via media designated by CSRC during the reporting period;

(5) The place where the above-mentioned documents are maintained: Office of the Board of Directors.

Definitions

Term	Refers to	Definition
Company, the Company, Rongsheng Petrochemical	Refers to	Rongsheng Petrochemical Co., Ltd.
Rongsheng Holdings	Refers to	Zhejiang Rongsheng Holding Group Co., Ltd., controlling shareholder of the Company
Rongtong Logistics	Refers to	Zhejiang Rongtong Logistics Co., Ltd., a subsidiary of the Company's controlling shareholder
Saudi Aramco	Refers to	Saudi Arabian Oil Company, a shareholder holding over 5% of the Company's shares.
ZPC	Refers to	Zhejiang Petroleum & Chemical Co., Ltd., a subsidiary of the Company
Zhongjin Petrochemical, ZJPC	Refers to	Ningbo Zhongjin Petrochemical Co., Ltd., a subsidiary of the Company
Yisheng Investment	Refers to	Dalian Yisheng Investment Co., Ltd, a subsidiary of the Company
Shengyuan Chemical Fiber	Refers to	Zhejiang Shengyuan Chemical Fiber Co., Ltd., a subsidiary of the Company
Rongxiang Chemical Fiber	Refers to	Rongxiang Chemical Fiber Co., Ltd., a subsidiary of the Company
Hong Kong Shenghui	Refers to	Hong Kong Shenghui Co., Ltd., a subsidiary of the Company
Rongsheng (Singapore)	Refers to	Rongsheng Petrochemical (Singapore) Pte. Ltd., a subsidiary of the Company
Yongsheng Technology	Refers to	Zhejiang Yongsheng Technology Co. Ltd., a subsidiary of the Company
Rongsheng New Materials (Zhoushan)	Refers to	Rongsheng (Zhoushan) New Materials Co., Ltd., a subsidiary of the Company
Zhejiang Yisheng	Refers to	Zhejiang Yisheng Petrochemical Co., Ltd., a joint stock subsidiary of the Company
Hengyi Trading	Refers to	Ningbo Hengyi Trading Co., Ltd., a joint stock subsidiary of the Company
ZPC (Singapore)	Refers to	ZPC (Singapore) Pte. Ltd., a subsidiary of ZPC
Jintang Logistics	Refers to	Zhejiang Petrochemical Jintang Logistics Co., Ltd., a subsidiary of ZPC
Dingsheng Petrochemical	Refers to	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd., an equity-invested subsidiary of ZPC.
Derong Chemicals	Refers to	Zhejiang Derong Chemicals Co. Ltd., a joint stock subsidiary of ZPC
Yisheng New Materials	Refers to	Zhejiang Yisheng New Materials Co., Ltd., a controlled subsidiary of Zhongjin Petrochemical
Niluoshan New Energy	Refers to	Ningbo Niluoshan New Energy Co., Ltd., a subsidiary of Zhongjin Petrochemical
Yisheng Dahua	Refers to	Yisheng Dahua Petrochemical Co., Ltd., a subsidiary of Yisheng Investment
Hainan Yisheng	Refers to	Hainan Yisheng Petrochemical Co., Ltd., a joint stock subsidiary of Yisheng Investment
The Securities Supervision Commission, CSRC	Refers to	China Securities Regulatory Commission
Stock Exchange, SZSE	Refers to	Shenzhen Stock Exchange
Yuan, 10,000 yuan	Refers to	RMB, RMB 10,000.00
Reporting period	Refers to	January 1, 2025 to December 31, 2025

Section II Company Profile and Key Financial Indicators

I. Company Profile

Stock abbreviation	Rongsheng Petrochemical	Stock code	002493
Abbreviation before change (if any)	None		
Listed on	Shenzhen Stock Exchange		
Company name in Chinese	荣盛石化股份有限公司		
Company abbreviation in Chinese	荣盛石化		
Company name in the foreign language (if any)	RONGSHENG PETROCHEMICAL CO., LTD.		
Company abbreviation in foreign language (if any)	RSPC		
Company's legal representative	Li Shuirong		
Registered address	No. 98 Hongyang Road, Yinong Town, Xiaoshan District, Hangzhou, Zhejiang Province		
Zip code of the registered address	311247		
Historical changes in the registered address of the Company	None		
Office address	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou		
Zip code of office address	311200		
Company website	http://www.cnrspc.com		
E-mail	rspc@rong-sheng.com		

II. Contact information

	Secretary of the Board of Directors	Representative of securities affairs
Name	Quan Weiying	Hu Yangyang
Address	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou
Telephone	0571-82520189	0571-82520189
Fax	0571-82527208 extension 8150	0571-82527208 extension 8150
E-mail	qwy@rong-sheng.com	yangyang@rong-sheng.com

III. Information Disclosure and Archiving Place

Website of the stock exchange where the Company	Shenzhen **Stock** Exchange (http://www.szse.cn)

discloses the annual report	
Name and website of the media selected by the Company to disclose the annual report	*Securities Times*, *Securities Daily*, *China Securities Journal*, *Shanghai Securities News*, and the CNINFO (www.cninfo.com.cn)
Archiving place for the annual report of the Company	Office of the Board of Directors

IV. Registration Changes

Uniform social credit code	91330000255693873W
Changes in the Company's main business since its listing (if any)	No change
Changes of previous controlling shareholders (if any)	No change

V. Other Relevant Information

The accounting firm hired by the Company

Name of accounting firm	**Pan-China Certified Public Accountants (Special General Partnership)**
Office address of the accounting firm	Tower B, China Resources Building, No.1366, Qianjiang Road, Shengcheng District, Hangzhou
Name of signing accountants	Xu Haihong, Xu Cheng

The sponsor institution engaged by the Company to perform the continuous supervision responsibility during the reporting period

☐ Applicable ☑ Not applicable

The financial advisor engaged by the Company to perform the continuous supervision responsibility during the reporting period

☐ Applicable ☑ Not applicable

VI. Key Accounting Data and Financial Indicators

Whether the Company needs to retroactively adjust or restate the accounting data of the previous years

☐ Yes ☑ No

Item	2025	2024	Increase or decrease of this year compared with the previous year	2023
Operating income (RMB)	308,622,318,229.03	326,475,162,608.88	-5.47%	325,111,614,268.09
Net profit attributable to shareholders of the listed company (RMB)	848,314,274.77	724,484,686.45	17.09%	1,158,146,248.89
Net profit attributable to shareholders of the listed company net of non-recurring profit or loss (RMB)	903,729,743.43	762,154,045.53	18.58%	820,092,947.36
Net cash flow from operating activities (RMB)	45,406,467,418.61	34,609,126,604.88	31.00%	28,079,221,508.73

Basic earnings per share (RMB per share)	0.09	0.08	12.50%	0.12
Diluted earnings per share (RMB per share)	0.09	0.08	12.50%	0.12
Weighted average return on net assets	1.95%	1.65%	0.30%	0.02%
Item	**At the end of 2025**	**At the end of 2024**	**Increase or decrease at the end of this year compared with the end of the previous year**	**At the end of 2023**
Total assets (RMB)	386,633,124,294.10	377,845,944,183.98	2.33%	374,918,440,311.68
Net assets attributable to shareholders of the listed company (RMB)	43,593,522,953.92	43,859,172,287.65	-0.61%	44,335,891,085.79

The lower of the net profit before and after deducting non-recurring profit and loss of the Company in the last three financial years is negative, and the audit report of the last year shows that there is uncertainty regarding the Company's ability to continue as a going concern.

☐ Yes ☑ No

The lower of the audited total profit, net profit, and net profit after deducting non-recurring profit or loss of the Company during the reporting period is negative

☐ Yes ☑ No

VII. Differences in Accounting Data under Domestic and Foreign Accounting Standards

1. Differences in net profits and net assets in financial reports disclosed in accordance with international accounting standards and China's accounting standards

☐ Applicable ☑ Not applicable

In the reporting period of the Company, there is no difference in the net profits and net assets disclosed in the financial report under international accounting standards and China's accounting standards.

2. Differences in net profits and net assets in financial reports disclosed in accordance with foreign accounting standards and China's accounting standards

☐ Applicable ☑ Not applicable

In the reporting period of the Company, there is no difference in the net profits and net assets disclosed in the financial report under foreign accounting standards and China's accounting standards.

VIII. Key Quarterly Financial Indicators

Unit: RMB

	Q1	Q2	Q3	Q4
Operating revenue	74,975,429,161.64	73,653,921,773.86	79,185,280,480.27	80,807,686,813.26
Net profit attributable to shareholders of the listed company	588,401,349.75	13,682,754.64	286,367,804.90	-40,137,634.52
Net profit attributable to shareholders of the listed company net of non-	618,349,603.39	136,608,288.19	314,303,932.86	-165,532,081.01

recurring profit or loss				
Net cash flow from operating activities	7,977,336,348.96	-390,711,095.28	16,060,259,737.63	21,759,582,427.30

Whether there is significant difference between the above financial indicators or the total sum of them and the financial indicators related to the quarterly report and semiannual report disclosed by the Company

☐ Yes ☑ No

IX. Items and Amounts of Non-recurring Profit or Loss

☑Applicable □ Not applicable

Unit: RMB

Item	Amount in 2025	Amount in 2024	Amount in 2023
Gains or losses on disposal of non-current assets (including the write-off part of the provision for asset impairment)	28,471,452.77	28,037,854.60	34,130,889.49
Government grants included in the current profits and losses (excluding those closely related to the Company's normal business operations, granted in accordance with national policies, based on certain standards, and having a continuous impact on the Company's profits and losses)	92,428,828.18	42,372,438.06	60,299,389.39
Gains and losses arising from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and the gains and losses arising from disposal of financial assets and financial liabilities, excluding those arising from hedging business related to the Company's normal business operations	75,893,353.74	51,474,393.47	483,856,260.59
Fund possession cost charged to non-financial enterprises included in current profit or loss	332,320.74	392,911.94	248,144.66
Other non-operating revenues and expenditures except for the aforementioned items	-21,423,859.85	-98,193,645.95	-7,549,562.66
Other profit/loss items falling within the definition of non-recurring gain or loss	-4,766,358.11	35,269,367.80	14,297,547.73
Less: Affected amount of income tax	72,782,393.34	45,497,452.62	37,178,195.47
Affected amount of minority shareholders' equity (after tax)	153,568,812.79	51,525,226.38	210,051,172.20
Total	-55,415,468.66	-37,669,359.08	338,053,301.53

Other gain/loss items falling within the definition of non-recurring gain or loss:

☐ Applicable ☑ Not applicable

The Company has no other gain/loss items falling within the definition of non-recurring gain or loss

Explanation of the circumstances in which the non-recurring profit or loss items listed in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-recurring Gains and Losses are defined as recurring gains and losses.

☐ Applicable ☑ Not applicable

The Company does not define any of the non-recurring profit or loss items listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public - Non-recurring Gains and Losses as recurring gains and losses.

Section III Management Discussion and Analysis

I. Main Businesses of the Company during the Reporting Period

The company must comply with the disclosure requirements for the chemical industry as outlined in the *Shenzhen Stock Exchange Guidelines for Self-Regulatory Supervision of Listed Companies No. 3 – Industry Information Disclosure*.

Procurement mode of main raw materials

Unit: RMB

Main raw materials	Procurement mode	Proportion in the total purchase amount	Significant changes in settlement method	Average price in the first half of the year	Average price in the second half of the year
Crude oil	Purchase by inquiry	58.86%	No	3,812.00	3,499.54
Naphtha	Purchase by inquiry	2.49%	No	4,689.57	4,283.46
Fuel oil	Purchase by inquiry	3.39%	No	3,498.44	2,771.80
PX	Purchase by inquiry	5.28%	No	6,029.20	5,728.21

Reasons for Significant Changes in Raw Material Prices Compared to the Previous Reporting Period

Energy purchase prices accounting for more than 30% of total production costs

☐ Applicable ☑ Not applicable

Reasons for Major Changes in Primary Energy Types

Production technology of main products

Main products	Development stage of production technique	Core technical personnel	Proprietary technology	Product R&D advantages
Ethylene, Propylene	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced overseas steam cracking processes to crack feedstocks in high-temperature furnace tubes into low-molecular-weight hydrocarbon mixtures (cracked gas). The gas is then processed through quenching, compression, caustic washing, drying, hydrogenation, cold/heat separation, and methanation to produce polymer-grade ethylene and propylene.
FDPE	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced overseas low-pressure gas-phase polymerization processes to produce high, medium, and linear low-density polyethylene (LLDPE) products. Ethylene is the primary raw material, with Butene-1 or Hexene-1 as co-monomers to produce LLDPE and partial MDPE/HDPE resin granules.
HDPE	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced slurry loop polymerization processes with two loop reactors operating in series to produce bimodal/unimodal polyethylene. Reactions occur under moderate temperature and pressure with mild conditions; proprietary concentration equipment improves slurry concentration and reduces solvent recovery unit load.
EVA/LDPE	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced tubular reactor technology to switch between producing various grades of LDPE homopolymer resin granules and EVA copolymer resin granules with VA content $\leq$ 28% on a single production line.
PP	Technology application	Several core technical personnel	Introduction and innovation	Developed Spherizone technology based on the Spheripol process. Utilizing Multi-Zone Circulating Reactor (MZCR) technology, a single reactor is divided into two reaction zones with independently controlled conditions, allowing polymer particles to circulate rapidly to achieve "onion-like" uniform mixing.
PC	Technology application	Several core technical personnel	Introduction and innovation	1) DPC Unit: Utilizing advanced overseas transesterification patents to produce high-quality DPC suitable for high-quality PC production; 2) Polymerization Unit: Utilizing advanced overseas non-phosgene transesterification and melt polycondensation patents. Features lower environmental emissions, higher yield, lower monomer residue, and large single-line capacity compared to phosgene methods.
BPA	Technology application	Several core technical personnel	Introduction and innovation	Utilizing ion-exchange resin technology with phenol and acetone as raw materials to produce Bisphenol A through catalytic condensation in an acidic medium.
PX	Technology application	Several core technical personnel	Introduction and innovation	Adsorption separation utilizes advanced overseas simulated moving bed (SMB) technology. The 2# xylene fractionation unit utilizes fractionation processes compatible with Parex and isomerization units to cut feedstocks; the isomerization unit utilizes advanced overseas catalysts to increase xylene yield from PX-lean mixed C8 aromatics.
Benzene	Technology application	Several core technical personnel	Introduction and innovation	Extraction distillation utilizes advanced overseas sulfolane processes to produce extract oil (mixed aromatics) and raffinate. The disproportionation unit utilizes advanced catalysts to produce xylene and benzene from toluene and C9/C10A. The B/T fractionation unit separates benzene and toluene products via precision distillation.

ABS	Technology application	Several core technical personnel	Introduction and innovation	Utilizing leading proprietary technology to produce ABS resin via emulsion grafting-bulk SAN blending with AN, BD, and SM as primary raw materials. The process is mature, ensuring stable quality, flexible production, and easy product switching with low investment and production costs.
Polyether polyol	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced anionic catalytic synthesis, Double Metal Cyanide (DMC) catalytic synthesis, and POP technologies. Products include polyoxypropylene polyols (copolymerized from glycerol/organic amines with PO/EO) and polymer polyols (graft-polymerized from AN/SM with polyols).
Solution polymerized styrene-butadiene rubber (SSBR) and rare earth cis-polybutadiene rubber (NDBR)	Technology application	Several core technical personnel	Introduction and innovation	Both utilize advanced overseas patents. SSBR (Solution Styrene Butadiene Rubber) is produced via solution polymerization of BD and SM in a hexane/cyclohexane solvent with NBL catalyst. NDBR (Neodymium Butadiene Rubber) is produced via BD solution polymerization in hexane with NdV, ACT, and AOC catalysts.
Acrylonitrile	Technology application	Several core technical personnel	Introduction and innovation	Utilizing propylene ammoxidation technology. Propylene and ammonia react and undergo quenching, absorption, extractive distillation, and rectification to finally obtain high-purity acrylonitrile products.
Ethylene Glycol (EG)	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced direct ethylene-to-EO oxidation and EO hydration-to-EG processes. Composed of EO reaction, CO2 removal, EO recovery, light component removal, EO refining, EG reaction/evaporation, and EG refining systems. Features low reaction temperature and reduced energy consumption/investment.
Phenol Acetone	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced overseas cumene oxidation technology. Benzene and propylene react into cumene, which is oxidized into CHP, concentrated, and decomposed under acidic conditions into phenol and acetone. Process sections include: oxidation, concentration, decomposition, neutralization, fractionation, hydrogenation, and phenol recovery.
Vinyl Acetate	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced technology with catalysts (Silica carrier, Pd/Au/KAc active components). Vinyl acetate is generated through the adsorption-oxidation-reduction-dissociation process of gaseous ethylene, oxygen, and acetic acid.
Acetic acid	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced technology with CO and methanol as raw materials and Ir/Ru as catalysts to synthesize acetic acid under heat and pressure. Crude acetic acid undergoes primary processing, dehydration, and drying for purification into final products.
Styrene	Technology application	Several core technical personnel	Introduction and innovation	The Ethylbenzene Unit utilizes advanced overseas liquid-phase alkylation of benzene; the Styrene Unit performs catalytic dehydrogenation of ethylbenzene in the presence of steam to produce styrene products.

POE	Technology application	Several core technical personnel	Introduction and innovation	Utilizing advanced technology with polymer-grade ethylene, hydrogen, 1-octene, and 1-butene as raw materials. Employs metallocene catalysts (transition metal atoms with cyclopentadienyl rings), hexane as solvent, and various solid additives/antioxidants in the extrusion pelletizing section.
Nylon 66	Technology application			Utilizing advanced aqueous salt-forming processes without organic solvents (methanol/ethanol). Features high automation, safety, and short process flow. Employs tower reactors instead of traditional tubular ones, reducing equipment investment (fewer pre-polymerizers/pumps), ensuring stable control, less HMD loss, and ultra-low water content in products.
PTA	Leading position in China	Several core technical personnel	Introduction and innovation	Core tech possesses independent IP; the Company participated in setting national standards for product energy consumption limits. Large-scale units significantly reduce unit investment. Key innovations include: pressure filters in oxidation (replacing vacuum filters/dryers) and refining units (reducing stages), significantly improving reliability and stability. New materials like duplex steel replace some titanium alloys/317L to reduce costs. Consumption Optimization: Extensive work in oxidation optimization, catalyst ratios, and recovery systems (methyl acetate/solids) has significantly lowered material consumption. Energy Recovery: Exothermic oxidation heat generates low-pressure steam for compressors and other users (e.g., dehydration towers). Hydrogenation reaction heat flashes steam to heat feed to ~260°C. High-pressure oxidation off-gas drives compressors and serves as transport/inert gas. Integrated heat exchange minimizes external steam needs to only small amounts of high-pressure steam for heating feed from 260°C to 286°C. Comprehensive energy consumption is superior to advanced national standards.
Polyester	Large-scale application	Several core technical personnel	Introduction and innovation	Achieving maximum output, highest conversion rate, and lowest energy consumption. By tapping into equipment potential, the project aims to increase production and efficiency without increasing energy consumption, improve energy utilization, and reduce production costs. It eliminates filter clogging and labor waste, while saving bagging costs, bringing considerable economic benefits to the Company.
Multi-functional polyester bottle grade chip	Leading position in China	Several core technical personnel	Introduction and innovation	The core technology combines international advanced high-temperature crystallization pelletizing with the solid-state polycondensation (SSP) process. It features a short process flow and low energy consumption, with comprehensive energy consumption per unit of product reaching a domestically leading level.
Spinning	Large-scale application	Several core technical personnel	Introduction and innovation	By independently designing and installing multiple adding points, online adding equipment for various materials, dynamic and static mixing equipment, finish nozzles, and winders on the melt direct spinning line, the Company has upgraded existing equipment. This targets efficiency from differentiated and high-end melt direct spinning products, achieving transformation and upgrading. It resolves the contradiction between large-capacity polyester units and the production of small-batch, multi-variety functional differentiated fibers. Main products include flame-retardant, anti-static, colored, and full-pulp functional modified fibers.
Draw Texturing	Mass production	Several core technical personnel	Introduction and innovation	This technology was independently developed by the Company for processing DTY in multiple colors such as military green and black. It features uniform color, requires no dyeing after weaving, and is resistant to fading during daily use. It is primarily used for weaving fabrics with special purposes.
Multifunctional Polyester Film	Mass production	Several core technical personnel	Introduction and innovation	The Company possesses both melt-to-film (direct) and chip-to-film production lines. The direct method simplifies the process, lowers production costs, and ensures stable quality by sending polyester melt directly to the film production line. The chip method allows for the addition of various functional materials according to product needs, offering production

				flexibility and high added value. Differentiated products such as backsheet film, matte film, heat-seal film, anti-UV film, and release/protective film are widely used in photovoltaic backsheets, window films, sunshades, high-end packaging, and optical fields.
Film-grade Chips	Mass production	Several core technical personnel	Introduction and innovation	Utilizing advanced polymerization processes equipped with unique additive dispersion and online adding technology, the Company ensures stable performance and uniform distribution of various functional additives. This results in products with high strength and excellent appearance, widely utilized on high-speed film production lines.
Functional Film Masterbatch	Mass production	Several core technical personnel	Introduction and innovation	Utilizing unique antiblock agent dispersion and online adding technology to achieve online copolymerization synthesis. Products include high-silica masterbatch and matte masterbatch, which feature good opening performance, excellent film-forming properties, and superior melt performance, and are widely used in the production of various functional polyester films.
Antimony-free Polyester Chips	Production in batch	Several core technical personnel	Introduction and innovation	Utilizing new environmentally friendly and highly efficient titanium-based catalysts to replace traditional catalysts. Through online adding and process optimization, the produced antimony-free chips effectively prevent antimony precipitation, improving the environmental added value of the product. Additionally, the price advantage of titanium catalysts helps achieve cost reduction and efficiency enhancement.

Production capacity of main products

Main products	Current design capacity (10,000 tons/year)	Capacity utilization	Capacity under construction/planning (10,000 tons/year)	Investment and construction
Fuel	1,366	Adjusted according to market conditions		
Para-xylene (PX)	1,040			
M-xylene (MX)	20			
Benzene (BZ)	330			
Purified terephthalic acid (PTA)	2,150			
Purified isophthalic acid (PIA)	30			
Bottle grade chip (PET)	530			
Recycled bottle-grade chips (rPET)	5		9	Under Hainan Yisheng’s planning
Pre-oriented yarn (POY)	71		25	
Fully drawn yarn (FDY)	79		25	
Draw texturing yarn (DTY)	67		25	
Bi-oriented polyester film (BOPET)	43			
Ethylene (ETH)	420			
Monoethylene glycol (MEG)	240			
Full-density polyethylene (FDPE)	90			
High-density polyethylene (HDPE)	65			
Low-density polyethylene (LDPE)	40			
Vinyl acetate (VAC)	30			
Ethylene-vinyl acetate copolymer (EVA)	60		80	ZPC high performance resin project and high-end new materials project under construction
α-Olefins			35	ZPC high-end new materials project under construction
POE (Polyolefin Elastomers)			40	ZPC high-end new materials project under construction
Ultra-High Molecular Weight Polyethylene (UHMWPE)			5	Jintang New Material project under construction
Propylene (PRO)	330			
Polypropylene (PP)	180			
Phenol (PH)	80		40	Jintang new material project under construction
Acetone (ACT)	50		25	Jintang new material project under construction
Polycarbonate (PC)	52		52	Jintang new material project

				under construction
Methyl methacrylate (MMA)	18			
Polymethyl methacrylate (PMMA)			18	ZPC high performance resin project under construction
Propylene oxide (PO)	27		27	Jintang new material project under construction
Polyether glycol/Polyether polyol (PPG/POP)	38		48	Jintang new material project under construction
Acrylonitrile (AN)	52		66	ZPC high-end new material project under construction
Butadiene (BD)	70			
Styrene monomer (SM)	240		60	Jintang new material project under construction
Acrylonitrile butadiene styrene (ABS)	160		120	Jintang new material project under construction
Low cis-polybutadiene rubber (LCBR)	10			
Solution styrene butadiene rubber (SSBR)	6			
Sulfur (S)	121			
Methanol (MeOH)	40			
Acetic acid (AcOH)	100			
Adiponitrile (ADN)			25	ZPC high-end new material project under construction
Adipic acid (AA)			30	ZPC high-end new material project under construction
Hexanediamine (HMD)			28	ZPC high-end new material project under construction
Nylon 66 Salt			50	ZPC high-end new material project under construction
Polypropylene terephthalate (PTT)			40	Jintang new material project under construction
Polyethylene terephthalate-1,4-cyclohexanedimethyl terephthalate (PCT)			10	Jintang new material project under construction
Polyethylene glycol terephthalate-1,4-cyclohexanedimethyl terephthalate (PCTG)			10	Jintang new material project under construction

Types of products in major chemical bases

Major chemical bases	Types of products
Zhoushan Green Petrochemical Base	Products in the petrochemical industrial chain
Ningbo Petrochemical Economic＆Technological Development Zone	Products in the petrochemical industrial chain
DaGuShan Chemical Industrial Park at Jinpu New Area, Dalian	Products in the petrochemical industrial chain

EIA approvals being applied for or newly obtained during the reporting period

☑Applicable ☐ Not applicable

Project	EIA approval
ZPC New Catalytic Cracking Pilot Project	Zhoushan Environmental Protection Bureau Approval [2025] No. 3
ZPC High-end New Materials Project	Zhoushan Environmental Protection Bureau Approval [2025] No. 4
Renovation and upgrade project of refining and chemical integration project of ZPC	Zhoushan Environmental Protection Bureau Approval [2026] No. 10
Isopentane Dehydration and Deolefins Project of Ningbo Zhongjin Petrochemical	Zhenhuan Permit [2025] No. 65
Ningbo Niluoshan New Energy Boiler Coal-to-Gas Conversion and Unit Configuration Project	Ningbo Environmental Construction (2025) No. 94
Yisheng Dahua Petrochemical 5# Berth Cargo Type Increase Project	Dalian Environmental Impact Assessment Approval [2025] No. 000033

The listed company was subject to abnormal production stoppage during the reporting period

□Applicable ☑Not applicable

Relevant approvals, permits, qualifications, and validity terms

☑Applicable ☐Not applicable

Unit approved	Qualification / license	Approval department	Validity term
Rongsheng Petrochemical	Pollutant Discharge Permit	Hangzhou Municipal Ecology and Environment Bureau	June 26, 2030
ZPC	Measurement standard assessment certificate (Standard plant for Class 0.05 digital pressure measurement)	Zhoushan Municipal Administration for Market Regulation	July 29, 2029
ZPC	Measurement standard assessment certificate (Standard plant for Class II platinum resistance thermometer)	Zhoushan Municipal Administration for Market Regulation	November 7, 2028
ZPC	Measurement standard assessment certificate (Standard plant for working-base metal thermocouple)	Zhoushan Municipal Administration for Market Regulation	November 5, 2028
ZPC	Measurement standard assessment certificate (Standard plant for Class I platinum rhodium 10-platinum thermocouple)	Zhoushan Municipal Administration for Market Regulation	November 5, 2028
ZPC	Measurement standard assessment certificate (Sulfur Dioxide Analyzer Calibration Device)	Zhoushan Municipal Administration for Market Regulation	December 16, 2030
ZPC	Measurement standard assessment certificate (Hydrogen Sulfide Gas Detector Calibration Device)	Zhoushan Municipal Administration for Market Regulation	December 17, 2030
ZPC	Measurement standard assessment certificate (Volatile Organic Compound Photoionization Detector Calibration Device)	Zhoushan Municipal Administration for Market Regulation	December 17, 2030
ZPC	Measurement standard assessment certificate (Combustible Gas Alarm Calibration Device)	Zhoushan Municipal Administration for Market Regulation	November 19, 2030
ZPC	Measurement standard assessment certificate (Oxygen Analyzer and Oxygen Detection Alarm Calibration Device)	Zhoushan Municipal Administration for Market Regulation	November 19, 2030
ZPC	Measurement standard assessment certificate (Carbon Monoxide Detection Alarm Calibration Device)	Zhoushan Municipal Administration for Market Regulation	November 19, 2030

ZPC	Measurement standard assessment certificate (Ammonia Detection Alarm Calibration Device)	Zhoushan Municipal Administration for Market Regulation	November 19, 2030
ZPC	Special Equipment Inspection and Testing Agency Approval Certificate (Class C Inspection Agency)	Zhoushan Municipal Administration for Market Regulation	February 12, 2030
ZPC	CNAS Laboratory Accreditation Certificate	China National Accreditation Service for Conformity Assessment	April 13, 2028
ZPC	Quality management system certificate	Beijing Sanxing 9000 Certification Body Co.,Ltd.	May 9, 2026
ZPC	National Industrial Product Manufacture Licensing Certificate	Zhejiang Provincial Administration for Market Regulation	December 30, 2030
ZPC	Registration Certificate for Hazardous Chemicals	Zhejiang Provincial Registration Center for Hazardous Chemicals	June 13, 2026
ZPC	Safe Production License	Zhejiang Provincial Emergency Management Department	December 27, 2026
ZPC	Pollutant Discharge Permit	Zhoushan Ecology and Environment Bureau	July 14, 2029
ZPC	License for Port Operation	Zhoushan Shipping and Port Administration	October 11, 2026
ZPC	Project Approval List Specified in Technical Standards (3# jet fuel)	Aircraft Airworthiness Approval Department of Civil Aviation Administration	July 13, 2026
ZPC	Project Approval List by Civil Aviation Oil Testing Unit (3# jet fuel)	Aircraft Airworthiness Approval Department of Civil Aviation Administration	May 17, 2026
ZPC	Special License for Production of MCCs (Phase I)	Ministry of Industry and Information Technology (MIIT)	May 7, 2026
ZPC	Special License for Production of MCCs (Phase II)	Ministry of Industry and Information Technology (MIIT)	November 28, 2027
ZPC	Import Qualification for Non-state Trade of Crude Oil	Ministry of Commerce	/
ZPC	Export Qualification for Non-state Trade of Refined Oil	Ministry of Commerce	/
ZPC	Import Qualification for Non-state Trade of Refined Oil (Fuel Oil)	Ministry of Commerce	/
ZPC	Radiation Safety Permit	Zhoushan Ecology and Environment Bureau	March 4, 2029
ZPC	Safety Production Standardization Certificate	Zhejiang Provincial Technical Committee on Safety Production Standardization	March 6, 2027
Zhongjin Petrochemical	Pollutant Discharge Permit	Zhenhai Branch of Ningbo Ecology and Environment Bureau	December 2, 2029
Zhongjin Petrochemical	National Industrial Product Manufacture Licensing Certificate	Zhejiang Provincial Administration for Market Regulation	February 11, 2028
Zhongjin Petrochemical	Radiation Safety License	Department of Ecology and Environment of Zhejiang Province	July 16, 2028
Zhongjin Petrochemical	Safe Production License	Zhejiang Provincial Emergency Management Department	June 4, 2026
Zhongjin Petrochemical	Registration Certificate for Hazardous Chemicals	Registration Center for Chemicals of the Ministry of Emergency Management	October 12, 2028

Niluoshan New Energy	Pollutant Discharge Permit	Zhenhai Branch of Ningbo Ecology and Environment Bureau	December 1, 2029
Yisheng Dahua	Safe Production License	Liaoning Provincial Emergency Management Department	March 27, 2028
Yisheng Dahua	License for Port Operation of the People's Republic of China	Dalian Traffic and Transportation Bureau	July 24, 2028
Yisheng Dahua	Registration Certificate for Hazardous Chemicals	Liaoning Provincial Work Safety Service Center	November 15, 2026
Yisheng Dahua	Pollutant Discharge Permit	Dalian Ecology and Environment Bureau	June 10, 2030
Yongsheng Technology	National Industrial Product Manufacture Licensing Certificate	Zhejiang Provincial Administration for Market Regulation	August 11, 2026
Yongsheng Technology	Pollutant Discharge Permit	Shaoxing Ecology and Environment Bureau	February 6, 2029
Shengyuan Chemical Fiber	Pollutant Discharge Permit	Hangzhou Municipal Ecology and Environment Bureau	June 25, 2030

Engaged in oil processing, oil trade industry

☑Yes □No

The company primarily imports crude oil from overseas as feedstock and is engaged in the R&D, production and sales of various petroleum, chemical and polyester products, with a diverse product portfolio and comprehensive specifications covering multiple fields including new energy, new materials, organic chemicals, synthetic fibers, synthetic resins, synthetic rubber and petroleum products, essentially realizing the transformation from “a drop of oil to everything in the world”, and enhancing its new materials industrial chain based on its existing global-scale integrated refining & chemical complex and complete upstream-downstream supporting facilities.

Engaged in chemical fertilizer industry

□Yes ☑No

Engaged in pesticide industry

□Yes ☑No

Engaged in chlorine-alkali and soda ash industry

□Yes ☑No

II. Industry that Company is in during the Reporting Period

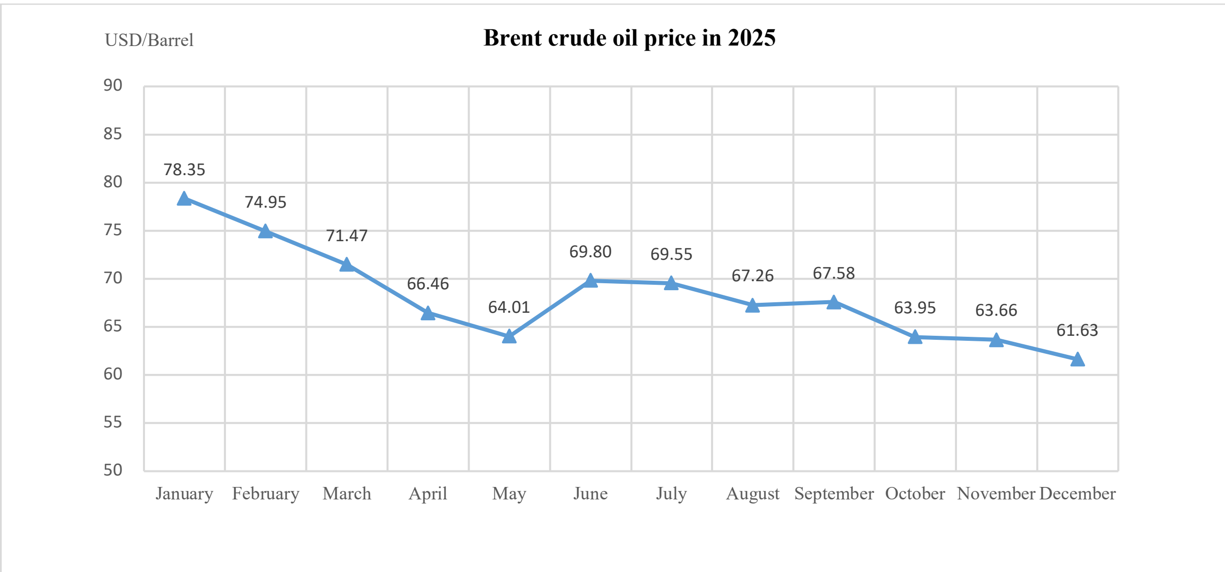
The company must comply with the disclosure requirements for the chemical industry as outlined in the *Shenzhen Stock Exchange Guidelines for Self-Regulatory Supervision of Listed Companies No. 3 – Industry Information Disclosure*.

Looking back at 2025, in the face of a complex external environment characterized by the coexistence of global economic growth and the easing of inflationary pressures, as well as the maintenance of loose monetary policies by major economies, China's economy has demonstrated strong resilience and vitality. It has continued the development trend of making steady progress while maintaining stability and long-term improvement, injecting certainty into the global economic recovery and providing broad market opportunities. Against this macroeconomic backdrop, the petrochemical industry has closely focused on the main theme of transformation towards intelligence, high-end, and green development, actively resolved structural contradictions, and steadily improved the quality and efficiency of development. Leading enterprises in the industry have fully played their guiding roles, focusing on the extension and reinforcement of the industrial chain, and continuously built core competitive advantages by deepening technological innovation, accelerating model upgrades, and promoting multi-energy integration. During the reporting period, the production and demand of major petrochemical products and materials achieved steady growth, and the export business also maintained a good momentum of expansion. The industry as a whole has taken a more solid step on the track of high-quality development.

(1) Global economy

In 2025, against the backdrop of multiple challenges facing the global economy, the world economy has shown a steady operating trend, with the growth structure continuously optimized and endogenous drivers constantly accumulating. According to estimates by authoritative institutions such as the International Monetary Fund (IMF) and the World Bank, the annual global GDP growth rate was approximately 3%, maintaining a commendable growth resilience in a complex and volatile environment. Among them, developed economies operated steadily, with economic growth rates in the Eurozone and the United States at approximately 1.3% and 2%, respectively, showing a trend of stabilizing and improving. Emerging economies continued to serve as the "main engine" and "power source" of global growth, contributing more than 70% of the global economic increment, demonstrating vigorous development vitality and strong supporting roles, and injecting more certainty into the recovery and prosperity of the world economy.

During the reporting period, with increasing uncertainties such as slowing global economic growth and a complex and volatile trade environment, international crude oil prices showed a volatile downward trend throughout the year. Taking Brent crude oil prices as an example, the price in January at the beginning of the year was 78.35 USD/barrel, which then fluctuated and fell month by month, dropping to 61.63 USD/barrel by December, with the annual price center shifting downward compared to previous years. The weak trend of oil prices reflected both the growth pressure on the demand side of the global market and brought structural adjustment and reshaping to the cost side of the petrochemical industry. According to a report released by the American Chemistry Council (ACC), the growth in US chemical production in 2025 was only 0.7%, with weak growth in the industrial sector, and the industry as a whole continued its low-speed growth trend. The challenges faced by the European chemical industry were even more severe. According to statistics from the European Chemical Industry Council (Cefic), following a year-on-year decrease in production of 2.4% in 2024, the production of European chemical products fell again by 2% in 2025, with cost pressures continuing to increase and global competitiveness being severely impacted.



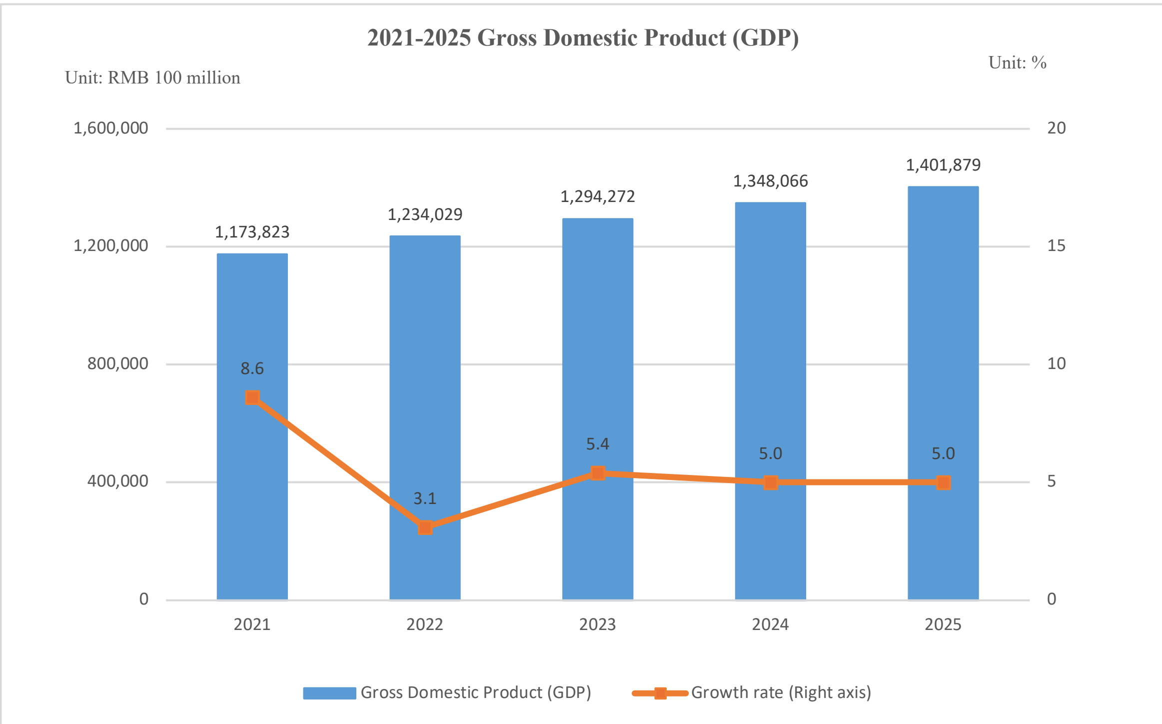
Source: Wind

(2) China's economic situation

In 2025, China's economy continued to move forward steadily in a complex and severe external environment, with high-quality development being solidly advanced. Data from the National Bureau of Statistics shows that the annual Gross Domestic Product (GDP) reached RMB 140,187.9 billion, representing a year-on-year increase of 5.0%, and the economic scale stepped up yet again.

Looking back at the development trajectory of the past five years, China's economy has demonstrated strong resilience and potential: From 2021 to 2025, GDP rose steadily from RMB 117,382.3 billion to RMB 140,187.9 billion, with a cumulative increment of over RMB 22.8 trillion over the five-year period, achieving a rational growth in quantity and an effective improvement in quality. In terms of growth rates, despite the impact of multiple factors exceeding expectations in 2022, the economic growth rate remained within a reasonable range of 3.0%; thereafter, the growth rate recovered step by step, with growth rates of 5.4% and 5.0% in 2023 and 2024, respectively. In 2025, a growth of 5.0% was achieved on a high base, reflecting a sound momentum of recovery and improvement, as well as making steady progress while maintaining stability.

This series of data indicates that despite the ever-changing external environment and multiple domestic challenges, China's economy has maintained the resilience and strategic focus to overcome difficulties and navigate hurdles. Over the past five years, the economic aggregate has reached new levels, demonstrating the deep potential of the super-large market demand and reflecting the solid pace of continuous industrial chain upgrading. Forging ahead under pressure and accumulating strength through adjustment, the steady growth of China's economy has not only provided solid support for the improvement of domestic livelihoods and industrial transformation but also injected valuable stability and confidence into the continuously volatile global economy.



Source: National Bureau of Statistics

(3) Situation of the petrochemical industry

In 2025, China's petroleum and chemical industry forged ahead under pressure amidst severe market tests, carving out a development curve characterized by "steady progress in production, short-term pressure on efficiency, and continuous optimization of structure." According to data from the China Petroleum and Chemical Industry Federation (CPCIF), the industrial added value of enterprises above designated size increased by 6.9% year-on-year, 1 percentage point higher than the national industrial average. Crude oil production achieved its seventh consecutive year of growth, and natural gas production achieved its ninth consecutive year of growth, further enhancing the energy security guarantee capability. Meanwhile, against the backdrop of deteriorating global trade environments, the export value of petrochemical products grew against the trend by 2.5%, demonstrating strong industrial resilience and international competitiveness.

During the reporting period, from the perspective of internal structure, the performance of the three major segments showed obvious differentiation: the chemical segment performed relatively steadily, with industrial added value growing by 7.6% and operating revenue achieving positive growth of 0.5%; although the profit of the oil and gas segment decreased by 19.1%, its profit margin on revenue of 19.8% still indicated a strong profit base; the refining segment was dragged down by the decline in refined oil consumption, making the transformation of "reducing refined oil and increasing chemical products" shift from a strategic choice to a necessity for survival.

It is worth noting that the industry is accelerating its "gear shift" under pressure. On the one hand, the energy consumption structure is undergoing profound changes. In 2025, the domestic production and sales of gasoline both decreased for the first time, and the penetration rate of new energy passenger vehicles exceeded 55%, driving refining and chemical enterprises to accelerate their transformation toward chemical materials and specialty products. On the other hand, the pace of high-end upgrading has accelerated. In fields such as new energy materials, high-end electronic chemicals, and bio-manufacturing, a number of key technologies have achieved breakthroughs, and the intensity of research and development investment has continued to rise, accumulating momentum for the "15th Five-Year Plan."

Overall, 2025 was a year for the petrochemical industry to "bottom out and accumulate strength" while operating at a low level. Faced with price troughs and demand differentiation, the industry did not wait passively but sought breakthroughs through innovation and responded to trends through transformation. With the implementation of policies such as the *Work Plan for Steady Growth in the Petrochemical and Chemical Industry* and the *Implementation Plan for the Innovative Development of the Fine Chemical Industry*, the path toward high-end, intelligent, and green development has become increasingly clear. As an important pillar of the national economy, the petrochemical industry is undergoing a profound transformation from "scale expansion" to "value reconstruction."

S/N	Policy	Issuing authority	Time
1	*Opinions of the General Office of the State Council on Promoting the High-quality Development of Refined Oil Circulation*	State Council	January 27, 2025
2	*Guiding Opinions on Energy Work in 2025*	National Energy Administration	February 27, 2025
3	Guidelines for Project Application of Energy Industry Standard Plans in 2025	National Energy Administration	March 7, 2025
4	*Key Points of Work for the Synergistic Transformation and Development of Digitalization and Greening in 2025*	Ten departments including the Cyberspace Administration of China	April 25, 2025
5	*Ten Measures of the State Administration for Market Regulation to Rectify "Involutionary" Competition*	State Administration for Market Regulation	May 19, 2025
6	*Administrative Measures for the Circulation of Refined Oil Products*	Ministry of Commerce	August 1, 2025
7	*Measures for the Management of Special Investment within the Central Budget for Energy Conservation and Carbon Reduction*	National Development and Reform Commission (NDRC)	September 19, 2025
8	*Work Plan for Steady Growth in the Petrochemical and Chemical Industry (2025-2026)*	Seven departments including the Ministry of Industry and Information Technology	September 25, 2025
9	*Administrative Measures for the Planning, Construction and Operation of Oil and Gas Infrastructure*	National Development and Reform Commission	October 30, 2025
10	*Implementation Opinions on the Special Action of "Artificial*	Eight departments including the Ministry of Industry and	December 25, 2025

	Intelligence + Manufacturing"	Information Technology	

(4) Industry position and competitive advantages of the Company

As one of the world's leading chemical materials manufacturers, Rongsheng Petrochemical is the main operator of the world's largest single integrated refining and chemical project, a 40 mtpa green petrochemical base. It is an important global producer of polyester, new energy materials, engineering plastics and high value-added polyolefins. It is the world's largest producer of chemical products such as PX and PTA, and its production capacity of multiple products such as polyethylene, polypropylene, PET, EVA, ABS and PC ranks among the top in the world. In 2025, the Company's core position in the global chemical industry continued to be consolidated: it ranked 14th in the "Top 50 Global Chemical Companies" by Chemical & Engineering News (C&EN) of the United States, 9th in the ICIS "Top 100 Global Chemical Companies," and 7th in the Chemical Week "Billion Dollar Club" of the United States. Its brand influence continued to expand, ranking 5th in the Brand Finance "2025 Global Chemical Most Valuable Brands" list. Meanwhile, the Company also performed excellently in the field of sustainable development, with its MSCI ESG rating upgraded to Grade A, reaching industry-leading levels in carbon emission reduction, water resource management, and corporate governance, which demonstrates a responsible and high-quality long-term development pattern.

Facing the new industry development trends in 2025, the Company continued to deepen its "vertical and horizontal" strategic layout, focusing on forging core capabilities to weather the cycles. In the vertical dimension, the Company has been continuously consolidating its refining-chemical integration advantages, deeply tapping into the "oil-to-chemical" potential, continuously improving unit operation efficiency and comprehensive resource utilization, and strengthening its cost reduction and efficiency enhancement capabilities in all aspects. In the horizontal dimension, the Company has accelerated the high-end upgrading of its product structure, focusing on high-value-added fields such as new energy materials, high-end resins, and specialty chemicals. Relying on the construction of major projects such as Jintang New Materials, the Company has accelerated the improvement of its full industrial chain coverage from basic chemical raw materials to high-end new materials, building a more diversified and resilient product matrix.

In terms of global layout, the strategic cooperation between the Company and Saudi Aramco has continued to deepen. Both parties have achieved deep synergy in crude oil supply, technological R&D, and overseas market expansion, jointly promoting the expansion projects of Zhongjin Petrochemical and SASREF, and the pace of overseas layout has significantly accelerated. By continuously broadening the space for international development, the Company's ability to resist cyclical fluctuations and its competitiveness in the global market have been further improved, injecting strong momentum into a new round of high-quality development.

III. Analysis of Core Competitiveness

As one of the leading enterprises in the petrochemical industry with leading comprehensive strength in China, the Company’s core competitiveness is mainly reflected in the following aspects:

(1) Comprehensive industrial synergistic advantages

Through years of development and refinement, the Company has seized opportunities during industry adjustments to achieve rapid growth, establishing a business model that spans "from a drop of oil to everything in the world." By extending the industrial chain, the Company has effectively reduced business costs, achieved mutual support between upstream and downstream sectors, and enhanced its sustainable profitability and risk resistance. Building upon the complete polyester industrial chain of the controlling shareholder Rongsheng Petrochemical and the associate shareholder Tongkun Group, ZPC has successfully completed the final link in the entire process "from a drop of oil to a strand of silk," establishing a massive advantage in upstream and downstream integration within the polyester industry while forming strong synergies with shareholders in other industrial chains.

The interconnection between the Zhoushan Green Petrochemical Base and the Ningbo Petrochemical Base enables the coordinated development of these two major bases. Pipeline transportation significantly reduces the risks and costs associated with shipping and land transport. Large quantities of light hydrocarbon raw materials, produced as by-products at the Ningbo Petrochemical Base, are transported via pipelines to the Zhoushan Green Petrochemical Base as high-quality ethylene feedstock; meanwhile, surplus oil products from the Zhoushan Green Petrochemical Base can be sent to the Ningbo Petrochemical Base as premium feedstock for aromatics production.

The ZPC project is equipped with supporting facilities that meet the crude oil supply requirements for both phases of the project. The total storage capacity of the Mamu Crude Oil Depot and Yushan Island Crude Oil Depot reaches 4.6 million cubic meters, representing the largest supporting storage capacity for refining and chemical integration in China. As the nation's most concentrated resource allocation base for oil and gas enterprises, the Zhejiang Free Trade Zone boasts over 30 million cubic meters of storage capacity across sites like Cezi Island and Waidiao Island. Most of the oil pipeline networks are interconnected, enabling localized transportation. The Company is advancing the tank farm and terminal projects of the Jintang Crude Oil Storage and Transportation Base, constructing three new 300,000-ton oil berths with a designed annual throughput of 50 million tons. The new tank farm project has a total capacity of 4.64 million cubic meters and a designed annual turnover of 50 million tons. Upon completion of this project, the economies of scale characterized by "large-scale import and export, rapid turnover" for terminal throughput and crude oil reserves will gradually become evident, effectively delivering both economic and social benefits.

(2) Remarkable location competition advantages

The Company’s production bases are located along the eastern coastline of China, including the “Circum-Bohai Sea Economic Zone” in Dalian City, Liaoning Province; the “Yangtze River Delta Economic Circle” in Ningbo City, Zhoushan City, Zhejiang Province; the “Belt and Road Economic Belt” and the “Maritime Silk Road” in Haikou City, Hainan Province. Each production base of the Company is adjacent to high-quality ports, connected with canals and equipped with complete wharf facilities. The main raw materials and other auxiliary raw materials required for production can be unloaded and stored at the chemical material wharf built or rented by the Company, which has provided convenient transportation of bulk raw materials and inventory adjustment.

ZPC Project is located in the concentrated consumption area of oil products and chemical products, with the key products marketable. The target market of chemical products is mainly East China and South China, where the economy is the most developed with the most active downstream consumption market for petrochemical products, and whose related industries such as downstream plastic product processing industry, light industry and daily chemical industry are developed, with strong market acceptance for bulk petrochemical products. Refined oil has many sales channels and enjoys strong policy support and obvious competitive advantages. The Ministry of Commerce officially approved granting ZPC the export qualification of non-state-owned trade refined oil. As the first private refining and petrochemical enterprise to obtain export permission, ZPC took the lead in opening sales channels in Southeast Asia. In the face of the excess supply of domestic refined oil, this export permission given to ZPC has become more valuable.

(3) Excellent strategic layout advantages

The Company, with inherent strong market sensitivity and flexible decision-making mechanism, can not only keep a close eye on the market, but also make timely and accurate adjustments to the strategy and seize the preemptive opportunities of the market under its own mechanism advantages of fast pace and few links. The management has a keen sense of investment, accurate timing for project operation and excellent investment and financing capacity. The Company started from polyester chemical fiber, and after years of development, it has formed a good foundation. With the full-scale operation of the 40 million tons/year refining and chemical integration project of its subsidiary in early 2022, ZPC has become the largest single refinery in the world. Relying on the world's largest single-unit 40 million tons/year refining and chemical integration project of ZPC, the Company has accelerated the layout of downstream new chemical materials, aimed at the field of new energy and high-end materials, and has deployed a number of new energy and new material products such as EVA, POE, DMC, PC and ABS, continuously enriching its product chain. With the steady progress of new projects, the Company's production capacity of new energy materials, renewable plastics, special synthetic materials, and high-end synthetic materials will be expanded in an orderly manner, and the transformation of new materials will be gradually accelerated.

(4) Strong R&D and innovation advantages

The Company upholds a technological R&D pattern driven by both independent innovation and cooperation. We have established many world-class R&D platforms, including a high-tech R&D center, a workstation for academicians and experts, an enterprise technology center, and a post-doctoral science and research workstation. Moreover, we engage in active technology exchanges and discussions and promote industry-university-research collaboration to acquire resources from universities, the community, and the Company. With all sectors of society, we jointly promote our research capabilities and technological advancement and together create an innovation ecosystem that is open, healthy, and cooperative, where everyone can benefit. In recent years, the Company has continuously stepped up scientific research cooperation with domestic and foreign countries and increased its R&D investment year by year to maintain a leading level in the industry.

The Company's main manufacturing subsidiaries are all national high-tech enterprises with strong research and development strength and rich process operation experience accumulated during long-term production management, which have gathered the strength of "production, learning, research and use" at home and abroad, carried out research and development with independent innovation, and established an integrated achievement improvement platform for laboratory innovation, small test, pilot test and industrial demonstration production, and overcome the disadvantage that it is difficult to incubate and transform related achievements although with basic research by other research institutes in China relying on the Company's flexible system and mechanism and complete industrial chain advantages, breaking through the final ceiling from scientific research achievements to industrial promotion and application, boosting industrial technological innovation and upgrading, seizing the technologically leading position, and promoting the Company's high-quality development in the terms of technological independence, raw material diversification, high-end products, green production and intelligent industry.

(5) Rich human resources advantages

Focusing on the construction of corporate culture, the Company has formed a favorable working atmosphere and strong corporate cohesion. The Company has also trained a group of stable core management, R&D and technical talents through internal training and introduction. The Company attaches importance to the cultivation of on-the-job staff. Based on reality and comprehensive planning, the Company is constantly broadening the staff selection platform and formulating an effective incentive mechanism. To maintain the practical and effective work of the staff, the Company has improved the benefits of employees, optimized the professional title assessment system, and clarified the promotion standards and incentives. The Company combines the employee examination with performance evaluation and replaces evaluations with competition to dynamically evaluate employees' comprehensive quality and form a healthy competition atmosphere of competing through learning and competing for first place. Following the principle of "different measures for different talents and making good use of the strengths of talents", every employee will have the opportunity to give full play to their abilities.

In addition, the Company attaches great importance to the management of talents and teams, and adopt a two-pronged approach of internal incentives and external cultivation. In terms of internal management, we will promote the construction of three teams of Senior Management, high potential and specialization, pay special attention to talent evaluation and clean education, strengthen skill training and skill recognition, and improve the quality of employees in all aspects. In terms of external cultivation, we will rely on the cooperation platform of industry, academia and research to actively do a good job in the introduction of highly educated and highly skilled talents, increase the proportion of high-quality employees, and provide new drivers for the development of the enterprise.

(6) Efficient operation and management advantages

The Company adheres to system construction, integrates digitization, intelligence, standardization, process, and regulation into operations; actively strengthens IT construction; comprehensively integrates business links such as sourcing, production, inventory, and sales; and constantly improves the rapid response ability. The Company has established a complete set of effective management systems in combination with actual situations, defined post responsibilities and work flow, and effectively reduced the operation costs through fine management. Through years of efforts, the Company's construction in systems such as information, performance appraisal, and credit management are at the leading position in the industry. In 2025, the company garnered multiple accolades thanks to its exceptional capabilities:

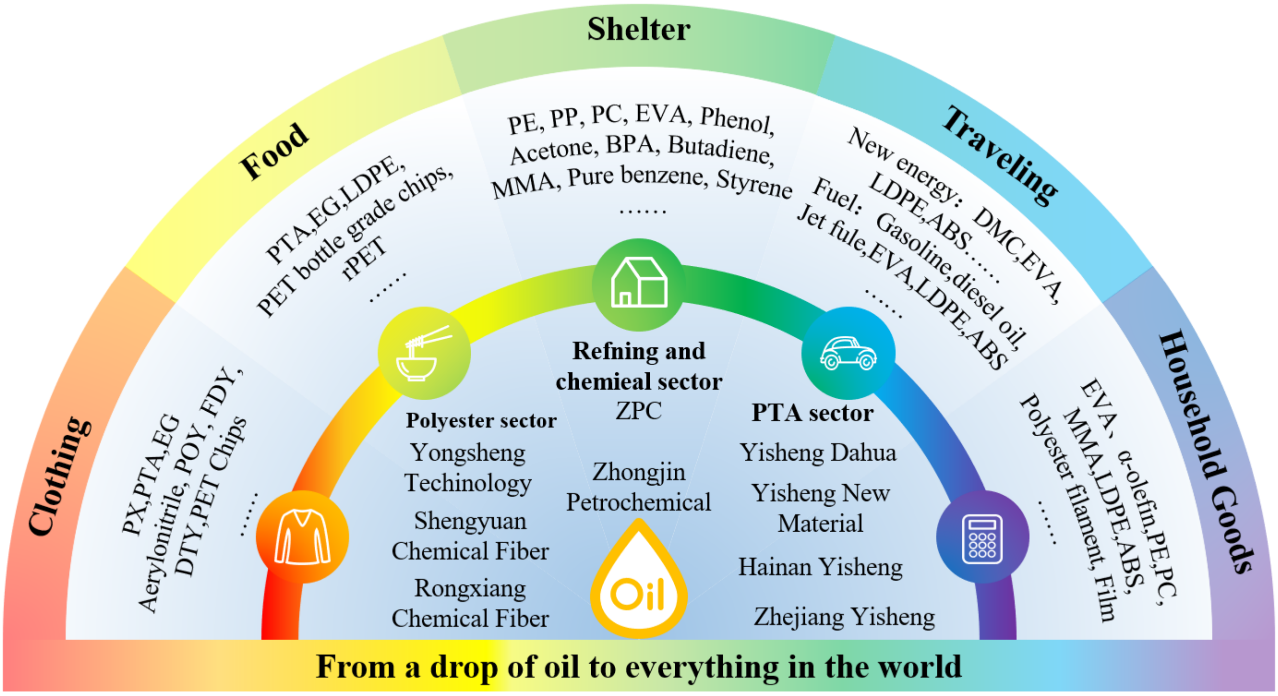
IV. Analysis of Main Business

1. Overview

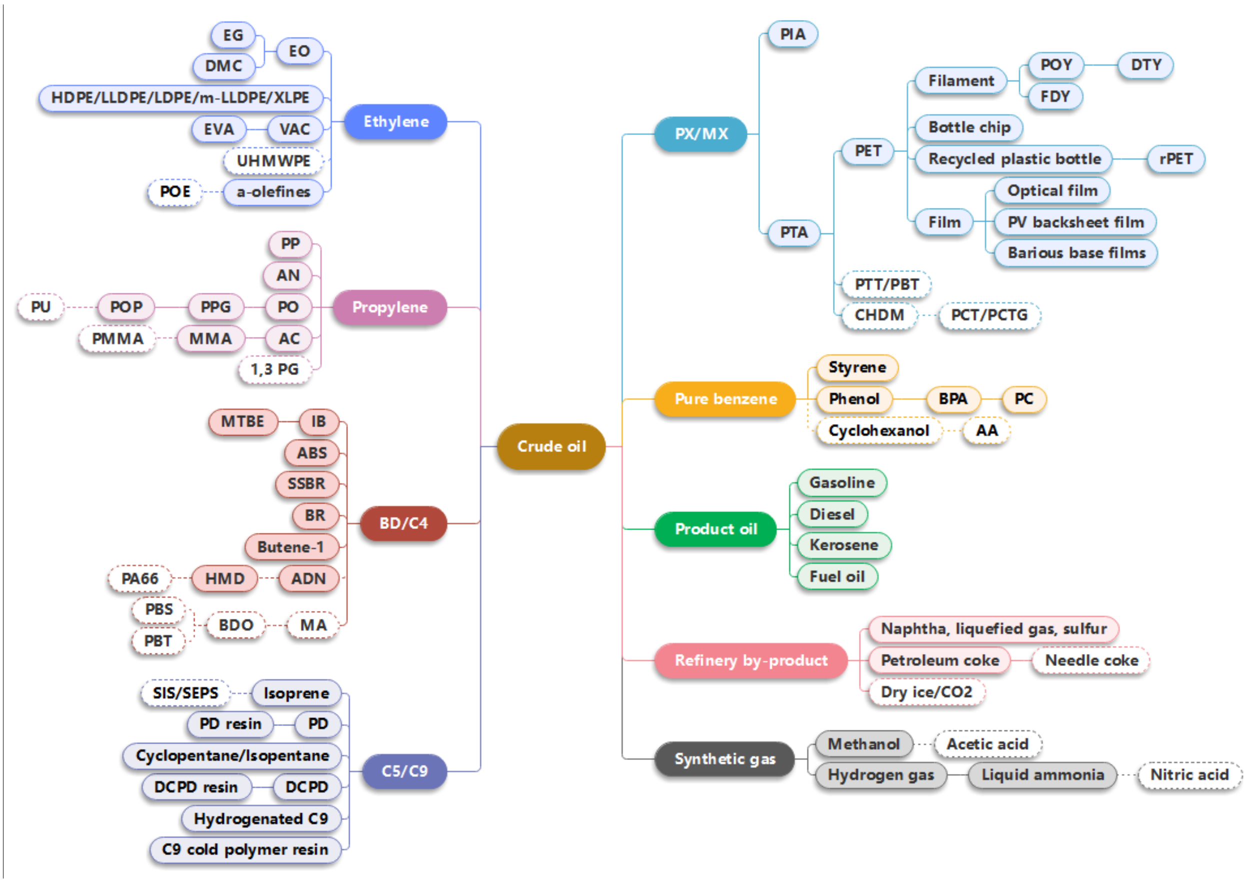
Rongsheng Petrochemical is one of the leading private petrochemical enterprises in China. It is mainly engaged in the research, development, production and sales of all kinds of oil products, chemicals and polyester products. It has established seven production bases in Bohai Economic Rim, Yangtze River Delta Economic Circle and Hainan Belt and Road Economic Circle, forming five industrial chains of polyester, engineering plastics, new energy, high-end polyolefin and special rubber. It is one of the important producers of polyester, new energy materials, engineering plastics and high value-added polyolefin in Asia, with the largest production capacity of chemicals such as PX and PTA in the world.

