

# 2024 年度报告 Annual Report

股票代码 (stock code) : 002493



## Steady Progress, Breaking Waves

——A Letter to investors

Distinguished investors,

**Winds rise over the East Sea, while tremendous boats sailing, tides surge at Qiantang River, while everything appeared renewing.** As the mighty Qiantang River surges forward, we present this letter—imbued with gratitude and commitment—to extend our sincerest homage to investors worldwide! Looking back at 2024, we have forged ahead on the path of industrial upgrading, pursued excellence in quality-efficiency enhancement, scaled new heights in technological innovation, and remained true to our mission of value creation. Amid the undulating waves of the global economy, we have walked in lockstep with our shareholders. We have deciphered industry pulses with global vision, anchored development in industrial heritage, pioneered growth frontiers through innovation, and ensured sustainable growth via prudent operations, thus co-authoring a new chapter of high-quality development.

**Only by braving the waves do we comprehend the vastness of the world; Only by persevering as we began can we advance with courage.** Rising with the tide of China’s reform and opening-up, Rongsheng Petrochemical has anchored its core business with thirty years of unwavering focus: Upstream tracking: It forges global leadership in PX and PTA production through concentrated breakthroughs; Downstream expansion: It leverages mega-refining platforms to establish strategic strongholds in new energy materials and high-end polyolefins, and holds pivotal positions across global markets for polyester, new energy materials, engineering plastics, and high-value-added polyolefins. “From a drop of oil to everything in the world”, the Company has woven an interconnected industrial matrix through vertical integration and horizontal expansion. The Company leads the industry through mega-plant scale advantages that maximize resource efficiency; achieves upstream-downstream integration for market-responsive production flexibility; reduces oil and increases chemicals, promotes the upgrading project of ZPC refining and chemical integration, realizes the “full hydrogenation” process route of the refinery, improves the product structure adjustment ability, and forges the rock-solid industrial chain resilience and risk resistance in the industry cycle.

In 2024, against the backdrop of gradual global economic recovery, we deepened our main

business operations and consolidated our global market leadership through steadfast execution. Rongsheng Petrochemical achieved an annual revenue of RMB 326.475 billion, with total assets exceeding RMB 377.846 billion – sustaining growth momentum with solid performance. We have upheld compliant operations as the lifeline of our corporate development, and consistently implemented risk management in the whole business and process, so as to lay a solid foundation for standardized operation and ensured sustainable progress guided by compliance. In 2024, the Company’s brand value reached new heights, earning No. 6 in the “World’s Most Valuable Chemical Brands”, No. 6 in the “Chemical Week’s Billion-Dollar Club”, No. 8 in the “Top 100 Global Chemical Companies”, solidifying its position as an industry leader with formidable capabilities.

**Embracing all rivers to connect the world, advancing hand in hand toward a new journey.**

Amid reshaped global energy landscapes and industrial chain circulation, Rongsheng Petrochemical is strategizing with a global vision, and advancing a new paradigm of international cooperation. In 2023, Saudi Aramco’s strategic acquisition of 10% plus one share of Rongsheng Petrochemical’s total equity laid the cornerstone for deep bilateral cooperation. In 2024, such cooperation yielded further milestones with multiple agreements including *Memorandum of Understanding*, *Cooperation Framework Agreement*, *Joint Development Framework Agreement*, under which Saudi Aramco planned to acquire 50% equity in Rongsheng Petrochemical’s wholly-owned subsidiary Zhongjin Petrochemical (located in Ningbo) and participate in its expansion; at the same time, Rongsheng Petrochemical planned to acquire 50% equity in SASREF Refinery, a wholly-owned subsidiary of Saudi Aramco in Jubail, Saudi Arabia, and participate in its expansion. This “powerful alliance” achieves the advance of raw material supply and the expansion of global sales channels, promotes resource sharing and industrial chain coordination, and jointly builds an industrial ecology with mutual benefits and win-win situation. As a practitioner of the “Belt and Road Initiative”, Rongsheng Petrochemical, driven by the dual drivers of “going out” and “attracting investment”, has established a strategic fulcrum in the Middle East, laid out a supply chain network around the Indian Ocean, and attracted international strategic funds to invest in China for long term, injecting continuous vitality for its prosperous development. Adhering to the grand vision of “Based in China and advancing with the world”, Rongsheng Petrochemical is setting a model benchmark for transnational cooperation with “win-win thinking” and building a golden bridge connecting the world.