(1) Main products

The Company's products are rich in variety and complete in specifications, covering many fields such as new energy, new materials, organic chemicals, synthetic fibers, synthetic resins, synthetic rubber, and oil products, basically achieving "from a drop of oil to everything in the world", and constantly upgrading and improving the industrial chain of new materials on the basis of the existing super-large integrated refining base worldwide and complete upstream and downstream facilities.



At present, the main products are shown in the following figure:



Note: products marked by dotted line / dotted box are products under planning.

(2) Management measures

2025 marked the concluding year of the "14th Five-Year Plan" and a pivotal year for the Company's deep cultivation of its core business and its strategic transformation. The Board coordinated the overall strategic landscape, leading all employees to navigate multiple challenges, including the sluggish global economic recovery and intensified industry competition. Adhering to the general principle of "seeking progress while maintaining stability," our business performance saw steady improvement, and the momentum for high-quality development continued to strengthen.

1. Deepening Strategic Layout and Strengthening the Industrial Foundation

Rongsheng Petrochemical adhered to the path of "high-end, intelligent, and green", making scientific decisions and precise investments to accelerate the construction of key projects. The strategic cooperation between the Company and Saudi Aramco continued to deepen and bear fruit. Both parties achieved profound synergy in crude oil supply, technology R&D, and overseas market expansion, marking a critical milestone in our international layout. The first units of ZPC's High-performance Resin Project were completed and put into operation as scheduled. The production capacity of high-end chemical materials continued to expand, and the pace of extending the industrial chain toward high-value-added sectors became more resolute. ZPC’s oil terminal successfully realized port opening for new berths, and the functions of our Singapore trading platform were further refined. Profit generation from refined oil exports was significant, and several product categories successfully expanded into overseas markets, continuously enhancing the resilience of our global supply chain network.

2. Fruitful Results in Innovation-Driven Growth, Continuously Enhancing Core Competitiveness

Rongsheng Petrochemical consistently places innovation at the heart of its development, continuously increasing investment in Research and Development. Our R&D investment intensity remained at an industry-leading level throughout the year. ZPC successfully earned multiple titles, including "Manufacturing Single Champion Enterprise" and "Provincial Advanced Intelligent Factory." Its digitalization cases were selected as "Excellent Digital Transformation Cases of the Petroleum and Chemical Industry" for the 14th Five-Year Plan, underscoring the Company's innovation capabilities in digital management. The Company's digital transformation has fully accelerated. Tools such as Smart Customer Service and AI Assistants are widely applied in production management. The self-developed MES (Manufacturing Execution System) completed its iterative upgrade, and the Smart Material Coding System improved coding efficiency by over 85%, propelling our digital management capabilities into the industry's first tier.

3. Significant Progress in Green Development, Leading the Industry in ESG Performance

Rongsheng Petrochemical resolutely implements the "Dual Carbon" strategy, with the level of green development continuously rising. The Company’s MSCI ESG Rating surged to Grade A, ranking first among domestic chemical enterprises. ZPC passed the QESEnM (Quality, Environment, Safety, and Energy) integrated management system certification, and Hainan Yisheng Petrochemical was recognized as a national-level "Green Factory." Numerous energy-saving technical renovation projects were implemented across the Company. ZPC’s 190 production optimization items yielded significant benefits, and Zhongjin Petrochemical’s waste heat utilization projects achieved annual energy savings of over 130,000 tons of standard coal. With continuous declines in energy consumption and carbon emission intensity, the "green foundation" of our development has become even more prominent.

4. Continuous Refinement of the Governance System, Strengthening Risk Prevention and Control

Rongsheng Petrochemical continues to perfect its modern corporate governance system, promoting a steady increase in management efficiency. Throughout the year, the Company convened 5 General Meetings of Shareholders, 7 Board Meetings, and 6 Supervisory Committee Meetings. All major matters strictly followed decision-making procedures, with continuous enhancements in the scientific and standardized nature of our decisions. In accordance with the requirements of the New Company Law and transitional arrangements for supporting systems, the Company completed the abolishment of the Board of Supervisors before 2026. The Company’s Articles of Association were amended to clearly strengthen the functions of the Audit Committee, which has fully assumed the powers and duties of the former Board of Supervisors. This has established a comprehensive risk prevention and control system that is "horizontally to every edge and vertically from top to bottom."

(3) Operation synergy

1. Controlling shareholder

Rongsheng Holding ranks 118th on the Fortune Global 500 list, 32nd among the top 500 Chinese enterprises and 7th among the top 500 private enterprises in China. At present, the Group has listed companies such as Rongsheng Petrochemical (stock code: 002493) and Ningbo United (stock code: 600051), with its business involving oil and gas upstream and trading, coal, logistics, equipment manufacturing, process engineering technology, real estate, venture capital and other fields; Rongtong Logistics, a subsidiary is a national AAAA-level logistics enterprise, which has a mature and stable carrier cooperation operation platform; Suzhou Shenghui Equipment Co., Ltd., a controlled subsidiary, specializes in the design, manufacture and sales of pressure vessels, cryogenic equipment, spherical tanks and marine equipment; Shanghai Huanqiu Engineering Co., Ltd., a joint stock company of the Company, has extremely rich experience in engineering EPC; A number of projects invested by Zhejiang Rongsheng Venture Investment Co.,Ltd. not only achieved good economic benefits, but also promoted the synergy of the industrial chain; In addition, a number of other investments are also constantly advancing.

2. Strategic investors

Rongsheng Petrochemical and Saudi Aramco form the upstream and downstream in the industry and maintain a good foundation for cooperation. The two companies will carry out all-round consultations and cooperation, such as: ①Frontier technology sharing cooperation: The two companies will sincerely discuss to complement each other's technologies through their advantages, jointly develop new technologies, processes and equipment to meet the future market demand, and promote them on the market, and at the same time share the necessary resources for research and development; ②Stable crude oil supply guarantee: Saudi Aramco supplies ZPC with high-quality crude oil with the promised quantity of 480,000 barrels per day, and provides the Company with production raw materials such as naphtha, mixed xylene and straight-run fuel; ③Interest-free purchase credit line: A credit line with a term of 20 years and an amount of USD 800 million, which can be increased during the cooperation period, will be provided, which is conducive to improving the capital utilization efficiency of ZPC and will have a positive impact on improving its profitability; ④Flexible cooperation in crude oil storage: Through amicable negotiations of related parties, the Company provides Saudi Aramco with crude oil storage tanks and related facilities in Zhoushan, and Saudi Aramco needs to maintain a crude oil inventory of not less than 1.5 million metric tons, which is helpful to ensure the crude oil supply of ZPC; ⑤Broad global sales channels: Relying on overseas sales channels of Saudi Aramco, the Company can further expand the international market of its products and deepen strategic cooperation with overseas customers. Similarly, with the Company's deep-seated resources for many years, Saudi Aramco can also quickly enter the relevant international and domestic markets.

The "power player alliance" of both parties realizes the forward deployment of raw material supply and the expansion of global sales channels, promotes resource sharing and industrial chain synergy, and joins hands to build a new industrial ecosystem of mutual benefit and win-win situation. As a practitioner of the "Belt and Road" Initiative, Rongsheng Petrochemical is dual-driven by "going out" and "bringing in," establishing a strategic foothold in the Middle East and laying out a supply chain network around the Indian Ocean, while attracting long-term investment from international strategic capital into China, injecting continuous vitality into its vigorous development.

3. Refining and chemical sector

3.1. ZPC

With the goal of building a "private, green, international, trillion-level and flagship" base, ZPC's refining and chemical integration project has been planned and unified at one time. At present, it has formed a world-class refining and chemical integration base with a processing capacity of 40 million tons/year for oil refining, 8.8 million tons/year for paraxylene and 4.2 million tons/year for ethylene, among which the single scale for hydrogenation, reforming and PX is the largest in the world. The project is designed to maximize the refining and chemical integration, provide high-quality raw materials for downstream chemical devices, maximize the production of aromatic hydrocarbons (PX) and chemical products, and minimize the output of fuel. The yield of fuel is lower than the industry average, with outstanding effect of reducing oil and increasing chemical. Meanwhile, through the optimal utilization of energy resources such as steam and water, and full use of the low-temperature waste heat of the device, it builds the world's largest thermal seawater desalination device to realize energy saving and emission reduction. The refining and chemical integration rate of the project ranks first in the world, far higher than the average level of petrochemical industry integration in China, and the scale and integration degree of the base are at a leading position in the world.

ZPC's crude oil has strong adaptability, and can be stored according to light, medium, heavy and acid, transported separately and refined separately. Combined with blending means, it can process 80%-90% of the global crude oil, which greatly enhances its adaptability to oil price fluctuations and offers obvious advantages compared with other domestic leading enterprises. It has flexible product structure, and mature and reliable technology, and its main device scale and technical and economic indicators represent the most advanced level worldwide. As a result of one-time overall planning, oil refining, aromatic hydrocarbon and ethylene fully demonstrate the concept of "molecular oil refining" and make the best use of the material. All olefins are deeply processed into chemicals with high import dependence, which makes them have stronger ability to cope with the industry cycle.

As the upstream industry of the polyester industry chain, ZPC has successfully established the last link of the whole process from a drop of oil to a piece of fiber for the Company, and formed the great advantage of upstream and downstream integration of the polyester industry. ZPC is located in Zhoushan, a part of East China, which is the main consumer of terminal chemicals. The Yangtze River Delta contains about 70% of China's production capacity of plastics and chemical fibers, with obvious regional advantages. Located in Zhejiang Free Trade Zone, ZPC enjoys various preferential policies in the free trade zone and has continuously obtained the export quota of refined oil; Yushan Island, where it is located, is an uninhabited island. Therefore, it is convenient for development and utilization, and will have little impact on the surrounding society and broad development space in the future; Being close to the consumer market, ZPC enjoys a prominent position advantage as a sea-land hub at the Ningbo-Zhoushan port with convenient access to bulk materials and products, and a significantly low transportation costs.

Industrial AI has been deeply integrated into the core aspects of ZPC’s production and operations. ZPC has constructed a new industrial intelligence system centered on "intelligent instrumentation + predictive maintenance + data governance," significantly enhancing production efficiency through data analysis and AI technologies. ZPC has deployed an industrial control system with a scale of up to 1 million I/O points, fully supporting the synergistic improvement of production efficiency, economic benefits, and safety levels, while driving the sustainable development of the upstream and downstream industrial chains. Relying on over 1 million online instruments for real-time monitoring of production processes, combined with robotic inspection, whole-process intelligent control systems, and intelligent safety risk control for the entire hazardous chemical transportation chain, ZPC has achieved a unit operation stability rate of ⩾98.5% and an automatic control rate for major refining and chemical units of ⩾ 99% (significantly higher than the global refinery average of approximately 80%). Furthermore, it has comprehensively promoted the informationized, visualized, and intelligent management of safety access for personnel, vehicles, and materials.

3.2. Zhongjin Petrochemical

Zhongjin Project, which was put into operation in August 2015, is an aromatic hydrocarbon combined plant currently in service with leading single scale in the world. This project pioneered the process of making aromatic hydrocarbon products with fuel oil (cheaper than naphtha) as raw material, and adopted a new technical route, which can solve the shortage of global naphtha supply, greatly save the procurement cost of raw materials, introduce the concept of "circular economy", and innovatively use the by-product hydrogen to process fuel oil into naphtha.

The new disproportionation catalyst jointly developed by Zhongjin Petrochemical and Tongji University has successfully achieved its first industrial application on ZPC's 2# disproportionation unit (3.5 million tons/year). This catalyst features the excellent "Three Highs" characteristics of simultaneous high space velocity, high selectivity, and a high conversion rate of heavy aromatics, while demonstrating superior operational stability. Its comprehensive performance and technical indicators have reached the current advanced industry levels, enabling import substitution. This reflects a staged progress in the Company's R&D and innovation capabilities and is of great significance for continuously enhancing the operation of aromatics units, improving raw material conversion efficiency, and achieving energy conservation and carbon reduction.

3.3. Rongsheng New Materials (Zhoushan)

As the expansion area of the Zhoushan Green Petrochemical Base, Rongsheng New Materials (Zhoushan) relies on ZPC and Ningbo Zhongjin Petrochemical to extend the industrial chain downstream and develop fine chemicals and new chemical materials. The interconnection planning among ZPC, Zhongjin Petrochemical, and Jintang New Materials is a core strategy for Rongsheng Petrochemical to build a synergetic development of the entire industrial chain of "refining-aromatics-high-end new materials." Through infrastructure interconnection, industrial chain extension, and policy coordination, a cross-regional deep integration system has been established. Specifically, ZPC has deployed crude oil storage and transportation base tank farms and terminal engineering in Jintang, as well as the Zhoushan-Ningbo Petrochemical Base interconnection pipeline project, which will coordinate and integrate storage resources for crude oil and various chemical products, achieving efficient connectivity among ZPC, Zhongjin Petrochemical, and the Jintang New Materials project through dedicated pipelines. At present, the project has commenced construction, and relevant work is progressing in an orderly manner according to plan.

4.PTA sector

The Company's four major PTA production bases—Yisheng New Materials, Yisheng Dahua, Hainan Yisheng, and Zhejiang Yisheng—have a combined total production capacity of 21.5 million tons, firmly ranking first in the world in terms of scale. Relying on the integrated layout of the entire industrial chain, the Company's PTA sector has established significant competitive advantages in terms of upstream and downstream integrated synergy, logistics, and economies of scale. In terms of upstream and downstream synergy, the Company is equipped with upstream PX capacity, achieving a high proportion of self-sufficiency in the core raw material PX; downstream, it extends to cover products such as polyester bottle chips, filaments, and films, with a prominent industrial chain linkage effect. Regarding logistics, each base is adjacent to premium coastal deep-water ports such as Ningbo and Dalian, equipped with large-scale dedicated terminals and transmission pipelines. Through modes such as pipeline transportation and direct ship-to-shore delivery, the comprehensive transportation cost is effectively reduced. Meanwhile, the proximity to downstream polyester textile industrial clusters further enhances production and sales response efficiency.

Since the construction of the first private PTA production line in 2002, the Company has adhered to independent innovation, successively developing and building the first domestic PTA process package and production units with independent intellectual property rights. It has achieved the first localized application of core equipment such as large-scale oxidation reactors and high-speed pumps, breaking the long-term dependence of China's PTA industry on imported complete sets of patented technologies and driving the leapfrog development of a large number of domestic equipment manufacturers. Concurrently, we continuously carry out technical transformation of existing equipment to improve production efficiency and product quality, while continuously optimizing raw material consumption to ensure efficient utilization of resources.

5. Polyester sector

The Company has established a comprehensive polyester capacity system covering polyester filament, polyester bottle chips, and polyester film, forming a well-structured and highly efficient industrial layout. In the field of polyester filament, the Company primarily operates through two major production bases: Shengyuan Chemical Fiber and Rongxiang Chemical Fiber, with a total filament capacity ranking among the top players in China. Notably, Shengyuan Chemical Fiber empowers traditional production lines with digitalization to create "dark factories" and realize "replacement of humans with machines," and has been awarded the "Intelligent Manufacturing Excellent Scenario" by the Ministry of Industry and Information Technology. In the field of polyester film, the main production base is Yongsheng Technology, with an annual capacity of 430,000 tons, ranking among the top four in China. Through the development of differentiated products, its product competitiveness and market influence continue to increase. In the field of polyester bottle chips, the Company leverages its industrial chain integration advantages to continuously tap potential and increase efficiency. The current capacity for polyester bottle chips reaches 5.3 million tons per year, ranking second in the world and first in China. Relying primarily on the production bases of Yisheng Dahua and Hainan Yisheng, the Company consumes a portion of its PTA capacity locally, effectively strengthening industrial chain synergy and significantly enhancing overall profitability and comprehensive competitive advantages. Furthermore, Hainan Yisheng possesses an r-PET capacity of 50,000 tons per year. Its products have passed the U.S. Food and Drug Administration (FDA) certification, confirming that they can be used to produce PET containers with up to 100% recycled content for all types of food contact. Hainan Yisheng has established a differentiated advantage in the fields of green, low-carbon, and circular economy, and was successfully selected as a "National Green Factory."

2. Income and cost

(1) Composition of operating revenue

Unit: RMB

	2024		2023		Year-on-year increase (decrease)
	Amount	Proportion in operating revenue	Amount	Proportion in operating revenue	
Totaloperating revenue	308,622,318,229.03	100%	326,475,162,608.88	100%	-5.47%
By industry					
Petrochemical Industry	255,500,488,442.92	82.79%	289,301,177,635.53	88.61%	-11.68%
Polyester chemical fiber industry	23,394,524,139.61	7.58%	18,507,338,180.98	5.67%	26.41%
Trade and others	29,727,305,646.50	9.63%	18,666,646,792.37	5.72%	59.25%
By product					
Oil refining products	106,317,955,897.68	34.45%	117,855,712,431.38	36.10%	-9.79%
Chemical products	117,197,993,998.82	37.98%	121,767,959,624.54	37.30%	-3.75%
PTA	31,984,538,546.42	10.36%	49,677,505,579.61	15.21%	-35.62%

Polyester chemical fiber film	23,394,524,139.61	7.58%	18,507,338,180.98	5.67%	26.41%
Trade and others	29,727,305,646.50	9.63%	18,666,646,792.37	5.72%	59.25%
By region					
China	256,652,601,640.89	83.16%	280,740,961,976.87	85.99%	-8.58%
Overseas	51,969,716,588.14	16.84%	45,734,200,632.01	14.01%	13.63%

In 2025, the Company (including affiliates) had chemical product revenue of RMB 247.9 billion.

(2) Industry, product, region and sales mode accounting for more than 10% of the Company's operating revenue or operating profit

☑Applicable ☐ Not applicable

The company must comply with the disclosure requirements for the chemical industry as outlined in the *Shenzhen Stock Exchange Guidelines for Self-Regulatory Supervision of Listed Companies No. 3 – Industry Information Disclosure*.

Unit: RMB

	Operating revenue	**Operating cost**	**Gross profit margin**	**Year-on-year increase (decrease) in operating revenue**	**Year-on-year increase (decrease) in operating cost**	**Year-on-year increase (decrease) in gross profit margin**
By industry						
Petrochemical Industry	255,500,488,442.92	218,745,966,236.45	14.39%	-11.68%	-13.44%	1.74%
Polyester chemical fiber industry	23,394,524,139.61	23,136,513,191.87	1.10%	26.41%	27.16%	-0.58%
Trade and others	29,727,305,646.50	29,041,107,310.63	2.31%	59.25%	60.55%	-0.79%
By product						
Oil refining products	106,317,955,897.68	81,947,962,998.84	22.92%	-9.79%	-15.65%	5.35%
Chemical products	117,197,993,998.82	104,365,714,868.57	10.95%	-3.75%	-0.80%	-2.65%
PTA	31,984,538,546.42	32,432,288,369.04	-1.40%	-35.62%	-35.59%	-0.04%
Polyester chemical fiber film	23,394,524,139.61	23,136,513,191.87	1.10%	26.41%	27.16%	-0.58%
Trade and others	29,727,305,646.50	29,041,107,310.63	2.31%	59.25%	60.55%	-0.79%
By region						
China	256,652,601,640.89	219,733,162,554.92	14.39%	-8.58%	-9.94%	1.29%
Overseas	51,969,716,588.14	51,190,424,184.03	1.50%	13.63%	13.72%	-0.08%
By sales mode						

In the case that the statistical standards for main business data of the Company are adjusted during the reporting period, the main business data of the Company in recent 1 year are subject to those after the adjustment of the statistical standards at the end of the reporting period

□ Applicable ☑ Not applicable

Operating revenue or net profit generated from overseas operations accounted for more than 10% of the Company's audited operating revenue or net profit in the most recent fiscal year

□ Yes ☑ No

(3) Whether revenue from physical sales is higher than service revenue

☑Yes □No

Industry	Item	Unit	2025	2024	Year-on-year increase (decrease)
Petrochemical Industry	Sales quantity	10,000 tons	4,641.65	4,833.50	-3.97%
	Production quantity	10,000 tons	5,553.43	5,626.61	-1.30%
	Inventory	10,000 tons	92.00	96.68	-4.84%
Polyester chemical fiber industry	Sales quantity	10,000 tons	404.81	284.73	42.17%
	Production quantity	10,000 tons	591.88	379.26	56.06%
	Inventory	10,000 tons	19.73	19.02	3.73%

Description of reasons for relevant data increasing/decreasing by more than 30% year-on-year

☑Applicable □ Not applicable

During this reporting period, the sales volume and inventory of polyester chemical fiber products increased significantly compared to the same period last year, mainly due to the full-scale commissioning of the 1.5 mtpa multifunctional polyester chip expansion project of the subsidiary Yisheng Dahua and the commissioning of the 500,000-ton-per-year intelligent functional fiber project of subsidiary Shengyuan Chemical Fiber.

(4) Performance of major sales and procurement contracts signed by the Company as of the current reporting period

□ Applicable ☑ Not applicable

(5) Composition of operating costs

Industry and product categories

Unit: RMB

Industry	Item	2025		2024		Year-on-year increase (decrease)
		Amount	Proportion in operating cost	Amount	Proportion in operating cost	
Petrochemical Industry	Raw material	195,575,244,176.82	89.40%	230,087,963,447.61	91.05%	-1.65%
Petrochemical	Labor wage	1,505,156,575.	0.69%	1,629,097,178.	0.65%	0.04%

Industry		99		37		
Petrochemical Industry	Depreciation	12,920,830,342.00	5.91%	11,485,497,958.88	4.54%	1.37%
Petrochemical Industry	Energy	7,395,409,830.30	3.38%	8,088,775,842.84	3.20%	0.18%
Petrochemical Industry	Other	1,349,325,311.34	0.62%	1,415,340,457.45	0.56%	0.06%
Total		218,745,966,236.45	100.00%	252,706,674,885.15	100.00%	
Polyester chemical fiber industry	Raw material	21,036,753,529.94	90.92%	16,700,812,031.91	91.78%	-0.86%
Polyester chemical fiber industry	Labor wage	419,060,277.00	1.81%	243,245,412.13	1.34%	0.47%
Polyester chemical fiber industry	Depreciation	362,780,023.72	1.57%	222,943,670.72	1.23%	0.34%
Polyester chemical fiber industry	Energy	899,435,050.70	3.89%	736,617,398.02	4.05%	-0.16%
Polyester chemical fiber industry	Other	418,484,310.51	1.81%	291,872,319.41	1.60%	0.21%
Total		23,136,513,191.87	100.00%	18,195,490,832.19	100.00%	

Unit: RMB

Product categories	Item	2025		2024		Year-on-year increase (decrease)
		Amount	Proportion in operating cost	Amount	Proportion in operating cost	
Oil refining products	Raw material	72,664,201,523.07	88.67%	87,489,852,797.32	90.06%	-1.39%
Oil refining products	Labor wage	613,968,625.26	0.75%	718,718,241.18	0.74%	0.01%
Oil refining products	Depreciation	5,269,786,918.37	6.43%	5,051,388,916.49	5.20%	1.23%
Oil refining products	Energy	2,952,832,300.12	3.60%	3,431,518,474.45	3.53%	0.07%
Oil refining products	Other	447,173,632.02	0.55%	457,807,507.08	0.47%	0.08%
Total		81,947,962,998.84	100.00%	97,149,285,936.52	100.00%	
Chemical	Raw	92,596,960,612.96	88.73%	94,982,926,212.71	90.28%	-1.55%

products	material					
Chemical products	Labor wage	797,008,253.39	0.76%	786,101,524.14	0.75%	0.01%
Chemical products	Depreciation	6,818,306,283.07	6.53%	5,485,471,675.60	5.21%	1.32%
Chemical products	Energy	3,661,702,402.83	3.51%	3,530,012,517.16	3.36%	0.15%
Chemical products	Other	491,737,316.32	0.47%	421,039,023.32	0.40%	0.07%
Total		104,365,714,868.57	100.00%	105,205,550,952.93	100.00%	
PTA	Raw material	30,314,082,040.79	93.47%	47,615,184,437.58	94.55%	-1.08%
PTA	Labor wage	94,179,697.34	0.29%	124,277,413.05	0.25%	0.04%
PTA	Depreciation	832,737,140.56	2.57%	948,637,366.79	1.88%	0.69%
PTA	Energy	780,875,127.35	2.41%	1,127,244,851.23	2.24%	0.17%
PTA	Other	410,414,363.00	1.26%	536,493,927.05	1.07%	0.19%
Total		32,432,288,369.04	100.00%	50,351,837,995.70	100.00%	
Polyester chemical fiber film	Raw material	21,036,753,529.94	90.92%	16,700,812,031.91	91.79%	-0.87%
Polyester chemical fiber film	Labor wage	419,060,277.00	1.81%	243,245,412.13	1.34%	0.47%
Polyester chemical fiber film	Depreciation	362,780,023.72	1.57%	222,943,670.72	1.22%	0.35%
Polyester chemical fiber film	Energy	899,435,050.70	3.89%	736,617,398.02	4.05%	-0.16%
Polyester chemical fiber film	Other	418,484,310.51	1.81%	291,872,319.41	1.60%	0.21%
Total		23,136,513,191.87	100.00%	18,195,490,832.19	100.00%	

Notes: The raw material prices decreased year-over-year during the reporting period, while the fixed asset capitalization led to increased depreciation.

(6) Whether the scope of consolidation has changed during the reporting period

☑Yes □No

1.Increase in consolidation scope

Company name	Acquisition method	Date of equity acquisition
Zhejiang Shenghui New Materials Co., Ltd.	New establishment	March 27, 2025

Zhejiang Petrochemical New Materials (Zhoushan) Co., Ltd.	New establishment	October 20, 2025

2. Decrease in consolidation scope

Company name	Acquisition method	Date of disposal
Zhejiang Rongshen New Materials Co., Ltd.	Business deregistration	March 24, 2025
Zhejiang Shengcheng New Materials Co., Ltd.	Business deregistration	March 24, 2025
Zhejiang Huiyu New Materials Co., Ltd.	Business deregistration	March 24, 2025
Rongsheng Energy (Zhoushan) Co., Ltd.	Share sales	December 26, 2025

(7) Significant changes or adjustments to the Company's business, products or services during the reporting period

□ Applicable ☑ Not applicable

(8) Major sales customers and major suppliers

Major sales customers

Total sales amount of the top five customers (RMB)	106,719,148,024.24
Proportion of total sales amount of the top five customers in total annual sales	34.59%
Proportion of related party sales in total annual sales among the top five customers	3.30%

Top 5 customers of the Company

S/N	Customer	Sales amount (RMB)	Proportion in total annual sales
1	Customer 1	49,197,671,544.80	15.94%
2	Customer 2	18,573,151,198.22	6.02%
3	Customer 3	13,598,212,729.89	4.41%
4	Customer 4	12,953,215,176.34	4.20%
5	Customer 5	12,396,897,374.99	4.02%
Total	--	106,719,148,024.24	34.59%

Other information of major customers

□ Applicable ☑ Not applicable

Major suppliers

Total purchase amount of the top five suppliers (RMB)	166,053,780,714.06
Proportion of total purchase amount of the top five suppliers in total annual purchase amount	57.29%
Proportion of related party purchase amount in total annual purchase amount of the top five suppliers	37.93%

Top 5 suppliers of the Company

S/N	Supplier	Purchase amount (RMB)	Proportion in total annual purchase amount
1	Supplier 1	100,791,083,032.26	34.77%

2	Supplier 2	29,102,648,479.51	10.04%
3	Supplier 3	19,497,154,103.55	6.73%
4	Supplier 4	9,164,517,386.96	3.16%
5	Supplier 5	7,498,377,711.78	2.59%
Total	--	166,053,780,714.06	57.29%

Other information of major suppliers

□ Applicable ☑ Not applicable

During the reporting period, the company's trading business revenue accounted for more than 10% of its operating revenue.

□ Applicable ☑ Not applicable

3. Expenses

Unit: RMB

	2025	2024	Year-on-year increase (decrease)	Description of major changes
Sales expenses	192,006,678.56	193,112,300.81	-0.57%	
Administrative expenses	987,716,003.24	976,713,694.79	1.13%	
Financial expenses	5,617,068,173.04	7,131,339,847.35	-21.23%	
R&D expenses	4,989,246,863.51	5,101,483,285.60	-2.20%	

4. R&D investment

☑Applicable □ Not applicable

Name of main R&D projects	Project purpose	Project progress	Objectives to be achieved	Expected impact on the company's future development
Development of Stoichiometric Combustion Optimization Technology for Heating Furnaces	This project achieves precise control of the heating furnace air supply system by rapidly detecting CO in the flue gas and converting the detection results into real-time simulated control signals to regulate the frequency of the blower motor.	The project has been implemented.	Oxygen content in the F2401 furnace $\leq$ 1.5% vol.	Conserve energy and reduce consumption, and improve the company's economic benefits.
Development of Tray Technology Adapted to High Liquid-Gas Ratio and Large Liquid Volume Conditions	Based on the feed rate and operating conditions of the raffinate tower, and on the premise of ensuring that the top and bottom extraction quality meets the indicators without changing the original tower thermal load, this project develops a tray adapted to high liquid-gas ratio and large liquid volume conditions by optimizing the tray structure and combining the characteristics of sieve holes and float valves.	The project has been implemented.	Improve separation precision under unchanged operating conditions.	Improve the product quality of the tower.
Development of Technology to Reduce Corrosion in PSA Vacuum Pump Outlet Pipelines	This project aims to reduce the corrosion rate of the vacuum pump by adding a set of acid-base neutralizing agent injection equipment at the inlet of the pre-adsorption vacuum system to adjust the acidic environment inside the vacuum pump chamber to a near-neutral environment.	The project has been implemented.	Adjust the acidic environment in the pre-adsorption vacuum pump chamber to a near-neutral environment.	Reduce equipment corrosion, extend equipment service life, and indirectly create benefits.
Low-temperature Waste Heat Recovery and Utilization Technology for Disproportionation Reaction Products	The disproportionation reaction products of the unit still remain at approximately 130°C after heat exchange with the feed via a tube-wound heat exchanger, and are subsequently cooled to 45°C by high-efficiency wet air coolers, consuming approximately 2.52×10^6 kWh of electricity annually and losing approximately 40MW of heat. This project	Under implementation.	Recover more than 20 MW of heat.	To save energy and improve energy utilization efficiency.

	aims to conduct material heat exchange or produce high-quality steam through energy conversion.			
Joint Development and Industrialization Application Research of 10,000 t/a POE	(1) Complete process package development; (2) Complete engineering design, equipment/pipeline installation, and unit handover; (3) Complete PSSR acceptance of the new project, conduct joint trial runs, and initiate material feeding and startup.	1. Technical agreement for the RTO furnace signed; 2. Completed basic design review for the 10,000 t/a POE project; 3. Completed technical negotiations, signing of technical agreements, and vendor drawing reviews for 11 categories of process equipment; 4. Completed technical exchanges and signing of technical agreements for 10 types of startup chemicals/catalysts, and established the auxiliary materials ledger.	POE production reaches 10,000 tons/year.	Enrich the company's product variety, increase product added value, and enhance market competitiveness.
Development of Precision Separation Technology for C10 in Coal-to-Diesel Fraction Oil	(1) Resource potential analysis for reforming feedstock; (2) Economic efficiency analysis of overall process optimization; (3) Research on the feasibility of C10/C11 precision separation, obtaining baseline operating parameters of the fractionation tower through pilot and semi-pilot experiments, to form a process data package that meets the design requirements of two million- (4) Achievement of industrial application.	Project implemented	Complete the feasibility study on narrow-cutting of the C10 component in coal-to-diesel fraction; form a work report on the optimization of C10 narrow-cutting and vacuum rectification operating parameters; achieve a breakthrough in key technologies for continuous vacuum precision distillation and separation of C10 components.	Improve fuel purity and optimize product quality.
Long-cycle Operation Research of Reforming Regenerative Lock Hopper System	1) Research and upgrade the application mechanism of pan valves; 2) Conduct structural research and surveys on ball valves; 3) Introduce and test other types of valves for comparative performance analysis.	1. Continue to observe the application effect of ball valves; 2. Prepare materials for project closure.	Achieve long-cycle operation of the regenerative lock hopper system to ensure the safe and stable operation of the unit.	Extend equipment life and reduce maintenance costs.
Localization Exploration of Rotary Valve Rotor Plate Gaskets and Maintenance	1. Damage cause analysis; 2. Research on gasket material, hardness, density, expansion, edge shrinkage, and flatness; 3. Optimization of the	One localized gasket has been put into online operation in the 3#	Save approximately 20,000 tons of PX loss; the unit price of localized gaskets is RMB 300,000/piece lower than imported ones; save maintenance costs;	Realize domestic substitution and reduce

	fixation method between the gaskets and the rotor plate.	Aromatics unit; the other two gaskets are temporarily stored in the Materials Department.	total estimated savings: RMB 14.9 million/time.	procurement costs.
Operating Cycle Research for Ultra-Selective Cracking Furnace of 3# Ethylene Unit	1. Research on optimizing decoking steps to completely remove the coke layer inside furnace tubes and reduce residual coke precursors; 2. Optimization of furnace feeding by reducing COT fluctuations and increasing dilution steam during the early feeding stage to extend the operating cycle.	Project implemented	1. The average operating cycle of the 3# Ethylene liquid-phase furnace is increased by 15–20 days; 2. The comprehensive energy consumption of the unit is reduced by 2%.	Optimize cracking efficiency and increase ethylene yield.
Localization Research of Antistatic Agents for Spherizone Polypropylene Process	1. Implement technical transformation to separate the antistatic agent injection systems of two units for independent trials; 2. Prepare localized antistatic agent trial plans with risk assessments; 3. Complete trials; 4. Gradually increase usage based on operation; 5. Conduct long-cycle testing.	Mixed at 50% concentration with imported antistatic agents for long-cycle trial testing; operation is normal.	1. The polymerization reaction is stable using localized antistatic agents; 2. The annual consumption of antistatic agents is between 150–180 tons, and the cost of antistatic agents is expected to decrease by RMB 30,000–40,000 per ton.	Reduce import dependence and optimize production costs.
Process Flow Optimization Research for Triple Heat Exchanger in Dehydrogenation Unit of Styrene Plant	1. Research and analyze the causes of leakage in triple heat exchangers E-1201/E-2201; 2. Formulate feasible optimization technical plans; 3. Evaluate the operating cycle of the heat exchangers.	Operating stably after replacement; applying for project closure.	1. Triple heat exchanger feed temperature $\geq$ 120°C; 2. Operating cycle reaches 12 months; 3. Reduce losses caused by leakage: 75t/h * 24h * 15d * 0.05 * 2 = RMB 27 million.	Optimize the heat exchange process and improve energy utilization efficiency.
Research and Application of Process Optimization and Efficient, Low-carbon, Low-cost Grey Water Treatment Technology in Coal Gasification	(1) Industrial application schemes for grey water treatment and unit optimization; (2) Unit modification design and key equipment selection; (3) Equipment/material procurement and modification; (4) Industrial application trials to solve scale-up effects and optimize parameters to reduce ammonia nitrogen and hardness; (5) Long-cycle operation research; (6) Summary and acceptance.	Research on optimization schemes for coal gasification units and overall efficient, low-carbon, low-cost grey water treatment schemes was conducted; formulated technical plans for wastewater stream segregation, quality-based treatment, and online hardness/ammonia nitrogen removal; achieved pH optimization control via multi-functional high-efficiency	1. Submit 1 industrial application research report; form process optimization and efficient, low-carbon, low-cost grey water treatment technologies for coal gasification units; 2. Realize industrial application to solve technical problems in the production process of coal gasification and downstream sewage treatment units.	Reduce carbon emissions and realize green production.

		hardness removal agents.		
Development and Application of Process Package for 1.4 Mt/a PX Unit using Selective Toluene Disproportionation + PX Cryogenic Crystallization Combined Process	1. Research on selective disproportionation technology including conversion rates and catalyst parameters; 2. Research on overall feed composition and energy consumption for crystallization PX units; 3. Research on optimal data matching for the combined process.	The targets for this quarter were not met, primarily due to slow design progress and an overall lag in the schedule.	1. Shape-selective disproportionation conversion rate ≥30%; 2. Shape-selective disproportionation yield of benzene + C8 aromatics ≥93%; 3. Unit energy consumption ≤15kg standard oil/ton PX;	Break through technical barriers and achieve large-scale production.
Research on Optimized Control of NOx Emissions from Cracking Furnace Flue Gas	1. Analyze operational difficulties during startup, shutdown, feeding, and withdrawal to optimize operations; 2. Detect residual activity of spent catalysts and consider adjusting installation and manufacturing methods.	Under implementation	Extend catalyst service life by more than 1 year.	Reduce pollutant emissions and improve environmental protection levels.
Long-cycle Operation Research for Dilution Steam Generator E-1271 of Ethylene Unit	1. Research on process operations and parameters of process water and dilution steam systems; 2. Research on material and corrosion resistance of E-1271 tube bundle; 3. Research on chemical formula and dosing; 4. Research on impact of abnormal conditions (e.g., quench water emulsification).	Under implementation	No leakage occurs in the E-1271 tube bundle for 1 year.	Extend equipment operation cycles and reduce maintenance costs.
Optimization Research of the Shutdown Process of Ethylene Glycol Unit	To optimize the discharge of rich and lean absorption water to meet standards, reduce shutdown time, and advance the startup time of the unit.	1. Technical modification of the connection point completed; 2. Pipeline materials arrived and under pre-fabrication.	COD $\leq$ 800 mg/L.	Optimize shutdown processes and reduce resource waste.
Research on 0.2MpaG Steam Recovery Technology in Ethylene Glycol Unit	Add a backup refrigeration machine PK-6001D to ensure chilled water reaches 10°C during high-load summer operation, ensuring EO absorption effect and safe storage.	1. Installation of Lithium Bromide chiller and pipelines completed; 2. Unit operating normally after commissioning.	1. PK-6001 chilled water outlet temperature reaches 10°C; 2. C-3002 tail gas volume remains below 18 t/h; 3. 0.2 MpaG vent valve opening is zero.	Recover steam resources and reduce energy consumption.
Optimization Research for Extruder System of ABS Coagulation Unit	1. Add air hammers at the inlet; 2. Add heat tracing to fluidized bed horizontal pipe; 3. Individually vent die waste gas to washing tower; 4. Add air hammers and level switches at the outlet for bridging pre-warnings.	Under implementation	1. Whiteness is stably controlled at approximately 45; 2. Moisture is stably controlled at approximately 7%–10%.	Optimize dehydration efficiency and enhance product quality.

Research and Optimization of Anti-vortex Structure for Heating Furnace Manifolds in Large Continuous Reforming Units	Optimization of manifold structures to solve flow deviation and erosion problems caused by catalyst dust when processing capacity increases. CFD software (Fluent) is used for simulation to identify vortex-prone areas and optimize design for safe production.	1. Thickness measurement inspections on No. 1 and No. 2 Reforming units showed no obvious thinning in the new manifold; overall operation is good.	The annual thinning rate at the end of the heating furnace manifold is less than 5%.	Reduce corrosion and ensure safe production.
Adaptive Application and Tapping Potential of Momentum Inertia Micro-vortex Rectangular Float Tray	1. The debutanizer (1135-C-0403) of the 2# 3.5 Mt/a diesel hydrocracking unit was originally designed with 37 trays. In actual operation, due to high LPG yield, the debutanizer trays were overloaded, causing C5 in LPG before desulfurization and C4 in mixed naphtha at the bottom to exceed indicators. Changsha Boneng Technology Co., Ltd. was selected as the internals manufacturer through bidding. After simulation design, they completed manufacturing in January 2022, and the installation was completed during shutdown maintenance in April 2024. However, expected effects were not achieved after startup on May 1, 2024. Changsha Boneng fed back that the small tower diameter made it impossible to achieve the expected separation, providing no solution. From May to October 2024, the average C4 and lighter components in the bottom oil was 0.78wt% (pass rate 14.74%), and C5 and heavier components in LPG before desulfurization was 2.31%v (pass rate 76.40%), severely affecting product quality and downstream operation. 2. In actual production, increasing the reflux ratio to ensure top LPG indicators added load to gas-liquid phases and increased tray pressure drop, yet both LPG and mixed naphtha still could not qualify simultaneously. Prioritizing LPG qualification causes C4 in light naphtha of the 1# diesel hydrocracking unit to frequently exceed limits, restricting economy and affecting downstream production.	Completed modification of screw vacuum pump inlet filter; summarized modification effects based on pump operation and adsorption bed desorption parameters.	1. Precise cutting and separation of debutanizer top LPG and bottom oil; C5 content in LPG ≤ 3% (v/v), C4 content in bottom oil < 0.5% (v/v); 2. Improve the adaptability of debutanizer internals to unit load, feedstock properties, and product distribution while improving economy.	Improve separation precision and optimize product quality.

Technical Exploration to Reduce NOx Emission Concentration in Flue Gas of 2# Sulfur Recovery Combined Unit	NOx content in sulfur recovery flue gas currently exceeds new emission limits (100 mg/Nm³) set by the Ministry of Ecology and Environment effective Dec 31, 2025, requiring modifications for environmental compliance.	Scientific research project closure summary has been completed.	1. Expected results: (1) Under furnace temperature of 600–750°C, NOx in flue gas $\leq$ 40 mg/Nm³ (3% O2, dry basis); target value: NOx $\leq$ 25 mg/Nm³; (2) Form a complete set of technologies with independent IP; (3) Train a group of sulfur engineering technical and management personnel; (4) Contribute to national environmental protection; (5) Apply for 1 invention patent and publish at least 1 journal paper.	Meet new environmental regulations and reduce pollution.
Promoting Purified Water Reuse and Harmless Treatment of Electrodialysis Wastewater for Acid Water Stripping Unit — Building a Benchmark for Water-Saving Enterprises	(1) Improvement of stripped water reuse rate (current 50-60%) to meet GB/T 26926-2011 requirement ($\geq$ 60%). (2) Harmless treatment and cost reduction for high-concentration electrodialysis wastewater (COD 100,000–200,000 mg/L) containing MDEA and heat-stable salts. (3) Process adjustments for quality-based sewage treatment.	Completed installation and commissioning of thermodynamic steam traps.	Economic benefit: 52.56 * 7.35 + 400 = RMB 7.8579 million. Net economic benefit: total investment of RMB 2.5 million; investment of RMB 250,000/year; 10-year economic benefit: 52.56 * 7.35 * 10 + 400 = RMB 42.6316 million; annual net economic benefit: 4263.16/10 - 25 = RMB 4.01316 million. Annual ROI: 401.316/25 * 100% = 1605.26%.	Improve reuse rates and reduce treatment costs.
Development and Application of the First Set of Domestically Produced Three-Phase Five-Channel Multi-Slurry Combustion Technology	Solving the issue of short burner operating cycles and cooling water jacket leaks in the 2# oil residue hydrogen production unit using diverse feedstocks (EST residue, catalytic slurry, tars, etc.) to ensure long-term system stability.	Completed nitrogen content analysis of key products under a 14% blending ratio of slurry bed hydrogenated wax oil.	The burner operating cycle reaches 150 days to meet the requirements of multi-slurry operation.	Extend burner cycles and ensure stable operation.
Application of Directional Cracking Technology for Five-Membered Ring Non-Basic Nitrogen in Heavy Slurry Bed Hydrogenated Wax Oil	Summary and analysis of non-basic nitride cracking (which reacts slower than basic nitrogen) to accumulate data and ensure that product nitrogen content meets standards during the processing of slurry bed wax oil.	1. Feedstock-specific yield and lab data collection completed; 2. SNRU adsorbent operation tests at different ratios completed; 3. Adjustment of stabilizer and reaction system parameters completed.	Meet the 41% heavy naphtha yield requirement to provide feedstock for the startup of the 5# Reforming unit.	Optimize processing routes and improve yield.
Research on Corrosion Prevention and Control Strategies for Soot Blower Steam System of High-Sulfur Catalytic Flue Gas Waste Heat Boiler	Addressing severe dew point corrosion in soot blower steam lines caused by high-sulfur flue gas backflow in the 2# VGO Catalytic Cracking Unit to reduce maintenance costs and ensure stable production.	1. Implemented HC reactor cut-off scheme and collected LC reactor data for comparison; 2. Identified existing issues.	When the soot blower is stopped, the lift valve inner leak gas does not backflow, eliminating flue gas dew point corrosion, reducing the steam pipeline corrosion rate, extending the cycle, and improving the soot blowing effect.	Reduce maintenance costs and extend life.

Practice of "Atomic Scissors" Technology for Cracking Asphaltene Flocculation and Sludge-type Exothermic Runaway	Addressing over-temperature in the internal LOW ring of 1# and 2# slurry bed reactors to resolve high-load operation stability issues and extend operating cycles beyond one year.	1. R1520S catalyst reduction completed and put into use; 2. Reactor inlet temperature reduced to 31–33°C.	The unit will not be affected by reactor over-temperature, ensuring long-cycle, high-load, and stable operation.	Prevent over-temperature and extend operation cycles.
Long-cycle Operation Research for Carbon Three Hydrogenation Reactor of 3# Ethylene Unit	1) Managing R1520A reactor operating 18 months beyond performance guarantee; 2) Handling higher feed flow and MAPD levels than design; 3) Researching operations at the end of catalyst life to optimize MAPD compliance and propylene yield.	Completed E-1211B heat exchanger cut-out maintenance; quench oil system is operating normally; E-1260 maintenance deferred after assessment.	1. Long-cycle operation summary report; 2. Meet the high-load, long-cycle stable operation requirements of the 3# Ethylene unit.	Optimize catalysts and increase propylene yield.
Localization Research of 2426H Additives for 1# LDPE Unit	Improving product competitiveness and reducing costs by localizing slip and antiblock agents for 2426H film-grade LDPE without changing product performance.	First trial production completed June 16–18; manufacturer currently conducting trials.	1. Save manual additive costs; 2. Save equipment operating costs; 3. Reduce energy consumption during production.	Reduce investment and improve efficiency.
Development and Application of New Roller Sleeves for Spring-Loaded Coal Pulverizers	Traditional spring-loaded coal pulverizers have the following drawbacks: 1. Utilizing a conical roller sleeve and flat disc liner structure, resulting in a small grinding area and low efficiency; 2. The nozzle structure adopts a common dynamic and static ring form, and the internal annular sealed air duct and cylinder are severely worn due to uneven wind fields, leading to a short maintenance cycle; 3. The dynamic and static rings are integrally cast with 50Mn2, and can only be replaced entirely after erosion and wear, making maintenance inconvenient and costly; 4. The base seal adopts a single-chamber vertical gap seal with mediocre sealing performance, which easily causes air and powder leakage, affecting the workshop environment and causing energy waste.		1. Achieve efficient and stable operation of the coal pulverizer; 2. Publish one paper.	Extend maintenance cycles and reduce costs.
Adaptability Optimization Research for Burner System of Gas-Fired Waste Heat Boiler	Addressing frequent flame-out, vibration, and collapse issues in burners to restore ultra-high pressure steam production capacity.	1. Water/Acid Commissioning: On July 10, after the sea pipeline of the 5# circulating water plant was cleared, the circulating water was put	Annual benefit of RMB 7.68 million (Calculated as: 30*8000*192-6000*8000*0.8, where steam output is 30t/h, low-pressure syngas consumption is 6000m³/h, annual utilization hours are 8000, steam price is 192 RMB/t, and syngas price is 0.8 RMB/m³).	Restore steam production capacity and increase benefits.

		into use, making the unit ready for water commissioning. On July 25, the acetic acid unit began acid commissioning 2. Successful first material feeding (Aug 18); 3. Reaching 80% load: On September 12, the load of the acetic acid unit was raised to 80%, producing over 20,000 tons of acetic acid during this trial run. All product indicators met or exceeded national standard requirements, successfully accomplishing the trial run objectives; 4. Node-based data collection performed.		

R&D personnel of the Company

Item	2025	2024	Change
Number of R&D personnel (counts)	3,461	3,842	-9.92%
Proportion of R&D personnel	17.44%	20.14%	-2.70%
Educational structure of R&D personnel			
Bachelor's Degree	2,133	1,986	7.40%
Master's Degree	99	96	3.13%
Doctor's Degree	8	5	60.00%
Below Bachelor's degree	1,221	1,755	-30.43%
Composition of R&D personnel by ages			
30 years old and below	305	408	-25.25%
30 to 40 years old	2,012	2,285	-11.95%
Above 40 years old	1,144	1,149	-0.44%

R&D investment of the Company

Item	2025	2024	Change
R&D investment (RMB)	4,989,246,863.51	5,101,483,285.60	-2.20%
Proportion of R&D investment in operating revenue	1.62%	1.56%	0.06%
Capitalized amount of R&D investment (RMB)	0.00	0.00	0.00%
Proportion of capitalized R&D investment in R&D investment	0.00%	0.00%	0.00%

Reasons for and effects of significant changes in the composition of the Company's R&D personnel

□ Applicable ☑ Not applicable

Reasons for significant changes in the proportion of total R&D investment amount in operating revenue compared with the previous year

□ Applicable ☑ Not applicable

Reasons for the great changes of R&D investment capitalization rate and description of its rationality

□ Applicable ☑ Not applicable

5. Cash flow

Unit: RMB

Item	2025	2024	Year-on-year increase (decrease)
Subtotal of cash inflow from operating activities	361,132,429,689.07	384,219,250,887.30	-6.01%
Subtotal of cash outflow from operating activities	315,725,962,270.46	349,610,124,282.42	-9.69%
Net cash flow from operating activities	45,406,467,418.61	34,609,126,604.88	31.20%
Subtotal of cash inflow from investment activities	4,899,234,024.51	3,993,648,376.29	22.68%
Subtotal of cash outflow from investment activities	47,042,815,739.28	35,249,529,611.29	33.46%
Net cash flow from investment activities	-42,143,581,714.77	-31,255,881,235.00	-34.83%

Subtotal of cash inflow from financing activities	146,428,439,833.60	149,236,865,336.65	-1.88%
Subtotal of cash outflow from financing activities	149,709,532,580.81	150,925,150,107.33	-0.81%
Net cash flow from financing activities	-3,281,092,747.21	-1,688,284,770.68	-90.32%
Net increase in cash and cash equivalents	-74,834,462.01	1,456,977,237.93	-105.14%

Description of main influencing factors of significant year-on-year changes in relevant data

☑Applicable □ Not applicable

The company's net cash flow from operating activities this year was RMB 45.406 billion, with a relatively large increase compared to the previous year, mainly due to changes in net cash receipts from purchases and sales.

The company's net cash flow from investing activities this year was -RMB 42.144 billion, with a relatively large decrease compared to the previous year, mainly due to changes in expenditures on the acquisition and construction of long-term assets.

The company's net cash flow from financing activities this year was -RMB 3.281 billion, with a relatively large decrease compared to the previous year, mainly due to changes in the company's borrowings.

Reasons for the significant difference between the net cash flow generated by the Company’s operating activities and the annual net profit during the reporting period:

☑Applicable □ Not applicable

The reasons for the significant difference between the cash flow generated by the Company’s operating activities and the annual net profit during the reporting period are detailed in the supplementary information of the cash flow statement in the Company’s annual audit report.

V. Non-core business analysis

☑Applicable □ Not applicable

Unit: RMB

Item	Amount	Proportion in total profit	Cause description	Whether it is sustainable
Investment income	717,293,296.00	21.80%	Mainly investment income from disposal of financial assets	No
Profit (loss) from fair value change	-412,236,801.77	-12.53%	Mainly due to changes in changes in paper futures contracts.	No
Asset impairment	-219,644,919.91	-6.68%	Mainly due to the provision for inventory depreciation.	No
Non-operating income	6,845,936.52	0.21%	Mainly due to carbon emission rights revenue	No
Non-operating expenses	57,252,161.46	1.74%	Mainly due to losses from damage to or scrapping of non-current assets	No
Income from asset disposal	25,060,957.68	0.76%	Mainly due to the disposal of non-current assets	No
Other income	1,256,727,225.03	38.20%	Mainly due to preferential policies for value-added tax deduction for advanced manufacturing enterprises	Yes
Credit impairment loss	240,862,048.32	7.32%	Mainly due to the provision for doubtful accounts receivable.	No

VI. Analysis of assets and liabilities

1. Significant changes in asset composition

Unit: RMB

Item	At the end of 2025		At the beginning of 2025		Increase (decrease) of proportion
	Amount	Proportion in total assets	Amount	Proportion in total assets	
Monetary fund	13,499,669,478.84	3.49%	14,833,384,920.45	3.93%	-0.44%
Accounts receivable	3,169,305,362.31	0.82%	6,821,971,706.36	1.81%	-0.99%
Inventory	33,576,127,180.92	8.68%	44,566,934,616.59	11.80%	-3.12%
Investment real estate	9,852,682.60	0.00%	10,124,128.60	0.00%	0.00%
Long-term equity investment	9,764,207,212.23	2.53%	9,516,636,321.17	2.52%	0.01%
Fixed assets	259,757,528,525.39	67.18%	232,497,113,015.70	61.53%	5.65%
Construction in progress	37,854,167,659.20	9.79%	44,036,132,096.28	11.65%	-1.86%
Right-of-use assets	27,062,072.00	0.01%	176,237,821.55	0.05%	-0.04%
Short-term borrowings	50,196,656,887.59	12.98%	44,090,969,803.23	11.67%	1.31%
Contract liabilities	4,083,450,306.60	1.06%	5,995,580,462.05	1.59%	-0.53%
Long-term borrowings	122,459,201,307.70	31.67%	119,518,340,862.41	31.63%	0.04%
Lease liabilities			171,624,458.34	0.05%	-0.05%
Non-current liabilities due within one year	35,466,338,269.58	9.17%	38,322,495,216.94	10.14%	-0.97%

Overseas assets account for a relatively high proportion

□ Applicable ☑ Not applicable

2. Assets and liabilities measured at fair value

☑Applicable □ Not applicable

Unit: RMB

Item	Amount at the beginning of the period	Profit and loss from changes in fair value for the period	Accumulated fair value changes recognized in equity	Impairment accrued in the current period	Purchase amount in the current period	Sales amount in the current period	Other changes	Amount by the end of the period

Financial assets								
Trading financial assets(excluding derivative financial assets)								
Derivative financial assets	475,766,685.17							278,828,802.69
Total financial assets	475,766,685.17							278,828,802.69
Total	475,766,685.17							278,828,802.69
Financial liabilities	1,303,911,939.76							254,957,356.99

Contents of other changes

Whether there are any significant changes in the measurement attributes of the Company's major assets during the reporting period

□ Yes ☑ No

3. Restrictions on rights of assets as of the end of the reporting period

Item	Carrying amount at the end of 2025 (RMB)	Reasons for restrictions
Monetary fund	630,671,605.40	Letter of credit, bank acceptance bill, guarantees, loans, ETC deposits and funds frozen for legal execution
Fixed assets	294,762,945,671.06	Collateral for borrowings and letters of credit
Construction in progress	14,296,159,065.39	Collateral for borrowings and letters of credit
Intangible assets	6,136,663,087.37	Collateral for borrowings and letters of credit
Total	315826,439,429.22	

VII. Analysis of investment

1. Overall situation

☑ Applicable □Not applicable

Investment amount during the reporting period (RMB)	Investment amount in the same period of the previous year (RMB)	Change
9,764,207,212.23	9,516,636,321.17	2.60%

2. Significant equity investments acquired during the reporting period

□ Applicable ☑ Not applicable

3. Major ongoing non-equity investments during the reporting period

□ Applicable ☑ Not applicable

4. Investment in financial assets

(1) Securities investment

□ Applicable ☑ Not applicable

The Company had no securities investment during the reporting period.

(2) Investment in derivatives

☑Applicable □ Not applicable

1) Derivative investments for hedging purposes during the reporting period

☑Applicable □ Not applicable

Unit:RMB 10,000

Type of derivative investment	Initial Investment Amount	Beginning Balance	Gains or Losses from Changes in Fair Value During the Period	Cumulative Changes in Fair Value Recognized in Equity	Purchases During the Reporting Period	Sales During the Reporting Period	Ending Balance	Percentage of Investments at the End of the Period to the Company's Net Assets at the End of the Reporting Period
Forward foreign exchange contracts		42,018.03	-9,395.34				23,158.3	0.53%
Paper futures contracts		2,093.10	-20,771.15				-20,771.15	-0.48%
Total		44,111.13	-30,166.49				2,387.15	0.05%
Explanation of accounting policies and specific accounting principles for hedging activities during the reporting period, and whether there have been any significant changes	No							

compared to the previous reporting period	
Explanation of actual profit and loss during the reporting period	The Company's actual investment income during the reporting period was RMB -221.6592 million
Explanation of hedging effectiveness	N/A
Sources of funds for derivatives investment	self-owned funds
Risk analysis and control measures for derivative positions held during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, and legal risk).	(I) Risk Analysis of Commodity Futures Hedging Business 1. Risk of Abnormal Price Fluctuations: In theory, the future market price and spot market price of various trading varieties should converge during the delivery period. However, under extreme and irrational market conditions, there is a possibility that these prices may fail to converge, which could impact the Company's hedging schemes or even result in losses. 2. Liquidity Risk: If the amount of capital invested in future trading is excessive, it may lead to capital liquidity risks, and actual losses may occur due to forced liquidation if margins are not supplemented in a timely manner. Additionally, future trading may face liquidity risks if transactions are difficult to execute due to inactive market trading. 3. Operational Risk: As future trading is highly professional and complex, there is a possibility of unexpected losses caused by deficiencies in information systems or internal control mechanisms. 4. Credit Risk: When price fluctuations are significantly unfavorable to a counterparty, the counterparty may violate contract provisions or cancel the contract, leading to losses for the Company. 5. Legal Risk: Changes in relevant legal systems or violations of legal systems by counterparties may result in the failure to execute contracts normally, bringing losses to the Company. (II) Risk Control Measures for Commodity Futures Hedging Business 1. Matching Hedging with Operations: The Company matches its future hedging business with its operating activities to offset price fluctuation risks. Hedging activities are strictly limited to future varieties related to the raw materials or products required for the Company's business operations. 2. Capital Scale and Margin Control: The Company strictly controls the scale of capital used for hedging and plans the use of margins reasonably. Design principles and specific approval authorities for hedging schemes have been established. Hedging activities are conducted solely for the purpose of avoiding commodity price risks and do not involve speculation or arbitrage. The volume of hedging shall not exceed the actual physical transaction volume, and the future positions held shall not exceed the physical volume being hedged. 3. Management Systems: In accordance with the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange and other relevant regulations, the Company has formulated the Commodity Futures Hedging Management System to manage future operations, thereby minimizing operational risks caused by system imperfections or improper procedures. 4. IT Infrastructure: The Company has established compliant computer systems and related facilities to ensure the normal operation of trading activities. In the event of a malfunction, timely response measures are taken to mitigate losses. (III) Risk Analysis of Foreign Exchange Derivative Trading Business 1. Market Risk: If exchange rate or interest rate trends deviate significantly from the Company's expectations, the cost incurred after locking in the rates may exceed the cost if the rates had not been locked, resulting in potential losses. 2. Internal Control Risk: FX derivative trading is highly professional and complex, and risks may arise from inadequate internal control mechanisms. 3. Counterparty Default Risk: Delays in recovering accounts receivable from customers or postponements in payments to suppliers may affect the Company's cash flow, causing the actual cash flow to mismatch the term or amount of the

	executed FX derivative transactions. 4. Collection Forecast Risk: The Company forecasts payments and collections based on purchase orders, customer orders, and projected orders. During actual execution, suppliers or customers may adjust their orders or forecasts, leading to inaccurate collection forecasts and risks of delayed delivery for executed FX derivative transactions. 5. Legal Risk: Changes in relevant laws or violations of legal systems by counterparties may cause contracts to fail to execute normally, resulting in losses for the Company. (IV) Risk Control Measures for FX Derivative Trading Business 1. Operational Principles: The Company has formulated the Foreign Exchange Derivative Trading Management System, which stipulates that the Company shall not engage in FX derivative trading for speculative purposes. All transactions must be based on normal production and operations, relying on specific business activities, and aimed at avoiding and preventing exchange rate or interest rate risks. The system clearly defines operational principles, approval authorities, internal audit processes, responsible departments/personnel, information isolation measures, internal risk reporting, and risk handling procedures. 2. Tiered Management: The Company's Treasury Department and Audit Department have clear management positionings and responsibilities, with accountability assigned to specific individuals. Through tiered management, the risk of individual or single-department operations is eliminated fundamentally, while the response speed to risks is improved under effective risk control. 3. Institutional Cooperation: The Company carries out FX derivative trading with large commercial banks that possess legal qualifications. It closely tracks relevant laws and regulations to mitigate potential legal risks.
For invested derivatives, the report should detail changes in market prices or fair value of the products during the reporting period. The analysis of the fair value of derivatives should disclose the specific methods used and the setting of relevant assumptions and parameters.	The Company account hedging investments at fair value, and forward foreign exchange is determined based on prices provided or obtained by banks and other pricing service institutions. The Company conducts fair value measurement and confirmation every month; the transaction price of futures is at fair value.
Litigation status (if applicable)	N/A
Date of Board Announcement Disclosure for Derivatives	April 25, 2025

Investment Approval (if any)	
Date of General Meeting of Shareholders Announcement Disclosure for Derivatives Investment Approval (if any)	May 17, 2025

2) Derivative investments for speculative purposes during the reporting period

□ Applicable ☑ Not applicable

The Company did not conduct derivative investment for speculative purposes during the reporting period.

VIII. Sales of Major Assets and Equities

1. Sales of major assets

□ Applicable ☑ Not applicable

The Company did not sell any major assets during the reporting period.

2. Sale of major equities

☑ Applicable □Not applicable

Counterparty	Equity Sold	Date of sales	Transaction Price (RMB 10,000)	Net Profit Contributed to the Listed Company by the Equity from the Beginning of the Period to the Sale Date (RMB 10,000)	Impact of the Sale on the Company	Proportion of Net Profit Contributed to the Listed Company by the Equity Sale to Total Net Profit	Pricing Principles for the Equity Sale	Whether if this was a Related-Party Transaction	Relationship with the Counterparty	Has all the equity involved been transferred?	Whether it was implemented as planned; if not, the reasons and measures taken by the company should be explained.	Disclosure Date	Disclosure Index
Rongsheng Holdings	Rongsheng Energy (Zhoushan) 100% Equity	December 26, 2025	50,824.1	-161.38	More Focused Company Strategy	1.00%	Asset Valuation (Asset-Based Approach)	Yes	Controlling Shareholder	Yes	Yes	December 9, 2025	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1224860006&announcementTime=2025-12-09

IX. Analysis of Main Holding and Joint-stock Companies

Main subsidiaries and joint-stock companies affecting more than 10% of the Company’s net profit

Unit: RMB

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Zhejiang Petroleum & Chemical Co., Ltd.	Subsidiary	Production, sales, storage and transportation of petroleum products, etc.	RMB55,800,000,000	29,441,841.57	10,029,731.76	23,759,453.70	580,429.87	530,819.82
Ningbo Zhongjin Petrochemical Co., Ltd.	Subsidiary	Production and sales of chemical products and petroleum products	RMB6,000,000,000	2,858,125.03	430,411.82	2,004,221.69	-155,615.81	-131,697.16
Dalian Yisheng Investment Co., Ltd.	Subsidiary	Project investment, domestic trade, import and export of goods	RMB 2,018,000,000	1,512,590.96	732,949.99	2,210,089.06	-28,861.44	-19,362.87
Yisheng Dahua Petrochemical Co., Ltd.	Subsidiary	Production and sales of PTA and polyester bottle chips	RMB2,456,450,000	1,345,023.63	565,474.71	2,210,089.06	-26,315.05	-16,805.71
Zhejiang Yisheng New Materials Co., Ltd.	Subsidiary	Production and sales of PTA	RMB3,000,000,000	1,047,655.62	144,866.06	2,823,988.65	-42,738.59	-33,159.57
Zhejiang Yisheng Petrochemical Co., Ltd.	Joint-stock company	Production and sales of PTA and PIA	USD 514,447,100	2,018,111.45	919,834.21	1,211,077.21	-1,567.34	389.69
Hainan Yisheng Petrochemical Co., Ltd.	Joint-stock company	Production and sales of PTA and polyester bottle chips	RMB4,580,000,000	2,039,841.36	682,942.87	2,547,439.62	-8,529.35	-5,929.06
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	Subsidiary	Production and sales of polyester chips and polyester filaments	RMB2,000,000,000	879,442.00	211,061.94	691,925.57	-4,046.75	-1,310.72

Acquisition and disposal of subsidiaries during the reporting period

☑Applicable □ Not applicable

Company name	Acquisition and disposal methods during the reporting period	Impact on overall production, operation and performance
Zhejiang Shenghui New Materials Co., Ltd.	New establishment	No significant impact
Zhejiang Petrochemical New Materials (Zhoushan) Co., Ltd.	New establishment	No significant impact
Zhejiang Rongshen New Materials Co., Ltd.	Industrial and commercial deregistration	No significant impact
Zhejiang Shengcheng New Materials Co., Ltd.	Industrial and commercial deregistration	No significant impact
Zhejiang Huiyu New Materials Co., Ltd.	Industrial and commercial deregistration	No significant impact
Rongsheng Energy (Zhoushan) Co., Ltd.	Share sales	No significant impact

Description of major holding companies and joint-stock companies

(1) Zhejiang Petroleum & Chemical Co., Ltd.

Zhejiang Petroleum & Chemical Co., Ltd. is the implementation entity of the Company's 40 million tons/year refining and chemical integration project, primarily engaged in the production, sales, storage, and transportation of petroleum products. With Li Shuirong as its legal representative and a registered capital of RMB 55,800 million, it is a holding subsidiary of the Company. As of the end of 2025, the company had total assets of RMB 294,418.42 million and net assets of RMB 100,297.32 million. In 2025, it achieved an operating revenue of RMB 237,594.54 million and a net profit of RMB 5,308.20 million.

(2) Ningbo Zhongjin Petrochemical Co., Ltd.

Ningbo Zhongjin Petrochemical Co., Ltd. is primarily engaged in the storage of chemical products, as well as the wholesale and retail of chemical products and petroleum products (excluding hazardous chemicals). With Li Shuirong as its legal representative and a registered capital of RMB 6,000 million, it is a wholly-owned subsidiary of the Company. As of the end of 2025, the company had total assets of RMB 28,581.25 million and net assets of RMB 4,304.12 million. In 2025, it achieved an operating revenue of RMB 20,042.22 million and a net profit of RMB -1,316.97 million.

(3) Dalian Yisheng Investment Co., Ltd.

Dalian Yisheng Investment Co., Ltd. is primarily engaged in industrial investment, domestic trade, and the import and export of goods. With Li Shuirong as its legal representative and a registered capital of RMB 2,018 million, the Company holds 70% of its equity. As of the end of 2025, the company had total assets of RMB 15,125.91 million and net assets of RMB 7,329.50 million. In 2025, it achieved an operating revenue of RMB 22,100.89 million and a net profit of RMB -193.63 million.

(4) Yisheng Dahua Petrochemical Co., Ltd.

Yisheng Dahua Petrochemical Co., Ltd. is primarily engaged in the production and sales of PTA and polyester bottle chips, as well as the import and export of goods and domestic trade. With Li Shuirong as its legal representative and a registered capital of RMB 2,456.45 million. As of the end of 2025, the company had total assets of RMB 13,450.24 million and net assets of RMB 5,654.75 million. In 2025, it achieved an operating revenue of RMB 22,100.89 million and a net profit of RMB -168.06 million.

(5) Zhejiang Yisheng New Materials Co., Ltd.

Zhejiang Yisheng New Materials Co., Ltd. is primarily engaged in the production and sales of PTA. With Xu Baoyue as its legal representative and a registered capital of RMB 3,000 million, Ningbo Zhongjin Petrochemical

Co., Ltd. holds 51% of its equity. As of the end of 2025, the company had total assets of RMB 10,476.56 million and net assets of RMB 1,448.66 million. In 2025, it achieved an operating revenue of RMB 28,239.89 million and a net profit of RMB -331.60 million.

(6) Zhejiang Yisheng Petrochemical Co., Ltd.

Zhejiang Yisheng Petrochemical Co., Ltd. is primarily engaged in the production and sales of PTA and PIA. With Fang Xianshui as its legal representative and a registered capital of USD 514.4471 million, the Company holds a total of 30% of its equity. As of the end of 2025, the company had total assets of RMB 20,181.11 million and net assets of RMB 9,198.34 million. In 2025, it achieved an operating revenue of RMB 12,110.77 million and a net profit of RMB 3.90 million.

(7) Hainan Yisheng Petrochemical Co., Ltd.

Hainan Yisheng Petrochemical Co., Ltd. is an associate of Yisheng Investment (a holding subsidiary of the Company). It is primarily engaged in the production and sales of PTA and polyester bottle chips, and import/export business. With Fang Xianshui as its legal representative and a registered capital of RMB 4,580 million, Yisheng Investment holds 50% of its equity. As of the end of 2025, the company had total assets of RMB 20,398.41 million and net assets of RMB 6,829.43 million. In 2025, it achieved an operating revenue of RMB 25,474.40 million and a net profit of RMB -59.29 million.

(8) Zhejiang Shengyuan Chemical Fiber Co., Ltd.

Zhejiang Shengyuan Chemical Fiber Co., Ltd. is the implementation entity of the Company's multi-functional fiber technical transformation project, primarily engaged in the production and sales of polyester chips and polyester filaments. With Li Shuirong as its legal representative and a registered capital of RMB 2,000 million, it is a wholly-owned subsidiary of the Company. As of the end of 2025, the company had total assets of RMB 8,794.42 million and net assets of RMB 2,110.62 million. In 2025, it achieved an operating revenue of RMB 6,919.26 million and a net profit of RMB -13.11 million.

X. Structured Entities Controlled by the Company

□ Applicable ☑ Not applicable

XI. Prospect for the Company’s Future Development

The year of 2026 marks the commencement year of the "15th Five-Year Plan." The general approach for the Company's work is: to fully implement the New Development Philosophy, act upon the spirit of the Central Economic Work Conference, take "innovation-driven growth and efficiency enhancement" as the core of development, and strengthen the strategic mainlines of "technological leadership, green transformation, and global expansion." We will continue to build a high-end, intelligent, and green industrial chain system, accelerating our development into a world-class green petrochemical enterprise. For the full year, we will strive to achieve steady growth in operating revenue, continuous improvement in profit levels, and zero major safety production accidents. The following key areas will be our main focus:

(I) Business plan

1. Strengthening Strategic Leadership and Mapping the Blueprint for Long-term Development

Standing at a new stage of development, the Company will strengthen forward-looking strategic analysis and scientifically plan the development path for the "15th Five-Year Plan," ensuring that the Company's development direction resonates with national strategies. We will tighten the review and oversight of major investment projects to ensure that under-construction projects, such as Jintang New Materials and other high-end new material initiatives, align with the Company's long-term strategic orientation, strictly controlling investment risks and improving capital allocation efficiency. We will continue to deepen mutually beneficial cooperation with international strategic partners like Saudi Aramco, actively track investment and M&A opportunities for high-quality overseas projects, and steadily advance the layout of international production capacity to open new spaces for the Company's long-term growth.

2. Driving Innovative Breakthroughs and Cultivating Core Growth Engines

The Company will continue to increase the allocation of resources toward technological innovation, reviewing and supporting annual R&D investment plans to ensure that investment intensity remains at an industry-leading position. We will focus on key technological breakthroughs in frontier fields such as green and low-carbon technologies, clean energy, and high-performance materials, promoting the industrialization of innovative achievements from the laboratory. We will accelerate the construction of platforms such as innovation centers, improve the mechanism for transforming scientific and technological achievements, and provide solid support for the Company to cultivate new quality productive forces. At the same time, we will supervise the management to deepen digital transformation, empowering full-chain efficiency enhancement through intelligence.

3. Optimizing Capital Allocation and Enhancing Resource Integration Efficiency

The Company will fully leverage the role of the capital market as a platform, coordinating various tools such as equity and debt financing to optimize the capital structure and reduce comprehensive financing costs. We will strengthen investor relations management to enhance the Company's image and influence in the capital market. We will drive the functional upgrade of the Singapore trading platform to build a global network for raw material procurement and product sales, improving our international resource integration capabilities. We will prudently analyze market fluctuations in exchange rates and interest rates, utilizing financial derivatives to lock in risks and safeguard the Company's financial stability.

4. Strictly Upholding Safety and Environmental Bottom Lines, Promoting Green and Low-Carbon Development

The Company will deeply implement the "Dual Carbon" strategy, integrating sustainability concepts into our corporate strategy and daily operations. We will pursue continuous improvement against international advanced standards, striving to maintain our MSCI ESG rating at a leading level in China. We will urge the management to strictly fulfill their primary responsibility for production safety and deepen the construction of dual prevention mechanisms (risk control and hazard rectification). By safeguarding high-quality development with high-level safety, we will support the R&D and application of environmental technologies, driving the Company's transition toward a green, low-carbon model and setting a benchmark for green development in the industry.

5. Perfecting the Governance System, Fortifying the Barrier for Compliance and Risk Control

The Company will continue to refine its modern corporate governance system, promoting the efficient and standardized operation of the "Three Meetings and One Management" (General Meeting of Shareholders, the Board Meeting, Audit Committee Meeting, and Senior Management) to ensure scientific decision-making, strong execution, and effective supervision. In accordance with the requirements of the new Company Law, we will further strengthen the functions of the Audit Committee, building a comprehensive, authoritative, and efficient supervision system. We will improve risk monitoring and early warning mechanisms, focusing on preventing market risks, liquidity risks, and compliance risks to hold the bottom line against major risks. We will advance the construction of a compliance management system to ensure the Company's steady and sustained growth in both domestic and international markets.

6. Deepening the Talent Foundation, Stimulating Endogenous Growth Momentum

The Company will place its talent strategy in a more prominent position, promoting the refinement of a "Five-in-One" talent evaluation system and increasing efforts to attract and cultivate international and high-end professional talent. We will optimize compensation and incentive mechanisms and strengthen performance orientation, ensuring that those who strive are rewarded with key positions. We will vigorously promote the corporate spirit of "Integrity in Business, Pursuit of Excellence," advance corporate culture construction, and enhance team cohesion. We will improve the mechanism for the promotion and demotion of cadres, focusing on the selection and appointment of young leaders to reserve core strength for corporate longevity.

(II) Potential risks

1. Risk of raw material and product price fluctuations

As the Company operates within the crude oil industrial chain, its product costs are mainly composed of upstream raw material costs. Therefore, the fluctuation of crude oil prices will cause price fluctuations for products across the industrial chain. The Company's main products are oil products, aromatic hydrocarbons, olefins, and downstream chemicals, which are closely related to the national economy and people's livelihood. The industry development is highly correlated with the prosperity of the national economy, and macroeconomic changes will have a certain impact on the Company's performance. The Company's procurement, production, and sales teams possess rich experience in procurement, production, sales, hedging, and logistics. In coordination with the marketing department, the Company will closely monitor market changes and adhere to the combination of strategic procurement and opportunistic procurement. Furthermore, the Company will flexibly adjust the product structure and regulate the production load according to market demand, flexibly arrange long-term and short-term contracts, and strengthen sales management to mitigate the adverse impacts brought by raw material fluctuations.

2. Risk of foreign exchange rate fluctuations

The Company engages in overseas procurement and sales. As the business scale continues to expand, the sales and procurement amounts denominated in foreign currencies have increased accordingly. Meanwhile, the foreign exchange market is subject to various complex factors affecting exchange rate trends, presenting significant uncertainty. If the RMB exchange rate fluctuates sharply in the future, it may affect the Company's operating performance. Based on the characteristics of its foreign-related business and adhering to the principles of legality, prudence, safety, and effectiveness, the Company will carry out foreign exchange derivative trading business relying on specific operational activities to avoid and prevent exchange rate risks.

3. Risk of product overcapacity

With the expansion of domestic refining and chemical integration capacity and the promotion of the "reducing oil and increasing chemicals" strategy in recent years, some downstream basic chemical raw materials and general chemical products exhibit certain homogenization. Supported by a complete and refined industrial chain platform, the Company will remain at the left end of the industry cost curve in the future, thereby occupying a favorable position in market competition. On the other hand, many products within the new materials projects planned by the Company have limited domestic production capacity or rely entirely on imports. These are expected to form differentiated competitive advantages and bring excess returns to the Company.

4. Risk of project capital expenditure

The petrochemical industry is a capital-intensive industry characterized by large investment scales and long construction periods. Continuous large-scale capital investments may elevate the asset-liability ratio and trigger phased cash flow risks. In addition, if the industry is at the bottom of its cycle and downstream demand is sluggish, the return on project investment may fall short of expectations. Currently, the Company focuses on the layout of high-performance resins, high-end new materials, and the Jintang new materials project. The Company will continue to strictly control the pace of project investment and construction, adjust project contents closely following market dynamics, maintain a reasonable asset-liability ratio, and actively advance international cooperation opportunities to build a more competitive refining and chemical integration platform.

XII. Reception of research, communication, interview and other activities during the reporting period

☑Applicable □ Not applicable

Date	Reception place	Ways of reception	Object type	Reception object	Main contents discussed and materials provided	Basic information index of research
May 7, 2025	"Investor Relations Interactive Platform" of p5w.net	Online communication on network platform	Individual	Investor	Visit http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1223493210&announcementTime=2025-05-08%2015:12 for details	Visit http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1223493210&announcementTime=2025-05-08%2015:12 for details
August 26, 2025		Online communication on network platform	Individual	Investor	Visit http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1224590266&announcementTime=2025-08-27%2017:04 for details	Visit http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1224590266&announcementTime=2025-08-27%2017:04 for details

XIII. Formulation and Implementation of Market Value Management System and Valuation Promotion Plan

Whether the company has formulated a market value management system.

☑Yes □No

Whether the company has disclosed the valuation promotion plan.

□ Yes ☑ No

Market value management is a critical component of the Company's long-term development, which can enhance the Company's market competitiveness and investor confidence through scientific and effective management practices, thereby achieving sustained growth in corporate value. In order to strengthen market value management and improve investor returns, the Company has formulated the *Market Value Management System* in accordance with the *Securities Law of the People's Republic of China*, the *Guideline No. 10 for Supervision of Listed Companies - Market Value Management*, the *Rules Governing the Listing of Shares on Shenzhen Stock Exchange*, and other applicable laws, regulations, and regulatory documents, and in combination with its own actual business development. The *Proposal On the Formulation of the Market Value Management System* was reviewed and approved at the 22nd Meeting of the Sixth Board of Directors.

During the reporting period, the Company strictly followed the requirements of the *Market Value Management System*, taking information disclosure as the core, investor relations as the link, shareholder returns as the goal, and capital operation as the key to systematically promote market value management, continuously standardize market value management behavior, and constantly improve investment value and shareholder return levels, providing a solid guarantee for the company's high-quality and sustainable development.

XIV. Implementation of the action plan of "double improvement of quality and return"

Whether the Company has disclosed the action plan announcement of "double improvement of quality and return".

☑Yes □No

In order to implement the guiding ideology of "activating the capital market and boosting investors' confidence" put forward at the meeting of the Political Bureau of the CPC Central Committee on July 24, 2023, and "vigorously improving the quality and investment value of listed companies, taking more powerful and effective measures to focus on stabilizing the market and confidence" pointed out at the executive meeting of the State Council on January 22, 2024, and to earnestly protect the interests of all investors, the Company has formulated the action plan of "Double Improvement of Quality and Return" based on its confidence in the future development prospects and the recognition of the Company's stock value, which was disclosed on March 2, 2024. Details are as follows:

1. Insist on serving the country through industry and lead the development of the industry

Rongsheng Petrochemical is one of the leading global petrochemical enterprises. In 2026, it was ranked 5th in the "Chemicals 25" list of the world's most valuable chemical brands by Brand Finance, a well-known UK brand valuation consultancy. It also ranked 6th in the "Billion-Dollar Club" of global chemical companies by the US *Chemical Week* and 8th in the ICIS Top 100 Chemical Companies. The Company firmly implements the "vertical and horizontal strategy." It has established seven major production bases in the Bohai Economic Rim, the Yangtze River Delta Economic Circle, and the Hainan Belt and Road Economic Circle, forging five major industrial chains: polyester, engineering plastics, new energy, high-end polyolefin, and special rubber. It is one of the important producers of polyester, new energy materials, engineering plastics, and high value-added polyolefins in Asia, possessing the world's largest production capacities for chemicals such as PX and PTA.

On the basis of the existing complete industrial chain, the Company is actively deploying product projects related to new energy and new materials, with the proportion of related products continuously increasing. Meanwhile, the Company actively carries out its global layout. In 2023, the Company introduced Saudi Aramco as a strategic investor; currently, Saudi Aramco holds approximately 10% of the Company's shares through its wholly-owned subsidiary. At the beginning of 2024, the Company signed a *Memorandum of Understanding* with Saudi Aramco. Since the signing of the memorandum, Rongsheng Petrochemical and Saudi Aramco have actively advanced cooperation matters, successively signing documents such as the *Cooperation Framework Agreement*, the *Framework Agreement for Joint Development Agreement*, and the *Development Framework Agreement*. At present, both parties are engaging in further negotiations on the specific terms of joint investment to promote the realization of their strategic goals.

2. Attach importance to R&D investment and drive growth with innovation

The Company keeps up with the international technological frontier and continuously launches new technologies and products in clean energy, high-end materials, and green development. Adhering to the dual-driven R&D model of "independent innovation" and "open cooperation," the Company has built first-class R&D platforms such as a high-tech R&D center, an academician and expert workstation, an enterprise technology center, and a post-doctoral scientific research workstation. Concurrently, it actively engages in external technical exchanges and discussions, takes the initiative to promote industry-university-research integrated cooperation, and consolidates multiple resources from universities, society, and enterprises. Together, they enhance scientific research levels, promote technical progress, and jointly create an open, healthy, and mutually beneficial innovative development system.

3. Attach importance to shareholders' returns and share development achievements

While focusing on its own development, the Company also attaches great importance to shareholder returns.

To improve and perfect the Company's shareholder return mechanism and increase the transparency and operability of profit distribution policies, the Company has formulated and continuously updated the *Shareholder Return Plan for the Next Three Years* since its listing, in accordance with the *Company Law of the People's Republic of China*, the *Regulatory Guidelines for Listed Companies No. 3 - Cash Dividends of Listed Companies*, other laws, regulations, normative documents, and the *Articles of Association*. Up to now, the Company has paid cash dividends 15 times cumulatively, realizing a total cash dividend amount of RMB 9.4 billion. In the future, the Company will continue to coordinate the dynamic balance among corporate development, performance growth, and shareholder returns according to its development stage, striving to realize a "long-term, stable, and sustainable" shareholder value return mechanism.

4. Carry out repurchase by increasing holdings to boost market confidence

Based on confidence in the Company's future development prospects and recognition of its long-term value, and to safeguard the interests of the vast number of investors, especially small and medium-sized investors, enhance investor confidence, promote the reasonable return of the Company's stock price to its long-term intrinsic value, and foster the stable and sustainable development of the Company, the Company and its controlling shareholder, Rongsheng Holding, have actively carried out share repurchase and holding increase plans.

Since the Company first repurchased shares on March 29, 2022, it has implemented three phases of share repurchase schemes, all of which have been completed. The Company has cumulatively repurchased 553,232,858 shares, accounting for 5.4637% of the Company's current total share capital, with a total transaction amount of RMB 6,987,904,924.02 (excluding transaction fees). The Company held the 23rd Meeting of the 6th Board of Directors on April 24, 2025, and the 2024 Annual General Meeting on May 16, 2025, which reviewed and approved the *Proposal on the Cancellation of Partially Repurchased Shares, the Reduction of Registered Capital, and the Amendment of the "Articles of Association"*. It was agreed to cancel the shares from the first phase of repurchase and reduce the registered capital accordingly. The cancellation procedures for the aforementioned shares were completed at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on July 18, 2025. The details are as follows:

Repurchase	Repurchase period	Number of shares repurchased (shares)	Amount to be repurchased (RMB 100 million)	Repurchased amount (RMB)
Phase I (cancelled)	2022.3.29-2022.8.2	136,082,746	10-20	1,998,203,937.31
Phase II	2022.8.18-2023.7.27	147,862,706	10-20	1,989,986,431.34
Phase III	2023.8.28-2024.8.19	269,287,406	15-30	2,999,714,555.37
Total		**553,232,858**	-	**6,987,904,924.02**

The Company's controlling shareholder, Rongsheng Holding, implemented three holding increase plans from January 22, 2024, to September 30, 2025, all of which have been completed. It cumulatively increased its holdings by 289,064,301 shares, accounting for 2.89% of the Company's current total share capital, with a total increase amount of approximately RMB 2,705.4922 million. The details are as follows:

Share increase items	Share increase period	Number of shares increased (shares)	Amount to be increased (RMB 100 million)	Amount increased (RMB 10,000)
Phase I	2024.1.22-2024.7.18	115,530,037	10-20	118,805.82
Phase II	2024.8.21-2025.2.20	56,892,217	5-10	50,487.35
Phase III	2025.4.8-2025.9.30	116,642,047	10-20	101,256.05
Total		**289,064,301**	-	**270,549.22**

5. Standardize corporate governance and deliver corporate value

The Company strictly complies with the requirements of relevant laws and regulations, continuously improves its corporate governance structure, establishes and enhances its internal control system, regulates company operations, strives to achieve full coverage of institutions, and promotes the mature construction of the internal control system. The Company has switched its corporate governance structure of "Three Boards and One Management"—namely the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and Senior Management to General Meeting of Shareholders, the Board of Directors, the Audit Committee, and Senior Management. It possesses independent business and operational autonomy, operating independently in terms of business, assets, personnel, institutions, and finance.

Strictly adhering to the principles of "truthfulness, accuracy, completeness, timeliness, and fairness," the Company continuously improves the effectiveness and transparency of information disclosure. Guided by investor needs, it consistently presents operational information to investors across multiple levels, angles, and dimensions. Concurrently, the Company continuously expands the breadth and depth of investor communication, improving open, fair, transparent, and multi-dimensional communication channels, enabling investors to understand the Company's core value more intuitively and comprehensively, thereby enhancing their confidence in the Company.

In the future, the Company will continue to focus on its core business, adhere to the investor-oriented principle, and persistently practice the "Double Improvement of Quality and Return" to realize sustainable and healthy development. It will strive to make positive contributions to stabilizing the market and boosting confidence through standardized corporate governance and proactive investor returns.

Section IV Corporate Governance, Environment and Society

I. Basic Information of Our Corporate Governance

During the reporting period, the Company strictly followed the requirements of the *Company Law*, the *Securities Law*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Shares on Shenzhen Stock Exchange*, the *Guidelines of Shenzhen Stock Exchange on Standardized Operation of Listed Companies*, and other applicable laws and regulations issued by the China Securities Regulatory Commission. We constantly improved the corporate governance structure, established a sound internal control system, and regulated operational processes. Currently, the actual situation of our corporate governance meets the requirements of normative documents concerning the governance of listed companies.

(I) Shareholders and the General Meeting of Shareholders

During the reporting period, the Company standardized the convening, holding, and voting procedures of the General Meeting of Shareholders in strict accordance with the Company Law, the Rules for the General Meetings of Shareholders of Listed Companies, the Articles of Association, and the Rules of Procedure of the General Meeting of Shareholders. This ensures that all shareholders, especially small and medium-sized shareholders, enjoy equal status and fully exercise their rights. Meanwhile, according to relevant laws, regulations, and the Articles of Association, matters that should be voted on by the General Meeting of Shareholders were submitted for deliberation only after corresponding authorized approvals. There were no instances of approval beyond authority or implementation prior to deliberation. During the reporting period, the Company held 5 General Meetings of Shareholders, which were convened by the Board of Directors, and lawyers were engaged to witness the legality and compliance of the meetings on site.

(II) The relationship between the controlling shareholders and the listed company

The Company and its controlling shareholders are completely separated in terms of business, personnel, assets, institutions, and finances. The Company possesses independent and complete capability for autonomous operations. The controlling shareholders strictly regulate their own behaviors, fulfill corresponding obligations, and do not directly or indirectly interfere with the Company's decision-making and operational activities beyond the General Meeting of Shareholders. The Company has independent business and operational autonomy, operating independently from the controlling shareholders in all aforementioned aspects, and its Board of Directors and internal organizations operate independently. There is no horizontal competition between the Company and the controlling shareholders. The Company does not provide undisclosed information to the controlling shareholders, the controlling shareholders do not appropriate the Company’s funds, and the Company provides no guarantees for the controlling shareholders.

(III) The Directors and the Board of Directors

In strict accordance with the *Company Law*, the *Articles of Association*, and other regulations, the Company held 7 Board meetings during the reporting period. The convening, holding, and voting procedures of these meetings complied with the *Rules Governing the Listing of Shares on Shenzhen Stock Exchange*, the *Articles of Association*, and the *Rules of Procedure of the Board of Directors*. All Directors worked diligently and dutifully in accordance with the *Rules of Procedure of the Board of Directors*, earnestly attended Board meetings, actively participated in relevant training, and studied applicable laws and regulations. Independent Directors independently performed their duties to safeguard the overall interests of the Company, paying special attention to protecting the legitimate rights and interests of minority shareholders, and deliberated on important and major matters through special meetings of independent Directors. The special committees under the Board of Directors performed their respective duties and gave full play to their professional functions, greatly improving the operational efficiency of the Board.

(IV) Performance Evaluation and Incentive/Constraint Mechanisms

The Company is continuously improving its fair and transparent performance evaluation standards and incentive/constraint mechanisms for Directors, supervisors, and managers. The appointment of the Company's Senior Management is open, transparent, and complies with laws and regulations.

(V) Stakeholders

The Company fully respects and safeguards the legitimate rights and interests of stakeholders such as shareholders, customers, employees, suppliers, and partners. The Company actively strengthens communication and cooperation with all parties to balance their interests while maximizing enterprise profits, jointly promoting the sustainable and healthy development of the Company.

(VI) Information disclosure management

During the reporting period, strictly following the documents of the Shenzhen Stock Exchange and other relevant laws and regulations, the Company strengthened the management of information disclosure affairs and actively fulfilled its disclosure obligations. The Company designated *Securities Times*, *China Securities Journal*, *Shanghai Securities News*, *Securities Daily*, and CNINFO website (http://www.cninfo.com.cn) as its official media for information disclosure, ensuring that all investors acquire company information fairly. Additionally, the Company established smooth communication channels, setting up a dedicated investor hotline and communicating with investors through the Investor Relations Interactive Platform of the Shenzhen Stock Exchange.

During the reporting period, the reality of corporate governance met the requirements of normative documents concerning listed company governance issued by the China Securities Regulatory Commission.

Whether there are any material differences between the actual state of corporate governance and the laws, administrative regulations, provisions on company governance issued by the China Securities Regulatory Commission.

□ Yes ☑ No

There are no material differences between the actual state of corporate governance and the laws, administrative regulations, provisions on company governance issued by the China Securities Regulatory Commission.

II. Corporate Independence from the Controlling Shareholders and Actual Controller in Terms of Assets, Personnel, Finances, Organization, and Business

The Company is completely separated from its controlling shareholders and other subsidiaries or affiliates in terms of business, personnel, assets, organization, and finances. It has the full capability of conducting business and maintaining operations independently.

(I) Business independence

The Company has independent business operation systems, such as an independent procurement system, production system, technology R&D system and marketing system, and can operate independently while directly satisfying market demands. The Company has no competitive relationship with its major shareholders and other related parties under their control, nor does it rely on any of them in business operations.

(II) Personnel independence

The Company manages an independent staff. The Company is separated from its shareholders and other subsidiaries or affiliates under their control when it comes to salary payment and welfare expenditures, and has established an independent and complete human resources management system. The Company's Chairman, General Manager, Deputy General Manager, Chief Financial Officer, Secretary of the Board of Directors and other Senior Management are appointed in accordance with the applicable laws, regulations, normative documents and the

Articles of Association. They work full-time in the Company and receive remuneration, and so do the financial personnel.

(III) Assets independence

The ownership of major operating assets such as land, buildings, production equipment and office facilities of the Company and its holding subsidiaries is clear and complete. The Company does not provide guarantee for shareholders and companies controlled by them for the sake of assets, benefits or reputation. The Company has complete control over all assets, and the funds are not misappropriated, meaning the interests of the Company and its shareholders are not compromised.

(IV) Organizational independence

The Company has established effective bodies such as the General Meeting of Shareholders, the Board of Directors, and developed corresponding rules of procedure. All institutions make independent decisions within their respective authority in accordance with the Company Law of the People's Republic of China and the Articles of Association. According to the real needs of business development, the Company established an independent and complete organizational framework in line with the actual situation and conducted business activities independently. The Company is completely separated from the shareholder organizations and their related parties in terms of business operations, and there is no mixed operation.

(V) Financial independence

The Company has set up a complete and independent financial department, assigned independent financial personnel, and established an independent accounting system. The financial department can make financial decisions independently, and the Company has a standardized financial accounting system and a financial management system designed for subsidiaries. The Company opens an independent bank account. As an independent taxpayer, the Company declares taxes independently and fulfills the obligation of tax payment.

III. Horizontal Competition

□ Applicable ☑ Not applicable

IV. Basic Information of the Board Members and Senior Management

1. Profile

Name	Gender	Age	Title	Status	Start Date of Tenure	End Date	Number of Shares Held at the Beginning	Number of Shares Held at the End
Li Shuirong	Male	70	Chairman	Incumbent	April 8, 2010		643,275,000	643,275,000
Alharbi, Mitib Awadh M	Male	49	Director	Incumbent	November 13, 2023			
Xiang Jiongjiong	Male	43	Director	Incumbent	May 26, 2015			
			General Manager	Incumbent	April 15, 2017			
Li Yongqing	Male	62	Director	Incumbent	April 8, 2010		96,525,000	96,525,000
Li Cai'e	Female	63	Director	Incumbent	April 8, 2010			
Yu Fengdi	Female	58	Director	Incumbent	April 8, 2010			
Shao Yiping	Female	63	Independe	Incumbent	May 19, 2021			

			Independent Director					
Yao Zheng	Male	69	Independent Director	Incumbent	May 16, 2025			
Yu Yi	Male	61	Independent Director	Incumbent	May 16, 2025			
Yan Jianmiao	Male	61	Independent Director	Non-incumbent	May 10, 2019	May 16, 2025		
Zheng Xiaodong	Male	48	Independent Director	Non-incumbent	May 10, 2019	May 16, 2025		
Zhou Xianhe	Male	51	Deputy General Manager	Incumbent	October 25, 2022			
Quan Weiying	Female	48	Secretary of the Board of Directors	Incumbent	April 29, 2010			
Wang Yafang	Female	47	Chief Financial Officer	Incumbent	May 10, 2019			
Total	--	--	--	--	--	--	739,800,000	739,800,000

Whether there was any resignation of Directors and supervisors and dismissal of officers in the reporting period

□ Yes ☑ No

Personnel Change of Directors, Supervisors and Senior Management

☑Applicable □ Not applicable

2. Holding of Post

The background, main work experience, and current main duties of Directors, and Senior Management of the Company

Name	Position	Type of change	Date	Reason for change
Yan Jianmiao	Independent Director	Term expiration	May 16, 2025	Board transition
Zheng Xiaodong	Independent Director	Term expiration	May 16, 2025	Board transition
Yao Zheng	Independent Director	Elected	May 16, 2025	Board transition
Yu Yi	Independent Director	Elected	May 16, 2025	Board transition

1. Main work experience of current Directors:

Mr. Li Shuirong: Senior Economist, university degree, Chinese nationality. He previously served as Chairman and General Manager of Rongsheng Chemical Fiber Group Co., Ltd., and Chairman and President of Zhejiang Rongsheng Holding Group Co., Ltd. He also serves as President of China Township Enterprises Association, Invited

Vice President of China National Textile and Apparel Council, and Vice President of China Chemical Fibers Association. He is currently Chairman of Rongsheng Petrochemical Co., Ltd. and Chairman of Zhejiang Rongsheng Holding Group Co., Ltd.

Mr. Alharbi, Mitib Awadh M: Saudi Arabian nationality. Graduated from King Fahd University of Petroleum and Minerals (Saudi Arabia), he currently serves as Vice President of Fuel Business Management at Saudi Aramco in Dhahran, Saudi Arabia. He used to serve as President of Aramco Asia. Additionally, he also used to hold various leadership positions including: Representative Director of Aramco Asia Korea, Director of Domestic Joint Venture Management & Coordination at Saudi Aramco Headquarters, and leadership positions at Motiva's Port Arthur Refinery (Motiva Enterprises) and Motiva U.S. headquarters in Houston, Texas. Furthermore, he began his career at Ras Tanura Refinery in Saudi Arabia and completed nearly two years of professional studies at UOP (USA).

Mr Xiang Jiongjiong: Professor-level Senior Economist, Outstanding Entrepreneur of Zhejiang Province. He is currently Director and General Manager of Rongsheng Petrochemical Co., Ltd., Vice Chairman of Zhejiang Rongsheng Holding Group Co., Ltd., and Director of Zhejiang Petroleum & Chemical Co., Ltd. He also serves as Vice President of the General Association of Zhejiang Entrepreneurs. He has been listed in ICIS "Top 40 Most Influential Chemical Leaders Worldwide", Forbes "Most Influential Chinese Elites", and Forbes "China's Best CEOs 2021".

Mr. Li Yongqing: Chinese nationality. He formerly served as Deputy Manager and General Manager Assistant of the Supply Engineering Department of Rongsheng Chemical Fiber Group Co., Ltd. He is currently Vice Chairman of Zhejiang Rongsheng Holding Group Co., Ltd. and Director of Rongsheng Petrochemical Co., Ltd.

Ms. Li Cai'e: Senior Economist, Bachelor's degree, Chinese nationality. She was awarded honorary titles such as Model Worker of Xiaoshan District in 2008, and Advanced Accounting Worker of Xiaoshan District, Hangzhou. She previously served as Deputy General Manager of Rongsheng Chemical Fiber Group Co., Ltd. and Chief Financial Officer of Rongsheng Petrochemical Co., Ltd. She is currently Vice President of Zhejiang Rongsheng Holding Group Co., Ltd., Director of Rongsheng Petrochemical Co., Ltd., Director of Zhejiang Petroleum & Chemical Co., Ltd., and Director of Ningbo United Group Co., Ltd.

Ms. Yu Fengdi: College degree. She was awarded the title of Model Worker of Hangzhou City. She previously served as a technician of the Production and Technology Department of Shaoxing County No. 1 Polyester Factory, Head of the Production and Technology Department of Shaoxing No. 1 Chemical Fiber Factory, and Manager and Assistant to the General Manager of the False Twisting Department of Rongsheng Chemical Fiber Group Co., Ltd. She is currently Vice President of Zhejiang Rongsheng Holding Group Co., Ltd. and Director of Rongsheng Petrochemical Co., Ltd.

Ms. Shao Yiping: Postgraduate degree, professor of accounting, master's supervisor. Her main research interests are: accounting theory and accounting standards, accounting professional judgment and earnings management, asset impairment accounting, etc., with a focus on areas such as corporate litigation risk and accounting conservatism. She previously served as Secretary of the Party General Branch and Vice Dean of the School of Accounting of Zhejiang University of Finance and Economics, Director of the Personnel Department of Zhejiang University of Finance and Economics, Member of the Party Committee of Zhejiang University of Finance and Economics, Secretary of the Party Committee and Chairman of the Labor Union of Dongfang College, and Member of the Zhejiang Accounting System Advisory Expert Committee. She is currently a professor of accounting at Zhejiang University of Finance and Economics, Executive Director of the Hangzhou Institute of Certified Public Accountants, and Independent Director of Rongsheng Petrochemical Co., Ltd., UE Furniture Co., Ltd., and Zhongtian Service Co., Ltd.

Mr. Yao Zheng: Male, CPC member, Master's degree, professor, and doctoral supervisor. He previously served as lecturer and associate professor at the School of Management of Zhejiang University, scientific research secretary of the School of Management, Deputy Director of the Institute of Enterprise Investment, Director of the Department of Finance and Accounting, Director of the Institute of Finance and Accounting, and Director of the Capital Market and Accounting Research Center. He is currently a professor and doctoral supervisor at the School of Management of Zhejiang University, Independent Director of Guangyu Group Co., Ltd., and Independent Director of Kings Resources Group Co., Ltd.

Mr. Yu Yi: Graduated with a Bachelor's degree in International Trade from the Department of World Economy, Shanghai University of Finance and Economics in July 1988, and obtained a Master's degree from the same department in January 1991. He is currently a professor at the School of Economics of Zhejiang Gongshang University, a distinguished researcher of the Zheshang Research Institute, a second-tier cultivation candidate of the "151 Talent Project" in Zhejiang Province, a young and middle-aged academic leader in Zhejiang Province, and the principal of "International Trade Practice" for national-level excellent courses and national-level excellent resource-sharing courses. He is also a distinguished teacher of Zhejiang Gongshang University, a consulting and decision-making expert of the Management Committee of the Transformation and Upgrading Industry Fund of Zhejiang Province, and a consultant of the Hangzhou Import and Export Chamber of Commerce. To date, he has published over 100 papers in journals such as *Chinese Social Science Digest*, *World Economy*, *Finance and Trade Economics*, *International Trade Issues*, *Economic Theory and Business Management*, and *Guangming Daily*, and has won the National Foreign Trade and Economic Research Achievement Award issued by the Ministry of Commerce multiple times.

2. Main work experience of current Senior Management personnel:

Mr Xiang Jiongjiong: Professor-level Senior Economist, Outstanding Entrepreneur of Zhejiang Province. He is currently Director and General Manager of Rongsheng Petrochemical Co., Ltd., Vice Chairman of Zhejiang Rongsheng Holding Group Co., Ltd., and Director of Zhejiang Petroleum & Chemical Co., Ltd. He also serves as Vice President of the General Association of Zhejiang Entrepreneurs. He has been listed in ICIS "Top 40 Most Influential Chemical Leaders Worldwide", Forbes "Most Influential Chinese Elites", and Forbes "China's Best CEOs 2021".

Mr. Zhou Xianhe: Male, Professor-level Senior Engineer, Bachelor's degree, Chinese nationality. He successively served as Head of the Finished Product Inspection Department of Zhejiang Rongsheng Chemical Fiber Co., Ltd., Sales Manager of Zhejiang Rongsheng Holdings Group Co., Ltd., Sales Manager of Hangzhou Rongsheng Chemical Fiber Sales Co., Ltd., Deputy General Manager of Zhejiang Shengyuan Chemical Fiber Co., Ltd., and part-time professor at Zhejiang Sci-Tech University. He is also a member of the National Chemical Fiber Standardization Technical Committee. He is currently General Manager of Zhejiang Shengyuan Chemical Fiber Co., Ltd.

Ms. Quan Weiying: Bachelor's degree. She previously worked in the Investment Department and Finance Department of Rongsheng Petrochemical Co., Ltd., and won the titles of "Excellent Secretary of the Board of Directors" and "Top Secretary of the Board of Directors". She is currently Secretary of the Board of Directors of Rongsheng Petrochemical Co., Ltd.

Ms. Wang Yafang: Bachelor's degree, Senior Accountant, Certified Public Accountant. She previously served as Deputy Manager, Manager, and Deputy Financial Director of the Financial Management Department of Zhejiang Rongsheng Holding Group Co., Ltd. She is currently Chief Financial Officer of Rongsheng Petrochemical Co., Ltd.

Situations where the controlling shareholder and actual controller simultaneously serve as the chairman and general manager of the listed company

□Applicable ☑Not applicable

Holding of Post at Shareholder Organization

☑Applicable □ Not applicable

Name	Shareholder Organization	Title	Start Date of Tenure	End Date of Tenure	Whether receiving remuneration and allowance in shareholder organization
Li Shuirong	Rongsheng Holding	Chairman	June 20, 2007		No
Xiang Jiongjiong	Rongsheng Holding	Vice Chairman	July 20, 2023		No
Li Yongqing	Rongsheng Holding	Director	June 20, 2007		Yes
Li Guoqing	Rongsheng Holding	Director	June 20, 2007		Yes
Yu Fengdi	Rongsheng Holding	Vice President	May 9, 2017		Yes
Li Cai'e	Rongsheng Holding	Vice President	May 11, 2019		Yes
Office holding in shareholding company	None				

Office holding in other companies

☑Applicable □ Not applicable

Name	Name of other units	Positions held in other units	Start Date of Tenure	End Date of Tenure	Whether receiving remuneration and allowance in other organizations
Li Shuirong	Ningbo United Group Co., Ltd.	Chairman, Director	May 18, 2010		No
Li Shuirong	Rongsheng (Shanxi) Carbon-based New Material Co., Ltd.	Chairman, General Manager	August 1, 2021		No
Li Shuirong	Rongsheng (Shanxi) Coal Industry Co., Ltd.	Chairman, General Manager	August 1, 2021		No
Li Shuirong	Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Vice Chairman	April 1, 2023		No
Li Shuirong	Shanghai Huanqiu Engineering Co., Ltd.	Director	January 1, 2021		No
Li Shuirong	Zhejiang Petroleum & Chemical Co., Ltd.	Chairman	June 18, 2015		No
Li Shuirong	Ningbo Zhongjin Petrochemical Co., Ltd.	Chairman	April 21, 2009		No
Li Shuirong	Dalian Yisheng Investment Co., Ltd.	Chairman	December 19, 2005		No
Li Shuirong	Yisheng Dahua Petrochemical Co., Ltd.	Chairman	December 19, 2005		No
Li Shuirong	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	Chairman	June 15, 2010		No
Li Shuirong	Zhejiang Derong Chemicals Co., Ltd.	Director	October 1, 2018		No
Li Shuirong	Rongsheng New Materials (Taizhou) Co., Ltd.	Chairman, Manager	May 1, 2022		No
Li Shuirong	Ningbo Hengyi Trading Co., Ltd.	Director			No
Li Shuirong	Zhejiang Yisheng Petrochemical Co., Ltd.	Director	December 12, 2002		No
Li Shuirong	Ningbo Niluoshan New Energy Co., Ltd.	Executive Director, General Manager	July 1, 2018		No
Li Shuirong	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Director	October 1, 2018		No
Li Shuirong	Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Director	August 1, 2004		No
Li Shuirong	Hangzhou Binjiang Shengyuan Real Estate Development Co., Ltd	Supervisor			No

Li Shuirong	Hangzhou Kaiyuan Century Real Estate Co., Ltd.	Director			No
Li Shuirong	Hangzhou Yuanshenghui Enterprise Management Co., Ltd.	Director	November 1, 2023		No
Li Shuirong	Ningbo Qingzhi Chemical Terminal Co., Ltd.	Chairman			No
Alharbi, Mitib Awadh M	Saudi Arabian Oil Company	VP of Fuels Business Management	March 10, 2024		Yes
Xiang Jiongjiong	Rongsheng Energy Co., Ltd.	Executive Director	April 1, 2021		No
Xiang Jiongjiong	Rongsheng Energy (Zhoushan) Co., Ltd.	Executive Director, Manager	November 1, 2023		No
Xiang Jiongjiong	Rongsheng Energy Science and Technology (Inner Mongolia) Co., Ltd.	Chairman	January 1, 2024		No
Xiang Jiongjiong	Rongsheng Coal Co., Ltd.	Executive Director	June 21, 2018		No
Xiang Jiongjiong	Dongzhan Shipping Co., Ltd.	Director	July 1, 2018		No
Xiang Jiongjiong	Zhejiang Petroleum & Chemical Co., Ltd.	Director	June 18, 2015		No
Xiang Jiongjiong	Rongsheng New Materials (Zhoushan) Co., Ltd.	Chairman	January 1, 2022		No
Xiang Jiongjiong	Rongsheng Chemical (Shanghai) Co., Ltd.	Executive Director	May 1, 2021		No
Xiang Jiongjiong	Rongsheng New Materials (Taizhou) Co., Ltd.	Director	December 01, 2023		No
Xiang Jiongjiong	Rongxiang Chemical Fiber Co., Ltd.	Chairman			No
Xiang Jiongjiong	Zhejiang Yongsheng Technology Co. Ltd.	Director			No
Xiang Jiongjiong	Rongsheng International Trading Co., Ltd.	Executive Director	February 1, 2016		No
Xiang Jiongjiong	Rongsheng International Trading (Hainan) Co., Ltd.	Executive Director	August 1, 2020		No
Xiang Jiongjiong	Zhejiang ZPC Sales Co., Ltd.	Executive Director	May 1, 2021		No
Xiang Jiongjiong	Zhoushan ZPC Trading Co., Ltd.	Executive Director	May 1, 2023		No
Xiang Jiongjiong	Zhoushan ZPC Sales Co., Ltd.	Executive Director			No
Xiang Jiongjiong	Zhejiang Rongtong Chemical Fiber New Material Co., Ltd.	Executive Director, General Manager			No

Xiang Jiongjiong	Taizhou ZPC Sales Co., Ltd.	Executive Director	February 1, 2024		No
Xiang Jiongjiong	Ningbo ZPC Sales Co., Ltd.	Executive Director	December 01, 2023		No
Xiang Jiongjiong	Zhejiang Rongyi Chemical Fiber Co., Ltd.	Executive Director, Manager	March 1, 2024		No
Xiang Jiongjiong	Shanghai Lingang New Area Jingang Shengyuan Real Estate Co., Ltd.	Director	November 1, 2021		No
Xiang Jiongjiong	Shanghai Lingang New Area Jingang Rongsheng Real Estate Co., Ltd.	Director	July 1, 2023		No
Xiang Jiongjiong	Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Supervisor	June 1, 2012		No
Xiang Jiongjiong	Zhejiang International Commodity Exchange Co., Ltd.	Vice Chairman	June 1, 2020		No
Li Yongqing	Ningbo Zhongjin Petrochemical Co., Ltd.	Director	April 21, 2009		No
Li Yongqing	Dalian Yisheng Investment Co., Ltd.	Director	December 19, 2005		No
Li Yongqing	Yisheng Dahua Petrochemical Co., Ltd.	Director	December 19, 2005		No
Li Yongqing	Ningbo Hengyi Trading Co., Ltd.	Director			No
Li Yongqing	Zhejiang Yisheng Petrochemical Co., Ltd.	Director	December 12, 2002		No
Li Yongqing	Rongxiang Chemical Fiber Co., Ltd.	Director			No
Li Cai'e	Ningbo United Group Co., Ltd.	Director	May 18, 2010		No
Li Cai'e	Zhejiang Petroleum & Chemical Co., Ltd.	Director	June 18, 2015		No
Li Cai'e	Ningbo Zhongjin Petrochemical Co., Ltd.	Director	April 21, 2009		No
Li Cai'e	Rongxiang Chemical Fiber Co., Ltd.	Vice Chairman			No
Li Cai'e	Rongsheng New Materials (Taizhou) Co., Ltd.	Director	December 01, 2023		No
Li Cai'e	Rongsheng Technology Co., Ltd.	Director			No
Yu Fengdi	Suzhou Shenghui Equipment Co., Ltd.	Director	December 1, 2019		No
Shao Yiping	Zhejiang University of Finance and Economics	Professor	July 1, 1988		Yes
Shao Yiping	UE Furniture Co., Ltd.	Independent Director	February 22, 2021		Yes

Shao Yiping	Zhongtian Service Co., Ltd.	Independent Director	October 12, 2020		Yes
Yao Zheng	Zhejiang University	Professor, Doctoral Supervisor	May 1, 1992		Yes
Yao Zheng	Jinshi Resources Group Co., Ltd.	Independent Director	December 26, 2024		Yes
Yao Zheng	Guangyu Group Co., Ltd.	Independent Director	November 8, 2022		Yes
Yu Yi	Zhejiang Gongshang University	Professor	April 11, 1991		Yes
Yu Yi	Chengda Pharmaceutical Co., Ltd.	Independent Director	October 8, 2019	November 12, 2025	Yes
Yu Yi	Zhejiang Xin'ao Textile Co., Ltd.	Independent Director	January 17, 2020	January 16, 2026	Yes
Zhou Xianhe	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	General Manager	June 1, 2017		No
Zhou Xianhe	Zhejiang Shenghui New Materials Co., Ltd	Manager			No
Quan Weiying	Zhejiang Yisheng Petrochemical Co., Ltd.	Supervisor			No
Wang Yafang	Rongsheng New Materials (Taizhou) Co., Ltd.	Director	December 01, 2023		No
Wang Yafang	Suzhou Shenghui Equipment Co., Ltd.	Director	May 14, 2018		No
Wang Yafang	Zhejiang Daishan Rural Commercial Bank Co., Ltd.	Director	February 5, 2018		No
Wang Yafang	Dalian Yishengyuan Property Co., Ltd.	Supervisor	March 19, 2018		No
Wang Yafang	Hangzhou Shengyuan Real Estate Development Co., Ltd.	Supervisor	June 24, 2014		No
Wang Yafang	Rongsheng Technology Co., Ltd.	Supervisor	April 28, 2016		No
Wang Yafang	Hainan Shenggu Petrochemical Equipment Investment Co., Ltd.	Supervisor	December 21, 2018		No
Description of employment in other units	None				

Penalties imposed by securities regulatory authorities in the past three years on the Company's current and dismissed Directors, and Senior Management in the reporting period

☑Applicable □ Not applicable

In January 2023, Chairman Li Shuirong, General Manager Xiang Jiongjiong, Chief Financial Officer Wang Yafang and Secretary of the Board Quan Weiying were ordered to rectify matters including non-standard revenue recognition and accounting treatment in trade business in 2020-2021. The above matters have been rectified. For details, please refer to the *Announcement on the Company and Relevant Personnel Receiving a Warning Letter from Zhejiang Securities Regulatory Bureau* (Announcement No.: 2023-002) at Juchao Zixun website (www.cninfo.com.cn).

In May 2024, Chairman Li Shuirong, General Manager Xiang Jiongjiong, CFO Wang Yafang, and Board Secretary Quan Weiying were ordered to rectify inaccurate disclosure of performance forecast information. These matters have been fully rectified. For details, please refer to the *Announcement on the Company and Relevant Personnel Receiving a Warning Letter from Zhejiang Securities Regulatory Bureau* (Announcement No.: 2024-038) at Juchao Zixun website (www.cninfo.com.cn).

3. Remuneration of the Directors and Senior Management

Decision-making procedure, basis of determination and actual payment of remuneration of the Directors and Senior Management

1. Decision-making procedures and basis for determining the remuneration of directors and Senior Management: The Company strictly executes the remuneration decision-making procedures in accordance with the *Management System for Remuneration of Directors and Senior Management*. The remuneration schemes for the directors and Senior Management of the Company are formulated by the Remuneration and Appraisal Committee of the Board of Directors, which explicitly specifies the basis for determination and the specific composition of the remuneration. The remuneration schemes for Senior Management are approved by the Board of Directors, explained to the General Meeting of Shareholders, and fully disclosed. The remuneration schemes for directors are determined by the General Meeting of Shareholders and duly disclosed. The remuneration and allowance schemes for directors and Senior Management for the year 2025 and the year 2026 have been deliberated and approved by the Remuneration and Appraisal Committee in 2026, and resolved to be executed at the 5th Meeting of the 7th Board of Directors held on April 26, 2026. Among them, the remuneration and allowance schemes for directors for the year 2025 and the year 2026 are still subject to the deliberation and approval of the 2025 Annual General Meeting of Shareholders before implementation.

2. Actual payment of remuneration for Directors and Senior Management: At the end of the reporting period, the total remuneration actually received by all Directors and Senior Management amounted to RMB 13.4609 million.

Remuneration of the Company's Directors and Senior Management During the Reporting Period

Unit：RMB 10,000

Name	Gender	Age	Title	Status	Total Pre-tax Remuneration from the Company	Whether Receiving Remuneration from the Company's Connected Party
Li Shuirong	Male	70	Chairman	Incumbent	513.41	No
Alharbi, Mitib Awadh M	Male	49	Director	Incumbent	0	Yes
Xiang Jiongjiong	Male	43	Director, General Manager	Incumbent	380.35	No

Li Yongqing	Male	62	Director	Incumbent	0	Yes
Li Cai'e	Female	63	Director	Incumbent	0	Yes
Yu Fengdi	Female	58	Director	Incumbent	0	Yes
Shao Yiping	Female	63	Independent Director	Incumbent	16	No
Yao Zheng	Male	69	Independent Director	Incumbent	8.69	No
Yu Yi	Male	61	Independent Director	Incumbent	8.69	No
Yan Jianmiao	Male	61	Independent Director	Un-incumbent	7.31	No
Zheng Xiaodong	Male	48	Independent Director	Un-incumbent	7.31	No
Zhou Xianhe	Male	51	Deputy General Manager	Incumbent	167.97	No
Quan Weiying	Female	48	Secretary of the Board of Directors	Incumbent	111.15	No
Wang Yafang	Female	47	Chief Financial Officer	Incumbent	125.21	No
Total	--	--	--	--	1,346.09	--

Assessment basis for the remuneration actually received by all directors and senior management at the end of the reporting period	General assessment scheme
Completion of assessment for the remuneration actually received by all directors and senior management at the end of the reporting period	Completed
Deferred payment arrangement for the remuneration actually received by all directors and senior management at the end of the reporting period	Not Applicable
Payment suspension and clawback for the remuneration actually received by all directors and senior management at the end of the reporting period	Not Applicable

Description of other situations

□ Applicable ☑ Not applicable

V. The Performance of Duties of Directors During the Reporting Period

1. Directors' attendance at the Board of Directors Meetings and General Meetings of Shareholders

Directors' Attendance at the Board of Directors Meetings and General Meeting of Shareholders							
Name of Directors	Number of the Board of Directors Meeting that Should be Attended During the Reporting Period	Number of Presence at the Board of Directors Meeting	Number of Attendance at the Board of Directors Meeting by Correspondence	Number of Attendance at the Board of Directors Meeting by Proxy	Number of Absence from the Board of Directors Meeting	Whether Being Absent from the Board of Directors Meeting Twice in a Row	Number of Attendance at the General Meeting of Shareholders
Li Shuirong	7	2	5	0	0	No	3

Alharbi, Mitib Awadh M	7	1	6	0	0	No	5
Xiang Jiongjiong	7	1	6	0	0	No	5
Li Yongqing	7	2	5	0	0	No	5
Li Cai'e	7	2	5	0	0	No	5
Yu Fengdi	7	2	5	0	0	No	5
Yan Jianmiao	2	1	1	0	0	No	1
Shao Yiping	7	2	5	0	0	No	5
Zheng Xiaodong	2	0	2	0	0	No	2
Yao Zheng	5	1	4	0	0	No	3
Yu Yi	5	1	4	0	0	No	3

Description for being absent from the Board of Directors Meeting twice in a row

2. Disagreement voiced by Directors on relevant corporate matters

Whether Directors propose an objection to the Company's relevant matters

□ Yes ☑ No

During the reporting period, the Directors voiced no disagreement on relevant corporate matters.

3. Additional information on the performance of duties of Directors

Whether Directors' suggestions to the Company are adopted

☑Yes □No

Explanations on acceptance or rejection of Directors' suggestions to the Company

Acting in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Articles of Association, the Rules of Procedure of the Board of Directors, the Working Rules of Independent Directors and other applicable laws and regulations, the Company’s Directors seek to have a detailed understanding of corporate activities, focus on the standardized business operations, exercise their rights prudently, earnestly perform their duties, and attend relevant meetings. They also put forward valuable suggestions to improve the Company’s systems and business decision-making, and conscientiously review different proposals so as to play their role in strengthening the internal supervision mechanism and safeguarding the legitimate rights and interests of the Company and all its shareholders.

VI. The Special Committees under the Board of Directors During the Reporting Period

Name	Members	Number of Sessions	Convening date	Content of Meeting	Important Opinions and Suggestions	Other Matters Concerning Performance of Duties	Matters that Raise Disagreement (If Any)
The Audit Committee	Li Yongqing, Li Cai'e, Yan Jianmiao, Shao Yiping, Zheng Xiaodong	3	January 17, 2025	Deliberated: 1. Rongsheng Petrochemical Co., Ltd. 2024 Q4 Internal Audit Work Report; 2. Rongsheng Petrochemical Co., Ltd. 2024 Internal Audit Work Report; 3. Rongsheng Petrochemical Co., Ltd. 2025 Internal Audit Work Plan; 4. Rongsheng Petrochemical Co., Ltd. 2025 Q1 Internal Audit Work Plan.	In terms of internal audit, the Audit Committee earnestly understood the implementation of the internal audit department's work plan and verified the audit results; in terms of financial reports, the Committee actively communicated with the Company's accounting department and external accountants, reviewed the norms of the Company's financial system and the preparation process of financial reports, ensuring the accuracy and completeness of the financial reports; in terms of internal control, the Committee unanimously agreed that the Company had established a relatively sound internal control organizational structure, and the internal control department strictly followed the relevant regulations to comprehensively carry out the internal control testing process, effectively preventing internal control defects, and improving the Company's internal control level.	All the contents of the meeting were passed after review.	None
			April 22, 2025	Deliberated: 1. Evaluation Report of the Board of Directors on the Performance of Duties by the Accounting Firm in 2024; 2. Report of the Audit Committee of the Board of Directors on the Supervision of the Accounting Firm in	According to the requirements of laws and regulatory guidelines, combined with the actual situation of the Company, the Committee reviewed the annual performance of the accounting firm, internal audit supervision responsibilities, and the reappointment of the audit institution, and guided the orderly development of internal audit work.	All the contents of the meeting were passed after review.	None

				2024; 3. Rongsheng Petrochemical Co., Ltd. 2024 Annual Report; 4. Proposal on Changes to Accounting Policies of Rongsheng Petrochemical Co., Ltd.; 5. Proposal on Reappointing the 2025 Annual Audit Institution of Rongsheng Petrochemical Co., Ltd.; 6. Rongsheng Petrochemical Co., Ltd. 2024 Annual Internal Control Self-evaluation Report.			
			April 28, 2025	Deliberated: 1. Rongsheng Petrochemical Co., Ltd. 2025 Q1 Internal Audit Work Report; 2. Rongsheng Petrochemical Co., Ltd. 2025 Q2 Internal Audit Work Plan; 3. Rongsheng Petrochemical Co., Ltd. 2025 Q1 Report.	According to the requirements of laws and regulatory guidelines, combined with the actual situation of the Company, the Committee reviewed the quarterly report, put forward opinions on the internal audit results, and guided the orderly development of internal audit work.	All the contents of the meeting were passed after review.	None
The Audit Committee	Li Yongqing, Li Cai'e, Shao Yiping, Yaozheng, Yu Yi	4	May 16, 2025	Deliberated: 1. Proposal on Appointing the Chief Financial Officer of Rongsheng Petrochemical Co., Ltd.; 2. Proposal on Appointing the Head of Internal Audit of Rongsheng Petrochemical Co., Ltd.	According to the requirements of laws and regulatory guidelines, combined with the actual situation of the Company, the Committee reviewed the periodic report, put forward opinions on the internal audit results, and guided the orderly development of internal audit work.	All the contents of the meeting were passed after review.	None
			August 11, 2025	Deliberated: 1. Rongsheng Petrochemical	According to the requirements of laws and regulatory guidelines, combined with the actual	All the contents of the meeting	None

				Co., Ltd. 2025 Q2 Internal Audit Work Report; 2. Rongsheng Petrochemical Co., Ltd. 2025 Q3 Internal Audit Work Plan; 3. Rongsheng Petrochemical Co., Ltd. 2025 Semi-annual Internal Audit Work Report; 4. Rongsheng Petrochemical Co., Ltd. 2025 Semi-annual Report.	situation of the Company, the Committee reviewed the periodic report, put forward opinions on the internal audit results, and guided the orderly development of internal audit work.	were passed after review.	
			October 24, 2025	Deliberated: 1. Rongsheng Petrochemical Co., Ltd. 2025 Q3 Internal Audit Work Report; 2. Rongsheng Petrochemical Co., Ltd. 2025 Q4 Internal Audit Work Plan; 3. Rongsheng Petrochemical Co., Ltd. 2025 Q3 Report; 4. Proposal on Revising the "Accounting Firm Selection and Appointment Management System".	According to the requirements of laws and regulatory guidelines, combined with the actual situation of the Company, the Committee reviewed the quarterly report, put forward opinions on the internal audit results, and guided the orderly development of internal audit work.	All the contents of the meeting were passed after review.	None
			December 4, 2025	Deliberated: 1. Proposal on the Company's 2026 Annual Mutual Guarantee Quota; 2. Proposal on the Transfer of Equity by a Wholly-owned Subsidiary and Related-party Transactions.	The participating committee members focused on analyzing the strategic focus, transaction necessity, and whether the pricing was fair and reasonable, and unanimously agreed to these two proposals.	All the contents of the meeting were passed after review.	None
The Risk Control Committee	Zheng Xiaodong, Yan Jianmiao, Li Cai'e, Shao Yiping,	1	April 14, 2025	Convened the 2025 annual meeting of the Risk Control Committee: evaluated the risk	After analyzing the situation in 2024, the participating committee members unanimously agreed that in 2025, the Company needs to	All the contents of the meeting were passed	None

	Xiang Jiongjiong			situation during the Company's operations in 2024, and put forward suggestions for risk control during operations in 2025.	continue to focus on the overall business objectives, execute the basic risk management process across major links, key areas, and even the whole process of operation, foster a good risk management culture, and establish and improve a comprehensive risk management system, including formulating risk management strategies, assessing the risk management organizational function system, and improving the risk management information system and internal control system, so as to achieve the annual risk management goals and enhance the Company's overall anti-risk capability and sustainable profitability.	after review.	
The Nominating Committee	Li Shuirong, Yu Fengdi, Yan Jianmiao, Shao Yiping, Zheng Xiaodong	2	April 15, 2025	The Company's Board of Directors proposed to nominate Li Shuirong, Mitib Awadh M. Alharbi, Li Yongqing, Xiang Jiongjiong, and Li Cai'e as candidates for non-independent directors of the 7th Board of Directors; and nominated Shao Yiping, Yao Zheng, and Yu Yi as candidates for independent directors of the 7th Board of Directors.	According to the requirements of laws and regulatory guidelines, the Committee reviewed the qualifications of the proposed director nominees, found no situations non-compliant with relevant appointment regulations of the Company Law, nor were they identified by the CSRC as banned from the market with the ban not yet lifted. The Committee considered that they possess the qualifications and professional qualities corresponding to the exercise of their powers, and agreed to the above personnel as candidates for the new Board of Directors.	All the contents of the meeting were passed after review.	None
			May 15, 2025	Reviewed the qualifications of the proposed employee director.	According to the requirements of laws and regulatory guidelines, the Committee reviewed the qualifications of the proposed employee director.	All the contents of the meeting were passed after review.	None
The Nominating Committee	Li Shuirong, Yu Fengdi, Shao Yiping, Yao Zheng, Yu Yi	1	May 16, 2025	Reviewed the qualifications of the proposed senior management personnel and other management personnel.	According to the requirements of laws and regulatory guidelines, the Committee reviewed the qualifications of the proposed senior management personnel and other management personnel.	All the contents of the meeting were passed after review.	None
The Strategy & Sustainability	Li Shuirong, Li Yongqing, Yan Jianmiao, Shao	1	April 16, 2025	Convened the 2025 annual meeting of the Strategy and ESG Committee: ①	2025 major business strategies: 1. Deepen and refine cultivation to achieve "high quality" with improved quality and increased quantity; 2.	All the contents of the meeting were passed	None

Committee	Yiping, Zheng Xiaodong			Formulate the Company's long-term development strategy; ② Supervise and verify the Company's major investment decisions, etc.; ③ Deliberate and supervise the Company's ESG matters.	Optimize the layout to accelerate the "speed" of project construction; 3. Deepen cooperation to build a "new pattern" of international development; 4. Integrate innovation to deploy a "combination punch" of digital intelligence and green energy.	after review.	
The Remuneration and Appraisal Committee	Li Shuirong, Yu Fengdi, Yan Jianmiao, Shao Yiping, Zheng Xiaodong	1	April 17, 2025	Convened the 2025 annual meeting of the Remuneration and Appraisal Committee: ① Remuneration of the Company's directors, supervisors, and senior management in 2024; ② Remuneration appraisal plan for the Company's directors, supervisors, and senior management in 2025.	During the reporting period, the Remuneration and Appraisal Committee reviewed the rationality of the remuneration policies and plans for the Company's directors, supervisors, and senior management, and conducted performance appraisals on them based on the completion of the Company's financial status and operating results in 2024, as well as the scope of work and main responsibilities of the directors, supervisors, and senior management.	All the contents of the meeting were passed after review.	None

VII. The Work of the Audit Committee

During the reporting period, whether the Audit Committee has found that the Company was at risk in the process of its supervisory activities

□ Yes ☑ No

The Audit Committee voiced no disagreement on the supervisory matters during the reporting period.

VIII. Corporate Staff

1. Staff number, professional composition, and educational background

Number of Staff on the Parent Company's Payroll at the End of the Reporting Period	1,946
Number of Staff on the Main Subsidiaries' Payroll at the End of the Reporting Period	17,903
Total Number of Staff on the Company's Payroll at the End of the Reporting Period	19,849
Total Number of Staff Receiving Remuneration	19,849
Number of Retired Staff Whose Pensions Are Covered by the Parent Company and Main Subsidiaries	0
Professional Composition	
Category	**Number**
Production Staff	15,396
Sales Staff	280
Technical Staff	2,777
Financial Staff	136
Administrative Staff	532
Logistical Staff	728
Total	19,849
Educational Background	
Category	**Number**
Bachelor's Degree or Above	7,259
Vocational College	6,867
Senior High School and Technical Secondary School	2,196
Other	3,527
Total	19,849

2. Remuneration policy

The Company abides by the Labor Law of the People's Republic of China and other applicable rules and regulations, and takes a performance-based remuneration allocation approach. The Company continues to improve the pay and benefits structure, determines the salary based on an employee's responsibility and capability, and employs a differential reward mechanism, so as to motivate the employees and inspire their creativity.

3. Training program

The Company values the development of employees' business skills and has built a well-designed career development platform to enable employees to identify their future paths and unlock their full potential. The Company delivers professional and practical training programs in a systematic way by combining theory and practice to improve the employees' comprehensive capability in the professional field.

4. Labor outsourcing

□ Applicable ☑ Not applicable

IX. Distribution of Corporate Profits and Shift of Capital Reserve Funds to Capital Stock

Formulation, implementation or adjustment of profit distribution policy, especially the cash dividend policy, during the reporting period

☑Applicable □ Not applicable

The 2024 annual profit distribution plan, deliberated and approved at the 23rd Meeting of the 6th Board of Directors of the Company on April 24, 2025, is as follows: Based on 9,572,292,142 shares (which is the current total share capital of 10,125,525,000 shares less the 553,232,858 repurchased shares), a cash dividend of RMB 1.00 (tax inclusive) per 10 shares shall be distributed to all shareholders. No bonus shares will be issued, and no capital reserve will be converted into share capital. The Company has completed the profit distribution in accordance with the plan.

Special description of cash dividend policy	
Whether it complies with provisions of the Articles of Association or resolution of the General Meeting:	Yes
Whether the dividend standard and proportion are specific and clear:	Yes
Whether relevant decision-making procedures and mechanisms are complete:	Yes
Whether the independent Directors fulfill their duties and obligations:	Yes
If the Company fails to pay cash dividends, it shall disclose the specific reasons and the next actions to be taken to enhance the investor's return level:	Not applicable
Whether the medium and small shareholders fully raise their opinions and demands, and whether their lawful rights and interests are protected fully:	Yes
Whether the conditions and procedures for adjusting or changing cash dividend policy are compliant and transparent:	Yes

The Company was profitable during the reporting period and the parent company's profit available for distribution to shareholders was positive but no cash dividend distribution proposal was made.

□ Applicable ☑ Not applicable

Profit distribution and conversion of capital reserve into share capital during the reporting period

☑ Applicable □ Not applicable

Number of Bonus Shares Given for Ten Shares	**0**
Number of distributed dividends per ten shares (RMB) (tax inclusive)	1.00
Share capital base of the proposed distribution plan (shares)	9,572,292,142
Cash dividend amount (RMB) (including tax)	957,229,214.20
Cash dividend amount (RMB) through other means (such as share repurchase)	0
Total cash dividend (RMB) (including other means)	957,229,214.20
Distributable profit (RMB)	1,528,511,563.71
Percentage of total cash dividend (including other means) to total profit distribution	100.00%
Cash dividends	
The cash dividend should account for at least 80% in this profit distribution when the company is in growth stage of development and has major fund expenditure arrangement	
Detailed Information on the Distribution of Corporate Profits and the Shift Plan of Capital Reserve to Capital Stock	

As audited by Pan-China Certified Public Accountants LLP (Special General Partnership), the Company (parent company) achieved a net profit of RMB -299,830,876.23 in 2025. Adding the undistributed profit of RMB 2,785,571,654.14 at the beginning of the year, and deducting the statutory surplus reserve of RMB 0 appropriated in the current period as well as the cash dividend of RMB 957,229,214.20 from the previous year, the actual profit available for distribution to shareholders was RMB 1,528,511,563.71 as of December 31, 2025.

X. Implementation of the Equity Incentive Plan, Employee Stock Ownership Plan or other Employee Incentives

□ Applicable ☑ Not applicable

The Company had no implementation of a stock incentive plan, employee stock ownership plan or other employee incentives during the reporting period.

XI. Institutional Development and Implementation of Internal Control During the Reporting Period

1. Construction and implementation of internal control

The Company has established and perfected a relatively sound internal control management system in accordance with the requirements of the Company Law, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, the Code of Corporate Governance for Listed Companies, and other applicable laws, regulations, and normative documents, in light of the Company's actual conditions. On November 19, 2025, the Company held its Third Extraordinary General Meeting of Shareholders of 2025, which deliberated and approved the Proposal on Revising the "Articles of Association" and its Appendices. The Company no longer maintains a Board of Supervisors, and certain functions and powers of the Board of Supervisors have been undertaken by the Audit Committee of the Board of Directors. In accordance with the latest regulations, the Company has revised relevant internal rules including the Rules of Procedure of the General Meeting of Shareholders, the Rules of Procedure of the Board of Directors, the Working Rules for Independent Directors, and the Working Rules of the Audit Committee of the Board of Directors. These revisions clearly define the responsibilities and authorities of the General Meeting of Shareholders, the Board of Directors, various special committees, and Senior Management, as well as the decision-making procedures regarding the Company's external guarantees, related-party transactions, and derivative trading. A dedicated internal audit department has been established under the Audit Committee of the Board of Directors to independently carry out internal audit work in accordance with the law, and to supervise and evaluate the Company's internal control management. During the reporting period, the Company maintained effective internal control in all material aspects in accordance with the requirements of the Internal Control System and other relevant regulations, with no material defects found in its internal control.

2. Specific information on major internal control defects found during the reporting period

□ Yes ☑ No

XII. Management Control of Subsidiaries during the Reporting Period

Not applicable

XIII. Internal control self-evaluation report and internal control audit report

1. Internal control self-evaluation report

Report Disclosure Date	April 28, 2026	
Report Disclosure Index	The Corporate Internal Control Self-evaluation Report 2025 is available on Juchao Zixun Website (http://www.cninfo.com.cn).	
Proportion of the Total Assets of the Organizations Included in the Assessment Scope to Those of the Company's Consolidated Financial Statements	91.39%	
Proportion of the Operating Revenues of the Organizations Included in the Assessment Scope to Those of the Company's Consolidated Financial Statements	88.64%	
Defect Identification Standards		
Category	**Financial Statements**	**Non-Financial Statements**
Qualitative Standards	Signs of material defects in financial reporting include: (1) Ineffective control environment; (2) Fraud committed by Directors, Supervisors, and Senior Management; (3) External auditors identify a material misstatement in the current financial report that failed to be detected by the Company during its operations; (4) Ineffective oversight of internal control by the Audit Committee and internal audit department; and (5) Other defects that may affect the correct judgment of the report users. Signs of important defects in financial reporting include: An individual internal control defect, or a combination of defects, that has a reasonable possibility of failing to prevent or detect and correct on a timely basis any misstatements in the financial report that, although not reaching or exceeding the materiality level, still merit the attention of the Board of Directors and management. General defects refer to other control defects apart from the material and important defects mentioned above.	The following scenarios can be identified as material defects, while other scenarios shall be determined as important or general defects depending on the extent of their impact: (1) Unscientific decision-making procedures; (2) Violation of national laws and regulations, such as causing environmental pollution; (3) Mass exodus of management or technical personnel; (4) Frequent negative news in the media; (5) Failure to rectify the findings of internal control assessments, especially material or important defects; and (6) Lack of institutional control over important operations or systematic institutional failure.
Quantitative Standards	Operating revenue and total assets are taken as the measurement indicators. If the potential or actual losses resulting from internal control defects are related to the income statement, the operating revenue will be taken as the indicator. If the amount of misstatement in the financial report caused by an individual	Operating revenue and total assets are taken as the measurement indicators. If the potential or actual losses resulting from internal control defects are related to the income statement, the operating revenue will be taken as the indicator. If the amount of misstatement in the financial report caused by an individual

	defect or in combination with other defects is less than 0.5% of the operating revenue, it is recognized as a general defect; if the amount exceeds 0.5% but is lower than 1% of the operating revenue, it is recognized as an important defect; if the amount exceeds 1% of the operating revenue, it is recognized as a material defect. If the potential or actual losses resulting from internal control defects are related to asset management, the total assets will be taken as the indicator. If the amount of misstatement in the financial report caused by an individual defect or in combination with other defects is less than 0.5% of the total assets, it is recognized as a general defect; if the amount exceeds 0.5% but is lower than 1% of the total assets, it is recognized as an important defect; if the amount exceeds 1% of the total assets, it is recognized as a material defect.	defect or in combination with other defects is less than 0.5% of the operating revenue, it is recognized as a general defect; if the amount exceeds 0.5% but is lower than 1% of the operating revenue, it is recognized as an important defect; if the amount exceeds 1% of the operating revenue, it is recognized as a material defect. If the potential or actual losses resulting from internal control defects are related to asset management, the total assets will be taken as the indicator. If the amount of misstatement in the financial report caused by an individual defect or in combination with other defects is less than 0.5% of the total assets, it is recognized as a general defect; if the amount exceeds 0.5% but is lower than 1% of the total assets, it is recognized as an important defect; if the amount exceeds 1% of the total assets, it is recognized as a material defect.
Number of Material Defects in Financial Statements	0	
Number of Material Defects in Non-Financial Statements	0	
Number of Important Defects in Financial Statements	0	
Number of Important Defects in Non-Financial Statements	0	

2. Internal control audit report

☑Applicable □ Not applicable

Review Suggestions Section in the Internal Control Audit Report	
In our opinion, Rongsheng Petrochemical maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, in accordance with the *Basic Standard for Enterprise Internal Control* and related provisions.	
Report Disclosure Status	Disclosed
Report Disclosure Date	April 28, 2026
Report Disclosure Index	The Internal Control Audit Report in 2025 is available on Juchao Zixun Website (http://www.cninfo.com.cn).
Type of Audit Opinion	Standard Unqualified Opinion
Whether Having Material Defects in Non-Financial Statements	N/A

Whether the accounting firm issued the internal control audit report of non-standard opinion

□ Yes ☑ No

The internal control audit report of the accounting firm is in line with the self-evaluation report of the Board of Directors or not

☑Yes □No

Wether there was a non-standard audit opinion issued for internal controls during the reporting period or the previous year

□ Yes ☑ No

XIV. Rectification of Self-Examined Problems under the Special Campaign of Corporate Governance for Listed Companies

During the reporting period, the Company complied with the China Securities Regulatory Commission's *Notice on Launching the Special Campaign of Corporate Governance for Listed Companies (CSRC 2020 No. 69)* and examined the problems in corporate governance conscientiously and responsibly. The Company also received effective guidance from the local regulatory authorities, improved the ledger documenting the progress of the Special Campaign, and offered timely feedback on the self-examination results. We found zero problems that need rectifying.

XV. Enviromental Information Disclosure

Wether the listed company and its major subsidiaries are included in the list of enterprises legally required to disclose environmental information

☑Applicable □ Not applicable

Note: The Company's investment in environmental governance and protection in 2025 is RMB 219.9002 million.

Number of companies included in the list of enterprises legally required to disclose environmental information (number)		9
S/N	Name of the company	Index for searching environmental information disclosure reports in accordance with the law
1	Rongsheng Petrochemical Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330000255693873W&uniqueCode=3c406d8e3223fa92&date=2025&type=true&isSearch=true
2	Zhejiang Petroleum & chemical Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=913309003440581426&uniqueCode=1056c787e9ef884a&date=2025&type=true&isSearch=true
3	Zhejiang Petroleum & chemical Co., Ltd. (Mamu Oil Depot)	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=913309003440581426&uniqueCode=0b60a837e866388c&date=2025&type=true&isSearch=true
4	Zhejiang Petroleum & chemical Co., Ltd. Zheyou Technology Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330900MA2DMDUK27&uniqueCode=2a12c41d235c882b&date=2025&type=true&isSearch=true
5	Ningbo Zhongjin Petrochemical Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330211764527945N&uniqueCode=3cb00cd1ff3a7624&date=2025&type=true&isSearch=true
6	Ningbo Niluoshan New Energy Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330211MA2CHYTM1K&uniqueCode=947307eeb99e5388&date=2025&type=true&isSearch=true
7	Yisheng Dahua Petrochemical Co., Ltd.	https://qyxxpl.ywzh.lnsthj.cn:8802/home/companiesreport?enterId=682078492708869&publishdataId
8	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330109754409144F&uniqueCode=01dd3ddeb8ed1d86&date=2025&type=true&isSearch=true
9	Zhejiang Yongsheng Technology Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330621MA2887DL53&uniqueCode=e0aae09c993e2f66&date=2025&type=true&isSearch=true

The company must comply with the disclosure requirements for the chemical industry as outlined in the *Shenzhen Stock Exchange Guidelines for Self-Regulatory Supervision of Listed Companies No. 3 – Industry Information Disclosure.*

environmental accidents in listed companies: Not applicable

XVI. Social responsibility information

The Company actively performs its social responsibility and supports poverty alleviation and rural revitalization. For related contents, check the 2025 Sustainability Report issued by the Company on April 28, 2026 on Juchao Information (www.cninfo.com.cn).

The company must comply with the *disclosure requirements for the chemical industry as outlined in the Shenzhen Stock Exchange Guidelines for Self-Regulatory Supervision of Listed Companies No. 3 – Industry Information Disclosure.*

XVII. Consolidating and expanding the achievements of poverty alleviation and rural revitalization

The Company actively performs its social responsibility and supports poverty alleviation and rural revitalizati on. For related contents, check the 2025 Sustainability Report issued by the Company on April 28, 2026 on Juchao Information (www.cninfo.com.cn).

Section V Important Matters

I. Fulfillment of Commitments

1. The commitments performed by the actual controllers, shareholders, related parties, acquirers, the Company, and other relevant parties to commitments during the reporting period, and the commitments not performed by the end of the reporting period

☑Applicable □ Not applicable

Cause of Commitment	Commitment Party	Commitment Type	Content of Commitment	Time of Commitment	Term of Commitment	Fulfillment
Share reform commitment	N/A	N/A	N/A		N/A	N/A
Commitments stated in the Report of Acquisition or Equity Change Report	N/A	N/A	N/A		N/A	N/A
Commitments made in assets reorganization	N/A	N/A	N/A		N/A	N/A
Commitment made during IPO or re-financing	Directors and supervisors of the Company	Share reduction commitment	Directors Li Shuirong and Li Yongqing and Supervisor Li Guoqing promised that during their term of office, they would not transfer shares they held (including directly and indirectly) in the issuer of more than 25% of the total shares held (including directly and indirectly) by them in the issuer every year. Within half a year after resignation, they would not transfer shares directly or indirectly held by them in the issuer.	November 2, 2010	Long term	Commitments honored
	Pre-IPO Shareholders	Share lock-up commitment	Within 36 months from the date of the company's stock listing, they will not transfer or entrust others to manage the shares of the issuer that it directly or indirectly holds (including shares derived from such shares, such as bonus shares, capitalization of capital reserves, etc.), nor will it require the issuer to repurchase such shares.	November 2, 2010	Long term	Commitments honored

Equity incentive commitment	N/A	N/A	N/A		N/A	N/A
Other commitments made to minor shareholders of the Company	Pre-IPO Shareholders	Commitments regarding competition with peers, related-party transactions, and misappropriation of funds	Rongsheng Holding, the controlling shareholder of the Company, signed the Non-competition Agreement with the Company and promised not to compete with the Company in the same industry. Li Shuirong, the de facto controller and the largest natural person shareholder of the Company, and other shareholders, including Li Yongqing, Li Guoqing, Ni Xincai, Xu Yuejuan and Zhao Guanlong, respectively issued the Letter of Commitment on Avoiding Horizontal Competition and promised not to compete with the company in the same industry.	November 2, 2010	Long term	Commitments honored
Other commitments	Zhejiang Rongsheng Holding Group	Shareholding increase commitment	Rongsheng Holdings promises not to voluntarily reduce its holdings of Rongsheng Petrochemical shares during the period of shareholding increase and within the statutory period, and to strictly abide by relevant regulations.	January 19, 2024	During the share increase period and statutory time limit	No breach of commitment
	Zhejiang Rongsheng Holding Group	Shareholding increase commitment	Rongsheng Holdings promises not to voluntarily reduce its holdings of Rongsheng Petrochemical shares during the period of shareholding increase and within the statutory period, and to strictly abide by relevant regulations.	August 21, 2024	During the share increase period and statutory time limit	No breach of commitment
	Zhejiang Rongsheng Holding Group	Shareholding increase commitment	Rongsheng Holdings promises not to voluntarily reduce its holdings of Rongsheng Petrochemical shares during the period of shareholding increase and within the statutory period, and to strictly abide by relevant regulations.	April 7, 2025	During the share increase period and statutory time limit	No breach of commitment
Whether the commitments are performed on time	Yes					

If the commitments have not been fulfilled after the deadline, the specific reasons for the failure to complete the performance and the work plan for the next step should be explained in details	N/A

2. Company statement on meeting original profit forecasts for assets or projects and the reasons therefore, where such profit forecasts have been made and the reporting period falls within the profit forecast period

□ Applicable ☑ Not applicable

3. The Company involves performance commitments

□ Applicable ☑ Not applicable

II. Non-operating Occupation of Funds of the Listed Company by the Controlling Shareholder and Other Related Parties

□ Applicable ☑ Not applicable

There were no non-operating fund misappropriations of the listed company by its controlling shareholder or other related parties during the reporting period,

III. Illegal External Guarantee

□ Applicable ☑ Not applicable

There is no illegal external guarantee during the reporting period.

IV. Explanation of the Board of Directors on the relevant situation of the latest issue of the “Non-standard Audit Report”

□ Applicable ☑ Not applicable

V. Explanation of the Board of Directors,and the Independent Directors (if any) on the “Non-standard Audit Report” for the reporting period issued by the accounting firm

□ Applicable ☑ Not applicable

VI. Explanation of Changes in Accounting Policies, Accounting Estimates or Correction of Major Accounting Errors Compared with the Financial Report of the Previous Year

□ Applicable ☑ Not applicable

During the reporting period, there was no change in accounting policies, accounting estimates or correction of major accounting errors.

VII. Explanation of Changes in the Scope of Consolidated Statements Compared with the Financial Report of the Previous Year

☑Applicable □ Not applicable

Company name	Acquisition and disposal methods during the reporting period	Impact on overall production, operation and performance
Zhejiang Shenghui New Materials Co., Ltd.	New establishment	No significant impact
Zhejiang Petrochemical New Materials (Zhoushan) Co., Ltd.	New establishment	No significant impact
Zhejiang Rongshen New Materials Co., Ltd.	Industrial and commercial deregistration	No significant impact
Zhejiang Rongshen New Materials Co., Ltd.	Industrial and commercial deregistration	No significant impact
Zhejiang Huiyu New Materials Co., Ltd.	Industrial and commercial deregistration	No significant impact
Rongsheng Energy (Zhoushan) Co., Ltd.	Share sales	No significant impact

VIII. Appointment and Dismissal of Accounting Firm

The accounting firm employed currently

Name of domestic accounting firm	Pan-China Certified Public Accountants (Special General Partnership)
Remuneration of domestic accounting firms (RMB 10,000)	770
Consecutive audit services year of domestic accounting firm	20
Name of the certified public accountant of a domestic accounting firm	Xu Haihong, Xu Cheng
Consecutive years of audit service of the certified public accountant of a domestic accounting firm	5 years, 1 year

Whether the accounting firm was reappointed during the period

□ Yes ☑ No

Engagement of internal control audit accounting firms, financial advisers or sponsors

☑Applicable □ Not applicable

For the current year, the Company has appointed Pan-China Certified Public Accountants (Special General Partnership) as its annual internal control auditor.

IX. Delisting after the disclosure of the Annual Report

□ Applicable ☑ Not applicable

X. Matters related to bankruptcy and reorganization

□ Applicable ☑ Not applicable

The Company did not have any matters related to bankruptcy or reorganization during the reporting period.

XI. Major litigation and arbitration matters

□ Applicable ☑ Not applicable

The Company had no major litigation and arbitration during the reporting period.

XII. Punishment and rectification

□ Applicable ☑ Not applicable

There were no penalties or rectification measures in place during the Company's reporting period.

XIII. Integrity conditions of the Company, its controlling shareholders and actual controllers

□ Applicable ☑ Not applicable

XIV. Major Related Transactions

1. Related party transactions related to daily operations

☑Applicable □ Not applicable

Related party	Relationship	Type of related party transaction	Contents of related party transaction	Pricing principles of related party transaction	Price of related party transaction	Amount of related party transaction (RMB 10,000)	Proportion to similar transaction amount	Trading limit approved (RMB 10,000)	Above the approved limit or not	Settlement of related party transaction	Available market price for similar transaction	Disclosure Date	Disclosure index
Rongsheng Holdings	Parent company	Purchase of goods	Coal and other materials	Market price	Market price	805,899.31	73.30%	1,500,000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 25, 2025	https://www.cninfo.com.cn/new/disclosure/detail?orgId=9900015502&announcementId=1223285152&announcementTime=2025-04-25
Saudi Aramco	Minority shareholders	Purchase of goods	Crude oil, fuel oil, ethylene glycol	Market price	Market price	10,079,108.30	53.28%	13,000,000	No	Letter of credit, spot exchange, etc.	Market price	April 25, 2025	https://www.cninfo.com.cn/new/disclosure/detail?orgId=9900015502&announcementId=1223285152&announcementTime=2025-04-25
Zhejiang Yisheng	Associated enterprise	Sales of goods	PTA 、PX	Market price	Market price	907,911.32	14.68%	1,000,000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 25, 2025	https://www.cninfo.com.cn/new/disclosure/detail?orgId=9900015502&announcementId=1223285152&announcementTime=2025-04-25
Total				--	--	11,792,918.93	--	15,500,000	--	--	--	--	--
Details of return of large sales								N/A					
Actual performance during the reporting period where the total amount of daily related party transactions to occur in the current period is estimated by category (if any)								None					
Reason for substantial differences between the transaction price and market reference price (if applicable)								N/A					

2. Related party transactions arising from the acquisition and sale of assets or equity

□ Applicable ☑ Not applicable

The Company had no related party transactions related to the acquisition or sales of assets or equity during the reporting period.

3. Related-party transactions for outward joint investment

□ Applicable ☑ Not applicable

The Company had no related party transactions related to joint outward investment during the reporting period.

4. Related party transactions on credit and debt

□ Applicable☑ Not applicable

The Company had no related party transactions on credit and debt during the reporting period.

5. Transactions with financial companies with associated relationships

□ Applicable ☑Not applicable

There are no deposits, loans, credits or other financial operations between the Company and the related finance companies, and the related party.

6. Transactions between the financial companies controlled by the company and related parties

□ Applicable ☑ Not applicable

There are no deposits, loans, credits or other financial operations between the finance companies controlled by the Company and the related party.

7. Other major related party transactions

□ Applicable ☑ Not applicable

There were no other major related party transactions during the reporting period.

XV. Material Contracts and Their Performance

1. Status of entrustment, contracting and leasing

(1) Entrustment

□ Applicable ☑ Not applicable

The Company had no entrustment during the reporting period.

(2) Contracting

□ Applicable ☑ Not applicable

The Company had no contracting during the reporting period.

(3) Leasing

□ Applicable ☑ Not applicable

The Company had no leasing during the reporting period.

2. Major guarantee

☑Applicable □ Not applicable

Unit：RMB 10,000

Guarantees of the Company to its subsidiaries										
Name of guaranteed party	**Date of disclosure of announcement relating to guarantee limit**	**Guarantee limit**	**Actual occurrence date**	**Actual guarantee amount**	**Guarantee type**	**Collateral (if any)**	**Counter-guarantee situation (if any)**	**Guarantee period**	**If the guarantee has been performed**	**Whether to provide guarantee for related party**
Shengyuan Chemical Fiber	December 9,2025	5,030,600	April 25, 2025	10,000	Joint liability guarantee			2026.4.24	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	March 21, 2025	10,000	Joint liability guarantee			2026.3.21	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	November 25, 2025	2,500	Joint liability guarantee			2026.11.24	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	November 25, 2025	7,500	Joint liability guarantee			2026.11.24	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	December 3, 2025	15,000	Joint liability guarantee			2026.12.2	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	December 3, 2025	5,000	Joint liability guarantee			2026.12.2	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	October 31, 2025	10,000	Joint liability guarantee			2026.6.17	No	Yes
Shengyuan	December	5,030,600	February 12,	125	Joint liability			2026.2.11	No	Yes

Chemical Fiber	9,2025		2025		guarantee					
Shengyuan Chemical Fiber	December 9,2025	5,030,600	February 12, 2025	2,250	Joint liability guarantee			2026.3.11	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 28, 2025	675	Joint liability guarantee			2026.3.28	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 28, 2025	675	Joint liability guarantee			2026.9.28	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 28, 2025	12,150	Joint liability guarantee			2026.10.28	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	August 7, 2025	1,093.12	Joint liability guarantee			2026.1.29	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 14, 2024	29,440	Joint liability guarantee			2026.3.10	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	July 30, 2025	360	Joint liability guarantee			2026.1.30	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	July 30, 2025	360	Joint liability guarantee			2026.7.30	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	July 30, 2025	360	Joint liability guarantee			2027.1.30	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	July 30, 2025	2,520	Joint liability guarantee			2027.7.30	No	Yes
Shengyuan	December	5,030,600	September 9,	695	Joint liability			2026.3.9	No	Yes

Chemical Fiber	9,2025		2025		guarantee					
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 9, 2025	695	Joint liability guarantee			2026.9.9	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 9, 2025	695	Joint liability guarantee			2027.3.9	No	Yes
Shengyuan Chemical Fiber	December 9,2025	5,030,600	September 9, 2025	4,865	Joint liability guarantee			2027.9.9	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	July 25, 2025	2,400	Joint liability guarantee			2026.7.24	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	July 31, 2025	27,600	Joint liability guarantee			2026.7.30	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	August 14, 2025	1,000	Joint liability guarantee			2026.8.13	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	August 19, 2025	50,000	Joint liability guarantee			2026.8.18	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 24, 2025	30,660	Joint liability guarantee			2026.1.23	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	July 2, 2025	24,709.78	Joint liability guarantee			2026.7.1	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 24, 2025	50,000	Joint liability guarantee			2026.1.23	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 23, 2025	20,000	Joint liability guarantee			2026.1.14	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 8, 2025	20,000	Joint liability guarantee			2026.1.28	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 13, 2025	30,000	Joint liability guarantee			2026.2.9	No	Yes

Ningbo ZJPC	December 9,2025	5,030,600	November 14, 2025	9,700	Joint liability guarantee			2026.11.13	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	November 24, 2025	47,000	Joint liability guarantee			2026.11.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	November 24, 2025	3,000	Joint liability guarantee			2026.11.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 17, 2025	15,300	Joint liability guarantee			2026.4.10	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 23, 2025	30,000	Joint liability guarantee			2026.4.17	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 29, 2025	11,023.51	Joint liability guarantee			2026.4.23	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	October 11, 2025	25,000	Joint liability guarantee			2026.4.10	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 3, 2025	28,400	Joint liability guarantee			2027.1.2	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 26, 2025	100	Joint liability guarantee			2026.1.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 26, 2025	100	Joint liability guarantee			2026.7.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 26, 2025	5,800	Joint liability guarantee			2027.1.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 7, 2025	100	Joint liability guarantee			2026.2.4	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 7, 2025	100	Joint liability guarantee			2026.8.4	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 7, 2025	20,100	Joint liability guarantee			2027.2.4	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 19, 2025	500	Joint liability guarantee			2026.2.14	No	Yes

Ningbo ZJPC	December 9,2025	5,030,600	February 19, 2025	9,000	Joint liability guarantee			2026.3.17	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 12, 2025	2,000	Joint liability guarantee			2026.6.9	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 12, 2025	2,000	Joint liability guarantee			2026.12.9	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 12, 2025	36,000	Joint liability guarantee			2027.1.6	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 26, 2025	500	Joint liability guarantee			2026.6.21	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 26, 2025	500	Joint liability guarantee			2026.12.21	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 26, 2025	500	Joint liability guarantee			2027.6.21	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 26, 2025	500	Joint liability guarantee			2027.12.21	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 26, 2025	7,950	Joint liability guarantee			2027.12.26	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 16, 2025	9.09	Joint liability guarantee			2026.10.13	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	October 23, 2025	15,764.66	Joint liability guarantee			2026.3.27	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	October 23, 2025	17,388	Joint liability guarantee			2026.1.28	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	October 27, 2025	9,879.92	Joint liability guarantee			2026.3.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	November 26, 2025	18,097.20	Joint liability guarantee			2026.4.3	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 3, 2025	14,300	Joint liability guarantee			2026.2.14	No	Yes

Ningbo ZJPC	December 9,2025	5,030,600	December 5, 2025	17,030.08	Joint liability guarantee			2026.2.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2026.3.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2026.6.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2026.9.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2026.12.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2027.3.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2027.6.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2027.9.20	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	September 25, 2025	5,555.56	Joint liability guarantee			2027.10.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	February 25, 2025	36,000	Joint liability guarantee			2026.2.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	March 4, 2025	38,000	Joint liability guarantee			2026.3.4	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	April 24, 2025	35,000	Joint liability guarantee			2026.4.24	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	May 14, 2025	41,000	Joint liability guarantee			2026.5.14	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 22, 2025	11,000	Joint liability guarantee			2026.1.22	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	January 23, 2025	9,000	Joint liability guarantee			2026.1.23	No	Yes

Ningbo ZJPC	December 9,2025	5,030,600	March 14, 2025	27,000	Joint liability guarantee			2026.3.14	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	March 25, 2025	38,310	Joint liability guarantee			2026.3.25	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	April 15, 2025	19,000	Joint liability guarantee			2026.4.14	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	July 24, 2025	32,300	Joint liability guarantee			2026.7.24	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	August 5, 2025	93,390	Joint liability guarantee			2026.8.5	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	November 11, 2025	36,000	Joint liability guarantee			2026.11.11	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 4, 2025	10,000	Joint liability guarantee			2026.12.4	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	December 16, 2025	30,000	Joint liability guarantee			2026.12.16	No	Yes
Ningbo ZJPC	December 9,2025	5,030,600	November 17, 2025	3,400	Joint liability guarantee			2026.11.17	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	January 26, 2025	18,600	Joint liability guarantee			2026.1.16	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	February 5, 2025	11,600	Joint liability guarantee			2026.1.26	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	June 25, 2025	6,204.09	Joint liability guarantee			2026.6.24	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	June 26, 2025	10,408.68	Joint liability guarantee			2026.6.25	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	July 11, 2025	3,303.78	Joint liability guarantee			2026.7.9	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	July 15, 2025	8,600	Joint liability guarantee			2026.7.14	No	Yes

Yisheng Dahua	December 9,2025	5,030,600	July 18, 2025	8,000	Joint liability guarantee			2026.7.17	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	May 22, 2025	3,190	Joint liability guarantee			2028.5.22	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	May 28, 2025	5,810	Joint liability guarantee			2028.5.22	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	May 22, 2025	2,000	Joint liability guarantee			2026.6.21	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	June 10, 2025	2,000	Joint liability guarantee			2026.12.21	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	June 10, 2025	3,500	Joint liability guarantee			2028.6.9	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	June 12, 2025	12,417	Joint liability guarantee			2028.6.9	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	June 19, 2025	6,515.33	Joint liability guarantee			2028.6.9	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	August 27, 2025	1,252.69	Joint liability guarantee			2030.8.27	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	September 10, 2025	365.35	Joint liability guarantee			2030.8.27	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	September 26, 2025	31.5	Joint liability guarantee			2030.8.27	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	October 23, 2025	150.33	Joint liability guarantee			2030.8.27	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	October 30, 2025	28.4	Joint liability guarantee			2030.8.27	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	November 20, 2025	324.35	Joint liability guarantee			2030.8.27	No	Yes
Yisheng Dahua	December 9,2025	5,030,600	November 27, 2025	116	Joint liability guarantee			2030.8.27	No	Yes

Yisheng Dahua	December 9,2025	5,030,600	December 19, 2025	7,105.46	Joint liability guarantee			2030.8.27	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	May 24, 2022	2,370	Joint liability guarantee			2026.6.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	May 24, 2022	2,369	Joint liability guarantee			2026.12.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	October 14, 2022	436.92	Joint liability guarantee			2026.6.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	October 14, 2022	436.89	Joint liability guarantee			2026.12.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	September 26, 2023	874	Joint liability guarantee			2026.6.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	September 26, 2023	872	Joint liability guarantee			2026.12.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2026.5.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2026.11.16	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2027.5.17	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2027.11.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2028.5.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2028.11.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2029.5.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2029.11.15	No	Yes

Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2030.5.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2030.11.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2031.5.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2031.11.16	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2032.5.17	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2032.11.15	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	June 6, 2022	2,635.04	Joint liability guarantee			2033.5.16	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	July 9, 2025	5,000	Joint liability guarantee			2026.7.9	No	Yes
Yongsheng Technology	December 9,2025	5,030,600	July 15, 2025	5,000	Joint liability guarantee			2026.7.15	No	Yes
ZPC	December 9,2025	6,260,000	July 31, 2018	202,139.01	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 10, 2018	44,435.28	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 18, 2019	57,375	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 3, 2018	7,609.71	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 9, 2018	12,496.53	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 9, 2018	18,743.01	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	August 10, 2018	3,249.06	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 10, 2018	6,247.23	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 13, 2018	2,314.38	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 16, 2018	21,988.14	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 15, 2018	4,630.80	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 31, 2018	25,500	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 23, 2018	38,160.75	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 26, 2018	6,937.02	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 30, 2018	3,240.13	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 31, 2018	13,888.83	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 7, 2018	4,409.43	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 8, 2018	9,023.78	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 8, 2018	6,713.64	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 3, 2018	3,264.51	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 9, 2018	11,012.94	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	January 1, 2019	16,874.37	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 3, 2019	11,566.29	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 4, 2019	1,851.50	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 9, 2018	4,723.62	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 4, 2019	8,097.78	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 8, 2019	4,397.22	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 9, 2019	11,551.50	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 10, 2019	5,784.47	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 14, 2019	2,784.91	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 15, 2019	8,337.48	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 30, 2019	32,841.14	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 31, 2019	9,261.60	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 30, 2019	1,388.63	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 1, 2019	7,622.97	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 4, 2019	1,852.83	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	February 1, 2019	4,860.81	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 1, 2019	3,933.44	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 3, 2019	16,205.25	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 11, 2019	2,088.68	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 12, 2019	3,006.45	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 11, 2019	12,368.52	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 27, 2019	46,920	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 1, 2019	5,312.67	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 1, 2019	2,076.21	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 7, 2019	3,238.50	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 7, 2019	8,097.78	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 8, 2019	925.75	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 8, 2019	2,776.55	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 12, 2019	2,084.37	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 13, 2019	1,392.45	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	March 15, 2019	11,345.97	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 29, 2019	18,360	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 8, 2019	2,310.30	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 10, 2019	462.88	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 11, 2019	925.8	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 7, 2019	1,384.14	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 11, 2019	1,622.31	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 12, 2019	3,938.73	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 12, 2019	464.15	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 12, 2019	3,238.50	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 15, 2019	1,156.89	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 1, 2019	5,082.66	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 11, 2019	692.07	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 7, 2019	2,590.29	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 7, 2019	17,340	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	May 7, 2019	5,090.82	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 9, 2019	2,082.41	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 10, 2019	694.31	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 13, 2019	1,160.38	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 13, 2019	1,619.51	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 16, 2019	7,407.24	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 1, 2019	2,776.44	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 4, 2019	8,098.26	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 7, 2019	1,108.23	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 5, 2019	4,630.80	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 5, 2019	5,783.50	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 6, 2019	2,777.26	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 6, 2019	35,700	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 6, 2019	2,320.76	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 12, 2019	13,888.83	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	June 20, 2019	232.05	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 1, 2019	51,000	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 5, 2019	2,545.17	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 8, 2019	925.75	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 8, 2019	17,850	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 10, 2019	9,261.60	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 10, 2019	3,016.98	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 10, 2019	2,084.37	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 5, 2019	1,154.13	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 10, 2019	1,622.31	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 11, 2019	692.07	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 16, 2019	2,310.30	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 16, 2019	4,163.64	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 31, 2019	25,456.65	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 2, 2019	4,627.58	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	August 7, 2019	2,320.76	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 7, 2019	5,672.22	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 7, 2019	3,468.51	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	September 23, 2019	2,312.85	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	September 23, 2019	1,856.40	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	September 29, 2019	44,370	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	September 30, 2019	6,945.18	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	August 7, 2019	2,433.72	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 9, 2019	2,425.56	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 21, 2019	6,713.64	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 21, 2019	4,388.55	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 29, 2019	26,520	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 15, 2019	5,793.09	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	October 9, 2019	1,041.42	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 18, 2019	1,945.65	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	November 19, 2019	830.79	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	November 21, 2019	74,970	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	December 18, 2019	1,939.53	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	December 19, 2019	3,238.50	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	December 24, 2019	3,476.67	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 16, 2020	4,397.22	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 16, 2020	2,546.43	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 16, 2020	1,366.29	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 16, 2020	6,713.64	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	January 16, 2020	1,410.15	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 14, 2020	1,614.46	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	February 18, 2020	470.22	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 16, 2020	3,006.45	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 19, 2020	4,629.27	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	March 31, 2020	10,200	Joint liability guarantee			2030.7.30	No	Yes

ZPC	December 9,2025	6,260,000	April 1, 2020	16,575	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 17, 2020	1,154.13	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	April 17, 2020	1,622.31	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	May 13, 2020	2,040	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 3, 2020	2,776.44	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	June 5, 2020	2,776.44	Joint liability guarantee			2030.7.30	No	Yes
ZPC	December 9,2025	6,260,000	July 4, 2023	9,164.13	Joint liability guarantee			2027.3.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	69,660	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	20,382	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	77,400	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	258,000	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	113,004	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	22,394.40	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 20, 2021	7,740	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 21, 2021	29,412	Joint liability guarantee			2032.11.15	No	Yes

ZPC	December 9,2025	6,260,000	January 21, 2021	51,600	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 21, 2021	51,600	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 21, 2021	10,320	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	January 22, 2021	29,412	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 4, 2021	49,020	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 5, 2021	38,700	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 5, 2021	36,120	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 5, 2021	15,480	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 5, 2021	51,600	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 5, 2021	95,460	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 5, 2021	58,824	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	February 7, 2021	29,412	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 18, 2021	10,836	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 18, 2021	18,390.24	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 19, 2021	25,800	Joint liability guarantee			2032.11.15	No	Yes

ZPC	December 9,2025	6,260,000	March 19, 2021	30,960	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 22, 2021	51,600	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 22, 2021	51,600	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 25, 2021	25,800	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 26, 2021	129,000	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	March 26, 2021	41,280	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 28, 2021	15,480	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 28, 2021	67,080	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 28, 2021	31,992	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 28, 2021	25,800	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 28, 2021	15,996	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 29, 2021	41,280	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 30, 2021	2,580	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	April 30, 2021	2,580	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	June 29, 2021	51,600	Joint liability guarantee			2032.11.15	No	Yes

ZPC	December 9,2025	6,260,000	July 5, 2021	170,280	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 5, 2021	25,800	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	20,640	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	36,120	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	74,820	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	74,820	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	77,400	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	154,800	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 6, 2021	20,640	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 15, 2021	52,095.36	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 17, 2021	20,640	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 17, 2021	20,124	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 17, 2021	41,280	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 17, 2021	105,780	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 22, 2021	17,028	Joint liability guarantee			2032.11.15	No	Yes

ZPC	December 9,2025	6,260,000	June 13, 2022	8,256	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	July 11, 2022	175.44	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	August 2, 2022	113.52	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	August 4, 2022	196.08	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	August 9, 2022	61.92	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	August 10, 2022	7.74	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	September 5, 2022	265.74	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	October 10, 2022	211.56	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	November 1, 2022	227.04	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	December 16, 2022	36.12	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	December 27, 2022	4,128	Joint liability guarantee			2032.11.15	No	Yes
ZPC	December 9,2025	6,260,000	November 2, 2021	9.05	Joint liability guarantee			2026.1.1	No	Yes
ZPC	December 9,2025	6,260,000	November 18, 2021	0.42	Joint liability guarantee			2026.1.1	No	Yes
Total limits of guarantees to subsidiaries approved at the end of the reporting period (B3)		11,290,600		Total balance of guarantees actually provided to subsidiaries at the end of the reporting period (B4)		5,353,534.70				
Guarantees of a subsidiary to its subsidiaries										

Name of guarantee object	Date of disclosure of announcement relating to guarantee limit	Guarantee limit	Actual occurrence date	Actual guarantee amount	Guarantee type	Collateral (if any)	Counter-guarantee situation (if any)	Guarantee period	If the guarantee has been performed	Whether to provide guarantee for related party
Yisheng Dahua	December 9, 2025	89,000	July 24, 2025	17,000	Joint liability guarantee			2027.7.23	No	Yes
Yisheng Dahua	December 9, 2025	89,000	July 24, 2025	1,000	Joint liability guarantee			2026.6.21	No	Yes
Yisheng Dahua	December 9, 2025	89,000	July 24, 2025	1,000	Joint liability guarantee			2026.12.21	No	Yes
Total limits of guarantees to subsidiaries approved at the end of the reporting period (C3)		89,000		Total balance of guarantees actually provided to subsidiaries at the end of the reporting period (C4)		19,000				
Total amount of guarantees of the Company (Including the above three mentioned guarantees)										
Total limits of guarantees approved at the end of the reporting period (A3+B3+C3)		11,379,600		Total balance of guarantees actually provided at the end of the reporting period (A4+B4+C4)		5,372,534.70				
Proportion of total amount of guarantees (i.e. A4+B4+C4) in net assets of the Company				123.24%						
Of which:										

Description of the specific situation when using composite guarantee

3. Situation of others entrusted for cash asset management

(1) Entrusted asset management

□ Applicable ☑ Not applicable
The Company had no entrusted asset management during the reporting period.

(2) Entrusted loans

□ Applicable ☑ Not applicable
The Company had no entrusted loans during the reporting period.

4. Other major contracts

□ Applicable ☑ Not applicable
No other major contracts of the Company during the reporting period.

XVI. Use of raised funds

□ Applicable ☑ Not applicable
The Company had no use of raised funds during the reporting period.

XVII. Explanation of other major matters

□ Applicable ☑ Not applicable
No other important events to be described during the reporting period.

XVIII. Major Events of Subsidiaries

□ Applicable ☑Not applicable

Section VI Changes in Shares and Shareholders

I. Changes in shares

1. Changes in shares

Unit: share

	Before the change		Increase or decrease (+, -)					After this change	
	Number	Ratio	Issuance of new shares	Bonus shares	Conversion of capital reserves into shares	Others	Subtotal	Number	Ratio
I. Restricted shares	627,243,750	6.19%				24,131,250	24,131,250	651,375,000	6.52%
1. State-owned shares									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic capital	627,243,750	6.19%				24,131,250	24,131,250	651,375,000	6.52%
Including: Shares held by domestic legal persons									
Shares held by domestic natural persons	627,243,750	6.19%				24,131,250	24,131,250	651,375,000	6.52%
4. Shares held by foreign investors									
Including: Shares held by foreign legal persons									
Shares held by foreign natural persons									
II. Shares not subject to sales restrictions	9,498,281,250	93.81%				-160,213,996	-160,213,996	9,338,067,254	93.48%
1. RMB ordinary shares	9,498,281,250	93.81%				-160,213,996	-160,213,996	9,338,067,254	93.48%
2. Domestically-listed foreign shares									
3. Overseas-listed foreign shares									
4. Others									
III. Total shares	10,125,525,000	100.00%				-136,082,746	-136,082,746	9,989,442,254	100.00%

Causes for change in shares

☑ Applicable □ Not applicable

Based on confidence in the Company's future development prospects and recognition of its long-term value, and to promote the reasonable return of the Company's stock price to its long-term intrinsic value, from March 15, 2022, to August 2, 2022, the Company cumulatively repurchased 136,082,746 shares of the Company through a buyback special securities account via centralized competitive bidding. The *Proposal on the Cancellation of Partially Repurchased Shares, the Reduction of Registered Capital, and the Amendment of the "Articles of Association"* was deliberated and approved at the 23rd Meeting of the 6th Board of Directors held on April 24, 2025, and the 2024 Annual General Meeting of Shareholders held on May 16, 2025, respectively. It was agreed that the aforementioned shares would be cancelled and the registered capital would be reduced accordingly. For details, please refer to the *Announcement on the Completion of the Cancellation of Partially Repurchased Shares and Changes in Shares* (Announcement No.: 2025-040) published in the *Securities Times*, *Securities Daily*, *China Securities Journal*, *Shanghai Securities News*, and on the CNINFO website (http://www.cninfo.com.cn).

Approval of changes in shares

☑ Applicable □ Not applicable

The *Proposal on the Cancellation of Partially Repurchased Shares, the Reduction of Registered Capital, and the Amendment of the "Articles of Association"* was deliberated and approved at the 23rd Meeting of the 6th Board of Directors held on April 24, 2025, and the 2024 Annual General Meeting of Shareholders held on May 16, 2025, respectively. It was agreed that the aforementioned shares would be cancelled and the registered capital would be reduced accordingly. For details, please refer to the *Announcement on the Completion of the Cancellation of Partially Repurchased Shares and Changes in Shares* (Announcement No.: 2025-040) published in the *Securities Times*, *Securities Daily*, *China Securities Journal*, *Shanghai Securities News*, and on the CNINFO website (http://www.cninfo.com.cn).

Transfer of share changes

☑ Applicable □ Not applicable

During the reporting period, the cancellation procedures for the partially repurchased shares of the Company were completed at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (CSDC).

Influence of share changes on the basic EPS(earnings per share), diluted EPS, net assets per share attributable to common shareholders of the company and other financial indicators in the most recent year and the most recent period

☑ Applicable □ Not applicable

During the reporting period, due to the repurchase of shares by the Company, the total share capital of the Company cumulatively decreased by 136,082,746 shares. For the impact of the share changes on financial indicators such as basic earnings per share, diluted earnings per share, and net assets per share attributable to ordinary shareholders of the Company for the most recent year and the most recent period, please refer to "VI. Key Accounting Data and Financial Indicators" under "Section II Company Profile and Key Financial Indicators".

Other information the company deems necessary or required by the securities regulatory authorities to disclose

□ Applicable ☑ Not applicable

2. Changes in restricted shares

☑ Applicable □ Not applicable

Unit: Share

Shareholder Name	Initial Number of Restricted Shares	Increase in Restricted Shares During the Period	Number of Shares Released from Restriction During the Period	Number of Restricted Shares at the End of the Period	Reason for Restriction	Date of Release from Restriction
Li Guoqing	72,393,750	24,131,250	0	96,525,000	The Board of Supervisors was dissolved, and the number of shares held by departing supervisors increased by 24,131,250.	These shares will be released from lock-up in accordance with the Rules for the Management of Shares Held by Directors and Senior Management of Listed Companies and Changes Therein.
Total	72,393,750	24,131,250	0	96,525,000	--	--

II. Securities issuance and listing

1. Issuance of securities (excluding preferred shares) during the reporting period

□ Applicable ☑ Not applicable

2. Explanation of changes in the total number of shares and shareholder structure of the Company, and changes in the structure of the Company's assets and liabilities

☑ Applicable □ Not applicable

For changes in the total number of shares and shareholder structure of the Company, please refer to "I. Changes in Share Capital" in this section of this report.

For changes in the Company's asset and liability structure, please refer to "VI. Analysis of Assets and Liabilities" in "Section III Management Discussion and Analysis" of this report.

3. Existing internal employee shares

□ Applicable ☑ Not applicable

III. Shareholders and actual controllers

1. Number and shareholding of the company's shareholders

Unit: share

Total number of common shareholders at the end of the reporting period	67,353	Total number of common shareholders at the end of the last month before the disclosure date of the annual report	76,418	Total number of preferred shareholders with voting rights restored at the end of the reporting period (if any) (see Note 8)	0	Total number of preferred shareholders whose voting rights were restored at the end of last month before the disclosure date of annual report (if any) (see Note 8)		0
Shareholdings of shareholders holding over 5% of shares or the top 10 shareholders (excluding shares lent through refinancing)								
Name of shareholders	Nature of shareholders	Shareholding ratio	Number of shares held at the end of the report period	Increase or decrease during the reporting period	Number of shares held with limited sales conditions	Number of non-restricted shares held	Pledge, marking or freezing	
							Share status	Number
Zhejiang Rongsheng Holding Group Co., Ltd.	Domestic non-state-owned legal person	55.05%	5,499,301,781	116,642,047	0	5,499,301,781	Not applicable	0
Aramco Overseas Company B.V.	Overseas legal person	10.14%	1,012,552,501	0	0	1,012,552,501	Not applicable	0
Li Shuirong	Domestic natural person	6.44%	643,275,000	0	482,456,250	160,818,750	Not applicable	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	2.17%	216,326,547	40,442,418	0	216,326,547	Not applicable	0

Li Guoqing	Domestic natural person	0.97%	96,525,000	0	96,525,000	0	Not applicable	0
Xu Yuejuan	Domestic natural person	0.97%	96,525,000	0	0	96,525,000	Not applicable	0
Li Yongqing	Domestic natural person	0.97%	96,525,000	0	72,393,750	24,131,250	Not applicable	0
Horizon Asset - Huaneng Trust · Jiayue No. 7 Single Fund Trust - Horizon Asset Huixin No. 43 Single Asset Management Plan	Other	0.55%	55,148,287	0	0	55,148,287	Not applicable	0
Hua'neng Guicheng Trust Co., Ltd. - Hua'neng Trust · Rongyue Weicheng collective funds trust plan	Other	0.50%	50,078,500	0	0	50,078,500	Not applicable	0
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	Other	0.50%	49,570,951	-2,933,800	0	49,570,951	Not applicable	0
The situation (if any) that strategic investors or general legal persons become the top 10 shareholders due to the placement of new shares (see Note 3)		Not applicable						
Explanation of the relationship or concerted action among the above shareholders		Among the top 10 shareholders, Zhejiang Rongsheng Holding Group Co., Ltd. is the controlling shareholder of the Company, Li Yongqing and Li Guoqing are nephews of Li Shuirong, Chairman of the Board of Directors of Zhejiang Rongsheng Holding Group Co., Ltd., Xu Yuejuan is sister-in-law of Li Shuirong, forming associated relationships. In addition to the above associated relationships, the Company has no knowledge of whether other shareholders are related to each other or act in concert.						

Explanation of the above shareholders on delegating/receiving/waiving voting rights	Not applicable
Special explanation on the existence of repurchase accounts among the top 10 shareholders (if any) (see Note 10)	Among the top 10 shareholders, Rongsheng Petrochemical Co., Ltd. repurchased 417,150,112 shares in the special securities account, accounting for 4.18% of the Company's total share capital.

Shareholding of top 10 shareholders not subject to sales restrictions (excluding shares lent through refinancing and executive lock-in shares)			
Name of shareholders	**Number of shares not subject to sales restrictions held at the end of the reporting period**	**Class of shares**	
		Class of shares	**Number**
Zhejiang Rongsheng Holding Group Co., Ltd.	5,499,301,781	RMB ordinary shares	5,499,301,781
Aramco Overseas Company B.V.	1,012,552,501	RMB ordinary shares	1,012,552,501
Hong Kong Securities Clearing Company Limited	216,326,547	RMB ordinary shares	216,326,547
Li Shuirong	160,818,750	RMB ordinary shares	160,818,750
Xu Yuejuan	96,525,000	RMB ordinary shares	96,525,000
Horizon Asset - Huaneng Trust · Jiayue No. 7 Single Fund Trust - Horizon Asset Huixin No. 43 Single Asset Management Plan	55,148,287	RMB ordinary shares	55,148,287
Hua'neng Guicheng Trust Co., Ltd. - Hua'neng Trust · Rongyue Weicheng collective funds trust plan	50,078,500	RMB ordinary shares	50,078,500
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	49,570,951	RMB ordinary shares	49,570,951
Dai Deming	48,000,000	RMB ordinary shares	48,000,000
Ni Xincai	47,925,000	RMB ordinary shares	47,925,000
Explanation of the relationship or concerted action among the top 10 shareholders of outstanding shares not subject to sales restrictions and among the top 10 shareholders of outstanding shares not subject to sales restrictions and the top 10 shareholders	Among the top 10 shareholders, Zhejiang Rongsheng Holding Group Co., Ltd. is the controlling shareholder of the Company, Xu Yuejuan is the sister-in-law of Li Shuirong, Chairman of the Board of Directors of Zhejiang Rongsheng Holding Group Co., Ltd., and Ni Xincai is the brother-in-law of Li Shuirong, forming associated relationships. In addition to the above associated relationships, the Company has no knowledge of whether other shareholders are related to each other or act in concert.		
Explanation of the top 10 shareholders' participation in securities margin trading (if any) (see Note 4)	Zhejiang Rongsheng Holding Group Co., Ltd. holds 5,459,301,781 shares through an ordinary account and 40,000,000 shares through a margin account. Dai Deming holds 2,000,000 shares through an ordinary account and 46,000,000 shares through a margin account.		

Participation of shareholders holding more than 5% shares, top 10 shareholders and top 10 shareholders of outstanding shares not subject to sales restrictions in lending shares by refinancing business

□ Applicable ☑ Not applicable

Changes in top 10 shareholders and top 10 shareholders of outstanding shares not subject to sales restrictions due to lending/returning shares by refinancing business

□ Applicable ☑ Not applicable

Whether any of the top 10 shareholders of ordinary share and the top 10 shareholders of ordinary share not subject to sales restrictions of the Company have any agreed repurchase trading during the reporting period?

□ Yes ☑ No

The top 10 shareholders of ordinary share and the top 10 shareholders of ordinary share not subject to sales restrictions did not conduct the agreed repurchase transaction during the reporting period

2. Controlling shareholders of the Company

Nature of controlling shareholder: natural person holding

Type of controlling shareholder: legal person

Name of controlling shareholder	Legal representative/person-in-charge	Date of establishment	Organization code	Main business
Zhejiang Rongsheng Holding Group Co., Ltd.	Li Shuirong	September 13, 2006	9133000079338631XM	Industrial investment, enterprise management consulting, indoor and outdoor building decoration, sales of chemical raw materials and products (excluding dangerous chemicals and easily made drugs), precious metals (excluding those under special control), gold products, coal (no storage), metal materials and products, steel, building materials, light textile raw materials and products, fuel oil (excluding finished oil), photovoltaic products, cement and products, wood and products, hardware and electrical appliances and daily necessities, computer software development, information consulting services, and import and export business. (Except for projects prohibited or restricted by national laws and regulations). (Business activities subject to the approval shall be carried out upon approval by relevant departments according to law.)
Equity of other domestic and overseas listed companies in which controlling shareholders have controlled and held shares during the reporting period	Zhejiang Rongsheng Holding Group Co., Ltd. has held 55.05% of shares of the Company and 29.08% of shares of Ningbo United Group Co., Ltd., respectively as their actual controller.			

Change of controlling shareholder during the reporting period

□ Applicable ☑ Not applicable

There was no change in the controlling shareholder of the Company during the reporting period.

3. Actual controllers and persons acting in concert with the Company

Nature of actual controller: domestic natural person

Type of actual controller: natural person

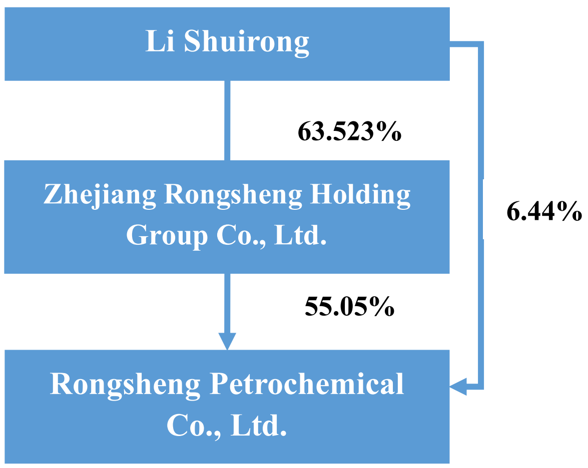
Name of the actual controller	Relationship with actual controller	Nationality	Obtaining the right of residence in other countries or regions or not
Li Shuirong	Same person	China	No
Main occupation and position	Chairman of the Board of Directors of Zhejiang Rongsheng Holding Group Co., Ltd., Chairman of Ningbo United Group Co., Ltd., and Chairman of the Company.		
Domestic and foreign listed companies under his control in the past 10 years	As of the end of the reporting period, Mr. Li has held 63.523% of the shares of Zhejiang Rongsheng Holding Group Co., Ltd. as its actual controller. Zhejiang Rongsheng Holding Group Co., Ltd. has held 55.05% of shares of the Company and 29.08% of shares of Ningbo United Group Co., Ltd., respectively as their controlling shareholder, therefore Li Shuirong is their actual controller.		

Changes in actual controller during the reporting period

□ Applicable ☑ Not applicable

There was no change in the actual controller of the Company during the reporting period.

Block diagram for the property and control relations between the Company and its actual controller



Block diagram for the property and control relations between the Company and its actual controller

□ Applicable ☑ Not applicable

4. The cumulative number of shares pledged by the controlling shareholder or the first largest shareholder of the Company and persons acting in concert with the Company reaches 80% of the number of shares held.

□ Applicable ☑ Not applicable

5. Other legal shareholders holding more than 10 % of the shares

☑Applicable □ Not applicable

Name of corporate shareholder	Legal representative/person -in-charge	Date of establishment	Registered capital	Main business or management activities
Aramco Overseas Company B.V.	Mazin Mohammed M Dabbagh	November 4, 1948	EUR 17,907,127,251	Service providers, internal banks and holding companies are mainly responsible for Saudi

				Aramco's procurement and other services.

6. Restricted reduction of shares by controlling shareholders, actual controllers, restructuring parties and other committed subjects

□ Applicable ☑ Not applicable

IV. Specific implementation of share repurchase during the reporting period

Implementation progress of share repurchase

☑Applicable □ Not applicable

Disclosure time of the scheme	Number of shares to be repurchased (shares)	Proportion to total share capital	Proposed repurchase amount (RMB 10,000)	Proposed repurchase period	Repurchase purpose	Number of shares repurchased (shares)	Proportion of the number of shares repurchased to the underlying shares involved in the equity incentive plan (if any)
March 16, 2022	45,454,500 shares - 90,909,100 shares (all inclusive)	0.45%-0.90%	RMB 1 billion (inclusive) and not more than RMB 2 billion (inclusive)	Within 12 months from the date of approval of this repurchase plan by the board of Directors	For cancellation and reduction of the company's registered capital (originally for convertible corporate bonds or employee stock ownership plans issued by listed companies for conversion into stocks)	136,082,746	0.00%
August 5, 2022	50 million shares-100 million shares (both inclusive)	0.4938%-0.9876%	RMB 1 billion (inclusive) and not more than RMB 2 billion (inclusive)	Within 12 months from the date of approval of this repurchase plan by the board of Directors	Convertible corporate bonds or employee stock ownership plans issued by listed companies for conversion into stocks	147,862,706	0.00%
August 22, 2023	83,333,333 shares - 166,666,667 shares (both	0.8230%-1.6460%	RMB 1.5 billion (inclusive) - RMB 3 billion	Within 12 months from the date of approval of this repurchase plan	Convertible corporate bonds or employee stock ownership plans issued by	269,287,406	0.00%

	inclusive)		(inclusive)	by the board of Directors	listed companies for conversion into stocks		

Implementation progress of reducing repurchased shares by centralized competitive bidding

□ Applicable ☑ Not applicable

V. Preferred shares

□ Applicable ☑ Not applicable

The Company does not have preferred shares during the reporting period.

Section VII Bonds

□Applicable ☑Not applicable

Section VIII Financial Reports

I. Audit Report

Type of audit opinions	Standard unqualified opinion
Signing date of audit report	April 26, 2026
Name of auditor	Pan-China Certified Public Accountants (Special General Partnership)
Reference No. of audit report	Tianjian No. (2026) 9888
Name of certified public accountants	Xu Haihong, Xu Cheng

Content of Audit Report

I. Audit Opinions

We audited the financial statements of Rongsheng Petrochemical Co., Ltd. (hereinafter referred to as "Rongsheng Petrochemical"), including the consolidated and parent balance sheets as of December 31, 2025, the consolidated and parent income statements and the consolidated and parent cash flow statements for the year 2025, the consolidated and parent statement of changes in owners' equity and the notes to the relevant financial statements.

We believe that the attached financial statements are prepared in accordance with the Accounting Standards for Business Enterprises in all major aspects, and fairly reflect the consolidated and parent financial status of Rongsheng Petrochemical as of December 31, 2025, as well as the consolidated and parent operating results and cash flow in 2025.

II. Basis for Audit Opinions

We have performed our audit in accordance with the Auditing Standards for Certified Public Accountants of China. The section "Responsibility of Certified Public Accountant for Auditing Financial Statements" herein further elaborates our responsibilities under these standards. According to the China Code of Ethics for Certified Public Accountants No. 1 - Requirements for Independence in Audit and Review of Financial Statements and the Code of Professional Ethics for Chinese Certified Public Accountants, we are independent of Rongsheng Petrochemical and have fulfilled other responsibilities in terms of professional ethics. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for the audit opinions.

III. Key Audit Matters

Key audit matters are those we consider to be the most important for the auditing of financial statements according to our professional judgment. Those matters are handled in the context that we audit the financial statements as a whole and form an audit opinion. We do not express a separate opinion on these matters.

(I) Revenue recognition

1. Description of matters

See Notes V (26) and VII (40) to the financial statements for relevant information disclosure.

The operating revenue of Rongsheng Petrochemical Company mainly comes from the sales of refined oil products, chemical products, PTA, polyester chips, polyester filaments and films. In 2025, the operating revenue of Rongsheng Petrochemical Company was RMB 308,622.32 million. According to the sales contract between Rongsheng Petrochemical Company and its customers, the revenue of sales of goods by Rongsheng Petrochemical Company is recognized when the customer obtains the control right of the relevant goods.

As operating revenue is one of the key performance indicators of Rongsheng Petrochemical Company, there may be an inherent risk that the management of Rongsheng Petrochemical Company (hereinafter referred to as the management) may achieve specific objectives or expectations through inappropriate revenue recognition. We, therefore, identified revenue recognition as a key audit matter.

2. Audit response

Our audit procedures in relation to revenue recognition mainly include:

(1) Understanding key internal controls related to goodwill impairment, evaluating the design of these controls to confirm whether they have been implemented, and testing the operational effectiveness of related internal controls;

(2) Reviewing the sales contract to understand the key contract terms or conditions, judging the transaction essence of related businesses in combination with the business background, and evaluating the appropriateness of revenue recognition methods;

(3) Implementing analysis procedures foroperating revenue and gross profit rate by month, product and customer, identifying whether there is significant or abnormal fluctuation, and finding out the reasons;

(4) For domestic sales revenue, check the supporting documents related to revenue recognition by selected items, including sales contract, order, sales invoice, delivery order, logistics record and customer receipt; For export income, obtain electronic port information and verify it with book records, and checking supporting documents such as sales contract, export declaration form, freight bill of lading, sales invoice and shipping receipt record by selected items;

(5) Combined with the letter of confirmation of accounts receivable, the sales amount of the letter of confirmation of selected items;

(6) Perform cutoff test to check whether revenue is recognized in the appropriate period;

(7) Obtain records of sales returns after the balance sheet date to check for any instances where revenue recognition criteria are not met as of the balance sheet date;

(8) Checking whether the information related to operating revenue has been properly presented in the financial statements.

(II) Measurement of fixed assets and construction in progress

1. Description of matters

See Notes V (17) , V (18), V (19), VII (11) and VII 12 to the financial statements for details of relevant information disclosure.

As of December 31, 2025, the fixed assets of Rongsheng Petrochemical is RMB 259,757,528,500, mainly including the machinery and equipment used for the production of petroleum refining-products, and the appropriate plants constructed. Such fixed assets are included in the fixed assets accounting when they reach the scheduled serviceable condition and the depreciation is accrued by the straight-line method over the expected service life.

As of December 31, 2025, the book value of construction in progress of Rongsheng Petrochemical was RMB 37,854,167,700, mainly including high-performance resin projects, high-end new material projects, and Jintang new material project, etc. The construction in progress of Rongsheng Petrochemical is measured at the actual cost, including construction cost, installation cost, borrowing cost qualified for capitalization and other necessary expenses incurred to make the construction in progress ready for intended use, including engineering design, supervision, cost consultation and other expenses.

The Management's judgment on the following aspects will have an impact on the book value of fixed assets and construction in progress and the depreciation policy of fixed assets, including determination of expenses qualified for capitalization, determination of the time points when the construction in progress is transferred into fixed assets and when the depreciation gets started; and estimate of the useful economic life and the residual value of appropriate fixed assets.

As evaluation of the book value of fixed assets and construction in progress involves significant Management judgment with great impact on the consolidated financial statements, we determine the measurement and identification of fixed assets and construction in progress as key audit matters.

2. Audit response

Our audit procedures in relation to the measurement of fixed assets and construction in progress mainly include:

(1) Understanding the key internal controls related to fixed assets and construction in progress, evaluating the design of these controls to confirm whether they have been implemented and testing the operational effectiveness of relevant internal controls;

(2) Checking the new construction in progress by selected items, judging whether the above investment is qualified for capitalization, conducting a spot check of the new construction and installation costs with the significant amount this year, checking the relevant project contracts, and checking the actual payment amount against the invoice and payment voucher;

(3) Obtaining the loan contract and reviewing the accuracy and completeness of the capitalized interest confirmation in combination with the investment in construction in progress;

(4) Inspecting the construction site, learning about and evaluating the project progress, and judging whether there is any significant deviation from the Company's book;

(5) Confirming the time point when construction in progress is carried forward to fixed assets, and confirm the accuracy of such time point in combination with the on-site supervision and acceptance report of fixed assets;

(6) Evaluating the reasonableness of the depreciation method of fixed assets and reviewing the reasonableness of depreciation provision on this basis;

(7) Checking whether the information related to fixed assets and construction in progress has been properly presented in the financial statements.

IV. Other Information

Management is responsible for other information. Other information includes information covered in the annual report, but does not include the financial statements and our audit reports.

Our audit opinions on the financial statements do not cover other information, nor do we issue any form of authentication conclusion on other information.

In connection with our audit of the financial statements, our responsibility is to read other information. In the process, we consider whether there are material inconsistencies or appear to be material misstatements with the financial statements or what we have learned during the audit.

Based on the work that we have already done, if we determine that other information contains a material misstatement, we are obliged to report truthfully. We have nothing to report in this regard.

V. Responsibility of the Management and those charged with Governance for Financial Statements

The Management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation and designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the Management is responsible for assessing Rongsheng Petrochemical's ability to continue as a going concern, disclosing matters related to going concern (if applicable) and using the going concern basis of accounting unless the Management either intends to liquidate Rongsheng Petrochemical or to cease its operations, or has no realistic alternative but to do so.

Those charged with governance of Rongsheng Petrochemical (hereinafter referred to as the Governance) is responsible for overseeing the financial reporting process of Rongsheng Petrochemical.

VI. Responsibilities of Certified Public Accountants for the Audit of Financial Statements

Our goal is to obtain reasonable assurance as to whether there is no material misstatement in the financial statements as a whole due to fraud or error, and to issue an audit report containing audit opinions. Reasonable assurance is of a high level, but it is not a guarantee that an audit conducted in accordance with auditing standards is always able to detect a material misstatement when it exists. Misstatements may be caused by fraud or error, and are often considered significant if it is reasonably anticipated that the misstatements alone or in aggregate may affect the economic decisions made by users of the financial statements on the basis of the financial statements.

In the process of the audit performed in accordance with auditing standards, we have applied professional judgments and maintained professional skepticism. Meanwhile, we also execute the following work:

(I) Identify and assess risks of material misstatement of financial statements due to frauds or errors, design and implement audit procedures to address these risks, and obtain adequate and appropriate audit evidence as a basis for expressing audit opinions. Since fraud may involve collusion, forgery, deliberate omission, misrepresentation or overstepping internal control, the risk of failing to find material misstatements due to fraud is higher than the risk of failing to find material misstatements due to error.

(II) Understand internal control related to audit so as to design proper audit procedures.

(III) Evaluate the appropriateness of the accounting policy selected by the Management and the rationality of making accounting estimates and relevant disclosures.

(IV) Draw conclusions on the appropriateness of the going concern assumption used by the Management. In addition, based on the audit evidence obtained, a conclusion is drawn as to whether there is any material uncertainty existing in the matters or situations that may lead to major doubts about the going concern ability of Rongsheng Petrochemical. If we conclude that there is material uncertainty, the auditing standards require us to draw the statement user's attention in the audit report to relevant disclosures in the financial statements; and if the disclosure is inadequate, we shall give non-unqualified opinions. Our conclusion is made as per the information available as of the audit report date. However, future events or circumstances may prevent Rongsheng Petrochemical from continuing as a going concern.

(V) We have evaluated the overall presentation, structure and contents of financial statements and assessed whether the financial statements fairly reflected relevant transactions and matters.

(VI) We have obtained sufficient and appropriate audit evidence on the financial information of entities or business activities of Rongsheng Petrochemical to express our opinions on the financial statements. We are responsible for guiding, supervising and implementing the group audit and taking full responsibility for the audit opinions.

We have communicated with the Governance on the planned audit scope, timing and major audit findings, including the noteworthy deficiencies in internal control identified by us in the audit.

We also provide a statement to the Governors that we have complied with the professional ethics requirements related to our independence and communicate with the Governors all relationships and other matters that may reasonably be considered to affect our independence as well as relevant preventive measures (if applicable).

From the matters on which we communicate with the Governors, we determine which matters are the most important for the audit of the financial statements for the current period and thus constitute the key audit matters. We describe these matters in our audit report, and unless laws and regulations prohibit the public disclosure of these matters or in rare cases, if it is reasonably expected that the negative consequence of communicating certain matters in the audit report will outweigh the benefits in the public interest, we determine that such matters shall not be communicated in the audit report.

II. Financial Statements

The amounts in the financial statement notes are presented in RMB.

1. Consolidated Balance Sheet

Prepared by: Rongsheng Petrochemical Co., Ltd.

December 31, 2025

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Cash and bank balances	13,499,669,478.84	14,833,384,920.45
Settlement reserve		
Loans to other banks		
Trading financial assets		
Derivative financial assets	278,828,802.69	475,766,685.17
Notes receivable		
Accounts receivable	3,169,305,362.31	6,821,971,706.36
Accounts receivable financing	83,421,123.96	103,225,654.46
Advances paid	2,140,598,833.96	1,354,519,708.48
Premium receivables		
Reinsurance receivables		
Reinsurance contract reserves receivables		
Other receivables	4,925,104,317.10	4,345,964,007.66
Including: Interest receivables		
Dividends receivable		
Redemptory monetary capital for sale		
Inventories	33,576,127,180.92	44,566,934,616.59
Including: data resources		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	7,280,589,936.07	5,801,152,355.65
Total current assets	64,953,645,035.85	78,302,919,654.82
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	9,764,207,212.23	9,516,636,321.17
Investment in other equity instruments		
Other non-current financial assets		
Investment property	9,852,682.60	10,124,128.60
Fixed assets	259,757,528,525.39	232,497,113,015.70
Construction in progress	37,854,167,659.20	44,036,132,096.28

Productive biological assets		
Oil & gas assets		
Right-of-use assets	27,062,072.00	176,237,821.55
Intangible assets	9,085,688,449.26	8,142,781,094.80
Including: data resources		
Development expenses		
Including: data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	1,702,308,467.27	1,237,176,277.28
Other non-current assets	3,478,664,190.30	3,926,823,773.78
Total non-current assets	321,679,479,258.25	299,543,024,529.16
Total assets	386,633,124,294.10	377,845,944,183.98
Current liabilities:		
Short-term borrowings	50,196,656,887.59	44,090,969,803.23
Borrowings from the central bank		
Loans from other banks		
Trading financial liabilities		1,269,256,561.53
Derivative financial liabilities	254,957,356.99	34,655,378.23
Notes payable	1,823,730,094.93	3,204,293,497.95
Accounts payable	58,958,528,675.95	59,032,829,819.11
Advance received		
Contract liabilities	4,083,450,306.60	5,995,580,462.05
Financial assets sold for repurchase		
Deposits received and interbank deposits		
Deposits for securities trading agency		
Deposits for securities underwriting agency		
Employee benefits payable	1,125,814,964.88	996,809,278.49
Taxes payable	2,645,167,588.84	1,277,862,468.64
Other payables	8,699,387,532.24	6,588,756,879.48
Including: Interests payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	35,466,338,269.58	38,322,495,216.94
Other current liabilities	1,867,329,013.92	742,351,889.84
Total current liabilities	165,121,360,691.52	161,555,861,255.49
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings	122,459,201,307.70	119,518,340,862.41

Bonds payable		
Including: Preferred share		
Perpetual bond		
Lease liabilities		171,624,458.34
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities	43,782,604.66	
Deferred income	392,706,559.60	198,629,966.29
Deferred income tax liabilities	1,624,234,093.37	1,577,357,341.78
Other non-current liabilities		
Total non-current liabilities	124,519,924,565.33	121,465,952,628.82
Total liabilities	289,641,285,256.85	283,021,813,884.31
Owner's equity:		
Share capital	9,989,442,254.00	10,125,525,000.00
Other equity instruments		
Including: Preferred share		
Perpetual bond		
Capital reserve	8,958,186,957.39	10,819,566,635.04
Less: treasury stock	4,988,804,885.93	6,987,008,823.24
Other comprehensive income	86,668,890.53	280,892,216.98
Special reserves	55,804,605.92	19,057,187.43
Surplus reserves	1,270,743,066.03	1,270,743,066.03
Generic risk reserves		
Undistributed profits	28,221,482,065.98	28,330,397,005.41
Total equity attributable to the parent company	43,593,522,953.92	43,859,172,287.65
Minority equity	53,398,316,083.33	50,964,958,012.02
Total equity	96,991,839,037.25	94,824,130,299.67
Total liabilities and owner's equity	386,633,124,294.10	377,845,944,183.98

Legal representative: Li Shuirong Head of accounting work: Wang Yafang Head of accounting body: Zhang Shaoying

2. Balance Sheet of the Parent Company

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Cash and bank balances	354,353,684.29	682,038,492.96
Trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	2,437,530.86	2,470,580.97

Accounts receivable financing	17,919,013.37	7,377,152.89
Advances paid	60,256,292.32	153,158,590.35
Other receivables	2,897,360,297.44	2,378,142,849.26
Including: Interest receivables		
Dividends receivable	550,000,000.00	550,000,000.00
Inventories	242,437,960.44	169,343,856.05
Including: data resources		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	26,047,627.84	
Total current assets	3,600,812,406.56	3,392,531,522.48
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	55,647,973,695.59	48,129,034,147.12
Investment in other equity instruments		
Other non-current financial assets		
Investment property	9,852,682.60	10,124,128.60
Fixed assets	318,871,916.84	274,806,084.66
Construction in progress		
Productive biological assets		
Oil & gas assets		
Right-of-use assets		
Intangible assets	11,853,718.31	13,461,355.78
Including: data resources		
Development expenses		
Including: data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		2,271,130.13
Total non-current assets	55,988,552,013.34	48,429,696,846.29
Total assets	59,589,364,419.90	51,822,228,368.77
Current liabilities:		
Short-term borrowings	6,285,794,109.03	7,055,037,415.98
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	52,916,550.00	575,194,158.34
Accounts payable	4,861,762,156.96	5,205,888,310.81

Advance received		
Contract liabilities	2,646,739,931.85	710,551,453.29
Employee benefits payable	80,917,996.59	53,751,135.30
Taxes payable	6,581,447.16	13,850,759.94
Other payables	10,133,729,308.36	8,264,563,912.00
Including: Interests payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	5,964,831,869.33	2,788,700,063.61
Other current liabilities	344,076,191.14	92,371,688.93
Total current liabilities	30,377,349,560.42	24,759,908,898.20
Non-current liabilities:		
Long-term borrowings	11,919,757,273.07	8,399,186,264.02
Bonds payable		
Including: Preferred share		
Perpetual bond		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities		
Deferred income	6,301,607.06	7,309,864.22
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	11,926,058,880.13	8,406,496,128.24
Total liabilities	42,303,408,440.55	33,166,405,026.44
Owner's equity:		
Share capital	9,989,442,254.00	10,125,525,000.00
Other equity instruments		
Including: Preferred share		
Perpetual bond		
Capital reserve	9,381,253,530.14	11,243,374,721.45
Less: treasury shares	4,988,804,885.93	6,987,008,823.24
Other comprehensive income	104,810,451.40	217,617,723.95
Special reserves		
Surplus reserves	1,270,743,066.03	1,270,743,066.03
Undistributed profits	1,528,511,563.71	2,785,571,654.14
Total equity	17,285,955,979.35	18,655,823,342.33
Total liabilities and owner’s equity	59,589,364,419.90	51,822,228,368.77

3. Consolidated Income Statement

Unit: RMB

Item	2025	2024
I. Gross operating revenue	308,622,318,229.03	326,475,162,608.88
Including: operating revenue	308,622,318,229.03	326,475,162,608.88
Interest income		
Earned premium		
Handling charge and commission income		
II. Gross operating costs	306,889,801,875.36	327,290,632,772.57
Including: operating costs	270,923,586,738.95	288,990,543,880.55
Interest expense		
Handling charge and commission expenses		
Surrender value		
Net payments for insurance claims		
Net provision for insurance contract liabilities		
Policy dividend payment		
Reinsurance costs		
Taxes and surcharges	24,180,177,418.06	24,897,439,763.47
Selling expenses	192,006,678.56	193,112,300.81
Administrative expenses	987,716,003.24	976,713,694.79
R&D expenses	4,989,246,863.51	5,101,483,285.60
Financial expenses	5,617,068,173.04	7,131,339,847.35
Including: interest expenses	5,829,240,571.07	7,077,035,657.42
Interest income	410,236,488.43	544,687,994.07
Add: Other income	1,256,727,225.03	2,871,905,081.83
Investment income (losses expressed with "-")	717,293,296.00	163,033,295.85
Including: Return on investment in associated enterprises and joint ventures	202,015,047.93	244,591,550.05
Gains on derecognition of financial assets measured at amortized cost		
Exchange gains (losses expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains on changes in fair value (losses expressed with "-")	-412,236,801.77	120,298,131.43
Credit impairment loss (losses expressed with "-")	240,862,048.32	-189,106,251.69
Loss on assets impairment (losses marked with "-")	-219,644,919.91	-163,827,403.04
Gains on disposal of assets (losses expressed with "-")	25,060,957.68	17,440,176.91
III. Operating profit (losses expressed with "-")	3,340,578,159.02	2,004,272,867.60
Add: Non-operating income	6,845,936.52	10,470,949.91
Less: Non-operating expenses	57,252,161.46	109,027,148.89
IV. Total profits (total losses expressed with "-")	3,290,171,934.08	1,905,716,668.62
Less: Income tax expenses	41,312,639.13	-219,603,413.29
V. Net profit (net losses expressed with "-")	3,248,859,294.95	2,125,320,081.91

(I) By business continuity		
1. Net profit from going concern (net losses expressed with "-")	3,248,859,294.95	2,125,320,081.91
2. Net profit from discontinued operations (net losses expressed with "-")		
(II) By ownership		
1. Net profit attributable to shareholders of the parent company	848,314,274.77	724,484,686.45
2. Minority interest income	2,400,545,020.18	1,400,835,395.46
VI. Other comprehensive income, net of tax	-198,686,089.53	168,426,991.01
After-tax net of other comprehensive income attributable to the owners of parent company	-194,223,326.45	170,688,350.63
(I) Other comprehensive income which may not be reclassified to profit or loss		-590,642.24
1. Re-measurement of changes in defined benefit plans		
2. Other comprehensive income which may not be transferred to profit or loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		-590,642.24
(II) Other comprehensive income which may be reclassified to profit or loss	-194,223,326.45	171,278,992.87
1. Other comprehensive income which may be transferred to profit or loss under the equity method	-106,365,882.60	120,207,167.57
2. Changes in fair value of other creditors investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other creditors investments		
5. Cash flow hedging reserves		
6. Difference in translation of foreign currency financial statements	-87,857,443.85	51,071,825.30
7. Others		
Other comprehensive income attributable to minority shareholders, net of tax	-4,462,763.08	-2,261,359.62
VII. Total comprehensive income	3,050,173,205.42	2,293,747,072.92
Total comprehensive income attributable to owners of the parent company	654,090,948.32	895,173,037.08
Total comprehensive income attributable to minority shareholders	2,396,082,257.10	1,398,574,035.84
VIII. Earnings per share		

(I) Basic earnings per share	0.09	0.08
(II) Diluted earnings per share	0.09	0.08

Legal representative: Li Shuirong Head of accounting work: Wang Yafang Head of accounting body: Zhang Shaoying

4. Income Statement of the Parent Company

Unit: RMB

Item	2025	2024
I.Operating revenue	2,636,326,492.82	2,444,347,399.21
Less: Operating costs	2,478,013,535.23	2,369,629,011.51
Taxes and surcharges	9,515,408.43	14,941,864.15
Selling expenses	38,809,646.99	35,432,354.53
Administrative expenses	86,251,756.60	53,799,008.45
R&D expenses	91,332,790.35	82,619,613.45
Financial expenses	816,417,693.42	784,068,244.65
Including: interest expenses	809,665,722.32	837,233,949.57
Interest income	13,227,109.41	60,929,188.85
Add: Other income	350,263,984.79	1,040,297,788.65
Investment income (losses expressed with "-")	262,806,946.12	2,827,800,018.74
Including: Return on investment in associated enterprises and joint ventures	225,401,331.67	244,101,230.58
Gains on derecognition of financial assets measured at amortized cost (loss expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains on changes in fair value (losses expressed with "-")		
Credit impairment loss (losses expressed with "-")	-1,262,380.39	2,255,948.69
Loss on assets impairment (losses marked with "-")	-264,876.91	-846,863.09
Gains on disposal of assets (losses expressed with "-")	8,818,624.58	-150,448.41
II. Operating profits (losses expressed with "-")	-263,652,040.01	2,973,213,747.05
Add: Non-operating income	8,187.15	14,902.40
Less: Non-operating expenses	36,187,023.37	7,314,435.91
III. Total profits (total losses expressed with "-")	-299,830,876.23	2,965,914,213.54
Less: Income tax expenses		
IV. Net profits (net losses expressed with "-")	-299,830,876.23	2,965,914,213.54
(1) Net profits from going concern (net losses expressed with "-")	-299,830,876.23	2,965,914,213.54
(2) Net profits from discontinued operations (net losses expressed with "-")		
V. Other comprehensive incomes, net of tax	-112,807,272.55	137,507,512.73
(I) Other comprehensive income which may not be reclassified to profit or loss		-590,642.24
1. Re-measurement of changes in defined benefit plans		

2. Other comprehensive income which may not be transferred to profit or loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		-590,642.24
(II) Other comprehensive income which may be reclassified to profit or loss	-112,807,272.55	138,098,154.97
1. Other comprehensive income which may be transferred to profit or loss under the equity method	-112,807,272.55	138,098,154.97
2. Changes in fair value of other creditors investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other creditors investments		
5. Cash flow hedging reserves		
6. Difference in translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive incomes	-412,638,148.78	3,103,421,726.27
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2025	2024
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	347,635,310,755.39	372,036,265,785.03
Net increase in deposits from customers and other banks		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Cash received from receiving insurance premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits and investment of the insured		
Cash received from interests, handling charges and commissions		
Net increase in borrowing funds		
Net increase in repurchase business capital		
Net cash received from securities trading agency		

Refunds of taxes and levies	8,192,982,942.90	8,183,620,508.01
Cash received relating to other operating activities	5,304,135,990.78	3,999,364,594.26
Subtotal of cash inflow from operating activities	361,132,429,689.07	384,219,250,887.30
Cash paid for goods purchased and services received	282,644,523,570.94	319,391,099,945.22
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and other banks		
Cash paid for claims under original insurance contracts		
Net increase in lending funds		
Cash paid for interests, handling charges and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	3,305,006,038.73	3,418,589,693.72
Payments of all types of taxes	26,626,691,746.89	24,125,457,835.49
Cash paid relating to other operating activities	3,149,740,913.90	2,674,976,807.99
Subtotal of cash outflow from operating activities	315,725,962,270.46	349,610,124,282.42
Net cash flow from operating activities	45,406,467,418.61	34,609,126,604.88
II. Cash flows from investing activities:		
Cash received from investment recovery	4,267,033,716.54	3,519,097,041.94
Cash received from the return on investment	59,654,510.65	24,778,639.60
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	17,014,767.60	264,117,510.59
Net cash received from the disposal of subsidiaries and other business units	491,583,064.09	
Cash received relating to other investing activities	63,947,965.63	185,655,184.16
Subtotal of cash inflow from investment activities	4,899,234,024.51	3,993,648,376.29
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	42,681,845,985.26	31,582,215,734.40
Cash paid for investments	4,272,634,018.39	3,524,971,851.23
Net increase in pledge loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	88,335,735.63	142,342,025.66
Subtotal of cash outflow from investment activities	47,042,815,739.28	35,249,529,611.29
Net cash flow from investment activities	-42,143,581,714.77	-31,255,881,235.00
III. Cash flow from financing activities:		
Cash received from absorption of investment		1,728,000,000.00
Including: Cash received by subsidiaries from investments of minority shareholders		1,728,000,000.00
Cash received from borrowings	140,260,974,208.19	126,032,872,268.04
Cash received relating to other financing activities	6,167,465,625.41	21,475,993,068.61

Subtotal of cash inflow from financing activities	146,428,439,833.60	149,236,865,336.65
Cash paid for repayment of debts	132,752,145,972.77	124,519,359,588.57
Cash paid for distribution of dividends and profits or payment of interests	8,380,943,834.55	12,029,536,471.85
Including: Dividends or profits paid by subsidiaries to minority shareholders		2,678,000,000.00
Cash paid relating to other financing activities	8,576,442,773.49	14,376,254,046.91
Subtotal of cash outflow from financing activities	149,709,532,580.81	150,925,150,107.33
Net cash flow from financing activities	-3,281,092,747.21	-1,688,284,770.68
IV. Effect of change in exchange rate on cash and cash equivalents	-56,627,418.64	-207,983,361.27
V. Net increase in cash and cash equivalents	-74,834,462.01	1,456,977,237.93
Add: Opening balance of cash and cash equivalents	12,943,832,335.45	11,486,855,097.52
VI. Ending balance of cash and cash equivalents	12,868,997,873.44	12,943,832,335.45

6. Cash Flow Statement of the Parent Company

Unit: RMB

Item	2025	2024
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	9,332,896,788.11	15,696,588,713.99
Refunds of taxes and levies	44,858,852.18	13,166,721.36
Cash received relating to other operating activities	8,053,193,544.86	1,592,873,201.79
Subtotal of cash inflow from operating activities	17,430,949,185.15	17,302,628,637.14
Cash paid for goods purchased and services received	10,625,979,683.73	11,840,353,525.29
Cash paid to and on behalf of employees	231,240,603.21	232,656,827.23
Payments of all types of taxes	90,408,486.38	65,728,903.16
Cash paid relating to other operating activities	4,789,179,512.41	525,957,823.36
Subtotal of cash outflow from operating activities	15,736,808,285.73	12,664,697,079.04
Net cash flow from operating activities	1,694,140,899.42	4,637,931,558.10
II. Cash flows from investing activities:		
Cash received from investment recovery		
Cash received from the return on investment	43,654,510.65	3,243,228,639.60
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	13,921,836.15	1,307,737.00
Net cash received from the disposal of subsidiaries and other business units		
Cash received relating to other investing activities	3,428,581,016.96	1,681,000,000.00
Subtotal of cash inflow from investment activities	3,486,157,363.76	4,925,536,376.60
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	40,049,513.03	2,271,130.13

Cash paid for investments	7,450,000,000.00	2,892,000,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	4,099,900,000.00	1,401,550,000.00
Subtotal of cash outflow from investment activities	11,589,949,513.03	4,295,821,130.13
Net cash flow from investment activities	-8,103,792,149.27	629,715,246.47
III. Cash flow from financing activities:		
Cash received from absorption of investment		
Cash received from borrowings	20,777,000,000.00	18,976,690,000.00
Cash received relating to other financing activities	7,453,000,000.00	5,528,552,171.00
Subtotal of cash inflow from financing activities	28,230,000,000.00	24,505,242,171.00
Cash paid for repayment of debts	14,933,200,000.00	15,272,538,000.00
Cash paid for distribution of dividends and profits or payment of interests	1,578,824,260.13	1,616,645,745.96
Cash paid relating to other financing activities	5,634,129,390.86	15,357,194,192.39
Subtotal of cash outflow from financing activities	22,146,153,650.99	32,246,377,938.35
Net cash flow from financing activities	6,083,846,349.01	-7,741,135,767.35
IV. Effect of change in exchange rate on cash and cash equivalents	-1,894,907.83	998,308.18
V. Net increase in cash and cash equivalents	-327,699,808.67	-2,472,490,654.60
Add: Opening balance of cash and cash equivalents	682,038,492.96	3,154,529,147.56
VI. Ending balance of cash and cash equivalents	354,338,684.29	682,038,492.96

7. Consolidated Statement of Changes in Owner's Equity

Current amount

Unit: RMB

Item	2025														
	Owner's equity attributable to the parent company													Minority equity	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Generic risk reserves	Undistributed profits	Other	Subtotal		
		Preferred shares	Perpetual bond	Other											
I. Ending balance of the previous year	10,125,525,000.00				10,819,566,635.04	6,987,008,823.24	280,892,216.98	19,057,187.43	1,270,743,066.03		28,330,397,005.41		43,859,172,287.65	50,964,958,012.02	94,824,130,299.67
Add: Changes in accounting policies															
Correction of errors in the previous period															
Other															
II. Opening balance of the year	10,125,525,000.00				10,819,566,635.04	6,987,008,823.24	280,892,216.98	19,057,187.43	1,270,743,066.03		28,330,397,005.41		43,859,172,287.65	50,964,958,012.02	94,824,130,299.67
III. Increases/decreases in the current period (decrease expressed with "-")	-136,082,746.00				-1,861,379,677.65	-1,998,203,937.31	-194,223,326.45	36,747,418.49			-108,914,939.43		-265,649,333.73	2,433,358,071.31	2,169,519,055.20
(I) Total comprehensive income							-194,223,326.45				848,314,274.77		654,090,948.32	2,396,082,257.10	3,051,983,523.04
(II) Capital contributed and reduced by owners	-136,082,746.00				-1,862,121,191.31	-1,998,203,937.31									

1. Ordinary shares invested by the owners	-136,082,746.00				-1,862,121,191.31	-1,998,203,937.31									
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment recognized in owners' equity															
4. Others															
(III) Profit distribution											-957,229,214.20		-957,229,214.20		-957,229,214.20
1. Withdrawal of surplus reserve															
2. Withdrawal of generic risk reserves															
3. Distribution to owners (or shareholders)											-957,229,214.20		-957,229,214.20		-957,229,214.20
4. Others															
(IV) Internal carry-forward of owner's equity															
1. Capital reserve transferred into capital (or share capital)															
2. Surplus reserve transferred into capital (or share capital)															

3. Surplus reserves for making up loss															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive incomes carried forward to retained earnings															
6. Others															
(V) Special reserve								36,747,418.49					36,747,418.49	36,563,379.52	73,310,798.01
1. Amount appropriated in the current period								394,308,722.44					394,308,722.44	328,522,292.54	722,831,014.98
2. Use in the current period								357,561,303.95					357,561,303.95	291,958,913.02	649,520,216.97
(VI) Others					741,513.66								741,513.66	712,434.69	1,453,948.35
IV. Ending balance of the current period	9,989,442,254.00				8,958,186,957.39	4,988,804,885.93	86,668,890.53	55,804,605.92	1,270,743,066.03		28,221,482,065.98		43,593,522,953.92	53,398,316,083.33	96,993,649,354.87

Amount of prior period

Unit: RMB

Item	2024														
	Owner's equity attributable to the parent company													Minority equity	Total owners' equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Generic risk reserves	Undistributed profits	Other	Subtotal		
		Preferred share	Perpetual bond	Other											

		s													
I. Ending balance of the previous year	10,125,525,000.00				10,825,322,259.36	6,619,807,176.02	110,203,866.35	60,677,296.91	974,151,644.68		28,859,818,194.51		44,335,891,085.79	50,332,930,555.50	94,668,821,641.29
Add: Changes in accounting policies															
Correction of errors in the previous period															
Other															
II. Opening balance of the year	10,125,525,000.00				10,825,322,259.36	6,619,807,176.02	110,203,866.35	60,677,296.91	974,151,644.68		28,859,818,194.51		44,335,891,085.79	50,332,930,555.50	94,668,821,641.29
III. Increases/decreases in the current period (decrease expressed with "-")					-5,755,624.32	367,201,647.22	170,688,350.63	-41,620,109.48	296,591,421.35		-529,421,189.10		-476,718,798.14	632,027,456.52	155,308,658.38
(I) Total comprehensive income							170,688,350.63				724,484,686.45		895,173,037.08	1,398,574,035.84	2,293,747,072.92
(II) Capital contributed and reduced by owners						367,201,647.22							-367,201,647.22	1,728,000,000.00	1,360,798,352.78
1. Ordinary shares invested by						367,201,647.22							-367,201,647.22	1,728,000,000.00	1,360,798,352.78

the owners															
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment recognized in owners’ equity															
4. Others															
(III) Profit distribution									296,591,421.35		-1,253,905,875.55		-957,314,454.20	-2,450,000,000.00	-3,407,314,454.20
1. Withdrawal of surplus reserve									296,591,421.35		-296,591,421.35				
2. Withdrawal of generic risk reserves															
3. Distribution to owners (or shareholders)											-957,314,454.20		-957,314,454.20	-2,450,000,000.00	-3,407,314,454.20
4. Others															
(IV) Internal carry-forward of owner's															

equity															
1. Capital reserve transferred into capital (or share capital)															
2. Surplus reserve transferred into capital (or share capital)															
3. Surplus reserves for making up loss															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive incomes carried forward to retained earnings															
6. Others															
(V) Special reserve								-41,620,109.48					-41,620,109.48	-39,016,665.76	-80,636,775.24
1. Amount appropriated in the								396,314,212.37					396,314,212.37	323,527,877.70	719,842,090.07

current period														
2. Use in the current period								437,934,321.85				437,934,321.85	362,544,543.46	800,478,865.31
(VI) Others					-5,755,624.32							-5,755,624.32	-5,529,913.56	-11,285,537.88
IV. Ending balance of the current period	10,125,525,000.00				10,819,566,635.04	6,987,008,823.24	280,892,216.98	19,057,187.43	1,270,743,066.03		28,330,397,005.41		43,859,172,287.65	50,964,958,012.02	94,824,130,299.67

8. Statement of Changes in Owners' Equity of the Parent Company

Current amount

Unit: RMB

Item	2025										
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Other	Total owners' equity
		Preferred shares	Perpetual bond	Other								
I. Ending balance of the previous year	10,125,525,000.00				11,243,374,721.45	6,987,008,823.24	217,617,723.95		1,270,743,066.03	2,785,571,654.14		18,655,823,342.33
Add: Changes in accounting policies												
Correction of errors in the previous period												
Other												
II. Opening balance of the year	10,125,525,000.00				11,243,374,721.45	6,987,008,823.24	217,617,723.95		1,270,743,066.03	2,785,571,654.14		18,655,823,342.33

III. Increases/decreases in the current period (decrease expressed with "-")	-136,082,746.00				-1,862,121,191.31	-1,998,203,937.31	-112,807,272.55			-1,257,060,090.43		-1,369,867,362.98
(I) Total comprehensive income							-112,807,272.55			-299,830,876.23		-412,638,148.78
(II) Capital contributed and reduced by owners	-136,082,746.00				-1,862,121,191.31	-1,998,203,937.31						
1. Ordinary shares invested by the owners	-136,082,746.00				-1,862,121,191.31	-1,998,203,937.31						
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment recognized in owners' equity												
4. Others												
(III) Profit distribution										-957,229,214.20		-957,229,214.20
1. Withdrawal of surplus reserve												
2. Distribution to owners (or shareholders)										-957,229,214.20		-957,229,214.20
3. Others												

(IV) Internal carry-forward of owner's equity												
1. Capital reserve transferred into capital (or share capital)												
2. Surplus reserve transferred into capital (or share capital)												
3. Surplus reserves for making up loss												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Amount appropriated in the current period												
2. Use in the current period												

(VI) Others												
IV. Ending balance of the current period	9,989,442,254.00				9,381,253,530.14	4,988,804,885.93	104,810,451.40		1,270,743,066.03	1,528,511,563.71		17,285,955,979.35

Amount of prior period

Unit: RMB

Item	2024											
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Other	Total owners' equity
		Preferred shares	Perpetual bond	Other								
I. Ending balance of the previous year	10,125,525,000.00				11,243,374,721.45	6,619,807,176.02	80,110,211.22		974,151,644.68	1,073,563,316.15		16,876,917,717.48
Add: Changes in accounting policies												
Correction of errors in the previous period												
Other												
II. Opening balance of the year	10,125,525,000.00				11,243,374,721.45	6,619,807,176.02	80,110,211.22		974,151,644.68	1,073,563,316.15		16,876,917,717.48
III. Increases/decreases in the current period (decrease expressed with "-")						367,201,647.22	137,507,512.73		296,591,421.35	1,712,008,337.99		1,778,905,624.85
(I) Total comprehensive income							137,507,512.73			2,965,914,213.54		3,103,421,726.27
(II) Capital contributed and reduced by						367,201,647.22						-367,201,647.22

owners												
1. Ordinary shares invested by the owners						367,201,647.22						-367,201,647.22
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment recognized in owners' equity												
4. Others												
(III) Profit distribution									296,591,421.35	-1,253,905,875.55		-957,314,454.20
1. Withdrawal of surplus reserve									296,591,421.35	-296,591,421.35		
2. Distribution to owners (or shareholders)										-957,314,454.20		-957,314,454.20
3. Others												
(IV) Internal carry-forward of owner's equity												
1. Capital reserve transferred into capital (or share capital)												
2. Surplus reserve transferred into capital (or share capital)												

3. Surplus reserves for making up loss												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Amount appropriated in the current period												
2. Use in the current period												
(VI) Others												
IV. Ending balance of the current period	10,125,525,000.00				11,243,374,721.45	6,987,008,823.24	217,617,723.95		1,270,743,066.03	2,785,571,654.14		18,655,823,342.33

III. Company Profile

Rongsheng Petrochemical Co., Ltd. (hereinafter referred to as the Company) is a joint-stock limited company initiated and established on the foundation of Rongsheng Chemical Fiber Group Co., Ltd. by Zhejiang Rongsheng Holding Group Co., Ltd., as well as natural persons including Li Shuirong, Li Yongqing, Li Guoqing, Xu Yuejuan, Ni Xincai and Zhao Guanlong. The Company was registered on June 18, 2007 and is headquartered in Hangzhou, Zhejiang Province. The Company now holds the Business License (Unified Social Credit Code: 91330000255693873W) issued by Zhejiang Administration for Market Regulation, with a registered capital of RMB 9,989,442,254.00 and a total of 9,989,442,254 shares (par value: RMB 1 per share), including outstanding shares subject to sales restrictions: 651,375,000 A shares, and outstanding shares not subject to sales restrictions: 9,338,067,254 A shares. Shares of the Company were listed for trading at Shenzhen Stock Exchange on November 2, 2010.

The Company operates in the petrochemical fiber industry. The operating activities mainly are the production and sales of refined oil products, chemical products, PTA, polyester chips, polyester filaments and films.

These financial statements were approved for issuance by the Company's Seventh Board of Directors at its 5th meeting on April 26, 2026.

IV. Preparation Basis of Financial Statements

1. Preparation basis

The financial statements of the Company are prepared on a going concern basis.

2. Going concern

There are no matters or circumstances that cause the Company to have serious doubts about its going concern ability within 12 months from the end of the reporting period.

V. Significant Accounting Policies and Accounting Estimates

Important note: According to the actual production and operation characteristics, the Company has formulated specific accounting policies and accounting estimates for transactions or events such as impairment of financial instruments, inventory, construction in progress, depreciation of fixed assets, intangible assets and revenue recognition.

1. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises, which truthfully and completely reflect the Company's financial position, business achievements, cash flow and other relevant information.

2. Accounting period

The accounting year is the calendar year from January 1 to December 31.

3. Operating cycle

The business cycle of the Company is short, and 12 months is taken as the liquidity division standard of assets and liabilities.

4. Functional currency

The Company and its domestic subsidiaries adopt RMB as the functional currency, while overseas subsidiaries such as Hong Kong Shenghui Co., Ltd., Hong Kong Yisheng Dahua Petrochemical Co., Ltd., Yisheng New Materials Trading Co., Ltd., Rongsheng Petrochemical (Hong Kong) Co., Ltd., Rongsheng Petrochemical (Singapore) Private Co., Ltd., Rongtong Logistics (Singapore) Private Co., Ltd., and Zhejiang Petroleum & Chemical (Singapore) Private Co., Ltd. engaging in overseas operations, choose the currency in the main economic environment where they operate as the functional currency.

5. Determination method and selection basis of materiality

☑Applicable □ Not applicable

Item	Materiality
Important Advance payments with the aging more than 1 year	Single amount exceeding 0.5% of total assets
Important dividends receivable aged over 1 year	Single amount exceeding 0.5% of total assets
Important construction in progress	Single amount exceeding 0.5% of total assets
Important accounts payable with the aging more than 1 year	Single amount exceeding 0.5% of total assets
Important other payable with the aging more than 1 year	Single amount exceeding 0.5% of total assets
Important Contract liabilities with the aging more than 1 year	Single amount exceeding 0.5% of total assets
Important overseas operating entity	15% of total income
Important cash flows from investing activities	Single amount exceeding 0.5% of total assets
Important non-wholly owned subsidiary	The individual asset total exceeds 3% of the Group's total assets
Important joint ventures	The book value of individual investment exceeds 0.5% of the Group's total assets
Important contingencies	The contingent matters of individual amount exceeding 3% of total assets or other matters significantly influencing investor decisions
Important post-balance sheet events	Post-balance-sheet-date profit distribution and other matters significantly influencing investor decisions

6. Accounting treatment methods for business combinations under and not under common control

1. Accounting treatment method for business combinations under common control

Assets and liabilities acquired by the Company in a business combination are measured at their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the Company's share of the carrying amount of the combined party's owner's equity in the consolidated financial statements of the ultimate controlling party and the carrying amount of the consideration paid for the combination (or the total par value of the shares issued) is adjusted against the capital reserve. If the capital reserve is insufficient to absorb the difference, any excess is adjusted against retained earnings.

2. Accounting treatment method for business combinations not under common control

At the acquisition date, the Company recognizes the excess of the combination cost over its share of the fair value of the identifiable net assets of the acquiree acquired in the combination as goodwill. If the combination cost is less than the Company's share of the fair value of the identifiable net assets of the acquiree acquired in the combination, the Company first reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities, and contingent liabilities acquired, as well as the combination cost. If, after the reassessment, the combination cost remains less than the Company's share of the fair value of the identifiable net assets of the acquiree acquired in the combination, the difference is recognized in profit or loss for the current period.

7. Judgement standard of control and preparation method of consolidated financial statements

1. Judgement of control

Control means the Company has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power to influence the variable amount of returns.

2. Preparation method for consolidated financial statements

The parent company brings all subsidiaries under its control into the consolidation scope of the consolidated financial statements. The consolidated financial statements are based on the financial statements of the parent company and its subsidiaries and are prepared according to other related documents by the parent company in accordance with the Accounting Standards for Business Enterprises No. 33—Consolidated Financial Statements.

8. Classification of joint arrangement and accounting methods for joint operation

1. The joint arrangement is comprised of joint operation and joint venture.

2. When the Company is a party to a joint operation, the following items are recognized in relation to the share of interest in the joint operation:

(1) Recognition of assets held individually and assets held jointly on a holding share basis;

(2) Recognition of liabilities assumed individually and liabilities assumed jointly on a holding share basis;

(3) Recognition of revenue from the sale of the Company's share of common operation output;

(4) Recognition of income from joint operations arising from the sale of assets based on the Company's share of ownership;

(5) Recognition of expenses incurred separately and recognition of expenses incurred in joint operations based on the Company's share of ownership.

9. Recognition standard for cash and cash equivalents

Cash listed in the statement of cash flows refers to cash on hand and deposits that can be used for payment at any time. The term "cash equivalents" refers to short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

10. Foreign currency business and conversion of foreign currency statements

1. Translation of foreign currency business

In foreign currency transactions, the spot exchange rate at the transaction date shall be adopted at the initial recognition to convert the foreign currency into the amount of RMB. On the balance sheet date, the monetary items denominated in foreign currencies are translated at the spot exchange rate on the balance sheet date. The exchange differences arising from the exchange rate are included in current profit or loss except for the exchange difference between the principal and interest of foreign currency-specific borrowings related to the acquisition and construction of assets eligible for capitalization. The foreign currency non-monetary items measured at historical cost are still translated at the spot exchange rate at the transaction date, and their RMB amount shall not be changed. Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate at the determination date of fair value, and the exchange differences are included in current profit or loss or other comprehensive income.

2. Translation of foreign currency financial statements

Items of assets and liabilities in the balance sheet are translated at the spot exchange rate prevailing on the balance sheet date. Except for the "undistributed profit" item, other items of owner's equity are translated at the spot exchange rate at the transaction date. Income and expense items in the income statement are translated at the approximate spot exchange rate at the transaction date. The converted difference in foreign currency financial statements arising from the above translations is included in other comprehensive income.

11. Financial instruments

1. Classification of financial assets and financial liabilities

At initial recognition, financial assets are classified into the following three categories: (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; and (3) financial assets at fair value through profit or loss.

At initial recognition, financial liabilities are classified into four categories: (1) financial liabilities at fair value through profit or loss; (2) financial liabilities that are formed since the transfer of financial assets do not comply with the conditions for derecognition or continue to involve in the financial assets to be transferred; (3) financial guarantee contracts not falling under the above (1) or (2), and loan commitments not falling under the above (1) and lending at a rate lower than the market interest rate; (4) financial liabilities at amortized cost.

2. Recognition basis, measurement methods and derecognition conditions for financial assets and financial liabilities

(1) Recognition basis and initial measurement methods for financial assets and financial liabilities

A financial asset or a financial liability shall be recognized when the Company becomes a party to a financial instrument contract. A financial asset or financial liability shall be measured at fair value at the initial recognition. For financial assets or financial liabilities at fair value through profit or loss, the transaction costs thereof shall be directly recorded in current profit or loss. For other categories of financial assets or financial liabilities, the related transaction costs are included in the initial recognition amount. However, if the accounts receivable initially recognized by the Company do not contain significant financing components or the Company does not consider the financing components in contracts less than one year, the initial recognition shall be carried out according to transaction price as defined in the Accounting Standards for Business Enterprises No. 14—Revenue.

(2) Subsequent measurement method for financial assets

1) Financial assets measured at amortized cost

They are subsequently measured at amortized cost by adopting the effective interest method. Gains or losses arising from financial assets measured at amortized cost and not part of any hedging relationship are included in current profit or loss upon derecognition, reclassification, amortization under the effective interest method or recognition of impairment.

2) Debt instrument investments at fair value through other comprehensive income

They are subsequently measured at fair value. Interest, impairment losses or gains and exchange gains and losses calculated by the effective interest method are included in current profit or loss, and other gains or losses are included in other comprehensive income. Upon derecognition, the accumulated gain or loss previously included in other comprehensive incomes is transferred from other comprehensive incomes and included in the current profit or loss.

3) Equity instrument investments at fair value through other comprehensive income

They are subsequently measured at fair value. Dividends obtained (except those falling under the recovery of investment costs) are included in current profit or loss, and other gains or losses are included in other comprehensive income. Upon derecognition, the accumulated gain or loss previously included in other comprehensive incomes is reclassified from other comprehensive income to retained earnings.

4) Financial assets at fair value through profit or loss

They are subsequently measured at fair value, and the resulting gains or losses (including interest and dividend income) are included in current profit or loss, unless the financial asset is part of the hedging relationship.

(3) Subsequent measurement method for financial liabilities

1) Financial liabilities at fair value through profit or loss

Such financial liabilities comprise trading financial liabilities (including derivatives of financial liabilities) and those specified as financial liabilities at fair value through profit or loss. Such financial liabilities are subsequently measured at fair value. Change in fair value of financial liability designated to be measured at fair value through profit or loss due to change in the Company's own credit risk is included in other comprehensive income, unless the treatment will cause or expand the accounting mismatch in profit or loss. Other gains or losses arising from such financial liabilities (including interest expenses, except changes in fair value caused by changes in the own credit risk) are included in current profit or loss, unless the financial liabilities are part of the hedging relationship. Upon derecognition, the accumulated gain or loss previously included in other comprehensive incomes is reclassified from other comprehensive income to retained earnings.

2) Financial liabilities that are formed since the transfer of financial asset does not comply with the conditions for derecognition or continue to involve in the financial assets to be transferred

They are measured pursuant to relevant provisions under Accounting Standards for Business Enterprises No. 23—Transfer of Financial Assets.

3) Financial guarantee contracts not falling under the above 1) or 2), and loan commitments not falling under the above 1) and to lend at a rate lower than the market interest rate

A subsequent measurement shall be made after they are initially recognized according to the higher one of the following: ① the amount of loss allowance determined in accordance with the impairment provisions of financial instruments; ② the remaining amount after the determined accumulative amortization amount is deducted from the initially recognized amount in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No.14—Revenue.*

4) Financial liabilities at amortized cost

They are measured at amortized cost under the effective interest method. Gains or losses arising from financial liabilities measured at amortized cost and not part of any hedging relationship are included in current profit or loss when derecognized and amortized under the effective interest method.

(4) Derecognition of financial assets and financial liabilities

1) The Company will derecognize the financial assets when one of the following conditions are met:

① The contractual rights to the cash flows from the financial asset expire;

② The transfer of such financial assets has been completed and is in line with the provisions on derecognition of a financial asset under the Accounting Standards for Business Enterprises No. 23—Transfer of Financial Assets.

2) When the current obligations of financial liabilities (or part thereof) have been discharged, the recognition of the financial liabilities (or part thereof) shall be terminated accordingly.

3. Recognition basis and measurement method for transfer of financial assets

Where the Company transfers almost all risks and returns related to the ownership of the financial assets transferred, these financial assets will be derecognized, and the rights and obligations that occurred or were retained during the transfer are separately recognized as assets or liabilities. Where almost all risks and rewards on the ownership of financial assets are retained, the transferred financial assets shall continue to be recognized. Where the Company has neither transferred nor retained any risk and reward relating to the ownership of the financial assets, it shall be disposed of in the following conditions: (1) where the control over the financial asset is not retained, the recognition of the financial asset shall be terminated, and the rights and obligations arising or retained in the transfer shall be separately recognized as assets or liabilities; 2) where the control over the financial asset is retained, the relevant financial asset shall be recognized according to the degree of continued involvement in the transferred financial asset, and the relevant liabilities shall be recognized accordingly.

When the overall transfer of financial assets meets the conditions for derecognition, the difference between the following two amounts shall be included in the current profit or loss: (1) the book value of the transferred financial assets on the date of derecognition; (2) the sum of the consideration received from the transfer of financial assets and the amount of the derecognized part in a cumulative amount of change in fair value which is originally included in other comprehensive income (the financial assets involved in the transfer are debt instrument investments at fair value through other comprehensive income). A part of financial assets is transferred, and if the transferred part meets the conditions for derecognition entirely, the book value of the whole financial asset before transfer shall be allocated between the derecognized part and the continued recognition part according to their relative fair values on the transfer date, and the difference between the following two amounts shall be included in current profit or loss: (1) the book value of the derecognized part; (2) the sum of the consideration of the derecognized part and the amount of the corresponding derecognized part in the accumulated amount of changes in fair value originally directly included in other comprehensive income (the financial assets involved in the transfer are debt instrument investments at fair value through other comprehensive income).

4. Methods for determination of the fair value of financial assets and financial liabilities

When determining the fair value of related financial assets and financial liabilities, the Company adopts the valuation technique applicable in the prevailing circumstance and supported by sufficient available data and other information. The Company classifies the input values used by the valuation technique as the following tiers and uses them in turns:

(1) Level 1 input value refers to the unadjusted quotations of the same assets or liabilities in an active market which can be obtained on the measurement date;

(2) Level 2 input value refers to them directly or indirectly observable input value of relevant assets or liabilities apart from Level 1 input value, including: quotations of similar assets or liabilities on an active market; quotations of identical or similar assets or liabilities in markets that are not active; observable input values other than quotations, such as interest rates and yield curves that are observable during normal quotation intervals; input values for market validation, etc.;

(3) Level 3 input value refers to the unobservable input value of relevant assets or liabilities, including the volatility of interest rate and stock that cannot be directly observed or cannot be verified by observable market data, the future cash flows of the disposal obligations assumed in the business combination, financial forecasts made using its own data, etc.

5. Impairment of financial instruments

On the basis of expected credit loss, for financial assets at amortized cost, debt instrument investments at fair value through other comprehensive income, contract assets, lease receivables, loan commitments other than those classified as financial liabilities at fair value through profit or loss, financial guarantee contracts that do not belong to financial liabilities at fair value through profit or loss or financial liabilities formed by the transfer of financial assets that do not meet the conditions for derecognition or continue to be involved in the transferred financial assets shall be impaired and loss allowance shall be recognized.

Expected credit loss refers to the weighted average of credit losses of financial instruments weighted by the risk of default. Credit loss refers to the difference between all contract cash flow receivables according to the contract, and all cash flows expected to be collected, i.e., the present value of all cash shortfalls. The financial assets purchased or generated by the Company that have suffered credit impairment are discounted according to the credit-adjusted effective interest rate of the financial assets.

For the purchased or originated financial assets with credit impairment, the Company only recognizes the cumulative change of expected credit loss in the whole existence period after initial recognition as the loss allowance on the balance sheet date.

For lease receivables, and the receivables and contract assets arising from transactions as stipulated under the *Accounting Standards for Business Enterprises No. 14—Revenue*, the Company uses simplified measurement methods to measure the loss allowance according to the expected credit loss amount equivalent to the whole duration.

For financial assets other than the above measurement methods, the Company assesses whether its credit risk has increased significantly since initial recognition on each balance sheet date. If the credit risk has increased significantly since the initial recognition, the Company shall measure the loss allowance according to the amount of expected credit loss during the whole existence period. If the credit risk has not increased significantly since the initial recognition, the Company shall measure the loss allowance according to the amount of expected credit loss of the financial instrument in the next 12 months.

The Company uses available reasonable and based information, including forward-looking information, to determine whether the credit risk of financial instruments has increased significantly since the initial recognition by comparing the default risk of financial instruments on the balance sheet date with the default risk on the initial recognition date.

On the balance sheet date, if the Company judges that the financial instrument only has low credit risk, it is assumed that the credit risk of the financial instrument has not increased significantly since the initial recognition.

The Company evaluates the expected credit risk and measures the expected credit loss on the basis of a single financial instrument or combination of financial instruments. When based on the portfolio of financial instruments, the Company divides the financial instruments into different portfolios according to the common risk characteristics.

The Company re-measures the expected credit loss on each balance sheet date, and the resulting increase or reversal of the loss allowance is included in the current profit or loss as impairment loss or profit. For financial assets at amortized cost, the loss provision is offset against the book value of the financial asset as given in the balance sheet; For debt investment measured at fair value through other comprehensive income, the loss allowances are recognized in other comprehensive income by the Company instead of offsetting the book value of the financial assets.

6. Offset of financial assets and financial liabilities

Financial assets and financial liabilities are listed separately on the balance sheet and can not offset each other. However, if the following conditions are met at the same time, the net amount after mutual offset shall be listed in the balance sheet: (1) the Company has the legal right to set off the recognized amount, and such legal right is currently enforceable; (2) the Company intends either to settle on a net basis, or to realize the financial assets and pay off the financial liabilities simultaneously.

For the transfer of financial assets not in line with the conditions for derecognition, the Company does not offset the transferred financial assets and liabilities.

12. Recognition criteria and provision methods for expected credit losses on accounts receivable and contract assets

1. Accounts receivable with expected credit losses provided by portfolio of credit risk characteristics

Portfolio category	Basis for determining portfolios	Method for measuring expected credit loss
Banker's acceptance receivables	Type of notes	With reference to historical credit loss experience and in combination with the current situation and the forecast of future

<table>
<tr><td>Commercial acceptance bill receivables</td><td></td><td>economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration</td></tr>
<tr><td>Accounts receivable - aging portfolio</td><td>Aging</td><td>With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the comparison table between the aging of accounts receivable and the expected credit loss rate is compiled to calculate the expected credit loss</td></tr>
<tr><td>Accounts receivable - trade accounts portfolio of overseas subsidiaries</td><td>Nature of account</td><td rowspan="2">With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration</td></tr>
<tr><td>Accounts receivable - Related party dealings portfolio within the scope of consolidation</td><td>Related parties within the scope of consolidation [note]</td></tr>
<tr><td>Other receivables - Related party dealings portfolio within the scope of consolidation</td><td>Related parties within the scope of consolidation [note]</td><td rowspan="8">With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the next 12 months or the whole duration.</td></tr>
<tr><td>Other receivables - borrowing deposit portfolio</td><td rowspan="7">Nature of account</td></tr>
<tr><td>Other receivables - government receivables portfolio</td></tr>
<tr><td>Other receivables - futures margin portfolio</td></tr>
<tr><td>Other receivables - paper goods transaction settlement portfolio</td></tr>
<tr><td>Other receivables - deposit and margin receivables portfolio</td></tr>
<tr><td>Other receivables - reserve fund receivables portfolio</td></tr>
<tr><td>Other receivables - current account portfolio</td></tr>
</table>

[Note]: Related parties of the Company and within the scope of consolidated financial statements

2. Comparison table between aging of aging portfolio and expected credit loss rate

Aging	Expected credit loss rate of accounts receivable (%)
Within 1 year (included, the same below)	5
1-2 year(s)	10
2-3 years	30
Above 3 years	100

The aging of accounts receivable shall be calculated from the date of initial recognition.

3. Criteria for identifying accounts receivable with expected credit losses provided by a single basis

For accounts receivable with credit risk significantly different from the portfolio credit risk, the Company makes provisions for expected credit losses by a single basis.

13. Contract Assets

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between the performance of obligations and customer payments. The Company presents contract assets and contract liabilities under the same contract on a net basis after offsetting them against each other.

The Company presents the right to consideration from a customer that is unconditional (i.e., requiring only the passage of time before payment is due) as a receivable, and presents the right to consideration in exchange for goods transferred to a customer (where the right is conditioned on something other than the passage of time) as a contract asset.

14. Inventory

1. Classification of inventories

Inventory includes finished products or commodities held for sale in ordinary course of business, products in the process of production, materials and supplies consumed in the process of production or providing labor services.

2. Valuation method for delivered inventories

Inventories delivered shall be weighted average at the end of each month.

3. Inventory system of inventories

The perpetual inventory system is adopted for inventories.

4. Amortization method for low-value consumables and packaging materials

(1) Low-value consumables

Low-value consumables are amortized using the one-off amortization method.

(2) Packaging materials

Packaging materials are amortized using the one-off amortization method.

5. Inventory depreciation reserves

On the balance sheet date, the inventory was measured at the lower of the cost and net realizable value. Inventory falling price reserves were accrued based on the difference between the cost and the net realizable value. The net realizable value of inventory directly used for sale will be determined by the amount of the estimated selling price of the inventory minus the estimated sales expenses and related taxes. For inventories that need to be processed, the net realizable value shall be determined in the normal production and operation process by subtracting the estimated selling price of finished products produced from the estimated cost to be incurred when completion, the estimated sales expenses and relevant taxes and fees. On the balance sheet date, if a part of the same inventory has a contract price agreement and other parts do not have a contract price, the net realizable value shall be determined respectively, and the corresponding cost shall be compared to determine the accrual or reversal amount of inventory depreciation reserve respectively.

15. Long-term equity investment

1. Judgment of joint control and significant influence

Joint control refers to the shared control over a certain arrangement according to the relevant agreement, and the activities under such arrangement are subject to approval by the parties sharing the control power. Significant influence refers to that one party has the power to participate in the decision-making of financial and operating policies of the investee but is unable to control or jointly control these policies with other parties.

2. Determination of investment cost

(1) For business combination under the same control, where the combining party uses cash payment, transfer of non-cash assets, assumption of debts or issuing of equity securities as combination consideration, the share of owner's equity of the combined party acquired in the book value of total owner's equity in consolidated financial statements of the ultimate controller on the combination date shall be identified as the initial investment cost of long-term equity investment. The difference between the initial investment cost of long-term equity investment and the book value of the combination consideration paid or the par value of the issued shares is adjusted against the

capital reserve. If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

For the long-term equity investments formed through business combination under the same control and implemented through multiple transactions step by step by the Company, it is a must to judge whether they are “package deals”. If they are package deals, each deal is regarded as a deal to obtain control right for accounting treatment. If it is not a package deal, on the date of combination, the share of the book value of net assets of the combined party that should be enjoyed after combination in the consolidated financial statements of the ultimate controller, is recognized as an initial investment cost. The difference between the initial investment cost of long-term equity investment on the date of combination and the sum of the book value of long-term equity investment before the combination is realized and the book value of consideration additionally paid to further acquire shares on the date of combination is adjusted against the capital reserve. If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

(2) As for business combinations not under the same control, the fair value of the combination consideration paid on the combination date is recorded as the initial investment cost of long-term equity investment.

For the long-term equity investments formed through business combination not under the same control and implemented through multiple transactions step by step by the Company, the accounting treatment is different in unconsolidated financial statements and consolidated financial statements:

1) In separate financial statements, the initial investment cost of long-term equity investment accounted using the cost method is measured at the sum of the book value of equity investment originally held and investment cost additionally paid.

2) In consolidated financial statements, it is a must to judge whether they are “package deals”. If they are package deals, each deal is regarded as a deal to obtain control right for accounting treatment. Suppose these transactions are not "package deals", the equities of the acquiree held before the purchase date shall be re-measured at fair value at the purchase date. The difference between the fair value and its book value shall be recognized as current investment income. In case the equity of the acquiree held before the purchase date involves other comprehensive income under the equity method, relevant other comprehensive income shall be transferred to the current return on the purchase date, except for other comprehensive income resulting from the re-measurement of the investee's net defined benefit plan liabilities or changes in net assets.

(3) Except for the formation of business combination: As for those obtained by cash payment, the actually paid purchase price is taken as the initial investment cost; the long-term equity investment formed by issuing equity securities, the fair value of issuing equity securities is taken as the initial investment costs. If acquired through debt restructuring, its initial investment cost shall be determined in accordance with the Accounting Standards for Business Enterprises No. 12—Debt Restructuring; in the case of non-monetary asset exchange, the initial investment cost shall be determined in accordance with the Accounting Standards for Business Enterprises No. 7—Exchange of Non-monetary Assets.

3. Methods for subsequent measurement and profit or loss recognition

The long-term equity investment in the invested entity under its control will be accounted for through the cost method; long-term equity investment in associated enterprises and joint ventures is accounted for under the equity method.

4. Treatment methods for investments in subsidiaries through multiple deals step by step until control losing

(1) Judgment principle for whether a "package deal" or not

If the equity investment in the subsidiary is disposed of step by step through multiple transactions until it loses control, the Company will judge whether the step-by-step transaction is a "package deal" by combining the terms of the transaction agreement, the disposal consideration obtained separately, the object of equity sale, the disposal method and the disposal time in each step of the step-by-step transactions. The terms, conditions and economic impact of each transaction meet one or more of the following conditions, which usually indicates that multiple transactions are "package deals":

1) These transactions were concluded at the same time or under the consideration of mutual impact;

2) These transactions as a whole can achieve a complete business result;

3) The occurrence of a transaction depends on the occurrence of at least one other transaction;

4) A transaction is uneconomical when viewed alone, but it is economical when considered together with other transactions.

(2) Accounting treatment for non-"package deals"

1) Separate financial statements

For disposal of equity, the difference between book value and the actual price of the acquisition shall be recorded into current profit or loss. For the remaining equity, if the investor still has significant influence over the investee or imposes joint control with other parties, it is accounted for by the equity method; In case of failure to control, jointly control or significantly influence the investee, it shall be calculated in accordance with the provisions of the Accounting Standards for Business Enterprises No. 22—Recognition and Measurement of Financial Instruments.

2) Consolidated financial statements

Before losing control, the capital reserves (capital premium) are adjusted at the difference between the disposal cost and the share in net assets of subsidiaries calculated continuously from the acquisition date or combination date corresponding to the disposal of long-term equity investment; if the capital premium is not sufficient to be offset, retained earnings are offset.

When losing control over a former subsidiary, the remaining equity is re-measured at the fair value on the date of control loss. The balance of the sum of the consideration received through the disposal of equity and the fair value of the remaining equity after deducting the entitled share of net assets continuously calculated at the original shareholding ratio from the purchase date or the date of combination in the subsidiary is recognized in the investment income for the period during which the control is lost, and is written off against goodwill. Other comprehensive income related to equity investment in the former subsidiary is transferred into return on investment for the period during which the control is lost.

(3) Accounting treatment for "package deals"

1) Separate financial statements

Each deal is considered as a deal for the disposal of the subsidiary and losing control of accounting treatment. However, the difference between the disposal cost of each deal before losing the control and the book value of long-term equity investment corresponding to the disposal investment is recognized as other comprehensive income in separate financial statements, and when the control is lost, transferred together into profit or loss for the period during which the control is lost.

2) Consolidated financial statements

Each deal is considered as a deal for the disposal of the subsidiary and losing control of accounting treatment. However, the difference between the disposal cost of each deal before losing the control and the entitled share of net assets of the subsidiary corresponding to the disposal investment is recognized as other comprehensive income in consolidated financial statements, and when the control is lost, transferred together into profit or loss for the period during which the control is lost.

16. Investment properties

Measurement model of investment properties

Measurement by the cost method

Depreciation or amortization methods

1. Investment properties of the Company include the land use rights leased and held for sale after appreciation, and leased buildings.

2. Investment properties are initially measured by cost and subsequently measured by the cost model, with its depreciation or amortization conducted by the same methods for fixed assets and intangible assets.

17. Fixed assets

(1) Recognition conditions

Fixed assets refer to tangible assets held for production, service, lease or operation with a service life of more than one accounting year. Fixed assets can be recognized only when related economic benefits are very likely to flow into the Company, and their costs can be measured reliably.

(2) Depreciation method

Category	Depreciation method	Depreciable life (years)	Residual value rate (%)	Annual depreciation rate (%)
Housing and buildings	Straight-line depreciation method	5-30	5 or 10	19.00-3.00
Machinery and equipment	Straight-line depreciation method	10-15	5 or 10	9.50-6.00
Transportation facilities	Straight-line depreciation method	4-5	5 or 10	23.75-18.00
Other equipment	Straight-line depreciation method	3-10	5 or 10	31.67-9.00

18. Construction in progress

1. Construction in progress is able to be recognized only when related economic benefits are very likely to flow into the Company, and its costs can be measured reliably. Construction in progress is measured at the actual cost incurred before such asset is ready for the intended use.

2. Construction in progress is carried forward to fixed assets based on actual costs of the project when it is ready for its intended use. As for construction in progress which is ready for the intended use but has not gone through the formalities of final accounts of completion, it shall be transferred into fixed assets at the estimated value. Upon the final accounts of completion, the previous tentatively estimated value other than accrued depreciation shall be adjusted based on actual costs.

Category	Standards and timing for carrying forward construction in progress to fixed assets
Housing and buildings	The main project and supporting projects have been substantially completed and the engineering has met the predetermined design requirements, and has been accepted by the survey, design, construction, supervision and other units.
Machinery and equipment	After installation and commissioning, it meets the design requirements or the standards specified in the contract

19. Borrowing costs

1. Recognition principle of the capitalization of borrowing costs

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of a qualifying asset for capitalization, it shall be capitalized and recognized as costs of relevant assets; Other borrowing costs shall be recognized as an expense when they are incurred and included in current profit or loss.

2. Capitalization period of borrowing costs

(1) Capitalization begins when the borrowing cost meets the following conditions: 1) asset expenditure has been incurred; 2) the borrowing costs have been incurred; 3) the acquisition, construction or production activities necessary to bring the asset to its intended use or sales have been initiated.

(2) Where the acquisition and construction or production process of assets eligible for capitalization are interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended. The borrowing costs incurred during such period shall be recognized as expenses of the current period until the asset's acquisition and construction or production activity restarts.

(3) When the assets acquired, constructed or produced qualified for capitalization conditions are ready for intended use or sales, the capitalization of the borrowing costs shall be ceased.

3. Capitalization rate and amount of borrowing costs

In case of special borrowing for the acquisition & construction or production of assets eligible for capitalization conditions, interest income to be capitalized shall be recognized after deducting the bank interests for the unused portion or the investment income for short-term investment from the interest costs (including recognized discount or amortization of premium under effective interest method) actually occurred in the current period of specific borrowing. Where a general borrowing is used for the acquisition, construction, or production of assets eligible for capitalization, it shall determine the capitalization amount of interests on the general borrowing by multiplying the weighted average asset expenses of the part of the accumulative asset expenses minus the special borrowings by the capitalization rate of the general borrowings used.

20. Intangible assets

(1) Service life and its determination basis, estimation, amortization method or review procedure

1. Intangible assets include land use rights, use right for sea area, emission right, patented technology and management software, and so on, which are initially measured according to cost.

2. Any intangible asset with a limited service life shall be amortized in a systematic and rational manner based on the expected realization method of economic benefits related to it within its service life; where the expected realization method cannot be confirmed reliably, the straight-line method shall be adopted. Details are as follows:

Item	Service life and its determination basis	Amortization method
Land-use right	15-50 years, registration period of land use right certificate	Straight-line method
Know-how	6-10 years, expected income period	Straight-line method
Management software	5-10 years, expected income period	Straight-line method
Pollution dumping right	5-20 years, registration period of the certificate	Straight-line method
Sea area use right	1-50 years, registration period of the certificate	Straight-line method

(2) Collection scope of R&D expenditure and related accounting treatment methods

(1) Personnel labor expenses

Personnel labor expenses include the Company's R&D personnel's wages and salaries, basic pension insurance premiums, basic medical insurance premiums, unemployment insurance premiums, work-related injury insurance premiums, maternity insurance premiums and housing provident fund, as well as the labor costs of external R&D personnel.

If R&D personnel serve on multiple R&D projects at the same time, the labor expenses shall be identified based on the working time records of the R&D personnel for each R&D project provided by the Company's management department and allocated proportionally among the different R&D projects.

For personnel directly engaged in R&D activities and external R&D personnel who are also engaged in non-R&D activities, the Company will allocate the actual labor expenses incurred by the R&D personnel in different positions between R&D expenses and production and operating expenses based on reasonable methods such as the proportion of actual working hours, based on the working hour records of the R&D personnel in different positions.

(2) Direct investment expenses

Direct investment expenses refer to the actual expenses incurred by the Company in implementing R&D activities. Including: 1) directly consumed materials, fuel and power costs; 2) R&D and manufacturing costs of molds and process equipment used for intermediate tests and product trials, purchase costs of samples, prototypes and general testing means that do not constitute fixed assets, and inspection costs of trial products; 3) operating maintenance, adjustment, inspection, testing, and repair of instruments and equipment used in R&D activities.

(3) Depreciation expenses and long-term deferred expenses

Depreciation expenses refer to the depreciation of instruments, equipment and buildings in use used for R&D activities.

For instruments, equipment and buildings in use that are used for R&D activities and are also used for non-R&D activities, necessary records shall be made on the use of such instruments, equipment and buildings in use, and the actual depreciation incurred shall be allocated between R&D expenses and production and operating expenses using a reasonable method based on factors such as actual working hours and area used.

Long-term deferred expenses refer to the long-term deferred expenses incurred during the renovation, retrofitting, decoration, and repair of R&D facilities, which are aggregated based on actual expenditures and amortized evenly over the specified period.

(4) Intangible assets amortization expenses

Intangible assets amortization expenses refer to the amortization expenses of software, intellectual property, non-patented technologies (proprietary technologies, licenses, designs and calculation methods, etc.) used in R&D activities.

(5) Design expenses

Design expenses refer to the expenses incurred in the conception, development and manufacture of new products and new processes, the design of processes, technical specifications, procedures, and operating characteristics, including related costs incurred in creative design activities to obtain innovative, creative, and breakthrough products.

(6) Equipment debugging and testing expenses

Equipment debugging and testing expenses refer to the expenses incurred in R&D activities during tooling preparation, including the costs incurred in developing special and dedicated production machines, changing production and quality control procedures, or formulating new methods and standards.

Expenses incurred for routine tooling preparation and industrial engineering for large-scale batch and commercial production are not included in the collection scope.

Testing expenses include clinical trial fees for new drug development, field test fees for exploration and development technologies, field trial fees, etc.

(7) Commissioned external R&D expenses

Commissioned external R&D expenses refer to the expenses incurred when the Company entrusts other domestic or foreign institutions or individuals to carry out R&D activities (the results of the R&D activities are owned by the Company and are closely related to the Company's main business operations).

(8) Other expenses

Other expenses refer to other expenses directly related to R&D activities in addition to the above expenses, including technical book and material fees, material translation fees, expert consultation fees, high-tech R&D insurance premiums, retrieval, demonstration, review, appraisal, and acceptance fees of R&D results, application fees, registration fees, agency fees for intellectual property rights, conference fees, travel expenses, communication expenses, etc.

The expenditure in the research stage of internal research and development projects is included in the current profit or loss. The expenditures incurred during the development of an internal R&D project shall be recognized as intangible assets if they simultaneously meet the following conditions: (1) It is technically feasible to complete the intangible assets so that they can be used or sold; (2) it is intended to finish and use or sell the intangible assets; (3) the ways for intangible assets to generate economic benefits shall be proven useful, including the way to prove that there is a potential market for the products manufactured with the intangible assets or there is a potential market for the intangible assets or the intangible assets will be used internally; (4) enough technical and financial resources and other resources are available to support the development of such intangible assets, and the Company is able to use or sell such intangible assets; (5) the expenses incurred from developing the intangible asset can be reliably measured.

21. Impairment of long-term assets

Long-term assets such as long-term equity investment, investment properties measured by the cost model, fixed assets, construction in progress, right-of-use assets and intangible assets with limited service lives shall be evaluated for their recoverable amount in case of any sign of impairment at the balance sheet date. For goodwill formed by business combination and intangible assets with uncertain service life, an impairment test should be carried out every year regardless of whether there is a sign of impairment. Goodwill impairment testing must be done in combination with the asset group or asset group portfolio to which it is linked.

Where the recoverable amount of asset is lower than its book value, the Company shall recognize the provision for asset impairment based on the difference and recognize such loss into the current gains and losses.

22. Long-term deferred expenses

Long-term deferred expenses refer to all expenses that have been paid and have an amortization period of more than one year (excluding one year). Long-term deferred expenses are recorded at the actual incurred amount and amortized on an average basis by stages over the beneficial period or prescribed period. In case that long-term deferred expense items cannot benefit the future accounting periods, the amortized value of such unamortized items shall be fully transferred into the current profit or loss.

23. Contract liabilities

The Company presents contract assets or liabilities in the balance sheet based on the relation between performance obligation and customer payment. The Company will record the net amount of contract assets and contract liabilities under the same contract after they are set off against each other.

The Company presents the obligation to transfer goods to the customer for considerations received or receivable from the customer as a contract liability.

24. Employee remuneration

Employee remuneration includes short-term remuneration, post-employment benefits, termination benefits, and other long-term employee benefits.

(1) Accounting treatment method for short-term remuneration

The actual short-term remuneration in the accounting period when employees offer services for the Company will be recognized as liabilities and included in current profit or loss or relevant asset cost.

(2) Accounting treatment method of post-employment benefits

Post-employment benefits are divided into defined contribution plans and defined benefit plans.

(1) During the accounting period when an employee provides services to the Company, the amount to be deposited according to the defined contribution plan shall be recognized as the liability and recorded into the current profit or loss or the cost of the relevant assets.

(2) The accounting treatment for a defined benefit plan generally includes the following steps:

1) In accordance with the projected unit credit method, demographic and financial variables are estimated using unbiased and consistent actuarial assumptions, the obligations arising from the defined benefit plan are measured, and the period for the relevant obligation is determined. In the meantime, the obligations arising from the defined benefit plan are discounted to determine the present value and current cost of service of the defined benefit plan.

2) Where the defined benefit plan involves any assets, the deficit or surplus resulting from the present value of obligations in the defined benefit plan minus the fair value of assets shall be recognized as net liabilities or net assets of the defined benefit plan. Where the defined benefit plan has any surplus, the Company will measure the net assets of the defined benefit plan based on the surplus or asset limit of the defined benefit plan (whichever is the lower);

3) At the end of the period, the Company shall recognize the cost of employee remuneration as cost of service, the net interest of net liabilities or net assets of the defined benefit plan and changes arising from the re-measurement of net liabilities or net assets of the defined benefit plan, in which the cost of service and net interest of net liabilities or net assets of the defined benefit plan are recorded in the current profit or loss or relevant asset cost, changes arising from the re-measurement of net liabilities or net assets of the defined benefit plan are recorded in other comprehensive incomes and is not allowed to be carried back to gains or losses during the subsequent accounting period, but the amounts recognized in other comprehensive incomes can be transferred within the equity scope.

(3) Accounting treatment method for dismissal benefits

Where dismissal benefits are provided to employees, liabilities in employee remuneration are recognized and included in the current profit or loss when: (1) the Company is not in a position to unilaterally withdraw dismissal benefits provided under termination plans or layoff proposals; (2) when the Company recognizes the costs or expenses related to restructuring involving the payment of dismissal benefits.

(4) Accounting treatment method for other long-term employee benefits

Where the Company provides other long-term employee benefits for its employees and the employee reaches the conditions of the defined benefit plan, accounting treatment shall be adopted based on relevant provisions of the defined benefit plan. For long-term employee benefits other than the aforesaid ones, the accounting treatment should be conducted in accordance with relevant provisions of the defined benefit plan. In order to simplify relevant accounting treatments, the employee remuneration cost resulting from other long-term employee benefits shall be recognized as cost of service, the total net amount of component items, including net interest of net liabilities or net asset of other long-term employee benefits, as well as changes arising from re-measurement of net liabilities or net asset of other long-term employee benefits and so on, is recorded in current profit or loss or relevant asset cost.

25. Liability Provisions

1. As the obligations arising from contingencies such as external guarantees, litigation matters, product quality assurance, and loss-making contracts become current obligations of the company, the performance of such obligations is likely to result in the outflow of economic benefits from the company, and the amount of such obligations can be measured reliably, the Company shall recognize such obligations as provisions.

2. The Company initially measures the provisions according to the best estimate of expenditures required to fulfill relevant current obligations and reviews the book value of the provisions on the balance sheet date.

26. Revenue

1. Revenue recognition principle

The Company assesses the contract from the commencement date of the contract and recognizes each individual performance obligation included by the contract, and determines whether each individual performance obligation will be fulfilled during a certain period or at a certain time point.

It will constitute performance of the obligation in a certain period of time if any of the following conditions are met; otherwise it will constitute performance of obligation at a certain time point: (1) the customer obtains and consumes economic benefits arising from contract performance by the Company; (2) the customer can control goods in progress during the process of contract performance by the Company; (3) goods arising from contract performance by the Company have irreplaceable purposes, and the Company is entitled to receive payment for accumulatively completed performance proportion to date throughout the contract term.

If the performance obligations are performed within the specified period, the Company will recognize the income within this period in accordance with the progress of the contract's performance. If the performance progress cannot be determined reasonably and the costs incurred are expected to be compensated, the income will be recognized according to the costs incurred until the performance progress is determined reasonably. If the performance obligations are performed at a time point, the Company will recognize the income at the time when the customer obtains control power over goods or services. When judging whether the customer has already obtained the right of control over goods, the Company shall consider the following items: (1) the Company has the right to receive payment currently; namely, the customer assumes the obligation of making payment currently in regards to the goods; 2) the Company has already transferred the legal ownership of the goods to the customer; namely, the customer has already obtained the legal ownership of such goods; 3) the Company has already transferred the material object of the goods to the customer, namely the customer has already obtained such goods in the material object; 4) the Company has already transferred the significant risk and consideration of the property in the goods to the customer, namely, the customer has already obtained the significant risk and consideration of the property in the goods; (5) the customer has accepted such goods; (6) other signs that indicate the customer has already obtained the control over goods.

2. Revenue measurement principles

(1) The income shall be measured by the Company according to the transaction price apportioned to each single performance obligation. Transaction price refers to the amount of consideration the Company expects to receive for the transfer of goods or services to the customer, but it does not include payments received on behalf of the third party or funds to be returned to the customer.

(2) In case of variable consideration in contract, the Company will determine the best estimate of variable consideration in line with the expected or most possible amount, but the transaction price that contains variable consideration will not exceed the amount of accumulated recognized income that is least likely to be reversed when relevant uncertainties are removed.

(3) If there is significant financing in the contract, the Company shall determine the transaction price according to the amount payable in cash when the client obtains control of the goods or services. The difference between the transaction price and contract consideration is amortized by the effective interest method during the term of the contract. On the contract commencement date, if the Company estimates that the time between the customer's acquisition of control over goods or services and the payment of the price by the customer will not exceed one year, the significant financing in the contract shall not be considered.

(4) If there are two or more performance obligations in the contract, at the beginning of the contract, the Company shall allocate the transaction price to each separate performance obligation according to the relative proportion of the stand-alone selling price of the goods promised by each performance obligation.

3. Specific methods for revenue recognition

The Company mainly sells oil refining products, chemical products, PTA, polyester chip, polyester yarn and film, and so forth, fulfilling its performance obligation at a certain time point. Proceeds from domestic sales are recognized when the Company has delivered the products to the buyer, the amount of product sales revenue has been determined, the payment for goods has been recovered, or the collection voucher has been obtained, and the relevant economic benefits are likely to flow in. Proceeds from overseas market sales are recognized when the Company has declared the products at the customs and obtained the bill of lading according to the contract, the amount of product sales revenue has been determined, the payment for goods has been recovered, or the collection voucher has been obtained, and the relevant economic benefits are likely to flow in.

27. Contract acquisition costs and contract performance costs

Where the incremental cost incurred by the Company to acquire the contract is expected to be recovered, it is recognized in the form of contract acquisition cost as an asset. The contract acquisition cost for which the amortization period does not exceed one year shall be directly included in the current profit or loss as incurred. The costs incurred by the Company for performing the contract, if not within the applicability scope of relevant standards relating to inventories, fixed assets or intangible assets, can be recognized as an asset within the contract performance cost if the following conditions are met:

1. The cost is related to a current contract or a contract to be obtained, including direct labor cost, direct material/manufacture cost (or similar costs), cost to be undertaken by the customer and other costs incurred under the contract;

2. The cost increases the resources available to the Company to fulfill performance duties in the future;

3. The costs are expected to be recovered.

Assets related to contract cost are amortized on the same basis as recognition of revenue of goods or services related to the asset and recognized in current profit or loss.

If the book value of assets relating to contract cost is higher than the remaining consideration expected to be obtained due to the transfer of goods or services relating to the assets minus the estimated cost to be incurred, the Company accrues impairment reserves for the excess portion and recognizes it as an asset impairment loss. If the factors causing the impairment of the prior period change and make the remaining consideration expected to be obtained due to the transfer of goods or services relating to the assets minus the estimated cost to be incurred higher than the book value of the asset, the withdrew asset impairment provision shall be reversed and recorded in the current gains or losses, but the book value of the asset after reversion shall not exceed the book value of the asset at the reversion date under the condition of not withdrawing the impairment provision.

28. Government grants

1. Government grants are recognized when both of the following conditions are met: (1) the Company is able to meet the conditions attached to the government grants; (2) the Company can receive government grants. In the case of a monetary asset, the government subsidies shall be measured according to the amount received or accrued. In the case of a non-monetary asset, the government grants shall be measured at fair value; where the fair value cannot be reliably obtained, it shall be measured in accordance with the nominal amount.

2. Judgment basis and accounting method for asset-related government grants

Government grants or subsidies that are required by government documents to be used for the acquisition or other formation of long-term assets are classified as asset-related government grants. If the government documents are not clear, judgment shall be made on the basis of the basic conditions that must be met to obtain the grants, and those that are based on the acquisition, construction or other formation of long-term assets are treated as asset-related government grants. Government grants relating to the assets are either written off against the book value of the relevant assets or recognized as deferred income. The government grants recognized as deferred income shall be recorded in the profit or loss on a reasonable and systematic basis over the service life of relevant assets. The government grants measured according to notional amount shall be directly included in current profit or loss. If the relevant asset has been sold, transferred, retired or damaged before the end of the service life, the balance of the relevant deferred income that has not been allocated will be transferred into the current profit or loss of asset disposal.

3. Judgment basis and accounting method for income-related government grants

Government grants other than those related to assets will be classified into income-related government grants. For government grants that include both the asset-related and the income-related components, it is difficult to distinguish between government grants that are asset-related or income-related and such grants are generally classified as asset-related. Income-related government grants of the Company are used for compensation for relevant costs & expenses or losses in subsequent periods, which are recognized as deferred income, and recorded in current profit or loss or offset against relevant costs in the period of recognition of relevant costs, expenses or losses. Government grants for compensation for incurred relevant costs and expenses or losses are directly included in current profit or loss or offset against relevant costs.

4. The government grants related to the daily business activities of the Company shall be recorded into other incomes or written down related costs and expenses according to the economic and business nature. Government grants not related to the ordinary course of business of the Company are recorded in non-operating incomes and expenses.

5. Accounting treatment method for policy-based preferential loans with interest subsidy

(1) Where the government finance department disburses the discount interest funds to the lending bank, and the lending bank provides loans to the Company at preferential policy interest rates, the Company shall use the actual amount of loans received as the entry value, and calculate the borrowing costs based on the principal and the preferential policy interest rate.

(2) If the government finance department allocates the discount interest funds directly to the Company, the

discount interest will be used to offset the borrowing costs.

29. Deferred income tax assets, deferred income tax liabilities

1. Depending on the difference between the book value and the tax base of assets or liabilities (the difference between the tax base and the book value if the tax base of items not recognized as assets or liabilities can be determined based on tax laws), the deferred income tax assets or deferred income tax liabilities shall be calculated and recognized based on the applicable tax rate during the expected asset recovery or liability settlement period.

2. Deferred income tax assets shall be recognized to the extent of probable taxable income used for deducting temporary deductible difference. On the balance sheet date, if there is concrete evidence indicating that it is likely to obtain enough taxable income in the future to offset temporary deductible difference, the deferred income tax assets that were not recognized in previous accounting periods should be recognized.

3. At the balance sheet date, the Company should recheck the book value of deferred income tax assets. If it is unlikely to obtain enough taxable income to offset gains generated from the deferred income tax assets, then it is necessary to write down the book value of deferred income tax assets. If it is likely to obtain enough taxable income, the deducted amount shall be recovered.

4. The current income taxes and deferred income taxes of the Company are recorded as income tax expense or income in the current gains or losses, excluding income taxes arising from: (1) business combination; (2) transactions or events recognized directly in owner's equity.

5. When both following conditions are met, the Company will list the deferred income tax assets and deferred income tax liabilities as net amount after offset: (1) When the Company has the legal right to settle the income tax assets and income tax liabilities of the Company in the current period with net amount; and (2) the deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax collection and management department from the same subject of tax payment or from different subjects of tax payment but the subject of tax payment involved intends to settle the current income tax assets and current income tax liabilities with the net amount or obtain the assets and liquidate the liabilities simultaneously in each future important period when the deferred income tax assets and deferred income tax liabilities are written back.

30. Lease

(1) Accounting treatment method of lease as the lessee

1. The Company as lessee

On the commencement date of the lease term, the Company recognizes the lease with a lease term of no more than 12 months and without the purchase option as a short-term lease; and recognizes the lease with lower value when a single leased asset is brand new as a low-value asset lease. In case of a sublease or expected sublease of lease asset, the original lease will not be deemed as a low-value asset lease.

For all short-term leases and low-value asset leases, the Company will recognize the lease payment in the relevant asset cost or current profit or loss under the straight-line method during each period of the lease term.

In addition to the above short-term leases and low-value asset leases under simplified treatment, the Company recognizes the right-of-use assets and lease liabilities for the lease on the commencement date of the lease term.

(1) Right-of-use assets

The right-of-use assets shall be initially measured at cost. The cost includes: 1) the initial measurement amount of the lease liability; 2. the amount of lease payment made on or before the commencement date of lease term, net of the relevant amount of used lease incentives (if any); 3. the initial direct expenses incurred by the lessee; 4) expected cost to be incurred by the lessee for the purpose of disassembly and removal of lease assets, restoration of the site where leased assets are located or restoration of leased assets to the status as agreed in lease terms.

The Company will use the straight-line method to calculate the depreciation of the right-of-use assets. Where it is reasonably certain that the ownership of the leased assets can be obtained at the expiry of the lease term, the leased assets shall be depreciated by the Company over its remaining service life. Where it is not reasonably certain that the ownership of the leased assets can be obtained at the time the term of the lease expires, the Company shall accrue the depreciation within the shorter of the lease period and the remaining service life of the leased assets.

(2) Lease liabilities

On the commencement date of the lease, the Company recognizes the present value of outstanding lease payments as lease liabilities. In calculating the present value of the lease payments, the Company adopts the interest rate embedded in the lease as the discount rate. If the Company is unable to determine the interest rate embedded in the lease, it will adopt the incremental borrowing rate as the discount rate. The difference between the lease payment and its present value is treated as unrecognized financing expenses, on which the interest expenses are recognized at the discount rate of the present value of the lease payment during each period of the lease term and included in the current profit or loss. The variable lease payments not included in the measurement of lease liabilities shall be included in current profit or loss when actually incurred.

After the inception of the lease, the Company measures lease liabilities again according to the present value of the lease payments after the change, and adjusts the book value of the right-of-use asset accordingly in case of changes in the actual fixed payment amount, the expected payable amount of the guarantee residual value, the index or ratio used to determine the lease payment amount, the purchase option, and evaluation result or the actual exercise situation of the lease renewal option or the termination option. Where the book value of the right-of-use asset has been reduced to zero, but a further reduction is required for the lease liabilities, the remaining amount shall be included in the current profit or loss.

2. After-sale leaseback

According to the *Accounting Standards for Business Enterprises No.14-Revenue*, the Company evaluates and determines whether the asset transfer in the after-sale leaseback transaction belongs to sales.

If the asset transfer in the after-sale leaseback transaction belongs to sales, the Company will measure the right-of-use assets formed by after-sale leaseback according to the part of the book value of the original assets related to the right-of-use obtained by leaseback, and only recognize the relevant gains or losses for the right transferred to the lessor.

If the asset transfer in the after-sale leaseback transaction does not belong to sales, the Company will continue to recognize the transferred assets, and at the same time recognize a financial liability equal to the transferred income, and conduct accounting treatment for the financial liability according to the *Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments*.

(2) Accounting treatment method of lease as the lessor

1. The Company as lessor

At the inception of the lease, a lease that transfers in substance almost all risks and rewards related to the ownership of leased assets is classified as a financing lease by the Company. Except for the financing lease, others are treated as the operating lease.

(1) Operating lease

During each period of the lease term, the Company recognizes the lease receipts as rental income under the straight-line method, and the initial direct costs incurred are capitalized and amortized on the same basis as the recognition of rental income, which is included in the current profit or loss by installment. Variable lease payments the Company acquired in connection with operating leases that are not included in the lease receipts are recognized in the current profit or loss when actually incurred.

(2) Financing lease

At the inception of the lease, the Company recognizes the financing lease receivables based on the net lease investment (the sum of the unsecured residual value and the present value of the lease collection not received on the first date of the lease term and discounted at the interest rate implicit in the lease), and derecognizes the financing lease assets. During each period of the lease term, the Company calculates and recognizes the interest income at the interest rate implicit in the lease.

The variable lease payments obtained by the Company that are not included in the measurement of the net lease investment are included in the current profit or loss when actually incurred.

2. After-sale leaseback

According to the *Accounting Standards for Business Enterprises No.14-Revenue*, the Company evaluates and determines whether the asset transfer in the after-sale leaseback transaction belongs to sales.

If the asset transfer in the after-sale leaseback transaction belongs to sales, the Company will carry out accounting treatment on the asset purchase according to other applicable accounting standards for business enterprises, and carry out accounting treatment on the asset lease according to the *Accounting Standards for Business Enterprises No.21-Lease*.

If the asset transfer in the after-sale leaseback transaction does not belong to sales, the Company will not recognize the transferred assets, but recognize the financial assets equal to the transferred income, and conduct accounting treatment for the financial assets according to the *Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments*.

31. Other significant accounting policy and accounting estimate

Accounting treatment methods related to repurchasing company's shares

If the Company's shares are purchased for reasons such as reducing the registered capital or rewarding employees, they shall be treated as treasury stock according to the actual amount paid and registered for future reference. If the repurchased shares are cancelled, the capital reserve will be offset by the difference between the total par value of the shares calculated according to the cancelled par value and the number of cancelled shares and the actual amount paid for the repurchase, and the retained earnings will be offset if the capital reserve is insufficient; If the repurchased shares are awarded to the employees of the Company as equity-settled shares, when the employees exercise the right to purchase the shares of the Company and pay the price, the cost of the government finance department stocks delivered to the employees and the accumulated amount of capital reserve (other capital reserve) during the waiting period will be resold, and the capital reserve (equity premium) will be adjusted according to the difference.

32. Changes in significant accounting policies and accounting estimates

(1) Significant accounting policy changes

□ Applicable ☑ Not applicable

(2) Changes in significant accounting estimate

□ Applicable ☑ Not applicable

(3) The first implementation of the new accounting standards since 2024, and the first implementation of items related to the financial statements at the beginning of that year

□ Applicable ☑ Not applicable

33. Others

(1) Work safety cost

The work safety costs withdrawn by the Company in accordance with the Administrative Measures for the Collection and Utilization of Enterprise Work Safety Funds (CZ [2022] No. 136) promulgated by the Ministry of Finance and the Ministry of Emergency Management were charged to the costs of relevant products or current profits or losses and also to the "special reserve". In the case of using the withdrawn safety production costs, if they belong to cost expenditure, they shall directly offset the special reserves. Where a fixed asset is formed, the expenditures incurred shall be collected under the item "Construction in Progress" and shall be recognized as a fixed asset when the completed security project reaches the intended usable state. Moreover, the special reserves shall be written down upon the cost of the formed fixed assets, and the accumulated depreciation of the same amount shall be confirmed, and such fixed assets will not be depreciated in any following period.

(2) Segment report

The Company determines the operating segment on the basis of its internal organizational structure, management requirements, internal reporting system and so on. Operating segments refer to components within the Company satisfying all the following conditions:

1. It engages in business activities from which it may earn revenues and incur expenses;

2. The management can evaluate the operating results of such components on a regular basis, so as to decide to allocate resources to them and evaluate their performance;

3. It has access to accounting information of the component, such as its financial condition, operation result and cash flow.

VI. Taxes

1. Main tax categories and tax rates

Tax category	Basis of taxation	Tax rate
Value-added tax	The value-added tax received is calculated on the basis of sales of goods and taxable service income calculated according to the tax law. After deducting the VAT paid allowed for the current period, the difference is VAT payable.	13%, 9%, 6% [Note 1]
Consumption tax	Taxable sales (volume)	[Note 2]
Urban maintenance and construction tax	Actual payment of turnover tax	7%、5%
Enterprise income tax	Taxable income	[Note 3]
Property tax	The remaining value after deducting 30% from the original value of the property in one go for ad valorem collection; the rental income for rent based collection.	1.2%、12%
Education surcharge	Actual payment of turnover tax	3%
Local education surcharge	Actual payment of turnover tax	2%

[Note 1] VAT is calculated and paid at the tax rate of 13% for goods sold. Rental income and sales of liquefied petroleum gas and steam shall be subject to VAT at the rate of 9%. Warehousing services and other businesses and interest income shall be subject to VAT at the rate of 6%. The policy of “tax exemption, credit and refund” is implemented for export goods, and the export tax rebate rate is 13%

[Note 2] Sales of fuel oil, diesel and aviation kerosene are subject to consumption tax at RMB 1.2 yuan/liter. Sales of gasoline and naphtha are subject to consumption tax at RMB 1.52 yuan/liter.

[Note 3] Disclosure explanation if there are taxpayers with different enterprise income tax rates

Name of taxpayer	Income tax rate
Subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd., Zhejiang Yongsheng Technology Co., Ltd.	15%
Subsidiaries Hong Kong Shenghui Co., Ltd., Hong Kong Yisheng Dahua Petrochemical Co., Ltd., Yisheng New Materials Trading Co., Ltd., Rongsheng Petrochemical (Hong Kong) Co., Ltd., Rongsheng Petrochemical (Singapore) Private Co., Ltd., Rongtong Logistics (Singapore) Private Co., Ltd., and Zhejiang Petroleum & Chemical (Singapore) Private Co., Ltd.	The tax shall be calculated and paid according to the relevant tax rates of the country and region where the business is located.
Subsidiaries Rongxiang Chemical Fiber Co., Ltd., Rongsheng International Trade (Hainan) Co., Ltd., Dalian Yisheng New Materials Co., Ltd. and Zhejiang Rongyi Trading Co., Ltd., Zhejiang Rongyi Chemical Fiber Co., Ltd.	20%
Other taxpayers other than the above	25%

2. Tax preference

1. According to requirements in the *Notice on the Continuation of the Policy of Partial Consumption Tax on Naphth and Fuel Oil* by the Ministry of Finance, People's Bank of China and State Taxation Administration (No. 87 [2011] of the Ministry of Finance), the *Notice on Improving the Tax Refund Policy of Consumption Tax for Ethylene Aromatic Chemical Products from Naphth and Fuel Oil* by the Ministry of Finance, People's Bank of China, General Administration of Customs and State Taxation Administration (No. 2 [2013] of the Ministry of Finance), the *Interim Measures for the Refund (Exemption) of Consumption Tax for Naphth and Fuel Oil Used in the Production of Ethylene and Aromatic Chemical Products* by the State Taxation Administration (Announcement of the State Administration of Taxation No. 36 of 2012) and the *Announcement on the Refund of Consumption Tax for Ethylene and Aromatic Chemical Products from Naphth and Fuel Oil by the State Administration of Taxation and General Administration of Customs (Announcement No. 29 of 2013* of the State Administration of Taxation and the General Administration of Customs), in the case that the production enterprise implementing the fixed-point direct supply plan and selling naphth and fuel oil within the planned quantity limit, with a Chinese anti-counterfeiting special VAT invoice with "DDZG" logo, it shall be exempted from consumption tax. The subsidiaries Ningbo Zhongjin Petrochemical Co., Ltd. and Zhejiang Petroleum & Chemical Co., Ltd. are qualified for the tax refund, and the preferential policy of refunding consumption tax paid in the procurement stage is applicable. Ningbo Zhongjin Petrochemical Co., Ltd. and Zhejiang Petroleum & Chemical Co., Ltd. implementing the fixed-point direct supply plan meet the above conditions, and the preferential policy of exemption from consumption tax on the sales stage is applicable.

According to the requirements of the *Notice on Continuing the Increase of Refined Oil Consumption Tax* by the Ministry of Finance and State Administration of Taxation (No. 11 [2015] of the Ministry of Finance), the unit consumption tax of diesel, aviation kerosene and fuel oil increase from RMB 1.1/L to RMB 1.2/L, and suspension of consumption tax continues to apply in aviation kerosene. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. enjoys the preferential policy of suspension of consumption tax for selling aviation kerosene.

2. According to the *Announcement on Deepening the Reform of Value-added Tax* of the Ministry of Finance, the State Administration of Taxation and the General Administration of Customs (Announcement No.39 of 2019 of the General Administration of Taxation of the Ministry of Finance) and the *Announcement on Further Strengthening the Implementation of the Tax Refund Policy for Value-added Tax at the End of the Period* of the Ministry of Finance and the State Administration of Taxation (Announcement No.14 of 2022 of the Ministry of Finance and the State Administration of Taxation), the tax refund system for value-added tax at the end of the period was tried out on April 1, 2019. The Company and some subsidiaries meet the relevant conditions for the tax credit refund, and the total amount of tax credit refund received in this period is RMB 744.5073 million.

3. According to the *Announcement on Filing of High-tech Enterprises Recognized by Zhejiang Provincial Accreditation Institutions in 2025* issued by the Office of the National High-tech Enterprise Accreditation Management Leading Group, subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd. and Zhejiang Petroleum & Chemical Co., Ltd. have passed the high-tech enterprise accreditation and obtained the High-tech Enterprise Certificate numbered GR202533008268 and GR202533003871 respectively. The validity period of the recognition is 2025-2027, and the enterprise income tax is calculated and paid at a reduced rate of 15% in the current period.

According to the *Announcement on the Filing of the Second Batch of High-Tech Enterprises Recognized and Reported by Dalian City Certification Organization in 2024* issued by the Office of the National High-tech Enterprise Recognition Management Leading Group, the subsidiary Yisheng Dahua Petrochemical Co., Ltd. passed the high-tech enterprise accreditation and obtained the High-tech Enterprise Certificate with the number of GR202421201548, which is valid from 2024 to 2026. The enterprise income tax shall be calculated and paid at the reduced tax rate of 15% in this period.

According to the *Announcement on Filing the First Batch of High-tech Enterprises Recognized by Ningbo City Authority in 2025* issued by the Office of the National High-tech Enterprise Recognition Management Leading Group, Ningbo Zhongjin Petrochemical Co., Ltd., a subsidiary, has passed the high-tech enterprise accreditation and obtained the High-tech Enterprise Certificate with the number of GR202533101851, with the validity period of 2025-2027. The enterprise income tax is calculated and paid at the reduced tax rate of 15% in the current period.

According to the *Announcement on the Filing of the New Technology Enterprises Identified and Reported by Zhejiang Provincial Certification Organization in 2024* issued by the Office of the National High-tech Enterprise Recognition Management Leading Group, Zhejiang Yongsheng Technology Co., Ltd., a subsidiary, has passed the high-tech enterprise accreditation and obtained the High-tech Enterprise Certificate with the number of GR202433003748, with the validity period of 2024-2026. The enterprise income tax is calculated and paid at the reduced tax rate of 15% in the current period.

4. According to the *Announcement on Further Supporting the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households* of the Ministry of Finance and the State Administration of Taxation (Announcement No.12 of the Ministry of Finance and the State Administration of Taxation in 2023), the taxable income of small and micro enterprises will be calculated at a reduced rate of 25%, and their corporate income tax will be paid at a rate of 20%, which will continue to be implemented until December 31, 2027. Subsidiaries Rongxiang Chemical Fiber Co., Ltd. Rongsheng International Trade (Hainan) Co., Ltd., Dalian Yisheng New Material Co., Ltd., Zhejiang Rongyi Trade Co., Ltd. and Zhejiang Rongyi Chemical Fiber Co., Ltd. meet the above requirements in this period. The urban maintenance and construction tax, education surcharge and local education surcharge are levied at half the rate for small low-profit enterprises. The subsidiaries Dalian Yisheng New Material Co., Ltd., Zhejiang Rongyi Chemical Fiber Co., Ltd. and Zhejiang Rongyi Trade Co., Ltd. meet the above requirements in this period.

5. According to the *Announcement on the Policy of Adding and Deducting Value-added Tax for Advanced Manufacturing Enterprises* of the Ministry of Finance and State Taxation Administration (Announcement No.43 of

the Ministry of Finance and the State Administration of Taxation in 2023), from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to add 5% to the deductible input tax for offsetting the payable value-added tax in the current period. In the current period, subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd. and Zhejiang Yongsheng Technology Co., Ltd. are entitled to the above-mentioned policy of adding and deducting.

VII. Notes to Items in the Consolidated Financial Statements

1. Cash and bank balances

Unit: RMB

Item	Ending balance	Beginning balance
Cash on hand	1,356,245.56	1,580,800.25
Bank deposit	12,158,835,849.89	12,624,073,263.80
Other monetary funds	1,339,477,383.39	2,207,730,856.40
Total	13,499,669,478.84	14,833,384,920.45
Including: Total amount of overseas deposits	2,275,567,146.98	2,835,618,399.02

2. Derivative financial assets

Unit: RMB

Item	Ending balance	Beginning balance
Paper futures contract	36,638,553.50	55,586,387.34
Foreign exchange derivatives	242,190,249.19	420,180,297.83
Total	278,828,802.69	475,766,685.17

3. Accounts receivable

(1) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	3,217,852,678.84	6,823,012,066.63
1-2 years	6,188,146.81	1,366.19
2-3 years	1,177.56	283,780,636.85
Above 3 years	12,160.09	33,453,923.37
Total	3,224,054,163.30	7,140,247,993.04

(2) Classified disclosure by bad debt accrual method

Unit: RMB

Category	Ending balance			Beginning balance		
	Book balance	Bad-debt provision	Book value	Book balance	Bad-debt provision	Book value

	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Accounts receivable with provision for bad debt reserves based on aging portfolio	3,224,054,163.30	100.00%	54,748,800.99	1.70%	3,169,305,362.31	7,140,247,993.04	100.00%	318,276,286.68	4.46%	6,821,971,706.36
Total	3,224,054,163.30	100.00%	54,748,800.99	1.70%	3,169,305,362.31	7,140,247,993.04	100.00%	318,276,286.68	4.46%	6,821,971,706.36

Provision for bad debt by combination: RMB 54,748,800.99

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Trade fund portfolio of overseas subsidiaries	2,135,503,220.03		
Aging portfolio	1,088,550,943.27	54,748,800.99	5.03%
Total	3,224,054,163.30	54,748,800.99	1.70%

Accounts receivable of provision for bad debt by aging combination:

Unit: RMB

Aging	Amount by the end of the period		
	Book balance	Bad-debt provision	Accrual ratio
Within 1 year	1,082,349,458.81	54,117,472.95	5.00%
1-2 year(s)	6,188,146.81	618,814.68	10.00%
2-3 years	1,177.56	353.27	30.00%
Above 3 years	12,160.09	12,160.09	100.00%
Subtotal	1,088,550,943.27	54,748,800.99	5.03%

If the provision for bad debts of accounts receivable is accrued according to the general model of expected credit loss:

□ Applicable ☑ Not applicable

(3) Bad debt reserves accrual, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or	Write-off	Other	

			returned			
Provision made for bad debt reserves based on aging portfolio	318,276,286.68	-263,527,485.69				54,748,800.99
Total	318,276,286.68	-263,527,485.69				54,748,800.99

(4) Accounts receivables with top 5 ending balances by debtor

The total amount of the top 5 accounts receivable at the end of the period was RMB 2,199,606,071.26, accounting for 68.22% of the total accounts receivable at the end of the period. The corresponding provision for bad debts was RMB 29,302,017.90.

4. Receivables financing

(1) Classified presentation of receivables financing

Unit: RMB

Item	Ending balance	Beginning balance
Banker's acceptance	83,421,123.96	103,225,654.46
Total	83,421,123.96	103,225,654.46

(2) Receivable financing that have been endorsed or discounted by the company at the end of the period and have not yet matured on the balance sheet date

Unit: RMB

Item	Pledged amount at the end of the period	Pledged amount before the end of the period
Banker's acceptance	3,660,076,325.38	
Total	3,660,076,325.38	

The acceptor of bank acceptance bills is a commercial bank with high credit, and it is not likely that the bank acceptance bills accepted by the acceptor will not be paid at maturity, so the Company will derecognize these bank acceptance bills that have been endorsed or discounted. However, if such bills are not honored at maturity, the Company remains jointly liable to the holders in accordance with the *Law of Negotiable Instruments*.

5. Other receivables

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	4,925,104,317.10	4,345,964,007.66
Total	4,925,104,317.10	4,345,964,007.66

(1) Classification of other receivables by nature

Unit: RMB

Nature of account	Ending book balance	Beginning book balance
Government receivables	4,575,905,403.92	3,675,348,932.89
Futures margin	334,936,493.12	313,138,787.88
Deposit receivable margin	19,779,471.63	285,638,372.22
Paper goods transaction settlement	41,018,656.98	75,500,340.27
Reserve fund receivables and others	15,703,525.34	30,929,370.92
Loan deposit	10,000,000.00	15,000,000.00
Current accounts	10,800,000.00	10,800,000.00
Total	5,008,143,550.99	4,406,355,804.18

(2) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	4,300,023,016.04	3,154,663,061.38
1-2 years	64,995,117.37	165,271,254.66
2-3 years	16,349,319.51	1,063,871,496.61
Above 3 years	626,776,098.07	22,549,991.53
Total	5,008,143,550.99	4,406,355,804.18

(3) Classified disclosure by bad debt accrual method

☑Applicable □ Not applicable

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Provision made for bad debt reserves based on portfolio	5,008,143,550.99	100.00%	83,039,233.89	1.66%	4,925,104,317.10	4,406,355,804.18	100.00%	60,391,796.52	1.37%	4,345,964,007.66
Total	5,008,143,550.99	100.00%	83,039,233.89	1.66%	4,925,104,317.10	4,406,355,804.18	100.00%	60,391,796.52	1.37%	4,345,964,007.66

Provision for bad debt by combination: RMB 83,039,233.89

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Government receivables	4,575,905,403.92	54,036,300.33	1.18%

Futures margin	334,936,493.12		
Deposit receivable margin	19,779,471.63	15,695,288.38	79.35%
Paper goods transaction settlement	41,018,656.98		
Reserve fund receivables and others	15,703,525.34	6,707,645.18	42.71%
Loan deposit	10,000,000.00		
Current accounts	10,800,000.00	6,600,000.00	61.11%
Total	5,008,143,550.99	83,039,233.89	1.66%

The explanation used to determine this combination is as follows:

Provision for bad debts is made based on the general model of expected credit losses:

(4) Provision for bad debts is made according to the general model of expected credit loss:

1) Breakdown

Unit: RMB

Bad-debt provision	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire duration (without credit impairment)	Expected credit loss for the entire duration (credit impairment has occurred)	
The balance as of January 1, 2025	2,857,644.85	2,858,135.80	54,676,015.87	60,391,796.52
The balance as of January 1, 2025 in the current period				
--Transferred into Stage II	-47,735.03	47,735.03		
--Transferred into Stage III		-1,634,931.95	1,634,931.95	
Provision in current period	-2,530,965.92	-47,376.73	25,243,780.02	22,665,437.37
Other changes[Note]	-18,000.00			-18,000.00
Balance as of December 31, 2025	260,943.90	1,223,562.15	81,554,727.84	83,039,233.89
Bad debt provision ratio at the end of the period	0.01%	1.88%	12.68%	1.66%

[Note] Other changes refer to the disposal of subsidiary Rongsheng Energy (Zhoushan) Co., Ltd. during the period, resulting in the corresponding transfer of the provision for bad debts.

2) Significant Changes in the Book Balance of Loss Provision During the Period
□Applicable ☑Not applicable

5) Other receivables in the top five of the ending balance collected by the debtor

Unit: RMB

Company name	Nature of payment	Ending balance	Aging	Proportion in a	Ending balance of

				total ending balance of other receivables	provision for bad debts
Other receivables 1	Tax refunds receivable	3,563,848,987.92	Within 1 year	71.16%	
Other receivables 2	Subsidies receivable	603,036,416.00	2-3 years	12.04%	52,910,249.92
Other receivables 3	Subsidies receivable	409,020,000.00	Within 1 year, 1-2 years	8.17%	1,126,050.41
Other receivables 4	Futures margin	56,527,049.45	Within 1 year	1.13%	
Other receivables 5	Futures margin	50,589,182.00	Within 1 year	1.01%	
Total		4,683,021,635.37		93.51%	54,036,300.33

6. Advances paid

(1) Advance payments presented by age

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	2,120,580,033.00	99.07%	1,335,495,318.36	98.60%
1-2 years	14,582,118.36	0.68%	7,472,652.90	0.55%
2-3 years	1,787,253.51	0.08%	11,361,398.90	0.84%
Above 3 years	3,649,429.09	0.17%	190,338.32	0.01%
Total	2,140,598,833.96		1,354,519,708.48	

Explanation of the reasons why the prepayment with an age of more than one year and an important amount has not been settled in time:

There were no significant prepayments aged over 1 year at the end of the period.

(2) Top five payers with the biggest ending balances of advance payments

The total amount of the top 5 advance payments at the end of the period was RMB 1,580,310,108.12, accounting for 73.83% of the total advance payments at the end of the period.

7. Inventories

Whether the Company is subject to the disclosure requirements of the real estate industry

□Yes ☑No

(1) Classification of inventories

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Inventory depreciation reserves or provision for	Book value	Book balance	Inventory depreciation reserves or provision for impairment	Book value

		impairment of contract performance cost			of contract performance cost	
Raw material	19,405,535,119.51	1,484,419.99	19,404,050,699.52	24,248,974,369.50		24,248,974,369.50
Products in process	8,756,530,523.46	43,772,343.76	8,712,758,179.70	14,299,190,002.95	75,164,691.08	14,224,025,311.87
Commodity inventory	5,257,352,277.10	34,319,017.08	5,223,033,260.02	5,642,813,644.18	68,717,646.29	5,574,095,997.89
Semi-finished products shipped in transit	77,252,750.35		77,252,750.35	353,746,058.32	19,945,065.67	333,800,992.65
Work in process - outsourced				2,162,886.07		2,162,886.07
Low-value consumables	159,032,291.33		159,032,291.33	183,875,058.61		183,875,058.61
Total	33,655,702,961.75	79,575,780.83	33,576,127,180.92	44,730,762,019.63	163,827,403.04	44,566,934,616.59

(2) Inventory depreciation reserves and contract performance cost impairment provisions

Unit: RMB

Item	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision	Other	Reversal or write-off	Other	
Raw material		1,484,419.99				1,484,419.99
Products in process	75,164,691.08	43,772,343.76		75,164,691.08		43,772,343.76
Commodity stocks	68,717,646.29	174,388,156.16		208,786,785.37		34,319,017.08
Semi-finished products shipped in transit	19,945,065.67			19,945,065.67		
Total	163,827,403.04	219,644,919.91		303,896,542.12		79,575,780.83

Specific basis for determining net realizable value, and reasons for inventory depreciation reserves of reversal or write-off in the current period:

Item	Specific basis for determining net realizable value	Reasons for reversal of inventory depreciation reserves	Reasons for write-off of inventory depreciation reserves
Raw materials, Products in process	The net realizable value is determined by the estimated selling price of the related finished goods minus estimated costs to completion, estimated selling expenses and relevant taxes	The net realizable value of inventories with inventory depreciation reserves increased in the previous period	The inventory with inventory depreciation reserves was consumed/sold in this period
Finished goods inventory,	The net realizable value is determined by the estimated selling price of related finished products minus the estimated	The net realizable value of inventories with inventory depreciation reserves increased	Inventory with recognized inventory depreciation reserves was sold during this

Semi-finished products shipped in transit	selling expenses and related taxes	in the previous period	period

8. Other current assets

Unit: RMB

Item	Ending balance	Beginning balance
VAT input tax to be deducted	5,165,468,990.03	5,238,332,408.47
Business income tax pre-paid	647,911,993.28	562,819,947.18
Prepayment of urban construction tax and surcharges	128,988,839.74	
Silver leasing	1,338,220,113.02	
Total	7,280,589,936.07	5,801,152,355.65

9. Long-term equity investment

Unit: RMB

Investee	Beginning balance (book value)	Opening balance of impairment provision	Increase and decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Other comprehensive income adjustments	Other equity changes	Declared distribution of cash dividends or profits	Provision for impairment	Other		
I. Joint Venture												
II. Associated enterprise												
Zhejiang Yisheng Petrochemical Co., Ltd.	2,768,912,144.61				1,169,067.55	695,013.46					2,770,776,225.62	
Ningbo Hengyi Trading Co., Ltd.	77,873,401.26				-68,344,439.77	2,622,288.02					12,151,249.51	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,690,000,655.85				293,119,540.92	-115,801,856.11		43,654,510.65			2,823,663,830.01	
Hainan Yisheng Petrochemical Co., Ltd.	3,529,633,126.07				-27,586,632.60	8,740,960.05					3,510,787,453.52	
ZPC-ENN (Zhoushan) Gas Co., Ltd.	14,209,724.51				7,264,128.67						21,473,853.18	
Zhejiang Dingsheng Petrochemical Engineeri	61,056,825.71				14,145,673.58						75,202,499.29	

ng Co., Ltd.												
Zhejiang Derong Chemicals Co., Ltd.	168,969,228.97		200,000,000.00		-37,723,477.00		1,237,370.14				332,483,122.11	
Zhoushan ZPC Zhougang Tugboat Co., Ltd.	74,980,969.45				12,418,670.58		216,578.22	11,000,000.00			76,616,218.25	
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	98,800,803.30				2,935,209.89						101,736,013.19	
Ningbo Coastal Public Pipe Gallery Co., Ltd.	4,671,038.06		7,500,000.00		-881,723.52						11,289,314.54	
Zhejiang Zhenshi Port Service Co., Ltd.	27,528,403.38				5,499,029.63			5,000,000.00			28,027,433.01	
Subtotal	9,516,636,321.17		207,500,000.00		202,015,047.93	-103,743,594.58	1,453,948.36	59,654,510.65			9,764,207,212.23	
Total	9,516,636,321.17		207,500,000.00		202,015,047.93	-103,743,594.58	1,453,948.36	59,654,510.65			9,764,207,212.23	

Recoverable amount determined based on fair value less costs of disposal

□ Applicable ☑ Not applicable

Recoverable amount determined based on the present value of estimated future cash flows

□ Applicable ☑ Not applicable

Reasons for significant inconsistencies between the aforementioned information and the information used in previous years' impairment tests or external information

Reasons for significant inconsistencies between the information used in previous years' impairment tests and the actual situation in the current year

Other notes:

10. Investment properties

(1) Investment properties under the cost measurement mode

☑Applicable □ Not applicable

Unit: RMB

Item	Houses and buildings	Total
I. Original book value		
1. Initial balance	14,286,632.00	14,286,632.00
2. Increase in the current period		
(1) Outsourcing		
(2) Transfers from inventories/fixed assets/construction in progress		
(3) Increase due to business merger		
3. Decrease in the current period		
(1) Disposal		
(2) Other transfer-out		
4. Ending balance	14,286,632.00	14,286,632.00
II. Accumulated depreciation and accumulated amortization		
1. Initial balance	4,162,503.40	4,162,503.40
2. Increase in the current period	271,446.00	271,446.00
(1) Accrual or amortization	271,446.00	271,446.00
3. Decrease in the current period		
(1) Disposal		
(2) Other transfer-out		
4. Ending balance	4,433,949.40	4,433,949.40
III. Provision for impairment		
1. Initial balance		
2. Increase in the current period		
(1) Accrual		
3. Decrease in the current period		
(1) Disposal		
(2) Other transfer-out		

4. Ending balance		
IV. Book value		
1. Closing book value	9,852,682.60	9,852,682.60
2. Beginning book value	10,124,128.60	10,124,128.60

The recoverable amount is determined according to the net amount of fair value minus disposal expenses

□ Applicable ☑ Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

□ Applicable ☑ Not applicable

(2) Investment properties under the fair value method

□ Applicable ☑ Not applicable

11. Fixed assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	259,757,528,525.39	232,497,113,015.70
Liquidation of fixed assets		
Total	259,757,528,525.39	232,497,113,015.70

(1) Fixed assets

Unit: RMB

Item	Housing and buildings	Machinery and equipment	Transportation facilities	Other equipment	Total
I. Original book value:					
1. Initial balance	72,152,201,585.44	221,774,319,419.61	256,493,419.04	392,686,132.39	294,575,700,556.48
2. Increase in the current period	1,429,130,478.00	43,957,691,549.65	28,783,210.61	51,802,370.98	45,467,407,609.24
(1) Acquisition	550,782.73	390,459,591.67	27,151,493.77	50,001,888.63	468,163,756.80
(2) Transfer-in from construction in progress	1,428,579,695.27	43,567,231,957.98	1,631,716.84	1,800,482.35	44,999,243,852.44
3. Decrease in the current period	2,617,516.19	299,604,561.09	2,257,852.95	1,107,604.36	305,587,534.59
(1) Disposal or scrapping	2,617,516.19	299,604,561.09	2,257,852.95	1,107,604.36	305,587,534.59
4. Ending balance	73,578,714,547.25	265,432,406,408.17	283,018,776.70	443,380,899.01	339,737,520,631.13
II. Accumulated depreciation					
1. Initial balance	12,146,723,044.18	49,402,962,051.82	211,991,349.15	305,371,423.41	62,067,047,868.56
2. Increase in the current period	3,187,034,687.94	14,943,396,072.78	18,600,016.98	24,291,203.26	18,173,321,980.96
(1) Accrual	3,187,034,687.94	14,943,396,072.78	18,600,016.98	24,291,203.26	18,173,321,980.96

3. Decrease in the current period	1,387,902.38	256,500,553.20	1,552,455.43	936,832.77	260,377,743.78
(1) Disposal or scrapping	1,387,902.38	256,500,553.20	1,552,455.43	936,832.77	260,377,743.78
4. Ending balance	15,332,369,829.74	64,089,857,571.40	229,038,910.70	328,725,793.90	79,979,992,105.74
III. Provision for impairment					
1. Initial balance		11,539,672.22			11,539,672.22
2. Increase in the current period					
(1) Accrual					
3. Decrease in the current period		11,539,672.22			11,539,672.22
(1) Disposal or scrapping		11,539,672.22			11,539,672.22
4. Ending balance					
IV. Book value					
1. Closing book value	58,246,344,717.51	201,342,548,836.77	53,979,866.00	114,655,105.11	259,757,528,525.39
2. Beginning book value	60,005,478,541.26	172,359,817,695.57	44,502,069.89	87,314,708.98	232,497,113,015.70

(2) Fixed asset with incomplete property right certificate

Unit: RMB

Item	Book value	Reasons for incomplete certificates of title
Houses and buildings - Shengyuan Chemical Fiber Polymer Building, etc.	1,105,191,016.71	Still being processed
Houses and buildings - tank farm, supporting buildings and others of ZPC	350,166,852.85	Still being processed
Houses and buildings - ZPC dormitories	550,038,101.64	Still being processed
Houses and buildings - office buildings and others of Yisheng Dahua Petrochemical Co., Ltd.	419,860,637.72	Still being processed
Houses and buildings -film warehouse and others of Zhejiang Yongsheng Technology Co. Ltd.	208,214,271.33	Still being processed
Subtotal	2,633,470,880.25	

(3) Impairment test of fixed assets

□ Applicable ☑ Not applicable

12. Construction in progress

Unit: RMB

Item	Ending balance	Beginning balance
Construction in progress	36,209,167,814.50	42,746,526,646.14
Engineering materials	1,644,999,844.70	1,289,605,450.14

Total	37,854,167,659.20	44,036,132,096.28

(1) Construction in progress

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
1.4 million tons ethylene and downstream chemical plant (optimization of product structure of Phase II project)				15,446,802,951.63		15,446,802,951.63
High performance resin project	10,192,664,303.89		10,192,664,303.89	12,950,188,181.48		12,950,188,181.48
High-end new material project	8,287,858,489.43		8,287,858,489.43	3,140,188,910.32		3,140,188,910.32
Jintang New Material Project	10,812,301,008.98		10,812,301,008.98	4,335,769,983.60		4,335,769,983.60
Utilities and supporting facilities	2,141,303,341.61		2,141,303,341.61	899,607,272.74		899,607,272.74
Sporadic projects	4,775,040,670.59		4,775,040,670.59	5,009,820,862.42		5,009,820,862.42
Functional polyester film expansion project with an annual output of 250,000 tons per year				964,148,483.95		964,148,483.95
Total	36,209,167,814.50		36,209,167,814.50	42,746,526,646.14		42,746,526,646.14

(2) Changes in major construction in progress in the current period

Unit: RMB

Project	Budget number (RMB 100 million)	Beginning balance	Increase in the current period	Amount of fixed assets carried over in the current period	Other decreases in the current period [note]	Ending balance	Proportion of total project input to the budget	Project progress	Accumulated capitalized amount of interest	Including: Capitalized amount of interest in the current period	Interest capitalization rate in the current period	Source of funds
High performance resin project	192.00	12,950,188,181.48	1,596,798,773.24	4,354,322,650.83		10,192,664,303.89	83.95%	85.00%	604,986,695.22	269,653,231.89	2.54%	Bank loans, Others
High-end new material project	420.00	3,140,188,910.32	5,147,669,579.11			8,287,858,489.43	21.93%	20.00%	32,061,910.52			Bank loans, Others
Jintang New Material Project	675.00	4,335,769,983.60	8,380,838,372.43		1,904,307,347.05	10,812,301,008.98	17.78%	17.00%	298,743,904.22	254,291,802.48	2.59%	Bank loans, Others
Utilities and supporting facilities		899,607,272.74	17,204,373,131.35	15,962,677,062.48		2,141,303,341.61			357,342,010.28	326,133,970.56	2.57%	Bank loans, Others
Total	1,287.00	21,325,754,348.14	32,329,679,856.13	20,316,999,713.31	1,904,307,347.05	31,434,127,143.91			1,293,134,520.24	850,079,004.93		

[Note] Other reductions are due to the disposal of subsidiary Rongsheng Energy (Zhoushan) Co., Ltd. during the period, resulting in the corresponding transfer of construction in progress.

(3) Impairment test of construction in progress

□ Applicable ☑ Not applicable

(4) Engineering materials

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Special materials	1,639,663,143.93		1,639,663,143.93	1,019,693,874.99		1,019,693,874.99
Special equipment	5,336,700.77		5,336,700.77	269,911,575.15		269,911,575.15
Total	1,644,999,844.70		1,644,999,844.70	1,289,605,450.14		1,289,605,450.14

13. Right-of-use assets

(1) Situation of right-of-use assets

Unit: RMB

Item	Housing and buildings	Total
I. Original book value		
1. Initial balance	280,851,790.98	280,851,790.98
2. Increase in the current period	37,205,556.76	37,205,556.76
(1) Leased	37,205,556.76	37,205,556.76
3. Decrease in the current period	231,847,823.38	231,847,823.38
(1) Contract termination and transfer	231,847,823.38	231,847,823.38
4. Ending balance	86,209,524.36	86,209,524.36
II. Accumulated depreciation		
1. Initial balance	104,613,969.43	104,613,969.43
2. Increase in the current period	25,664,568.99	25,664,568.99
(1) Accrual	25,664,568.99	25,664,568.99
3. Decrease in the current period	71,131,086.06	71,131,086.06
(1) Disposal		
(2) Termination of contract and transfer	71,131,086.06	71,131,086.06
4. Ending balance	59,147,452.36	59,147,452.36
III. Provision for impairment		
1. Initial balance		
2. Increase in the current period		
(1) Accrual		
3. Decrease in the current period		
(1) Disposal		
4. Ending balance		
IV. Book value		
1. Closing book value	27,062,072.00	27,062,072.00

2. Beginning book value	176,237,821.55	176,237,821.55

(2) Impairment test of right-of-use assets

□ Applicable ☑ Not applicable

14. Intangible assets

(1) Intangible assets

Unit: RMB

Item	Land-use right	Patent	Management software	Pollution dumping right	Sea area use right	Total
I. Original book value						
1. Initial balance	9,094,956,244.42	5,879,510.85	63,139,236.32	138,676,630.67	32,334,333.26	9,334,985,955.52
2. Increase in the current period	1,402,084,570.88			12,741,359.27	25,991,564.22	1,440,817,494.37
(1) Acquisition	1,390,838,560.50			12,741,359.27	25,991,564.22	1,429,571,483.99
(2) Internal R&D						
(3) Increase due to business merger						
(4) Other increase[Note 1]	11,246,010.38					11,246,010.38
3. Decrease in the current period	263,045,842.20			67,233,802.53	17,241,899.76	347,521,544.49
(1) Disposal				67,233,802.53	5,995,889.38	73,229,691.91
(2) The disposal of subsidiaries [Note 2]	263,045,842.20					263,045,842.20
(3) Other decrease[Note 1]					11,246,010.38	11,246,010.38
4. Ending balance	10,233,994,973.10	5,879,510.85	63,139,236.32	84,184,187.41	41,083,997.72	10,428,281,905.40
II. Accumulated amortization						
1. Initial balance	1,034,947,065.36	4,731,712.14	35,888,850.92	112,071,849.07	4,565,383.23	1,192,204,860.72
2. Increase in the current period	200,040,717.60	188,679.24	5,864,765.95	15,212,471.30	9,545,752.33	230,852,386.42
(1) Accrual	199,759,567.35	188,679.24	5,864,765.95	15,212,471.30	9,545,752.33	230,571,236.17
(2) Other	281,150.25					281,150.25

increase[Note 1]						
3. Decrease in the current period	7,724,319.96			66,462,431.41	6,277,039.63	80,463,791.00
(1) Disposal				66,462,431.41	5,995,889.38	72,458,320.79
(2) The disposal of subsidiaries [Note 2]	7,724,319.96					7,724,319.96
(3) Other decrease[Note 1]					281,150.25	281,150.25
4. Ending balance	1,227,263,463.00	4,920,391.38	41,753,616.87	60,821,888.96	7,834,095.93	1,342,593,456.14
III. Provision for impairment						
1. Initial balance						
2. Increase in the current period						
(1) Accrual						
3. Decrease in the current period						
(1) Disposal						
4. Ending balance						
IV. Book value						
1. Closing book value	9,006,731,510.10	959,119.47	21,385,619.45	23,362,298.45	33,249,901.79	9,085,688,449.26
2. Beginning book value	8,060,009,179.06	1,147,798.71	27,250,385.40	26,604,781.60	27,768,950.03	8,142,781,094.80

[Note 1] This refers to the transfer of the original value and amortization category adjustment corresponding to the change from the original sea area use right to the land use right.

[Note 2] This refers to the transfer of the original value and accumulated amortization of the corresponding intangible assets from the disposal of Rongsheng Energy (Zhoushan) Co., Ltd.

(2) Land-use right for which the certificate of title has not been obtained

Unit: RMB

Item	Book value	Reasons for incomplete certificates of title
Land-use right	1,154,268,003.61	Still being processed
Subtotal	1,154,268,003.61	

(3) Impairment test of intangible assets

□ Applicable ☑ Not applicable

15. Deferred income tax assets, deferred income tax liabilities

(1) Deferred income tax assets before offset

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for impairment of assets	132,087,595.85	20,051,007.82	436,276,327.17	74,249,543.63
Unrealized profits from internal transactions	174,555,812.58	40,826,277.11	99,854,988.15	18,235,948.62
Deductible uncovered loss	9,919,705,630.57	1,781,179,358.45	8,534,688,742.74	1,550,960,099.21
Changes in fair value of trading financial instruments and derivative financial instruments	49,347,430.82	10,013,897.63	331,739,047.49	49,815,680.12
Deferred income	386,404,952.54	58,738,520.64	191,230,102.07	29,528,959.74
Lease liabilities	37,729,036.17	5,659,355.43	182,212,003.42	27,331,800.51
Approximate liabilities	43,782,604.66	6,567,390.70		
Total	10,743,613,063.19	1,923,035,807.78	9,776,001,211.04	1,750,122,031.83

(2) Deferred income tax liabilities before offset

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
One-time pre-tax deduction of long-term assets	9,209,739,455.74	1,381,460,918.36	10,046,188,810.96	1,506,928,321.65
The parent company, reflected at the level of consolidated statements, invests the borrowing as paid-in capital into the subsidiary company, which serves as the borrowing interest for the capitalization of long-term asset construction.	1,962,158,305.99	309,663,627.22	2,066,452,064.88	319,599,270.81
Changes in fair value of trading financial instruments and derivative financial instruments	273,896,236.86	43,092,081.30	432,807,147.83	64,977,475.17
Right-of-use assets	24,803,704.50	3,720,555.68	168,620,191.32	25,293,028.70
Government subsidies	409,020,000.00	102,255,000.00	694,020,000.00	173,505,000.00

Fixed asset abandonment costs	31,795,008.79	4,769,251.32		
Total	11,911,412,711.88	1,844,961,433.88	13,408,088,214.99	2,090,303,096.33

(3) Deferred income tax assets or liabilities presented as net amount after offset

Unit: RMB

Item	Ending offset amount of deferred income tax assets and liabilities	Ending balance of deferred income tax assets and liabilities after offset	Beginning offset amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets and liabilities after offset
Deferred income tax assets	220,727,340.51	1,702,308,467.27	512,945,754.55	1,237,176,277.28
Deferred income tax liabilities	220,727,340.51	1,624,234,093.37	512,945,754.55	1,577,357,341.78

(4) Details of unrecognized deferred income tax assets

Unit: RMB

Item	Ending balance	Beginning balance
Deductible loss	2,522,179,464.04	3,061,760,213.17
Changes in fair value of trading financial instruments and derivative financial instruments	205,609,926.17	468,838.23
Deferred income	6,301,607.06	7,399,864.22
Provision for impairment of assets	2,236,985.97	45,827,362.55
Lease liabilities	2,623,049.76	10,610,567.21
Total	2,738,951,033.00	3,126,066,845.38

(5) The deductible loss of unrecognized deferred income tax assets will expire in the following year

Unit: RMB

Year	Ending amount	Beginning amount
2025		869,483,144.03
2026	614,211,325.04	852,118,955.75
2027	1,092,058,167.72	1,094,476,141.77
2028	100,185,870.06	104,227,489.45
2029	173,281,724.51	141,454,482.17
2030	542,442,376.71	
Total	2,522,179,464.04	3,061,760,213.17

16. Other non-current assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Prepayment for purchase of long-term assets	3,478,664,190.30		3,478,664,190.30	2,936,356,587.96		2,936,356,587.96
Rental value of silver leased in				990,467,185.82		990,467,185.82
Total	3,478,664,190.30		3,478,664,190.30	3,926,823,773.78		3,926,823,773.78

17. Assets with ownership or use rights restricted

Unit: RMB

Item	Period end				Period beginning			
	Book balance	Book value	Restriction type	Restriction situation	Book balance	Book value	Restriction type	Restriction situation
Monetary fund	630,671,605.40	630,671,605.40	Fund occupation	Letter of credit, bank acceptance bill, guarantees, loans and ETC deposits	1,889,552,585.00	1,889,552,585.00	Fund occupation	Letter of credit, bank acceptance bill, guarantee and borrowing deposit
Fixed assets	294,762,945,671.06	232,480,405,403.84	Mortgage	Collateral for borrowings and letters of credit	254,645,778,826.31	208,346,971,958.41	Pledge	Collateral for borrowings and letters of credit
Intangible assets	6,136,663,087.37	5,436,131,065.75	Mortgage	Collateral for borrowings and letters of credit	6,229,413,556.02	5,629,806,156.03	Pledge	Collateral for borrowings and letters of credit
Construction in progress	14,296,159,065.39	14,296,159,065.39	Mortgage	Collateral for borrowings and letters of credit	29,474,930,368.68	29,474,930,368.68	Pledge	Collateral for borrowings and letters of credit
Accounts receivable financing					57,470,000.00	57,470,000.00	Pledge	Bank acceptance bills as collateral
Total	315,826,439,429.22	252,843,367,140.38			292,297,145,336.01	245,398,731,068.12		

18. Short-term borrowings

Unit: RMB

Item	Ending balance	Beginning balance

Guaranteed borrowings	47,763,339,280.37	40,887,276,581.01
Credit borrowings	2,433,317,607.22	3,203,693,222.22
Total	50,196,656,887.59	44,090,969,803.23

19. Trading financial liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Trading financial liabilities		1,269,256,561.53
Including: Fair value of leased silver		1,269,256,561.53
Total		1,269,256,561.53

20. Derivative financial liabilities

Unit: RMB

Category	Ending balance	Beginning balance
Paper futures contract	244,350,092.55	34,655,378.23
Foreign exchange derivatives	10,607,264.44	
Total	254,957,356.99	34,655,378.23

21. Notes payable

Unit: RMB

Category	Ending balance	Beginning balance
Banker's acceptance	1,823,730,094.93	3,204,293,497.95
Total	1,823,730,094.93	3,204,293,497.95

22. Accounts payable

Unit: RMB

Item	Ending balance	Beginning balance
Payable for material procurement and operation	50,890,431,082.24	50,482,691,896.90
Payable for purchase of long-term assets	8,068,097,593.71	8,550,137,922.21
Total	58,958,528,675.95	59,032,829,819.11

23. Other payables

Unit: RMB

Item	Ending balance	Beginning balance
Other payables	8,699,387,532.24	6,588,756,879.48
Total	8,699,387,532.24	6,588,756,879.48

1) Other payables listed by the nature of payment

Unit: RMB

Item	Ending balance	Beginning balance
Current accounts	7,418,563,934.03	5,548,635,694.24
Deposit and security	995,066,265.07	916,055,524.03
Settled but unpaid operating expenses	267,785,214.09	110,443,622.88
Other	17,972,119.05	13,622,038.33
Total	8,699,387,532.24	6,588,756,879.48

There were no significant other payables with an aging of more than one year at the end of the period.

24. Contract liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Payments for goods	4,083,450,306.60	5,995,580,462.05
Total	4,083,450,306.60	5,995,580,462.05

There were no significant other payables with an aging of more than one year at the end of the period.

25. Employee compensation payable

(1) Presentation of employee compensation

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term compensation	984,064,165.64	3,901,114,800.97	3,845,640,343.64	1,039,538,622.97
II. Post-employment benefits - defined contribution plan	12,745,112.85	185,526,254.41	111,995,025.35	86,276,341.91
III. Dismissal welfare		1,252,777.38	1,252,777.38	
Total	996,809,278.49	4,087,893,832.76	3,958,888,146.37	1,125,814,964.88

(2) Short-term remuneration

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Wage, bonus, allowance and subsidy	975,036,853.98	3,702,310,454.28	3,653,172,276.70	1,024,175,031.56
2. Employee welfare expenses		20,720,231.70	20,720,231.70	
3. Social insurance premium	7,846,287.59	106,291,583.83	100,164,656.25	13,973,215.17
Including: Medical	7,046,508.11	94,144,501.46	93,398,353.79	7,792,655.78

insurance premium				
Work-related injury insurance premium	799,779.48	11,778,925.49	6,398,145.58	6,180,559.39
Birth insurance premium		368,156.88	368,156.88	
4. Housing provident fund	333,852.68	50,800,956.92	50,832,964.10	301,845.50
5. Labor union and personnel education expenses	847,171.39	20,991,574.24	20,750,214.89	1,088,530.74
Total	984,064,165.64	3,901,114,800.97	3,845,640,343.64	1,039,538,622.97

(3) Presentation of defined contribution plan

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	12,326,595.56	179,901,504.77	108,575,136.20	83,652,964.13
2. Unemployment insurance premium	418,517.29	5,624,749.64	3,419,889.15	2,623,377.78
Total	12,745,112.85	185,526,254.41	111,995,025.35	86,276,341.91

26. Taxes payable

Unit: RMB

Item	Ending balance	Beginning balance
Value-added tax	443,795,758.28	13,254,307.86
Consumption tax	1,573,882,352.93	747,606,263.37
Enterprise income tax	69,159,122.59	89,950,544.34
Individual income tax	14,067,513.97	15,562,859.71
Urban maintenance and construction tax	126,276,135.66	98,714,225.59
Property tax	37,468,119.44	34,022,887.00
Land use tax	120,812,522.26	116,305,831.44
Education surcharge	52,441,911.63	42,653,919.65
Local education surcharge	34,962,574.35	28,437,246.39
Stamp duty	54,838,753.97	67,254,962.09
Deed tax	30,862,764.00	20,953,566.00
Environmental protection tax	3,140,039.05	3,145,855.20
Resource tax	16,990.20	
Renewable energy development fund	68,624,617.30	
Special fund for water conservancy construction	14,818,413.21	
Total	2,645,167,588.84	1,277,862,468.64

Other notes:

27. Non-current liabilities due within one year

Unit: RMB

Item	Ending balance	Beginning balance
Long-term borrowings due within one year	35,425,986,183.65	38,301,297,104.65
Lease liabilities due within one year	40,352,085.93	21,198,112.29
Total	35,466,338,269.58	38,322,495,216.94

28. Other current liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Output tax to be transferred	513,369,770.13	742,351,889.84
Silver leased in	1,353,959,243.79	
Total	1,867,329,013.92	742,351,889.84

29. Long-term borrowings

(1) Categories of long-term borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Mortgage borrowings		187,683,275.31
Guaranteed borrowings	32,766,114,434.02	25,309,274,718.75
Credit borrowings	1,085,305,275.56	874,673,819.84
Pledged and Guaranteed Loans	447,201,294.11	
Mortgage and guarantee borrowings	88,160,580,304.01	93,146,709,048.51
Total	122,459,201,307.70	119,518,340,862.41

Description of classification of long-term borrowings:

[Note] The long-term borrowings of the Company and its subsidiaries include multiple bank borrowings with financial covenants. As of December 31, 2025, the carrying amount of such borrowings was RMB 91,260,759,500. The borrowing agreements require the Company and its subsidiaries to comply with certain covenants during the borrowing period, including but not limited to the debt-to-asset ratio, current ratio, and interest coverage ratio. In the event of non-compliance with such covenants, these borrowings will become repayable on demand by the lending banks. The Company and its subsidiaries expect to be in compliance with the aforementioned covenants.

30. Lease liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease payments		212,198,297.79
Unacknowledged financial charges		-40,573,839.45
Total		171,624,458.34

31. Estimated liablities

Unit: RMB

Item	Beginning balance	Increase in the current period	Reason
Provision for fixed asset abandonment	43,782,604.66		Estimated decommissioning costs for hazardous waste landfills
Total	43,782,604.66		

32. Deferred income

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reasons for incurrence
Government subsidies	198,629,966.29	222,954,120.00	28,877,526.69	392,706,559.60	Related to assets
Total	198,629,966.29	222,954,120.00	28,877,526.69	392,706,559.60	--

33. Share capital

Unit: RMB

	Beginning balance	Increase and decrease of this change (+, -)					Ending balance
		New issue of shares	Issue of bonus shares	Conversion of provident fund into shares	Other	Subtotal	
Total number of shares	10,125,525,000.00				-136,082,746.00	-136,082,746.00	9,989,442,254.00

Other notes:

According to the resolutions of the 23rd Meeting of the 6th Board of Directors and the 2024 Annual General Meeting of Shareholders, the Company cancelled 136,082,746 shares in the special securities account for repurchase, accounting for 1.3440% of the total share capital prior to the cancellation. After the completion of the cancellation, the Company's share capital changed to 9,989,442,254 shares. The cancellation procedures were completed at China Securities Depository and Clearing Corporation Limited Shenzhen Branch on July 18, 2025.

34. Capital reserve

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Capital premium (capital stock premium)	10,779,726,139.51		1,862,121,191.31	8,917,604,948.20
Other capital reserves	39,840,495.53	741,513.66		40,582,009.19
Total	10,819,566,635.04	741,513.66	1,862,121,191.31	8,958,186,957.39

Other notes, including notes to increase and decrease in the current period and its reasons:

1) During the current period, the Company cancelled partially repurchased shares. The difference between the repurchase price and the par value of the cancelled shares, amounting to RMB 1,862,121,191.31, was recognized in the capital reserve.

2) Due to other changes in the owner's equity of the associate other than net profit or loss, other comprehensive income, and profit distribution, the Company's entitled share calculated based on its shareholding ratio, amounting to RMB 741,513.66, was recognized in the capital reserve (other capital reserve).

35. Treasury stock

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Repurchase of public shares	6,987,008,823.24		1,998,203,937.31	4,988,804,885.93
Total	6,987,008,823.24		1,998,203,937.31	4,988,804,885.93

Other notes, including notes to increase and decrease in the current period and its reasons:

According to the resolutions of the 23rd Meeting of the 6th Board of Directors and the 2024 Annual General Meeting of Shareholders, the Company cancelled 136,082,746 shares held in the special securities account for repurchase, and reduced the registered capital accordingly.

36. Other comprehensive income

Unit: RMB

Item	Beginning balance	The amount incurred in the current period						Ending balance
		Amount incurred before current income tax	Less: amount included in other comprehensive income previously and then transferred into current profit or loss	Less: Amount included in other comprehensive incomes previously and then transferred into current retained earnings	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to the minority shareholders after tax	
I. Other comprehensive income that cannot be reclassified into profit or loss								
II. Other comprehensive income to be reclassified into profit or loss	280,892,216.98	-198,686,089.53				-194,223,326.45	-4,462,763.08	86,668,890.53
Including:	225,977,	-				-	2,622,288.0	119,611,57

other comprehensive income convertible into profit or loss by the equity method	453.58	103,743,594.58			106,365,882.60	2	0.98
Translation difference of financial statements in foreign currency	54,914,763.40	-94,942,494.95			-87,857,443.85	-7,085,051.10	-32,942,680.45
Total other comprehensive income	280,892,216.98	-198,686,089.53			-194,223,326.45	-4,462,763.08	86,668,890.53

37. Special reserves

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Work safety expenses	60,677,296.91	396,314,212.37	437,934,321.85	19,057,187.43
Total	60,677,296.91	396,314,212.37	437,934,321.85	19,057,187.43

Other notes, including notes to increase and decrease in the current period and its reasons:

The increase and decrease of special reserve in this period are the safety production expenses accrued and used by subsidiaries Yisheng Dahua Petrochemical Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Yisheng New Material Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd. and ZPC Zheyou Technology Co., Ltd.

38. Surplus reserves

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserve	1,270,743,066.03			1,270,743,066.03
Total	1,270,743,066.03			1,270,743,066.03

39. Undistributed profit

Unit: RMB

Item	Current period	Prior period
Undistributed profits at the end of the prior period before the adjustment	28,330,397,005.41	28,859,818,194.51
Add: Net profit attributable to the owner of the parent company in the current period	848,314,274.77	724,484,686.45
Less: Withdrawal of statutory surplus reserve		296,591,421.35
Common stock dividends payable	957,229,214.20	957,314,454.20

Undistributed profit at the end of the period	28,221,482,065.98	28,330,397,005.41

40.Operating revenue and operating cost

(1)Breakdown

Unit: RMB

Item	The amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	306,683,593,941.50	269,345,217,692.08	324,687,881,171.91	287,532,565,333.66
Other businesses	1,938,724,287.53	1,578,369,046.87	1,787,281,436.97	1,457,978,546.89
Total	308,622,318,229.03	270,923,586,738.95	326,475,162,608.88	288,990,543,880.55

Whether the lower of the net profits before and after net of non-recurring gains/losses is negative through audit

□ Yes ☑ No

(2)Breakdown of revenues

1) Breakdown of revenue generated by contracts with customers by goods or service categories

Unit: RMB

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Oil refining	106,317,955,897.68	81, 947,962,998.84	117,855,712,431.38	97,149,285,936.52
Chemical	117,197,993,998.82	104,365, 714,868.57	121,767,959,624.54	105,205,550,952.93
PTA	31,984,538,546.42	32,432,288,369.04	49,677,505,579.61	50,351,837,995.70
Polyester chemical fiber film	23,394,524,139.61	23,136,513,191.87	18,507,338,180.98	18,195,490,832.19
Trade and others	29,712,207,312.95	29,036,189,602.45	18,659,250,541.39	18,084,103,124.44
Subtotal	308,607,219,895.48	270,918,669,030.77	326,467,766,357.90	288,986,268,841.78

2) Breakdown of revenue generated by contracts with customers by goods or service time

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Revenue recognized at a certain point of time	308,607,219,895.48	326,467,766,357.90
Subtotal	308,607,219,895.48	326,467,766,357.90

(3) Information related to performance obligations

Item	Timing of satisfying	Significant payment terms	Nature of the goods promised to be	Whether acting as a principal	Amounts expected to be refunded to	Types of warranties provided by the Company and

	performance obligations		transferred by the Company		customers by the Company	related obligations
Sale of goods	Upon delivery of goods	Advances received; the credit period for accounts receivable is generally 30 to 90 days after product delivery.	Products meeting national standards	Yes	None	Assurance-type warranty

(4) The revenue recognized in the current period included in the opening book value of contract liabilities is RMB 5,957,766,058.33.

(5) Sales revenue and cost from trial operation reported in operating revenue and operating costs

1) Commissioning sales revenue and cost

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Sales revenue from trial operation	18,896,371,914.55	10,302,502,259.17
Sales cost from trial operation	17,203,312,335.40	9,364,411,482.35

2) Critical accounting estimates used in determining costs related to commissioning sales

For the inventory of trial production before the fixed assets of the Company reach the expected usable state, the relevant inventory cost is recognized on the basis of the necessary and reasonable expense under the normal design production capacity, combined with the normal design production capacity after the fixed assets reach the expected usable state, the normal production input-output ratio of the products and other factors.

41. Taxes and surcharges

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Consumption tax	21,117,044,518.89	21,876,182,863.52
Urban maintenance and construction tax	1,482,403,107.94	1,522,606,490.49
Education surcharge	640,029,281.30	662,539,298.03
Property tax	50,776,295.03	40,528,943.36
Land use tax	122,309,826.86	119,576,761.38
Stamp duty	217,696,745.83	210,664,196.49
Local education surcharge	426,686,187.41	441,692,865.27
Renewable energy development fund	90,275,951.83	
Environmental protection tax	13,378,912.59	23,560,240.64
Water conservancy construction fund	19,493,680.40	
Vehicle and vessel tax	82,909.98	88,104.29

Total	24,180,177,418.06	24,897,439,763.47

42. Administrative expenses

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Employee compensation	385,945,335.38	403,637,588.16
Office expenses	156,526,869.94	144,753,610.00
Depreciation and amortization expense	266,481,498.86	248,918,000.60
Insurance premium	126,983,103.52	140,182,396.42
Business entertainment expenses	18,480,643.43	13,536,625.23
Other	33,298,552.11	25,685,474.38
Total	987,716,003.24	976,713,694.79

43. Selling expenses

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Employee compensation	125,229,660.78	143,059,036.16
Sales business expenses	50,753,338.29	33,491,051.89
Other	16,023,679.49	16,562,212.76
Total	192,006,678.56	193,112,300.81

44. R&D expenses

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Direct input	3,497,473,472.31	3,650,032,751.45
Depreciation and amortization	786,549,743.03	847,644,288.46
Employee compensation	578,518,305.40	582,233,984.76
Equipment commissioning fee	7,560,188.27	7,362,107.00
Others	119,145,154.50	14,210,153.93
Total	4,989,246,863.51	5,101,483,285.60

45. Financial expenses

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Interest expense	5,829,240,571.07	7,077,035,657.42

Interest income	-410,236,488.43	-544,687,994.07
Exchange gain or loss	-43,389,076.36	239,749,460.14
Other	241,453,166.76	359,242,723.86
Total	5,617,068,173.04	7,131,339,847.35

46. Other income

Unit: RMB

Sources generating other incomes	The amount incurred in the current period	Amount incurred in the previous period
Government grants related to assets	28,877,526.69	23,577,526.96
Government grants related to income	437,428,828.18	1,077,141,580.04
Return of fees for withheld individual income tax	4,565,718.69	3,890,671.08
Value-added tax with deduction	785,201,409.47	1,767,143,763.75
Other	653,742.00	151,540.00
Total	1,256,727,225.03	2,871,905,081.83

47. Gains on changes in fair value

Unit: RMB

Sources of income from changes in fair value	The amount incurred in the current period	Amount incurred in the previous period
Derivative financial assets	-110,571,839.43	-164,399,967.20
Derivative financial liability	-46,707,605.35	319,353,476.86
Trading financial liabilities	-254,957,356.99	-34,655,378.23
Total	-412,236,801.77	120,298,131.43

48. Investment income

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income calculated by equity method	202,015,047.93	244,591,550.05
Investment income from disposal of long-term equity investments	32,392,860.18	10,960,230.72
Investment income from disposal of trading financial assets	-5,577,088.36	-24,087,658.90
Financing discount loss of receivables	488,130,155.51	-68,823,737.96
Interest income from related party lending	332,320.74	392,911.94
Total	717,293,296.00	163,033,295.85

49. Credit impairment loss

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Bad debt losses	240,862,048.32	-189,106,251.69
Total	240,862,048.32	-189,106,251.69

50. Asset impairment loss

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Inventory depreciation loss	-219,644,919.91	-163,827,403.04
Total	-219,644,919.91	-163,827,403.04

51. Income from asset disposal

Unit: RMB

Sources of asset disposal income	The amount incurred in the current period	Amount incurred in the previous period
Income from disposal of fixed assets	4,591,406.72	-334,956.39
Income from disposal of intangible assets	5,794,477.13	17,775,133.30
Income from disposal of right-of-use assets	14,675,073.83	
Total	25,060,957.68	17,440,176.91

52. Non-operating income

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring profit or loss of the current period
Income no longer payable	2,486,922.20		2,486,922.20
Income from carbon emission rights	2,498,025.38		2,498,025.38
Liquidated damages and income from compensation	1,607,801.55	10,252,421.17	1,607,801.55
Other	253,187.39	218,528.74	253,187.39
Total	6,845,936.52	10,470,949.91	6,845,936.52

53. Non-operating expenses

Unit: RMB

Item	The amount incurred in the	Amount incurred in the	Amount included in non-

	current period	previous period	recurring profit or loss of the current period
External donations	18,933,492.47	17,300,000.00	18,933,492.47
Loss on damage and scrapping of non-current assets	28,982,365.09	362,553.03	28,982,365.09
Late fee	9,108,859.88	60,411,769.58	9,108,859.88
Compensation expenses		30,488,423.15	
Other	227,444.02	464,403.13	227,444.02
Total	57,252,161.46	109,027,148.89	57,252,161.46

54. Income tax expenses

(1) Presentation of income tax expenses

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Income tax expenses in the current period	459,568,077.53	368,480,873.10
Deferred income tax expenses	-418,255,438.40	-588,084,286.39
Total	41,312,639.13	-219,603,413.29

(2) Adjustment of accounting profit and income tax expense

Unit: RMB

Item	The amount incurred in the current period
Total profits	3,290,171,934.08
Income tax expenses calculated at the applicable tax rate of the parent company	822,542,983.52
Impact of different tax rates applied on subsidiaries	-251,469,108.71
Influence of income tax during periods prior to adjustment	-68,590,651.10
Influence of non-taxable income	-50,919,463.85
Impact of non-deductible costs, expenses and losses	23,947,124.29
Impact of using deductible loss on deferred income tax assets unrecognized in prior periods	-38,362,322.04
Impact of temporary deductible difference or deductible loss on deferred income tax assets unrecognized in the current period	135,357,178.25
Impact of R&D cost plus deduction	-497,519,748.64
Tax credit for enterprises' investment in special environmental protection equipment	-33,673,352.59
Income tax expenses	41,312,639.13

55. Other comprehensive income

Refer to Note in VII. 36 for details.

56. Cash flow statement items

(1) Cash related to operating activities

Other cash received related to operating activities

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Government subsidies received	1,399,043,731.52	1,704,903,975.77
Recovery of bills, letters of credit and other deposits	939,956,714.82	1,274,960,321.30
Temporary borrowings received from Zhejiang Rongsheng Holding Group Co., Ltd.	1,949,879,600.00	201,500,000.00
Interest income received from bank deposits	410,266,738.43	544,687,994.07
Recovery of operating deposit and security deposit	533,819,454.95	243,339,427.96
Other	71,169,751.06	29,972,875.16
Total	5.304,135,990.78	3,999,364,594.26

Other cash paid related to operating activities

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Payment of bills, letters of credit and other deposits	466,721,092.11	939,955,714.82
Repayment of temporary borrowings to Zhejiang Rongsheng Holding Group Co., Ltd.	1,599,879,600.00	201,500,000.00
Cash disbursements from administrative expenses, R&D expenses and sales expenses	567,189,008.42	451,840,559.05
Payment of bank charges	234,066,965.55	273,301,181.98
Payment of operating deposit and security deposit	238,685,745.70	419,277,649.81
Other	43,198,502.12	389,101,702.33
Total	3,149,740,913.90	2,674,976,807.99

(2) Cash related to investment activities

Other cash received related to investment activities

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Recovery of bills, letters of credit and other deposits	8,821,992.18	58,439,047.20
Received deposit for project and land	54,773,713.45	126,799,650.30

auction		
Recovery of temporary borrowings interest from ZPC-ENN (Zhoushan) Gas Co., Ltd.	352,260.00	416,486.66
Total	63,947,965.63	185,655,184.16

Important cash received related to investment activities

1) Cash received from recovery of investment funds

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Recovery of cash related to investments in trading financial assets	4,267,033,716.54	3,519,097,041.94
Total	4,267,033,716.54	3,519,097,041.94

2) Net cash received from disposal of subsidiaries or other operating entities

Item	The amount incurred in the current period	Amount incurred in the previous period
Cash and cash equivalents received from the disposal of subsidiaries during the current period	508,240,961.00	
Of which: Rongsheng Energy (Zhoushan) Co., Ltd.	508,240,961.00	
Less: Cash and cash equivalents held by the subsidiary on the date control was lost	16,657,896.91	
Of which: Rongsheng Energy (Zhoushan) Co., Ltd.	16,657,896.91	
Total	491,583,064.09	

Other cash paid related to investment activities

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Payment of deposits related to engineering and land auctions	75,048,224.93	115,357,030.89
Payment of deposits related to engineering and land auctions; payment of deposits for bills of exchange, letters of credit, etc	13,287,510.70	26,984,994.77
Total	88,335,735.63	142,342,025.66

Important cash paid related to investment activities

1) Cash paid for the acquisition and construction of fixed assets, intangible assets, and other long-term assets

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period

Payment for intangible asset acquisition	1,429,571,483.99	487,827,596.16
Payment for engineering equipment and other related expenses	41,252,274,501.27	31,094,388,138.24
Total	42,681,845,985.26	31,582,215,734.40

2) Cash paid investments

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Payment for cash related to investments in trading financial assets	4,065,134,018.39	3,524,971,851.23
Payment for equity investments	207,500,000.00	
Total	4,272,634,018.39	3,524,971,851.23

(3) Cash related to financing activities

Other cash received related to financing activities

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Temporary borrowings received from Zhejiang Rongsheng Holding Group Co., Ltd.	5,229,885,000.00	3,148,500,000.00
Recovery silver leasing deposit	672,580,625.41	
Recovery of borrowing deposit	265,000,000.00	70,908,960.00
Recovery of transaction margin and settlement funds related to share repurchase		5,895,301.00
Received proceeds from discounted but not yet due letters of credit and bills		18,250,688,807.61
Total	6,167,465,625.41	21,475,993,068.61

Other cash paid related to financing activities

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Repayment of temporary borrowings to Zhejiang Rongsheng Holding Group Co., Ltd.	3,478,512,304.37	12,415,012,459.99
Payment of discounted L/Cs due	4,928,418,224.24	
Payment of borrowing deposit	142,500,000.00	
Payment of financing fees	7,386,201.21	85,941,541.88
Payments for right-of-use assets	19,626,043.67	30,874,272.20
Repayment of entrusted loan and interest to Zhejiang Yisheng Petrochemical Co., Ltd.		804,453,086.65

Payment for silver leasing deposit		672,580,625.41
Payment for stock repurchase		367,392,060.78
Total	8,576,442,773.49	14,376,254,046.91

Notes:

Changes in liabilities arising from financing activities

□ Applicable ☑ Not applicable

57. Supplementary information on cash flow statement

(1) Supplementary information of Cash Flow Statement

Unit: RMB

Supplementary information	Current amount	Amount of prior period
1. Converting net profit into cash flow from operating activities:		
Net profit	3,248,859,294.95	2,125,320,081.91
Add: Provision for impairment of assets	219,644,919.91	163,827,403.04
Credit impairment provisions	-240,862,048.32	189,106,251.69
Fixed assets depreciation, depreciation of right-of-use assets /oil and gas assets depletion, productive biological assets depreciation	17,168,141,226.73	15,044,994,060.83
Depreciation of assets with right of use	-45,466,517.07	23,864,319.63
Amortization of intangible assets	192,815,818.41	185,023,887.02
Amortization of long-term deferred expenses		45,701.13
Loss on disposing fixed assets, intangible assets and other long-term assets (gains expressed with "-")	-25,060,957.68	-17,440,176.91
Loss from scrapping of fixed assets (income is presented with "-")	28,982,365.09	362,553.03
Loss from fair value changes (gains expressed with "-")	412,236,801.77	-120,298,131.43
Financial expenses (gains expressed with "-")	5,798,917,434.57	7,412,256,559.44
Investment loss (gains expressed with "-")	-717,293,296.00	-163,033,295.85
Decrease in deferred income tax assets (increase expressed with "-")	-465,132,189.99	-546,367,399.20
Increase in deferred income tax liabilities (decrease expressed with "-")	46,876,751.59	-41,716,887.19
Decrease in inventories (increase expressed with “-”)	10,461,787,582.65	16,587,048,796.10
Decrease in operating receivables (increase expressed with “-”)	1,311,399,792.61	-5,370,176,094.92
Increase in operating payables (decrease expressed with “-”)	7,891,843,124.31	-796,925,853.22
Other	73,310,798.01	-42,900,850.59

Net cash flow from operating activities	45,406,467,418.61	34,609,126,604.88
2. Significant investment and financial activities not involving cash receipts and payments:		
Debt into capital		
Convertible corporate bonds due within one year		
Newly added right-to-use assets	37,205,556.76	
3. Net change in cash and cash equivalents:		
Ending balance of cash	12,868,997,873.44	12,943,832,335.45
Less: Beginning balance of cash	12,943,832,335.45	11,486,855,097.52
Add: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-74,834,462.01	1,456,977,237.93

(2) Composition of cash and cash equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	12,868,997,873.44	12,943,832,335.45
Including: cash on hand	1,356,245.56	1,580,800.25
Bank deposits available for payment at any time	12,149,371,258.16	12,624,073,263.80
Other monetary funds available on demand	718,270,369.72	318,178,271.40
III. Ending balance of cash and cash equivalents	12,868,997,873.44	12,943,832,335.45

(3) Monetary funds that are not cash and cash equivalents

Unit: RMB

Item	Current amount	Amount of prior period	Reasons for not cash and cash equivalents
Bank acceptance bill deposit	273,168,500.57	471,306,867.33	These are all deposits for related businesses and are subject to restrictions on use.
L/C deposit	214,053,200.39	475,632,655.05	These are all deposits for related businesses and are subject to restrictions on use.
Loan deposit	132,500,000.00	250,000,000.00	These are all deposits for related businesses and are subject to restrictions on use.
Guarantee deposit	1,470,312.71	20,001,187.21	These are all deposits for related businesses and are subject to restrictions on use.
Silver lease deposit		672,580,625.41	These are all deposits for related

			businesses and are subject to restrictions on use.
Accrued interest on deposits		30,250.00	The accrued interest on the deposit
ETC deposit	15,000.00	1,000.00	ETC frozen funds
Bank deposit	9,464,591.73		Funds frozen for legal execution
Total	630,671,605.40	1,889,552,585.00	

(4) Changes in liabilities related to financing activities

Unit：RMB 10,000

Item	Amount at the beginning of the period	Increase in the current period		Decrease in the current period		Amount by the end of the period
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Bank loans	20,191,060.77	14,026,097.42	756,218.22	14,017,586.06	147,605.91[Note]	20,808,184.44
Other payables – Temporary loans from Zhejiang Rongsheng Holding Group Co., Ltd.	554,863.56	522,988.50	11,855.56	347,851.23		741,856.39
Other payables – Dividends payable			95,722.92	95,722.92		
Lease liabilities (including lease liabilities due within one year)	19,282.26		452.78	1,962.60	13,737.23	4,035.21
Subtotal	20,765,206.59	14,549,085.92	864,249.48	14,463,122.81	161,343.14	21,554,076.04

[Note] This refers to the disposal of subsidiary Rongsheng Energy (Zhoushan) Co., Ltd. during the current period, resulting in the corresponding transfer of short-term borrowings.

(5) Major activities that do not involve cash receipts and payments

Item	Amount in the current period	Amount in the previous period
Amount of commercial bill transferred by endorsement	298,543,646.34	609,274,450.40
Of which: payment for goods	278,720,192.34	434,924,689.02
payment for the purchase of fixed assets and other long-term assets	19,823,454.00	174,349,761.38

58. Foreign currency monetary items

(1) Monetary items in foreign currency

Unit: RMB

Item	Ending balance in foreign currencies	Conversion exchange rate	Ending balance in RMB
Monetary fund			3,888,676,036.54
Including: USD	545,496,849.03	7.0288	3,834,188,252.46
EUR	5,033,369.74	8.2355	41,452,316.49
HKD	416,425.69	0.9032	376,115.68
SGD	2,319,152.61	5.4586	12,659,326.44
GBP	2.70	9.4346	25.47
Accounts receivable			2,282,118,272.83
Including: USD	324,681,065.45	7.0288	2,282,118,272.83
Other receivables			131,663,853.92
Including: USD	18,732,052.97	7.0288	131,663,853.92
Other payables			254,084,231.83
Including: USD	36,077,966.25	7.0288	253,584,809.18
SGD	91,492.81	5.4586	499,422.65
Short-term borrowings			536,700,243.87
Including: USD	76,357,307.63	7.0288	536,700,243.87
Accounts payable			10,575,558,853.83
Including: USD	1,499,146,737.49	7.0288	10,537,202,588.47
EUR	3,880,683.71	8.2355	31,959,370.69
GBP	678,025.00	9.4346	6,396,894.67
Long-term borrowings			342,555,838.68
Including: EUR	41,595,026.25	8.2355	342,555,838.68
Non-current liabilities due within one year			2,623,049.76
Including: USD	373,186.00	7.0288	2,623,049.76
EUR	6,399,234.82	8.2355	52,700,898.36

(2) Description of the overseas operating entity, including important overseas operating entity, shall disclose its main overseas business place, recording currency and the basis for selection, and shall also disclose reasons in the case of changes in recording currency.

☑Applicable □ Not applicable

Company name	Place of registration	Recording currency	Selection basis
Hong Kong Shenghui Co., Ltd.	Hong Kong, China	USD	General settlement currency for company operation
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	Hong Kong, China		
Yisheng New Materials Trading Co., Ltd.	Hong Kong, China		
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	Hong Kong, China		

Rongsheng Petrochemical (Singapore) Pte. Ltd.	Singapore		
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	Singapore		
Rongtong Logistics (Singapore) Pte. Ltd.	Singapore		

59. Lease

(1) The Company as the lessee

☑Applicable □ Not applicable

Variable lease payments not included in the measurement of lease liabilities

□ Applicable ☑ Not applicable

Simplified treatment of short-term leases or rental expenses of low-value assets

☑Applicable □ Not applicable

1) Please refer to Note VII. 13 of these financial statements for information about the right-of-use assets.

2) Accounting policies of short-term leases and low-value asset leases of the Company are detailed in note V. 30 of these financial statements. The amounts of short-term lease expense and low-value asset lease expense included in the current profit or loss are as follows:

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Short-term lease expense	42,532,812.69	23,582,427.12
Total	42,532,812.69	23,582,427.12

3) Current profit or loss and cash flow related to leasing

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Interest expense on lease liabilities	4,527,828.55	8,158,128.24
Total cash outflow related to leasing	62,261,364.30	55,525,318.25

3) The maturity analysis of lease liabilities and the corresponding liquidity risk management are detailed in Note XII. 1. (2) of these financial statements.

(2) The Company as the lessor

Operating lease as lessor

☑Applicable □ Not applicable

1) Leasing revenue

Unit: RMB

Item	Leasing revenue
Leasing revenue	15,098,333.55
Total	15,098,333.55

2) Operating leasing assets

Unit: RMB

Item	Amount at the end of the period	Amount at the beginning of the period
Intangible Assets	38,962,413.71	40,325,815.56
Investment Properties	9,852,682.60	10,124,128.60
Subtotal	48,815,096.31	50,449,944.16

Financial lease as lessor

□ Applicable ☑ Not applicable

Undiscounted lease receipts for each of the next five years

☑Applicable □ Not applicable

Unit: RMB

Item	Undiscounted annual lease receivables	
	Ending amount	Beginning amount
Year 1	2,137,089.00	2,137,089.00
Year 2	2,137,089.00	2,137,089.00
Year 3	2,137,089.00	2,137,089.00
Year 4	2,137,089.00	2,137,089.00
Year 5	2,172,707.00	2,137,089.00
Total amount of undiscounted lease receipts after five years	8,975,772.00	12,644,441.00

Operating lease assets

Unit: RMB

Item	Ending amount	Ending amount of last year
Intangible assets	38,962,413.71	40,325,815.56
Investment property	9,852,682.60	10,124,128.60
Total	48,815,096.31	50,449,944.16

(3) Recognition of the profit and loss of financial leasing sales as a manufacturer or distributor

□ Applicable ☑ Not applicable

60. Others

Supplier financing arrangements

(1) Terms and conditions of supplier financing arrangements

Unit: RMB

Bank	Loan amount	Borrowing date	Payment due date	Guarantor
Bank of China Limited, Zhejiang Branch	10,000,000.00	2025.03.17	2026.03.16	Zhejiang Rongsheng Holding Group Co., Ltd.
China Merchants Bank Limited, Dalian Jinpu New Area Branch	23,897,401.20	2025.07.18-2025.12.03	2026.01.13-2026.06.03	Zhejiang Rongsheng Holding Group Co., Ltd.
Export-Import Bank of China, Liaoning Branch	186,000,000.00	2025.01.26	2026.01.16	The Company

(2) Liability details related to supplier financing arrangements

1) Book value of related liabilities

Unit: RMB

Item	Amount by the end of the period	Amount at the beginning of the period
Short-term borrowings	219,897,401.20	502,000,000.00
Including: Amounts already received by suppliers	219,897,401.20	502,000,000.00
Subtotal	219,897,401.20	502,000,000.00

2) Payment due date ranges for related liabilities

Unit: RMB

Item	Due date range of payment at the end of the period	Due date range of payment at the beginning of the period
Liabilities classified under financing arrangements	2026.01.13-2026.06.03	2025.03.17-2025.09.16

3) Non-cash changes in related liabilities

Unit: RMB

Non-cash change type	Amount in the current period	Amount in the previous period
Reclassification from accounts payable to short-term borrowings	219,897,401.20	502,000,000.00

VIII. R&D expenditure

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Direct input	3,497,473,472.31	3,650,032,751.45
Depreciation and amortization	786,549,743.03	847,644,288.46
Employee compensation	578,518,305.40	582,233,984.76
Equipment commissioning fee	7,560,188.27	7,362,107.00
Others	119,145,154.50	14,210,153.93
Total	4,989,246,863.51	5,101,483,285.60
Including: expensed R&D expenditure	4,989,246,863.51	5,101,483,285.60

IX. Consolidation scope changes

1. Disposal of subsidiaries

If there were any transactions or events during this period that resulted in the loss of control over subsidiaries

☑ Applicable □ Not applicable

Unit: RMB

Name of subsidiary	Disposal consideration at the date of losing control	Disposal proportion at the date of losing control	Disposal method at the date of losing control	Date of losing control	Basis for determining the date of losing control	Difference between the disposal consideration and the share of the subsidiary's net assets at the consolidated financial statement level corresponding to the disposed investment	Proportion of remaining equity at the date of losing control	Carrying amount of remaining equity at the consolidated financial statement level at the date of losing control	Fair value of remaining equity at the consolidated financial statement level at the date of losing control	Gain or loss from remeasurement of remaining equity at fair value	Determination method and main assumptions for the fair value of remaining equity at the consolidated financial statement level at the date of losing control	Amount of other comprehensive income related to equity investment in the former subsidiary transferred to investment income or retained earnings
Rongsheng Energy (Zhoushan) Co., Ltd.	508,240,961.00	100.00%	Sale	December 26, 2025	Received the equity transfer payment and actually handed over the operation and management rights	32,392,860.18						

Other notes:

If there were any transactions or events during this period that resulted in the loss of control over subsidiaries

□ Applicable ☑ Not applicable

2. Changes in consolidation scope for other reasons

1. Increase in consolidation scope

Unit: RMB

Company name	Acquisition method	Date of equity acquisition	Subscribed capital contribution	Proportion of subscribed capital contribution (%)
Zhejiang Shenghui New Materials Co., Ltd.	New establishment	2025/03/27	20,000,000.00	100.00
Zhejiang Petrochemical New Materials (Zhoushan) Co., Ltd.	New establishment	2025/10/20	50,000,000.00	100.00

2. Decrease in consolidation scope

Company name	Method of equity disposal	Date of disposal	Net assets on the disposal date	Profit from beginning of the period to disposal date
Zhejiang Rongshen New Materials Co., Ltd.	Industrial and commercial deregistration	July 31, 2024		
Zhejiang Shengcheng New Materials Co., Ltd.	Industrial and commercial deregistration	July 31, 2024		
Zhejiang Huiyu New Materials Co., Ltd.	Industrial and commercial deregistration	July 31, 2024		

X. Interests in other entities

1. Rights and interests in subsidiaries

(1) Group composition

Unit: RMB

Name of subsidiary	Registered capital	Principal place of business	Place of registration	Business nature	Shareholding ratio		Shareholding ratio
					Direct	Indirect	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	200,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Setup
Zhejiang Shenghui New Materials Co., Ltd.	2,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Setup
Hong Kong Shenghui Co., Ltd.	USD 1,970.00	Hong Kong, China	Hong Kong, China	Commercial	100.00%		Business combination under common control
Ningbo Yisheng	USD10,526.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		95.00%	Setup

Chemical Co., Ltd.[Note]							
Dalian Yisheng Investment Co., Ltd.	201,800.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing	70.00%		Setup
Yisheng Dahua Petrochemical Co., Ltd.	245,645.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		84.60%	Setup
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	USD10.00	Hong Kong, China	Hong Kong, China	Commercial		100.00%	Setup
Dalian Rongxincheng Trading Co., Ltd.	1,000.00	Dalian, Liaoning	Dalian, Liaoning	Commercial		100.00%	Setup
Zhejiang Rongtong Chemical Fiber New Material Co., Ltd.	5,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial		100.00%	Setup
Zhejiang Rongyi Chemical Fiber Co., Ltd.	1,000.00	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Commercial		100.00%	Setup
Dalian Yisheng New Materials Co., Ltd.	2,000.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		100.00%	Setup
Ningbo Zhongjin Petrochemical Co., Ltd.	600,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing	100.00%		Business combination under common control
Ningbo Niluoshan New Energy Co., Ltd.	36,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		100.00%	Setup
Zhejiang Yisheng New Materials Co., Ltd.	300,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		51.00%	Business combination not under common control
Ningbo Rongxincheng Trading Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Setup
Yisheng New Materials Trading Co., Ltd.	HKD 100.00	Hong Kong, China	Hong Kong, China	Commercial		100.00%	Setup
Zhejiang Rongyi	1,000.00	Ningbo,	Ningbo,	Commercial		100.00%	Setup

Trading Co., Ltd.		Zhejiang	Zhejiang				
Rongsheng Petrochemical (Singapore) Pte. Ltd.	USD 10,100.00	Singapore	Singapore	Commercial	100.00%		Setup
Rongtong Logistics (Singapore) Pte. Ltd.	USD 0.0001	Singapore	Singapore	Commercial		100.00%	Setup
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	USD 10.00	Hong Kong	Hong Kong	Commercial	100.00%		Setup
Rongsheng Petrochemical Sales Co., Ltd. (formerly Rongsheng International Trade Co., Ltd.)	10,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial	100.00%		Setup
Zhejiang Petroleum & Chemical Co., Ltd.	5,880,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	51.00%		Business combination not under common control
ZPC Zheyou Technology Co., Ltd.	41,220.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		70.00%	Setup
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	USD 10.00	Singapore	Singapore	Commercial		100.00%	Setup
ZPC Jintang Logistics Co., Ltd.	200,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Zhejiang ZPC Sales Co., Ltd.	10,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial		100.00%	Setup
Zhoushan ZPC Sales Co., Ltd.	6,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Zhoushan ZPC Trading Co., Ltd.	6,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Ningbo ZPC Sales Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Setup
Taizhou ZPC Sales Co., Ltd.	1,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang	Commercial		100.00%	Setup
ZPC (Zhejiang Free Trade	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup

Zone) Green Petrochemical Research Institute Co., Ltd.							
Zhejiang ZPC Power Generation Co., Ltd.	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		100.00%	Setup
Zhoushan ZPC Logistics Co., Ltd.	1,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Road transport		100.00%	Setup
ZPC New Materials (Zhoushan) Co., Ltd.	5,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		100.00%	Setup
Rongxiang Chemical Fiber Co., Ltd.	20,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Setup
Zhejiang Yongsheng Technology Co., Ltd.	102,000.00	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Manufacturing	70.00%		Business combination not under common control
Hainan Rongsheng International Trade Co., Ltd.	10,000.00	Danzhou, Hainan	Danzhou, Hainan	Commercial	100.00%		Setup
Rongsheng Chemical (Shanghai) Co., Ltd.	5,000.00	Shanghai, China	Shanghai, China	Commercial	100.00%		Setup
Rongsheng New Materials (Zhoushan) Co., Ltd.	1,000,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	100.00%		Setup
Rongsheng New Materials (Taizhou) Co., Ltd.	100,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang	Manufacturing	90.00%		Setup

[Note] The company completed its deregistration procedures on February 5, 2026.

(2) Major non-wholly owned subsidiaries

Unit: RMB 10,000

Name of subsidiary	Shareholding ratio of minority shareholders	Profit or loss attributable to minority shareholders in the current period	Dividend announced to be distributed to minority shareholders in the current period	Ending balance of minority equity
Dalian Yisheng Investment Co., Ltd.	30.00%	-5,032.29		195,810.01

Yisheng Dahua Petrochemical Co., Ltd.	15.40%	-1,948.53		99,220.18
Zhejiang Yisheng New Materials Co., Ltd.	49.00%	-16,248.19		70,855.17
Zhejiang Petroleum & Chemical Co., Ltd.	49.00%	265,728.67		4,942,960.33

Explanation regarding the difference between the shareholding ratio and voting rights ratio of minority shareholders in subsidiaries:

Other notes:

(3) Main financial information of important partially-owned subsidiaries

Unit: RMB

Name of subsidiary	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Dalian Yisheng Investment Co., Ltd.	4,828,225,707.65	10,297,683,849.21	15,125,909,556.86	6,185,365,869.57	1,611,043,757.86	7,796,409,627.43	7,147,381,977.77	10,529,906,295.30	17,677,288,273.07	8,836,810,317.71	1,312,253,421.18	10,149,063,738.89
Yisheng Dahua Petrochemical Co., Ltd.	6,662,541,224.93	6,787,695,079.30	13,450,236,304.23	6,184,445,482.27	1,611,043,757.86	7,795,489,240.13	8,982,897,616.49	7,001,071,852.84	15,983,969,469.33	8,835,075,077.46	1,312,253,421.18	10,147,328,498.64
Zhejiang Yisheng New Materials Co., Ltd.	2,412,364,347.49	8,064,191,862.92	10,476,556,210.41	6,732,532,813.86	2,295,362,794.40	9,027,895,608.26	2,274,146,496.09	8,460,719,914.06	10,734,866,410.15	6,801,500,656.59	2,150,149,494.40	8,951,650,150.99
Zhejiang Petroleum & Chemical Co., Ltd.	34,394,733,040.39	260,023,682,707.64	294,418,415,748.03	98,133,887,242.09	95,987,210,927.65	194,121,098,169.74	49,531,707,967.86	244,769,329,281.62	294,301,037,249.48	95,805,922,176.62	103,580,777,338.89	199,386,699,515.51

Unit: RMB

Name of subsidiary	The amount incurred in the current period				Amount incurred in the previous period			
	Operating income	Net profit	Total comprehensive income	Cash flow from financing activities	Operating income	Net profit	Total comprehensive income	Cash flow from financing activities
Dalian Yisheng Investment Co., Ltd.	22,100,890,559.26	-193,628,737.06	-198,724,604.75	905,224,634.19	31,819,742,678.09	-153,495,879.83	-171,918,062.19	-1,369,513,418.04
Yisheng Dahua Petrochemical Co.,	22,100,890,559.26	-168,057,078.85	-181,893,906.59	904,538,886.29	31,819,742,678.05	-230,059,520.50	-221,017,533.82	-1,371,960,815

Ltd.								.44
Zhejiang Yisheng New Materials Co., Ltd.	28,239,886,546.10	-331,595,708.16	-334,555,657.01	721,841,670.51	32,266,524,499.34	-510,465,274.41	-508,777,661.78	746,383,950.40
Zhejiang Petroleum & Chemical Co., Ltd.	237,594,537,029.74	5,308,198,214.74	5,308,215,097.95	43,363,954,579.55	261,747,883,222.19	3,542,480,099.59	3,545,466,729.89	45,148,928,308.69

Other notes:

2. Equity in joint venture arrangement or joint venture

(1) Important joint ventures or associated enterprises

Name of the joint venture or associated enterprise	Principal place of business	Place of registration	Business nature	Shareholding ratio		Accounting method for investments in joint ventures and associated enterprises
				Direct	Indirect	
Zhejiang Yisheng Petrochemical Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	16.07%	13.93%	16.07%	Accounting by the equity method
Hainan Yisheng Petrochemical Co., Ltd.	Yangpu, Hainan	Yangpu, Hainan		50.00%		Accounting by the equity method
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	9.71%		9.71%	Accounting by the equity method

Basis for one having voting rights of below 20% and significant influences or one having voting rights of 20% or above but no significant influences:

The company holds 9.712% of the shares of Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd. and has a representative on the board of Directors of the company, who has the substantive right to participate in decision-making. The representative can participate in the formulation of financial and operating policies of Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd., so as to exert significant influence on it.

(2) Main financial information of important associated enterprise

Unit: RMB

	Ending balance/amount incurred in the current period			Beginning balance/amount incurred in the prior period		
	Zhejiang Yisheng Petrochemical Co., Ltd.	Hainan Yisheng Petrochemical Co., Ltd.	Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Zhejiang Yisheng Petrochemical Co., Ltd.	Hainan Yisheng Petrochemical Co., Ltd.	Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.
Current assets	17,792,530,387.01	9,484,789,190.11	282,557,537,423.38	18,007,943,478.45	8,131,053,257.49	260,652,281,183.67
Non-current assets	2,388,584,085.75	10,913,624,377.07	127,813,706,940.77	2,741,961,606.23	11,585,208,302.00	131,191,013,484.36
Total assets	20,181,114,472.76	20,398,413,567.18	410,371,244,364.15	20,749,905,084.68	19,716,261,559.49	391,843,294,668.03
Current liabilities	9,823,745,603.06	9,172,781,271.47	356,324,163,029.04	10,573,546,592.33	8,089,815,969.61	335,547,942,251.55
Non-current liabilities	1,159,026,774.00	4,396,203,584.26	24,786,420,361.14	984,230,000.00	4,755,208,149.68	28,342,070,574.28
Total liabilities	10,982,772,377.06	13,568,984,855.73	381,110,583,390.18	11,557,776,592.33	12,845,024,119.29	363,890,012,825.83
Minority equity						
Shareholders' equity attributable to the parent company	9,198,342,095.70	6,829,428,711.45	29,031,687,517.15	9,192,128,492.35	6,871,237,440.20	27,640,173,446.18
Share of net assets	2,759,502,628.	3,414,714,355.	2,819,557,491.	2,757,638,547.	3,435,618,720.1	2,684,413,645.

calculated by the shareholding ratio	71	73	67	71	0	09
Adjustments						
- Goodwill		102,420,730.97	4,040,414.35		102,420,730.97	4,040,414.35
- Unrealized profits from internal transactions		-6,347,633.17			-8,406,325.00	
- Others	11,273,596.89		65,923.99	11,273,596.89		1,546,596.41
Book value of equity investment in associated enterprise	2,770,776,225.62	3,510,787,453.52	2,823,663,830.01	2,768,912,144.61	3,529,633,126.08	2,690,000,655.85
Fair value of equity investment in associated enterprise with the public offer						
Operating income	12,110,772,105.57	25,474,396,151.16	7,209,278,102.23	15,246,583,176.45	32,134,063,244.75	7,600,481,397.91
Net profit	3,896,891.82	-59,290,648.85	3,057,601,847.25	214,587,933.59	143,801,867.13	3,047,587,610.27
Net profit from termination of operation						
Other comprehensive income	2,316,711.53	17,481,920.10	-1,192,383,917.22	-1,402,727.06	-54,928,338.09	1,509,122,219.37
Total comprehensive income	6,213,603.35	-41,808,728.75	1,865,217,930.03	213,185,206.53	88,873,529.04	4,556,709,829.64
Dividends received from associated enterprises in the current year			43,654,510.65			13,228,639.60

(3) Summary financial information of unimportant joint ventures and associated enterprises

Unit: RMB

	Ending balance/amount incurred in the current period	Beginning balance/amount incurred in the prior period
Associated enterprise:		
Total of the following items calculated as per the respective shareholding proportion		
Joint venture:		
Total book value of investments	658,979,703.08	528,090,394.63
Total of the following items calculated as per the respective shareholding proportion		

- Net profit	-64,686,927.94	-184,812,258.20
- Other comprehensive income	2,622,288.02	-8,239,250.71
- Total comprehensive income	-62,064,639.92	-193,051,508.91

XI. Government grants

1. At the end of the reporting period, government grants recognized according to the amount receivable

☑ Applicable □ Not applicable

Item	Book balance at the end of the period
Grants receivable	1,012,056,416.00
Subtotal	1,012,056,416.00

2. Reasons for failure to receive the estimated amount of government grants at the expected time

☑ Applicable □ Not applicable

As of the approval date of this financial report, the Company had received subsidies totaling RMB 27,240,000.00, with an outstanding balance of grants receivable of RMB 984,816,416.00, pending payment arrangement by the fiscal authority..

3. Liability items involving government subsidies

☑Applicable □ Not applicable

Unit: RMB

Accounting subject	Beginning balance	Amount of additional subsidy in current period	Amount included in current non-operating income	Amount carried forward to other income in current period	Other change in current period	Ending balance	Related to assets/income
Deferred income	198,629,966.29	222,954,120.00	28,877,526.69			392,706,559.60	Related to assets
Subtotal	198,629,966.29	222,954,120.00	28,877,526.69			392,706,559.60	

4. Government grants included in current profits and losses

☑Applicable □ Not applicable

Unit: RMB

Accounting subject	The amount incurred in the current period	Amount incurred in the previous period
Amount of government subsidies included in other income	466,306,354.87	1,100,719,107.00
Impacted amount of financial discount on total profit	5,679,738.65	9,529,900.00
Total	471,986,093.52	1,110,249,007.00

Other notes:

XII. Risks related to financial instruments

1. Various risks arising from financial instruments

Risks Relating to Financial Instruments The Company conducts risk management to seek the appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Company's financial performance. Based on this objective, the Company's basic policy for risk management is to confirm and analyze all kinds of risks faced by the Company, set up an appropriate risk bottom line, conduct risk management, and monitor all risks promptly and reliably to limit risks within a specific range.

The Company faces various risks related to financial instruments in its ordinary course of business, mainly including credit risk, liquidity risk and market risk. The Management has deliberated and approved the policies governing such risks, as outlined below.

(I) Credit risk

Credit risk refers to the risk that may bring financial loss to one party of the financial tool caused by the other party's failure to perform its obligations in the contract.

1. Practice of credit risk management

(1) Evaluation method of credit risk

On each balance sheet date, the Company assesses whether the credit risk of relevant financial instruments has increased significantly since initial recognition. When confirming whether the credit risks have increased significantly since the initial recognition, the Company considers reasonable and well-founded information, including qualitative and quantitative analysis based on the Company's history data, external credit risk ratings and forward-looking information, without incurring additional costs or efforts. Based on a single financial instrument or a combination of financial instruments with similar credit risk characteristics, the Company compares the default risks of the financial instruments on the balance sheet date with the default risks on the initial recognition date so as to determine changes in the expected default risks of financial instruments during the duration.

When one or more of the following quantitative and qualitative criteria is/are triggered, the Company considers that the credit risks of financial instruments have increased significantly:

1) The quantitative criteria mainly refer to that the probability of default of the remaining duration on the balance sheet date increases by more than a certain proportion compared with the initial recognition.

2) The qualitative criteria mainly include significant adverse changes in the debtor's business or financial situation, and existing or expected changes in the technical, market, economic or legal environment, which will have a significant adverse impact on the debtor's repayment ability to the Company, etc.

(2) Definition of default and credit-impaired assets

When a financial instrument meets one or more of the following conditions, the Company defines the financial asset as a default, and its standard is consistent with the definition of credit impairment:

1) The debtor has major financial difficulties;

2) The debtor violates the binding provisions on the debtor in the contract;

3) The debtor is likely to go bankrupt or undergo another financial restructuring;

4) The creditor gives the debtor concessions that the debtor would not make under any other circumstances due to economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of expected credit loss

Key parameters for measuring expected credit loss include the probability of default (PD), loss given default (LGD) and exposure at default (EAD). The Company has taken into account the quantitative analysis and forward-looking information of historical statistical data (such as counterparty rating, guarantee method, collateral type and repayment method), and established the PD, LGD and EAD models.

3. For the reconciliation between the opening balance and the closing balance of the provision for loss of financial instruments, please see notes VII. 3 and VII. 5 of the financial statements for details.

4. Credit risk exposure and credit risk concentration

The credit risk to the Company mainly comes from monetary funds and accounts receivable. In order to control the above related risks, the Company has taken the following measures respectively.

(1) Monetary fund

The Company deposits bank deposits and other monetary funds in financial institutions with high credit rating, so its credit risk is low.

(2) Receivables

The Company regularly evaluates the credit of customers who trade by credit. According to the credit evaluation results, the Company chooses to trade with recognized customers with good credit and monitors their accounts receivable balance to ensure that the Company will not face significant bad debt risk.

Since the Company only conducts transactions with recognized third parties with good credit, no collateral is required. Credit risk concentration is managed according to customers. As of December 31, 2025, the Company has a certain credit concentration risk, because 68.22% (December 31, 2024: 49.37%) of the Company's accounts receivable are from the top five customers ranking in terms of balance. The Company holds no collateral or other credit enhancement for the balance of accounts receivable.

The maximum credit risk exposure of the Company is the book value of each financial asset on the balance sheet.

(II) Liquidity risk

Liquidity risk refers to the risk of occurrence of capital shortage when the Company fulfills its obligations settled by delivering cash or other financial assets. Liquidity risk may result from the inability to sell financial assets at fair value as soon as possible; or because the other party is unable to repay its contractual debts; or from debts due in advance; or from the inability to generate expected cash flow.

In order to control this risk, the Company comprehensively uses various financing means, such as bill settlement and bank loan, and adopts the method of the appropriate combination of long-term and short-term financing methods to optimize the financing structure, so as to maintain the balance between financing sustainability and flexibility. The Company has obtained bank credit lines from a number of commercial banks to meet working capital needs and capital expenditure.

Unit: RMB

Item	Amount by the end of the period				
	Book value	Undiscounted contract price	Within 1 year	1-3 years	Above 3 years
Bank loans	208,081,844,378.94	223,180,050,527.12	89,146,010,577.88	69,745,071,623.40	64,288,968,325.84
Derivative financial liability	254,957,356.99	254,957,356.99	254,957,356.99		
Notes payable	1,823,730,094.93	1,823,730,094.93	1,823,730,094.93		
Accounts payable	58,958,528,675.95	58,958,528,675.95	58,958,528,675.95		

Other payables	8,699,387,532.24	8,699,387,532.24	8,699,387,532.24		
Lease liabilities	40,352,085.93	40,844,299.63	40,844,299.63		
Subtotal	277,858,800,124.98	292,957,498,486.86	158,923,458,537.62	69,745,071,623.40	64,288,968,325.84

(Cont.)

Item	Amount at the beginning of the period				
	Book value	Undiscounted contract price	Within 1 year	1-3 years	Above 3 years
Bank loans	201,910,607,770.29	220,409,646,422.41	85,781,763,934.67	65,369,822,673.33	69,258,059,814.41
Trading financial liabilities	1,269,256,561.53	1,269,256,561.53	1,269,256,561.53		
Derivative financial liability	34,655,378.23	34,655,378.23	34,655,378.23		
Notes payable	3,204,293,497.95	3,204,293,497.95	3,204,293,497.95		
Accounts payable	59,032,829,819.11	59,032,829,819.11	59,032,829,819.11		
Other payables	6,588,756,879.48	6,588,756,879.48	6,588,756,879.48		
Lease liabilities	192,822,570.63	240,977,160.43	29,438,043.89	47,718,409.83	163,820,706.71
Subtotal	272,233,222,477.22	290,780,415,719.14	155,940,994,114.86	65,417,541,083.16	69,421,880,521.12

(III) Market risk management

Market risk means a risk that the fair value or future cash flow of the financial instrument fluctuates due to changes in market price. Market risk mainly includes interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or cash flow in the future may fluctuate due to changes in the market interest rate. The interest-bearing financial instruments with fixed interest rates expose the Company to fair value interest rate risk, and the interest-bearing financial instruments with floating interest rates expose the Company to cash flow interest rate risk. The Company determines the ratio of fixed interest rate and floating interest rate financial instruments according to the market environment, and maintains an appropriate combination of financial instruments through regular review and monitoring. The cash flow interest rate risk faced by the Company is mainly related to the bank borrowings with floating interest rates.

As of December 31, 2025, the bank borrowings with a floating interest rate of the Company are RMB 152,924.5162 million, and EUR 47.9943 million (December 31, 2025: RMB 155,681.1217 million, and EUR 54.3935 million). Under the assumption that other variables remain unchanged, assuming that the interest rate changes by 50 benchmark points, we believe that it will not have a significant impact on the total profits and shareholders' equity.

2. Foreign exchange risk

Foreign exchange risk means a risk that the fair value or future cash flow of a financial instrument fluctuates due to a change in the foreign exchange rate. The risk of exchange rate changes faced by the Company is mainly related to the Company's foreign currency monetary assets and liabilities. For foreign currency assets and liabilities, in case of short-term imbalance, the Company will buy and sell foreign currencies at the market exchange rate when necessary to ensure that the net risk exposure is maintained at an acceptable level.

The Company's monetary assets and liabilities in foreign currencies at the end of the period are detailed in Notes to the Financial Statements VII. 58 to the financial statements.

2. Financial assets

(1) Classification by transfer method

☑Applicable □ Not applicable

Unit: RMB

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition status	Judgment basis for derecognition
Bill discounting	Accounts receivable financing	3,397,893,145.26	De-recognition	Substantially all risks and rewards have been transferred
Bill endorsement	Accounts receivable financing	262,183,180.12	De-recognition	Substantially all risks and rewards have been transferred
Total		3,660,076,325.38		

(2) Financial assets derecognized due to transfer

☑Applicable □ Not applicable

Unit: RMB

Item	Method of financial asset transfer	Amount of derecognized financial assets	Gains or losses related to derecognition
Accounts receivable financing	Discounting	3,397,893,145.26	2,569,401.01
Accounts receivable financing	Endorsement	262,183,180.12	
Total		3,660,076,325.38	2,569,401.01

(3) Financial assets transferred with continuing involved assets

□ Applicable ☑ Not applicable

XIII. Disclosure of fair value

1. Fair value at the end of the period of assets and liabilities measured at fair value

Unit: RMB

Item	Ending fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Sustained	--	--	--	--

measurement of fair value				
1. Derivative financial assets	36,638,553.50	242,190,249.19		278,828,802.69
2. Receivables financing			83,421,123.96	83,421,123.96
Total assets continuously measured at fair value	36,638,553.50	242,190,249.19	83,421,123.96	362,249,926.65
3. Derivative financial liabilities	244,350,092.55	10,607,264.44	--	254,957,356.99
Total liabilities of non-sustainable measurement of fair value	244,350,092.55	10,607,264.44	--	254,957,356.99
II. Non-sustainable measurement of fair value	--	--		--

2. Basis for determination of the market prices of sustained and unsustained Level 1 fair value measurement items

The company's level 1 fair value measured trading financial assets/liabilities consist of futures or paper commodity contracts held at the end of the period, with their fluctuating gains and losses determined based on market fair value.

3. Valuation techniques adopted and the qualitative and quantitative information of important parameters for continuous and non-continuous Level II fair value measurement items

The Company's derivative financial assets/liabilities measured at Level 2 fair value consist of forward foreign exchange contracts, whose fair value is determined by the Company using the present value of the difference between the delivery exchange rate specified in the forward foreign exchange contract and the market forward exchange rate on the balance sheet date.

4. Valuation techniques adopted and the qualitative and quantitative information of important parameters for continuous and non-continuous Level III fair value measurement items

The Company's receivables financing measured at Level 3 fair value consist of bank acceptance bills, with less credit risk and short remaining maturities, whose fair value is determined by the Company based on their face value.

XIV. Related parties and related-party transactions

1. The Company's parent company

Name of parent company	Place of registration	Business nature	Registered capital	Proportion of the Company's shares held by the parent company	Proportion of the Company's voting rights held by the parent company

Zhejiang Rongsheng Holding Group Co., Ltd.	Xiaoshan, Zhejiang	Industrial investment	RMB 834.6640 million	55.05%	55.05%

Note to information about the Company's parent company

The ultimate controlling party of the Company is Li Shuirong.

Other notes:

Li Shuirong directly holds 6.44% shares of the Company; Zhejiang Rongsheng Holding Group Co., Ltd. holds 55.05% of the shares of the Company, and Li Shuirong holds 63.523% of the shares of Zhejiang Rongsheng Holding Group Co., Ltd., thus indirectly holding 34.97% of the shares of the Company, so he holds a total of 41.41% of the shares of the Company.

2. Information on subsidiaries of the Company

See Note 10 for details of the Company's subsidiaries.

3. The Company's joint ventures and associated enterprises

See Note 10 for details of important joint ventures or associated enterprises of the Company.

Other joint ventures and associated enterprises that form balances in related party transactions with the Company in the current or previous period are as follows:

Name of joint venture or associated enterprise	Relation with the Company
Ningbo Hengyi Trading Co., Ltd.	Associated enterprise
ZPC-ENN (Zhoushan) Gas Co., Ltd.	Associated enterprise
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Associated enterprise
Ningbo Coastal Public Pipe Gallery Co., Ltd.	Associated enterprise
Zhejiang Zhenshi Port Service Co., Ltd.	Associated enterprise
Zhejiang Derong Chemicals Co., Ltd.	Associated enterprise
Zhoushan ZPC Zhougang Tugboat Co., Ltd.	Associated enterprise
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Associated enterprise

4. Other related parties

Name of other related parties	Relationship between other related parties and the Company
Li Jumei	Close family member of the actual controller
Sanyuan Holding Group Co., Ltd.	Controlled by a family member close to the actual controller
Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Controlled by a family member close to the actual controller
Zhejiang Sanyuan Textile Co., Ltd.	Controlled by a family member close to the actual controller
Zhejiang Rongxiang Thermal Power Co., Ltd.	The same ultimate actual controller
Zhejiang Rongtong Logistics Co., Ltd.	The same ultimate actual controller
Ningbo Rongxiang Logistics Co., Ltd.	The same ultimate actual controller

Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	The same ultimate actual controller
Ningbo United Group Co., Ltd.	The same ultimate actual controller
Qijiashan Hotel of Ningbo United Group Co., Ltd.	The same ultimate actual controller
Ningbo United Group Import & Export Co., Ltd.	The same ultimate actual controller
Suzhou Shenghui Equipment Co., Ltd.	The same ultimate actual controller
Hangzhou Shengyuan Real Estate Development Co., Ltd.	The same ultimate actual controller
Hangzhou Shengyuan Property Service Co., Ltd.	The same ultimate actual controller
Ningbo Qingzhi Chemical Terminal Co., Ltd.	The same ultimate actual controller
Ningbo Haineng Blend Oil Co., Ltd.	The same ultimate actual controller
Hainan Shenggu Petrochemical Equipment Investment Co., Ltd.	The same ultimate actual controller
Hong Kong Xinhengrong Co., Ltd.	Subsidiary of Hainan Yisheng Petrochemical Co., Ltd.
Shanghai Shenglanhui Technology Co., Ltd	Affiliate of Hainan Shenggu Petrochemical Equipment Investment Co., Ltd.
Hong Kong Yisheng Petrochemical Investment Co., Ltd.	Subsidiary of Zhejiang Yisheng Petrochemical Co., Ltd.
Ningbo Shengmao Trading Co., Ltd.	Subsidiary of Hong Kong Yisheng Co., Ltd.
Zhejiang Yixin Chemical Fiber Co., Ltd.	Subsidiary of Hong Kong Yisheng Co., Ltd.
Dongzhan Shipping Co., Ltd.	Associated enterprise of Zhejiang Rongtong Logistics Co., Ltd.
Aramco Overseas Company B.V.	Shareholders
Saudi Arabian Oil Company	Parent company of Aramco Overseas Company B.V.
Aramco Trading Singapore Pte.Ltd.	Subsidiary of Saudi Arabian Oil Company
Saudi Basic Industries Corporation	Subsidiary of Saudi Arabian Oil Company
Aramco Trading Company	Subsidiary of Saudi Arabian Oil Company
Aramco Trading Fujairah Fze	Subsidiary of Aramco Trading Company
Saudi Basic (Shanghai) Trading Co., Ltd.	Subsidiary of Saudi Arabian Oil Company
Shanghai Huanqiu Engineering Co., Ltd.	Company where the actual controller serves as the Director
China Township Enterprises Association	Organization where the actual controller serves as a chairman
Zhuoran (Zhejiang) Integration Technology Co., Ltd.	Affiliate of Zhejiang Rongsheng Holding Group Co., Ltd.

5. Related party transactions

(1) Related party transactions regarding purchase and sales of goods as well as provision and acceptance of labor services

Table of the purchasing of goods and receiving of labor services

Unit: RMB

Related party	Contents of related party transaction	The amount incurred in the current period	Trading limit approved	Whether it exceeds the approved limit	Amount incurred in the previous period

				or not (Y/N)	
Saudi Arabian Oil Company	Crude oil	92,950,645,964.34	130,000,000,000.00	No	97,964,759,446.07
Zhejiang Rongsheng Holding Group Co., Ltd.	Coal and other materials	8,058,993,064.21	15,000,000,000.00	No	13,717,475,115.73
Aramco Trading Singapore Pte.Ltd.	Fuel oil, gasoline	6,808,542,739.75	130,000,000,000.00	No	729,553,790.76
Ningbo Hengyi Trading Co., Ltd. [Note]	PTA	2,520,338,630.11	4,200,000,000.00	No	290,142,203.61
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Device guarantee service and maintenance service	1,349,608,964.10	1,500,000,000.00	No	1,157,136,315.87
Zhejiang Yisheng Petrochemical Co., Ltd.	PX, glacial acetic acid, isophthalic acid	606,944,021.35	350,000,000.00	Yes	296,501,943.09
SABIC (Shanghai) Trading Co., Ltd.	Ethylene glycol	611,593,502.19	130,000,000,000.00	No	716,089,896.37
Zhejiang Rongtong Logistics Co., Ltd.	Freight	592,650,981.59	800,000,000.00	No	683,589,630.60
Aramco Trading Fujairah Fze	Fuel oil	420,300,825.98	130,000,000,000.00	No	3,166,540,805.77
Zhejiang Rongxiang Thermal Power Co., Ltd.	Steam, compressed air	413,745,127.40	500,000,000.00	No	18,499,078.25
Zhejiang Derong Chemicals Co., Ltd.	Isoprene, cracking C5 and processing fee	331,800,484.48	400,000,000.00	No	386,591,695.92
Suzhou Shenghui Equipment Co., Ltd.	Equipment and materials, installation service	331,758,541.20	600,000,000.00	No	380,313,029.51
Shanghai Shenglanhui Technology Co., Ltd.	Equipment and materials	174,437,795.95	40,000,000.00	Yes	39,139,104.44
Ningbo Rongxiang Logistics Co., Ltd.	Freight	73,559,215.72	100,000,000.00	No	17,916,030.26
Ningbo Qingzhi Chemical Terminal Co., Ltd.	Lump sum fee for port operation, warehousing service	62,530,087.27	100,000,000.00	No	62,997,478.57
Ningbo Haineng Blend Oil Co., Ltd.	Warehousing service	26,350,289.90	50,000,000.00	No	28,018,189.56
Shanghai Huanqiu Engineering Co., Ltd.	Engineering design service	23,458,557.61	30,000,000.00	No	38,861,013.25
Zhuoran (Zhejiang)	Equipment and materials	18,123,893.80			38,637,158.70

Integration Technology Co., Ltd.					
Zhejiang Sanyuan Textile Co., Ltd.	Work clothes and other materials	8,851,991.18	10,000,000.00	No	4,634,374.66
Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Steam	1,608,839.45	30,000,000.00	No	12,973,362.42
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Consulting and design service	107,304,124.24	500,000,000.00	No	
Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	Electricity	163,633.60			163,352.08
Qijiashan Hotel of Ningbo United Group Co., Ltd.	Hotel service	78,392.45			226,229.16
Ningbo United Group Import & Export Co., Ltd.	Agency service	9,433.96			
Hong Kong Xinhengrong Co., Ltd.	PX				29,726,102.82
Hainan Yisheng Petrochemical Co., Ltd.	PTA, etc.		20,000,000.00	No	19,594,396.81
Dongzhan Shipping Co., Ltd.	Freight		30,000,000.00	No	296,097.74
Total		115,493,399,101.83			119,800,375,842.02

[Note] Of the purchases made with the company in this period, amounting to RMB 2,266,648,900, the net amount has been settled.

Selling commodities/offering labor

Unit: RMB

Related party	Contents of related party transaction	The amount incurred in the current period	Amount incurred in the previous period
Zhejiang Yisheng Petrochemical Co., Ltd. [Note 1]	PTA, PX, m-xylene	9,079,113,248.89	8,456,472,338.73
Aramco Trading Singapore Pte.Ltd.	Gasoline, diesel, MTBE, aviation kerosene	2,251,874,300.21	225,986,336.88
Ningbo Hengyi Trading Co., Ltd. [Note 1]	PTA, PX	927,249,311.59	3,064,892,973.06
Saudi Basic Industries Corporation	PTA	652,160,482.15	774,528,858.93
Zhejiang Derong Chemicals Co., Ltd.	Industrial acetonitrile, styrene, cracking C5, diesel	528,103,264.56	780,656,247.56

Ningbo Shengmao Trading Co., Ltd. [Note 1]	PTA, PX	164,085,147.67	112,686,769.41
Zhejiang Rongtong Logistics Co., Ltd.	PTA, diesel	25,489,544.81	21,014,955.44
Hainan Yisheng Petrochemical Co., Ltd.	PTA, PX	10,244,992.54	240,265.49
Zhoushan ZPC Zhougang Tugboat Co., Ltd.	Vehicle diesel	9,985,110.53	9,266,952.73
Zhejiang Rongxiang Thermal Power Co., Ltd. [Note 3]	Vehicle diesel, etc.	6,803,259.60	2,622,508.49
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Vehicle diesel, etc.	2,489,823.00	2,526,991.15
Hong Kong Yisheng Petrochemical Investment Co., Ltd.	PX	1,849,527.06	
Hong Kong Xinhengrong Co., Ltd.	PX	1,350,634.00	
Ningbo Qingzhi Chemical Terminal Co., Ltd.	Warehousing service income	361,515.12	
Ningbo Rongxiang Logistics Co., Ltd.	Vehicle diesel	59,754.86	1,059,756.64
Suzhou Shenghui Equipment Co., Ltd. [Note 2]	Vehicle diesel, electricity fee [Note 2]	19,916.26	12,389.38
Shanghai Huanqiu Engineering Co., Ltd.	Vehicle diesel	4,424.78	
Zhejiang Yixin Chemical Fiber Co., Ltd.	PTA		331,991,150.43
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 3]	Electricity	1,022,684.09	811,793.58
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Office supplies		683.19
Total		13,662,266,941.72	13,784,770,971.09

Note to related party transactions of goods purchase & sale and labor services rendering & receiving

[Note 1] The purchase amount of RMB 2,266.6489 million from the company in this period has been accounted for on a net basis.

[Note 2] The subsidiary Rongsheng New Materials (Zhoushan) Co., Ltd. sold water amounting to RMB 447.25 to Suzhou Shenghui Equipment Co., Ltd. (accounted for on a net basis).

[Note 3] In the current year, the Company's cumulative electricity sales to Zhejiang Rongxiang Thermal Power Co., Ltd. and Zhejiang Rongsheng Holding Group Co., Ltd. amounted to RMB 4,034,056.42 (accounted for on a net basis); in the same period of the previous year, the cumulative electricity sales to Zhejiang Rongxiang Thermal Power Co., Ltd. and Zhejiang Rongsheng Holding Group Co., Ltd. amounted to RMB 2,974,125.08 (accounted for on a net basis).

(2) Related leases

The Company acts as the Lessor:

Unit: RMB

Name of lessee	Type of leased asset	Lease income recognized in the current period	Lease income recognized in the previous period
Hainan Yisheng Petrochemical Co., Ltd.	House lease	1,401,336.66	
Zhejiang Rongtong Logistics Co., Ltd.	House lease		425,788.99

The Company acts as the Lessee:

Unit: RMB

Name of lessor	Type of leased asset	Rental expenses for short-term leases and leases of low-value assets on a simplified basis, if applicable	
		Amount incurred in the current period	Amount incurred in the previous period
Hangzhou Shengyuan Property Service Co., Ltd.	Parking space	35,230.00	56,023.81
Hangzhou Shengyuan Real Estate Development Co., Ltd.	House leasing	5,899,984.14	5,900,823.31
Zhejiang Rongsheng Holding Group Co., Ltd.	House leasing	550,458.72	550,458.72
Zhejiang Yixin Chemical Fiber Co., Ltd.	House leasing	1,929,119.65	1,031,670.22

(3) Related guarantees

The Company as the guaranteed party

Unit: RMB 10,000

Guarantor	Guarantee amount	Starting date of the guarantee	Ending date of the guarantee	If the guarantee has been performed (Y/N)
Sanyuan Holding Group Co., Ltd.	CNY 8,000.00	2024/1/1	2026/12/28	No
Zhejiang Rongsheng Holding Group Co., Ltd.	CNY 8,698,758.28	2021/1/29	2036/2/28	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 1]	CNY 55,833.33	2023/1/13	2028/9/20	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 2]	CNY 32,621.19	2020/4/28	2029/4/1	No
Zhejiang Rongsheng Holding Group Co.,	CNY 253,916.42	2022/10/21	2028/12/26	No

Ltd. [Note 3]				
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 4]	CNY 1,870,921.49	2022/11/14	2030/10/30	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 5]	CNY 867,300.00	2024/4/22	2033/2/15	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 6]	CNY 211,833.33	2023/1/13	2028/3/20	No
Zhejiang Rongsheng Holding Group Co., Ltd., the Company	CNY 495,990.00	2024/9/14	2027/9/9	No
Zhejiang Rongsheng Holding Group Co., Ltd., the Company [Note 7]	CNY 2,681,141.16	2021/1/20	2032/11/15	No
Zhejiang Rongsheng Holding Group Co., Ltd., the Company, Li Shuirong, Li Jumei [Note 8]	CNY 1,315,724.59	2018/7/31	2030/7/30	No
Zhejiang Rongsheng Holding Group Co., Ltd.	CNY 156,037.40	2025/7/2	2026/6/29	No
Zhejiang Rongsheng Holding Group Co., Ltd.	CNY 4,641,647.09	2025/1/10	2026/12/18	No
Zhejiang Rongsheng Holding Group Co., Ltd.	EUR 4,415.04	2024/1/31	2027/4/30	No
Zhejiang Rongsheng Holding Group Co., Ltd.	USD 22,305.07	2023/3/22	2027/3/31	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 4]	USD 336.36	2023/10/25	2026/1/31	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 4]	EUR 19.90	2023/12/20	2026/8/26	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 5]	USD 73.38	2025/4/29	2026/3/18	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 5]	EUR 1,438.40	2024/6/27	2026/11/30	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 7]	USD 1.29	2021/11/2	2026/1/1	No

Zhejiang Rongsheng Holding Group Co., Ltd. [Note 7]	EUR 0.05	2021/11/18	2026/1/1	No
Zhejiang Rongsheng Holding Group Co., Ltd., the Company	CNY 3,400.00	2025/11/17	2026/11/17	No
Zhejiang Rongsheng Holding Group Co., Ltd.	CNY 328,158.88	2025/2/14	2027/3/6	No
Zhejiang Rongsheng Holding Group Co., Ltd.	CNY 331,333.85	2025/4/10	2026/4/30	No

Notes of related guarantee

[Note 1] Zhejiang Rongsheng Holding Group Co., Ltd. provides a joint and several liability guarantee for 100% of the guaranteed amount. The subsidiary Ningbo Zhongjin Petrochemical Co., Ltd. provides a mortgage guarantee with its fixed assets having a book balance of RMB 2,232.4416 million.

[Note 2] Zhejiang Rongsheng Holding Group Co., Ltd. provides a joint and several liability guarantee for 100% of the guaranteed amount. The subsidiary Ningbo Niluoshan New Energy Co., Ltd. provides a mortgage guarantee with its fixed assets and intangible assets having a book balance of RMB 103.5112 million.

[Note 3] Zhejiang Rongsheng Holding Group Co., Ltd. provides a joint and several liability guarantee for 100% of the guaranteed amount. The subsidiary Zhejiang Yisheng New Materials Co., Ltd. provides a mortgage guarantee with its fixed assets having a book balance of RMB 4,379.6208 million.

[Note 4] Zhejiang Rongsheng Holding Group Co., Ltd. provides a joint and several liability guarantee for 100% of the guaranteed amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with the completed assets of the new 1.40 million tons/year ethylene and downstream chemical facilities (Phase II product structure optimization) project (including but not limited to the land use rights, above-ground buildings, and project equipment formed at that time after the construction project passes the completion acceptance).

[Note 5] Zhejiang Rongsheng Holding Group Co., Ltd. provides a joint and several liability guarantee for 100% of the guaranteed amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with all assets formed by the high-performance resin project (including but not limited to providing a mortgage guarantee with the land use rights, above-ground buildings, and project equipment formed at that time after the construction project passes the completion acceptance).

[Note 6] Zhejiang Rongsheng Holding Group Co., Ltd. provides a joint and several liability guarantee for 100% of the guaranteed amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with its machinery and equipment having a book balance of RMB 6,487.4826 million.

[Note 7] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company provide a joint and several liability guarantee for 60% of the guaranteed amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with the completed assets of the 40 million tons/year refining and chemical integration project (including but not limited to the land use rights, above-ground buildings, and project equipment formed at that time after the construction project passes the completion acceptance).

[Note 8] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company provide a joint and several liability guarantee for 51% of the guaranteed amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with the completed assets of the 40 million tons/year refining and chemical integration project (including but not limited to the land use rights, above-ground buildings, and project equipment formed at that time after the construction project passes the completion acceptance).

(4) Asset transfer and debt restructuring of related parties

Unit: RMB

Related party	Contents of related party transaction	The amount incurred in the current period	Amount incurred in the previous period
Zhejiang Rongsheng Holding Group Co., Ltd.	Transfer of 100% equity of Rongsheng Energy (Zhoushan) Co., Ltd.	508,240,961.00	
China Township Enterprises Association	Transfer of vehicle	353,982.30	
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Transfer of engineering equipment		36,371,681.41

(5) Remuneration of key management personnel

Unit: RMB 10,000

Item	The amount incurred in the current period	Amount incurred in the previous period
Remuneration of key management personnel	1,346.09	1,237.91

(6) Other related party transactions

1. Fund borrowing from/to related parties

(1) At the beginning of the period, the Company had RMB 5,548.6356 million payable to Zhejiang Rongsheng Holding Group Co., Ltd.; in the current period, the Company and its subsidiaries borrowed a cumulative amount of RMB 5,229.8850 million from Zhejiang Rongsheng Holding Group Co., Ltd., accrued fund possession cost of RMB 118.5556 million, and repaid RMB 3,478.5123 million of principal and interest on a cumulative basis. As of December 31, 2025, the balance payable by the Company to this company was RMB 7,418.5639 million.

During the current period, the subsidiary Zhejiang Shengyuan Chemical Fiber Co., Ltd. borrowed a cumulative amount of RMB 600.0006 million from Zhejiang Rongsheng Holding Group Co., Ltd. and cumulatively repaid RMB 600.0006 million. As of December 31, 2025, Zhejiang Shengyuan Chemical Fiber Co., Ltd. had fully settled the aforementioned amounts.

During the current period, the subsidiary Ningbo Zhongjin Petrochemical Co., Ltd. borrowed a cumulative amount of RMB 999.8790 million from Zhejiang Rongsheng Holding Group Co., Ltd. and cumulatively repaid RMB 999.8790 million. As of December 31, 2025, Ningbo Zhongjin Petrochemical Co., Ltd. had fully settled the aforementioned amounts.

During the current period, the subsidiary Rongsheng Energy (Zhoushan) Co., Ltd. borrowed a cumulative amount of RMB 350.00 million from Zhejiang Rongsheng Holding Group Co., Ltd. As of December 31, 2025, due to the disposal of equity in Rongsheng Energy (Zhoushan) Co., Ltd., the Company accordingly transferred out the payable amount of RMB 350.00 million to Zhejiang Rongsheng Holding Group Co., Ltd.

(2) At the beginning of the period, the amount receivable of the subsidiary Zhejiang Petroleum & Chemical Co., Ltd. from ZPC-ENN (Zhoushan) Gas Co., Ltd. was RMB 10.80 million. During the period, it accrued interest of RMB 0.3523 million and collected interest of RMB 0.3523 million. As of December 31, 2025, the amount receivable from this company remained at RMB 10.80 million.

2. During the current period, the subsidiary Zhejiang ZPC Sales Co., Ltd. transferred warehouse receipts to Zhejiang Yisheng Petrochemical Co., Ltd., realizing an income from the transfer of warehouse receipts of RMB 910,619.47, the company has already settled the net amount.

3. The Company and its subsidiaries made the following payments to related parties for ongoing engineering contracts:

Unit: RMB 10,000

Related Party	Current Period	Same Period Last Year
Suzhou Shenghui Equipment Co., Ltd.	8,841.91	11,667.86
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	64,787.12	42,565.00
Shanghai Shenglanhui Technology Co., Ltd.	6,318.26	3,992.44
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	23,062.79	15,722.44
Total	103,010.08	73,947.74

4.As of December 31, 2025, the deposit balance of the Company and its subsidiaries in the related party Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd. was RMB 71,089,124.31, USD 3,186,008.86 and EUR 129.66.

As of December 31, 2024, the Company and its subsidiaries had deposit balances with the related party Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd., amounting to RMB 123,447,248.78, USD 1,348,812.92, and EUR 129.66.

6. Accounts receivable and payable of related parties

(1) Receivables

Unit: RMB

Project	Related party	Ending balance		Beginning balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Accounts receivable	Saudi Basic Industries Corporation	81,355,210.04		42,515,409.95	2,125,770.50
	Zhejiang Yisheng Petrochemical Co., Ltd.	365,689,201.21	18,284,460.06	360,195,827.42	120,665,086.62
	Aramco Trading Singapore Pte.Ltd.	216,399,824.26			
				76,010,449.61	3,800,522.48
Subtotal		663,444,235.51	18,284,460.06	478,721,686.98	126,591,379.60
Advance payment	Hangzhou Shengyuan Real Estate Development Co., Ltd.			3,806,092.50	
Subtotal				3,806,092.50	
Other receivables	ZPC-ENN (Zhoushan) Gas Co., Ltd.,	10,800,000.00	6,600,000.00	10,800,000.00	5,400,000.00
Subtotal		10,800,000.00	6,600,000.00	10,800,000.00	5,400,000.00

(2) Payables

Unit: RMB

Project	Related party	Ending book balance	Beginning book balance
Accounts payable	Rongsheng Petrochemical (Singapore) Pte. Ltd. [Note]	28,256,256,144.32	30,257,905,558.70
	Yisheng Dahua Petrochemical Co., Ltd. [Note]	2,365,800,000.00	3,437,999,698.00
	Zhejiang Yisheng New Materials Co., Ltd. [Note]	1,670,000,000.00	2,049,030,000.00
	The Company [Note]	1,168,000,000.00	1,286,000,000.00
	Ningbo Zhongjin Petrochemical Co., Ltd. [Note]	1,405,426,000.00	1,317,273,481.65
	Dalian Rongxincheng Trading Co., Ltd. [Note]	440,414,455.48	667,864,260.54
	Zhejiang ZPC Sales Co., Ltd. [Note]	170,337,839.99	
	Ningbo Rongxincheng Trading Co., Ltd. [Note]	161,050,000.00	110,000,000.00
	Zhejiang Petroleum & Chemical Co., Ltd. [Note]	34,000,000.00	1,122,747,553.24
	SAUDI ARABIAN OIL COMPANY	3,543,622,089.94	4,351,562,189.78
	Zhejiang Rongsheng Holding Group Co., Ltd.	404,837,206.40	
	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	337,238,077.47	205,429,347.45
	Zhejiang Rongtong Logistics Co., Ltd.	144,673,343.36	128,585,887.48
	Ningbo Rongxiang Logistics Co., Ltd.	31,532,493.55	2,222,834.88
	Ningbo Qingzhi Chemical Terminal Co., Ltd.	7,309,445.62	4,979,118.97
	Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	5,057,298.41	
	Zhejiang Saintyear Textile Co., Ltd.	4,249,274.30	3,064,391.99
	Zhejiang Derong Chemicals Co., Ltd.	809,628.01	
	Ningbo Haineng Blend Oil Co., Ltd.	1,329,101.03	5,538,838.28
	Shanghai Huanqiu Engineering Co., Ltd.	5,160,076.48	900,000.00
	ARAMCO TRADING FUJAIRAH FZE	803,913.45	
	Suzhou Shenghui Equipment Co., Ltd.	132,000.00	3,296,884.96

	Qijiashan Hotel of Ningbo United Group Co., Ltd.	2,565.00	
	Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	13,665.56	
	Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.		974,805.00
	Zhejiang Rongxiang Thermal Power Co., Ltd.		17,675,013.16
	Hong Kong Xinhengrong Co., Ltd.		29,726,102.82
Subtotal		40,158,054,618.37	45,002,775,966.90
Notes payable	Ningbo Hengyi Trading Co., Ltd.	50,000,000.00	
	Zhejiang Rongxiang Heating Co., Ltd.	14,770,000.00	
Subtotal		64,770,000.00	
Contract liabilities and other current liabilities	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	8,122,893.70	
	Zhejiang Rongtong Logistics Co., Ltd.	2,293,481.65	
	Ningbo Shengmao Trading Co., Ltd.	2,277,662.26	518,282.64
	Zhoushan ZPC Zhougang Tugboat Co., Ltd.	499,205.90	782,380.80
	Hainan Yisheng Petrochemical Co., Ltd.	323,158.43	
	Shanghai Huanqiu Engineering Co., Ltd.	10,000.00	
	Ningbo Hengyi Trading Co., Ltd.		16,297,590.39
Subtotal		13,526,401.94	17,598,253.83
Other payables	Zhejiang Rongsheng Holding Group Co., Ltd.	7,418,563,934.03	5,548,635,694.24
	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	1,346,500.00	2,010,840.00
	Zhejiang Rongtong Logistics Co., Ltd.	1,005,600.00	1,005,000.00
	Suzhou Shenghui Equipment Co., Ltd.	300.00	500,300.00
	Dongzhan Shipping Co., Ltd.		500,000.00
	Zhejiang Yixin Chemical Fiber Co., Ltd.		1,031,670.22
Subtotal		7,420,916,334.03	5,553,683,504.46

[Note] It is due to the Letters of Credit (L/Cs) issued by the Company and its subsidiaries. Rongsheng Petrochemical (Singapore) Pte. Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd., the Company, Ningbo Zhongjin Petrochemical Co., Ltd., Dalian Rongxincheng Trading Co., Ltd., Zhejiang ZPC Sales Co., Ltd., Ningbo Rongxincheng Trading Co., Ltd., and Zhejiang Petroleum & Chemical Co., Ltd. have discounted the L/Cs upon receipt.

XV. Commitments and contingencies

1. Major commitments

Significant commitments at the balance sheet date

1. As of December 31, 2025, the Company and its subsidiaries, Zhejiang Shengyuan Chemical Fiber Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Petrochemical Co., Ltd., Rongsheng Petrochemical (Singapore) Pte Ltd., Zhejiang Yongsheng Technology Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd., Zhejiang Yongsheng Technology Co., Ltd., and Rongsheng New Materials (Zhoushan) Co., Ltd., had unused letters of credit issued to financial institutions such as the Hangzhou Xiaoshan Branch of Bank of Communications Co., Ltd., totaling RMB 48,259,940,800, USD 913,081,000, EUR 58,734,300 and GBP 629,000.

2. As of December 31, 2025, the unexpired letters of guarantee of the Company and its subsidiaries are as follows:

Unit：RMB 10,000

Issuing bank	Name of issuing company	Beneficiary	Guarantee amount
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 50,000.00
Industrial and Commercial Bank of China Limited Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 33,000.00
Industrial and Commercial Bank of China Limited Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 33,000.00
Industrial and Commercial Bank of China Limited Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 34,000.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Yitong New Materials Co., Ltd.	CNY 44,814.28
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 13,670.00
Bank of China Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 12,840.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 13,180.00
Ping An Bank Co., Ltd. Ningbo Zhenhai Sub-branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 30,000.00
Bank of China Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 3,230.00
Bank of Communications Co., Ltd. Hangzhou Xiaoshan Sub-branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 2,890.00
Bank of China Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 10,230.00
Bank of China Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 13,600.00
Bank of Communications Co., Ltd. Hangzhou Xiaoshan Sub-branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 6,600.00

Bank of Communications Co., Ltd. Hangzhou Xiaoshan Sub-branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 6,440.00
Bank of China Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY 3,540.00
Bank of Communications Co., Ltd. Hangzhou Xiaoshan Sub-branch	Zhejiang Petroleum & Chemical Co., Ltd.	Guiyan Resources (Yimen) Co., Ltd.	CNY 2,714.60
Industrial and Commercial Bank of China Limited Zhoushan Branch	ZPC Jintang Logistics Co., Ltd.	Jintang Branch of Zhoushan Natural Resources and Planning Bureau	CNY 146.91
Bank of Ningbo Co., Ltd. Ximen Sub-branch	Ningbo Zhongjin Petrochemical Co., Ltd.	Zhejiang Jinhui Construction Co., Ltd.	CNY 9.09
Bank of China Limited Dalian Jinpu New Area Branch	Yisheng Dahua Petrochemical Co., Ltd.	Zhengzhou Commodity Exchange	CNY 14,410.00

2. Contingencies

(1) Important contingencies on balance sheet date

As of the balance sheet date, the Company has no important contingencies that need to be disclosed.

(2) Explanation even if the Company has no important contingencies to be disclosed

The Company has no important contingencies to be disclosed.

XVI. Post-balance sheet events

Profit distribution after the balance sheet date

Proposed distribution of profits or dividends	According to the 2025 profit distribution proposal reviewed and approved at the 5th meeting of the 7th Board of Directors on April 26, 2026, the Company intends to distribute a cash dividend of RMB 1.00 (tax inclusive) per 10 shares to all shareholders. Calculated based on 9,572,292,142 shares (which is the Company's current total share capital excluding the 417,150,112 shares cumulatively repurchased as of the disclosure date of this announcement), the total proposed cash dividend to be distributed is RMB 957,229,214.20 (tax inclusive), and the remaining undistributed profit will be carried forward to the next year. The Company's shares held in the special securities account for share repurchase shall not participate in this profit distribution. If the total share capital of the Company changes before the record date for the implementation of the equity distribution due to the conversion of convertible bonds into shares, share repurchases, the repurchase and cancellation of shares granted under equity incentive plans, or the registration of the grant of reserved shares, the total distribution amount shall be adjusted based on the principle of maintaining the distribution ratio per share unchanged.

XVII. Other important issues

1. Segment information

(1) Determination basis and accounting policies for reporting segments

The Company determines reporting segments based on its internal organizational structure, management requirements, and internal reporting system, and is based on its business segments. The operating performance of the petrochemical production business, polyester fiber manufacturing business, and trading business are assessed separately. Assets and liabilities shared by each segment are allocated among the different segments according to their scale ratio.

(2) Financial information of the reporting segments

Unit: RMB

Item	Oil refining production business	Chemical production business	Polyester fiber manufacturing business	Trade business	Inter-segment offset	Total
Revenue from main businesses	123,792,487,622.31	179,332,835,565.15	23,442,671,374.25	194,702,758,165.92	-214,587,158,786.13	306,683,593,941.50
Main business costs	99,454,102,813.84	166,985,424,161.24	23,185,939,320.66	194,244,809,184.69	-214,525,057,788.35	269,345,217,692.08
Total assets	438,223,861,402.59			13,866,434,647.91	-65,457,171,756.40	386,633,124,294.10
Total liabilities	296,216,757,711.82			9,831,988,416.03	-16,407,460,871.00	289,641,285,256.85

XVIII. Notes to main items in financial statements of the parent company

1. Accounts receivable

(1) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	2,565,821.96	2,600,376.23
1-2 years		119.32
2-3 years		165.94
Above 3 years		29,466.76
Total	2,565,821.96	2,630,128.25

(2) Classified disclosure by bad debt accrual method

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Accounts receivable with provision for bad debt	2,565,821.96	100.00%	128,291.10	5.00%	2,437,530.86	2,630,128.25	100.00%	159,547.28	6.07%	2,470,580.97

reserves based on aging portfolio										
Total	2,565,821.96	100.00%	128,291.10	5.00%	2,437,530.86	2,630,128.25	100.00%	159,547.28	6.07%	2,470,580.97

Provision for bad debt by combination: 128,291.10

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Within 1 year	2,565,821.96	128,291.10	5.00%
Total	2,565,821.96	128,291.10	5.00%

If the provision for bad debts of accounts receivable is accrued according to the general model of expected credit loss:

□ Applicable ☑ Not applicable

(3) Bad debt reserves accrual, recovered or reversed in the current period

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Other	
Provision made for bad debt reserves based on aging portfolio	159,547.28	-31,256.18				128,291.10
Total	159,547.28	-31,256.18				128,291.10

(4) Accounts receivables and contract assets with top 5 ending balances by debtor

The total amount of the top 5 accounts receivable at the end of the period was RMB 2,523,998.30, accounting for 98.36% of the total accounts receivable at the end of the period. The corresponding provision for bad debts was RMB 126,199.92.

2. Other receivables

Unit: RMB

Item	Ending balance	Beginning balance
Dividends receivable	550,000,000.00	550,000,000.00
Other receivables	2,347,360,297.44	1,828,142,849.26
Total	2,897,360,297.44	2,378,142,849.26

(1) Dividends receivable

1) Classification of dividends receivable

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
Hong Kong Shenghui Co., Ltd.	550,000,000.00	550,000,000.00
Total	550,000,000.00	550,000,000.00

2) Significant dividends receivable aged over 1 year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason for the unrecovered amount	Whether impairment occurs and its judgment basis
Hong Kong Shenghui Co., Ltd.	550,000,000.00	2-3 years, over 3 years	Pending payment arrangements	Subsidiaries operate normally, and no risk is expected in the recovery of funds.
Total	550,000,000.00			

(2) Other receivables

1) Classification of other receivables by nature

Unit: RMB

Nature of account	Ending book balance	Beginning book balance
Current account of related parties within the scope of consolidation	1,925,920,763.12	1,133,655,809.38
Government accounts receivable	409,020,000.00	694,020,000.00
Security deposits for borrowings	10,000,000.00	
Petty cash	2,684,528.02	2,646,204.77
Current accounts	3,242,800.84	34,193.30
Deposits and security deposits		799.78
Total	2,350,868,091.98	1,830,357,007.23

2) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	1,276,109,520.10	811,917,103.99
1-2 years	90,642,139.84	642,750,326.32
2-3 years	608,426,855.12	
Above 3 years	375,689,576.92	375,689,576.92
Total	2,350,868,091.98	1,830,357,007.23

3) Classified disclosure by bad debt accrual method

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Provision made for bad debt reserves based on aging portfolio	2,350,868,091.98	100.00%	3,507,794.54	0.15%	2,347,360,297.44	1,830,357,007.23	100.00%	2,214,157.97	0.12%	1,828,142,849.26
Total	2,350,868,091.98	100.00%	3,507,794.54	0.15%	2,347,360,297.44	1,830,357,007.23	100.00%	2,214,157.97	0.12%	1,828,142,849.26

Provision for bad debt by combination: RMB 3,507,794.54

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Current account of related parties within the scope of consolidation	1,925,920,763.12		
Government accounts receivable	409,020,000.00	1,126,050.41	0.28%
Security deposits for borrowings	10,000,000.00		
Petty cash	2,684,528.02	2,217,894.42	82.62%
Current accounts	3,242,800.84	163,849.71	5.05%
Total	2,350,868,091.98	3,507,794.54	

Provision for bad debts is made according to the general model of expected credit loss:

Unit: RMB

Bad-debt provision	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire duration (without credit impairment)	Expected credit loss for the entire duration (credit impairment has occurred)	
The balance as of January 1, 2025	24,581.05		2,189,576.92	2,214,157.97
The balance as of January 1, 2025 in the current period				
--Transferred to Stage 2	-5,279.62	5,279.62		
Provision in current period	162,306.55	1,131,330.02		1,293,636.57

Balance as of December 31, 2025	181,607.98	1,136,609.64	2,189,576.92	3,507,794.54
Provision for bad debts at the end of the period:	0.02%	1.25%	0.22%	0.15%

Changes in the carrying amount of the provision for losses that are significant in amount during the current period

□ Applicable ☑ Not applicable

4) Other receivables in the top five of the ending balance collected by the debtor

Unit: RMB

Company name	Nature of payment	Ending balance	Aging	Proportion in a total ending balance of other receivables	Ending balance of provision for bad debts
Other receivables 1	Current account of related parties within the scope of consolidation	890,764,939.99	Within 1 year, 1-2 years	37.89%	
Other receivables 2	Current account of related parties within the scope of consolidation	655,013,096.53	Within 1 year, 1-2 years, 2-3 years	27.86%	
Other receivables 3	Government receivables	409,020,000.00	Within 1 year, 1-2 years	17.40%	1,126,050.41
Other receivables 4	Current account of related parties within the scope of consolidation	373,500,000.00	Above 3 years	15.89%	
Other receivables 5	Security deposits for borrowings	10,000,000.00	Within 1 year	0.43%	
Total		2,338,298,036.52		99.47%	1,126,050.41

3. Long-term equity investment

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	51,293,102,808.47		51,293,102,808.47	43,843,102,808.47		43,843,102,808.47
Investment in joint ventures and associated enterprises	4,354,870,887.12		4,354,870,887.12	4,285,931,338.65		4,285,931,338.65
Total	55,647,973,695.59		55,647,973,695.59	48,129,034,147.12		48,129,034,147.12

(1) Investment in subsidiaries

Unit: RMB

Investee	Beginning balance (book value)	Opening balance of impairment provision	Increase and decrease in the current period				Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Provision for impairment	Other		
Zhejiang Petroleum & Chemical Co., Ltd.	29,987,242,115.34						29,987,242,115.34	
Ningbo Zhongjin Petrochemical Co., Ltd.	5,990,201,140.04						5,990,201,140.04	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	2,030,140,000.00						2,030,140,000.00	
Dalian Yisheng Investment Co., Ltd.	1,468,204,457.48						1,468,204,457.48	
Rongsheng New Materials (Zhoushan) Co., Ltd.	1,750,000,000.00		7,450,000,000.00				9,200,000,000.00	
Rongsheng New Materials (Taizhou) Co., Ltd.	900,000,000.00						900,000,000.00	
Rongsheng Petrochemical (Singapore) Pte. Ltd.	620,889,560.00						620,889,560.00	
Zhejiang Yongsheng Technology Co. Ltd.	800,306,537.70						800,306,537.70	
Hong Kong Shenghui Co., Ltd.	141,419,910.00						141,419,910.00	
Rongsheng Petrochemical Sales Co., Ltd. (Former Rongsheng International Trading Co., Ltd.)	100,000,000.00						100,000,000.00	
Rongsheng Chemical (Shanghai) Co., Ltd.	50,000,000.00						50,000,000.00	
Rongxiang Chemical Fiber Co., Ltd.	3,000,000.00						3,000,000.00	
Hainan Rongsheng	1,000,000.00						1,000,000.00	

International Trade Co., Ltd.								
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	699,087.91						699,087.91	
Total	43,843,102,808.47		7,450,000,000.00				51,293,102,808.47	

(2) Investment in joint ventures and associated companies

Unit: RMB

Investee	Beginning balance (book value)	Opening balance of impairment provision	Increase and decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Other comprehensive income adjustments	Other equity changes	Declared distribution of cash dividends or profits	Provision for impairment	Other		
I. Joint ventures												
II. Associated enterprise												
Zhejiang Yisheng Petrochemical Co., Ltd.	1,518,057,281.54				626,230.52	372,295.54					1,519,055,807.60	
Ningbo Hengyi Trading Co., Ltd.	77,873,401.26				-68,344,439.77	2,622,288.02					12,151,249.51	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,690,000,655.85				293,119,540.92	-115,801,856.11		43,654,510.65			2,823,663,830.01	
Subtotal	4,285,931,338.65				225,401,331.67	-112,807,272.55		43,654,510.65			4,354,870,887.12	

Total	4,285,931,338.65				225,401,331.67	-112,807,272.55		43,654,510.65			4,354,870,887.12	

The recoverable amount is determined according to the net amount of fair value minus disposal expenses

□ Applicable ☑ Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

□ Applicable ☑ Not applicable

4.Operating revenue and operating cost

Unit: RMB

Item	The amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	2,400,311,794.17	2,387,146,218.40	2,363,829,411.86	2,333,799,484.08
Other businesses	236,014,698.65	90,867,316.83	80,517,987.35	35,829,527.43
Total	2,636,326,492.82	2,478,013,535.23	2,444,347,399.21	2,369,629,011.51

Breakdown of operating revenue and operating cost

1) Breakdown of revenue generated by contracts with customers by goods or service categories

Unit: RMB

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Polyester chemical fiber film	2,400,311,794.17	2,387,146,218.40	2,363,829,411.86	2,333,799,484.08
Trade and others	234,233,497.26	90,595,870.83	78,470,936.15	35,558,081.43
Subtotal	2,634,545,291.43	2,477,742,089.23	2,442,300,348.01	2,369,357,565.51

2) Breakdown of revenue generated by contracts with customers by goods or service time

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Revenue recognized at a certain point of time	2,634,545,291.43	2,442,300,348.01
Subtotal	2,634,545,291.43	2,442,300,348.01

3) Information related to performance obligations

Item	Time of fulfillment of performance obligations	Important payment terms	Nature of goods transferred by the company	Whether the company is the primary	Amounts expected to be refunded to customers by the company	Type of quality assurance provided by the company and related obligations

				responsible party		
Sale of goods	At the time of delivery of goods	Prepayment; Accounts receivable payment period is generally 30 to 90 days after product delivery	Products conforming to national standards	Yes	None	Guarantee type quality assurance

4) The revenue recognized in the current period included in the opening book value of contract liabilities is RMB 710,551,453.29.

5. Investment income

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Income from long-term equity investment under the cost method		2,550,000,000.00
Long-term equity investment income calculated by equity method	225,401,331.67	244,101,230.58
Interest income from the inter-bank loan of related party	37,405,614.45	33,787,302.90
Financing discount loss of receivables		-88,514.74
Total	262,806,946.12	2,827,800,018.74

XIX. Supplementary information

1. Breakdown of non-recurring gains and losses in the current period

☑Applicable □ Not applicable

Unit: RMB

Item	Amount	Notes
Profits and losses on disposal of non-current assets	28,471,452.77	
Government subsidies included in the current profits and losses (except those closely related to the Company's normal business operations, which are in line with national policies, enjoyed according to certain standards, and have a continuous impact on the Company's profits and losses)	92,428,828.18	
Except for the effective hedging business related to the Company's normal business, the gains and losses of the fair value changes arising from financial assets and	75,893,353.74	

financial liabilities held by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities		
Fund possession cost included in current profit or loss charged to non-financial enterprises	332,320.74	
Other non-operating revenues and expenditures except for the aforementioned items	-21,423,859.85	
Other profit/loss items falling within the definition of non-recurring gain or loss	-4,766,358.11	
Less: Affected amount of income tax	72,782,393.34	
Affected amount of minority shareholders' equity (after tax)	153,568,812.79	
Total	-55,415,468.66	--

Situation of other profit/loss items falling within the definition of non-recurring gain or loss:

□ Applicable ☑ Not applicable

The Company has no other profit/loss items falling within the definition of non-recurring gain or loss

Statement of defining non-recurring profit and loss items listed in the Explanatory Announcement No.1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profits and Losses as recurring profits and losses

□ Applicable ☑ Not applicable

2. Return on equity and earnings per share (EPS)

Profit within the reporting period	Weighted average return on net assets	Earnings per share (EPS)	
		Basic earnings per share (RMB per share)	Diluted earnings per share (RMB per share)
Net profit attributable to ordinary shareholders of the Company	1.94%	0.09	0.09
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	2.07%	0.09	0.09

3. Differences in Accounting Data under Domestic and Foreign Accounting Standards

(1) Differences in net profits and net assets in financial reports disclosed in accordance with international accounting standards and China accounting standards

□ Applicable ☑ Not applicable

(2) Differences in net profits and net assets in financial reports disclosed in accordance with foreign accounting standards and China accounting standards

□ Applicable ☑ Not applicable

(3) Explanation of the reasons for differences in accounting data under domestic and foreign accounting standards. If the data has been audited by a foreign auditing firm and the differences have been adjusted, the name of the foreign auditing firm should be indicated.

4. Others

1. Calculation process of weighted average return on net assets

Unit: RMB

Item		S/N	Amount in the current period
Net profit attributable to ordinary shareholders of the Company		A	848,314,274.77
Non-recurring gains and losses		B	-55,415,468.66
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses		C=A-B	903,729,743.43
Net assets at the beginning of the period attributable to ordinary shareholders of the Company		D	43,859,172,287.65
Decrease in net assets attributable to ordinary shareholders of the Company due to repurchase or cash dividends		G1	957,229,214.20
Number of months from the month following the net asset decrease to the end of the reporting period		H1	7.00
Other	Translation difference of foreign currency financial statements	G5	-87,857,443.85
	Number of months from the month following the change in net assets to the end of the reporting period	H5	6.00
	Other changes in equity under the equity method	I1	-105,624,368.94
	Number of months from the month following the change in net assets to the end of the reporting period	J1	6.00
	Unused work safety expenditure	I2	36,747,418.49
	Number of months from the month following the change in net assets to the end of the reporting period	J2	6.00
Number of months of the reporting period		K	12.00
Weighted average net assets		L= D+A/2+ E×F/K-G×H/K±I×J/K	43,646,578,519.60
Weighted average return on net assets		M=A/L	1.94%
Weighted average return on net assets after deducting non-recurring gains and losses		N=C/L	2.07%

2. Calculation process of basic earnings per share and diluted earnings per share

(1) Calculation process of basic earnings per share

Unit: RMB

Item	S/N	Amount in the current period
Net profit attributable to ordinary shareholders of the Company	A	848,314,274.77
Non-recurring gains and losses	B	-55,415,468.66
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	C=A-B	903,729,743.43
Total shares at the beginning of the period	D	9,572,292,142.00
Increase in the number of shares due to capitalization of capital reserve or stock dividend distribution	E	
Increase in the number of shares due to new shares issued or debt-to-equity swap	F	
Number of months from the following month of increase in the number of shares to the end of the reporting period	G	
Decrease in the number of shares due to repurchase	H	
Number of months from the following month of decrease in the number of shares to the end of the reporting period	I	
Number of shares consolidated during the reporting period	J	
Number of months of the reporting period	K	
Weighted average number of outstanding ordinary shares	L=D+E+F×G/K-H×I/K-J	9,572,292,142.00
Basic earnings per share	M=A/L	0.09
Basic earnings per share after deducting non-recurring gains and losses	N=C/L	0.09

(2) Calculation process of diluted earnings per share

The calculation process of diluted earnings per share is the same as that of basic earnings per share.

Rongsheng Petrochemical Co., Ltd.

Chairman: Li Shuirong

April 26, 2026