**Whale swims thousands of miles with poise, and big bird hovers above the clouds at ease.**

Aligning with national strategic priorities and industrial upgrading trends, Rongsheng Petrochemical intensifies its innovation-driven development strategy. Through the strategy of “strengthening and supplementing the industrial chain”, the Company has made breakthroughs in key core technologies, constantly climbed the industrial ladder, anchored strategic tracks such as new energy materials, engineering plastics, high-performance resins and high-end new materials, and deployed a batch of new material products and important upstream raw materials such as POE, nylon 66, ABS, polycarbonate, PMMA, UHMWPE, synthetic rubber and special polyester, so as to promote the extension of the industrial chain to high added value. In 2024, ZPC’s  $\alpha$ -olefin plant achieved a breakthrough in 1-octene production via ethylene oligomerization, eliminating reliance on foreign technology and laying the foundation for fully integrated POE production chains; Concurrently, its large-scale production of rare-earth butadiene rubber marked a pioneering green technology breakthrough for China’s tire industry; Meanwhile, its Jintang New Materials Project progressed as planned, focusing on low-carbon olefins and green and eco-friendly industries to draw a new blueprint for high-performance materials. With the commissioning of several new facilities such as PPG, multifunctional polyester chips and polymer polyols, its product matrix is becoming more and more refined. Rongsheng Petrochemical soars on the wings of innovation, wielding its brush across the grand scroll of industrial transformation to anchor development at new coordinates of qualitative leaps, and contributing Rongsheng’s strength into China’s historic transition from a “petrochemical power” to a “petrochemical superpower”.

**Advancing green transformation to forge new quality productivity, empowering the future through digital intelligence.** Amid China’s “carbon peaking and carbon neutrality” strategy implementation, green and digital transformations are emerging as transformative forces reshaping the petrochemical landscape. Seizing this historic opportunity under the guidance of “Digital Empowerment, Green Leadership”, Rongsheng Petrochemical is building an innovative production system of “Smart Manufacturing - Low Carbon Operations - Sustainable Development” to drive industrial upgrading and achieve leapfrog development. As an early adopter of high-end industrial automation line equipment in China, Shengyuan Chemical Fiber has revitalized traditional production lines through digital transformation, achieving cost reduction and efficiency improvement via process optimization and workflow reengineering, and establishing “lights-out factories” with full robotic automation. Through the intelligent control system throughout the entire industrial chain, ZPC

deploys real-time monitoring and dispatching of millions of instruments. At the same time, AI+ big data technology helps to optimize production, improve operational efficiency in all links of the industrial chain, and explore multi-dimensional profit growth points. In response to China's "carbon peaking and carbon neutrality" goals, Rongsheng Petrochemical leads the industry in carbon management practices, elevating its MSCI ESG rating to BBB (ranking among global petrochemical leaders), with core metrics like carbon emissions and water resource management reaching international leading position. For four consecutive years, The Company has been included in the Hang Seng A-Share Sustainability Index and awarded "2024 Best ESG-Managed Listed Company". With innovation-driven technology, intelligent production lines, and green industrial transformation, Rongsheng Petrochemical is inspiring high-quality development with "green principles" while reshaping the industry's future through technological innovation.

**Investor-centric values, trust forged through sincerity.** Amid profound global industrial chain restructuring and evolving market dynamics, Rongsheng Petrochemical remains steadfast in its founding commitment to "growing with its shareholders", delivering long-term sustainable value for its shareholders. From 2022 to 2024, the Company executed the three-phase share repurchase plan, and repurchased 553 million shares (accounting for 5.46% of total equity), totaling RMB 6.988 billion. In 2024, the controlling shareholder conducted two-stage share acquisitions, amounting approximately RMB 1.693 billion accumulatively to demonstrate confidence through "tangible capital commitment"; For 15 consecutive years since IPO, the Company has maintained a stable cash dividend policy, and the cash dividend has never stopped. In the past three years, its proportion of cash dividend/net profit attributable to the parent company has reached 64.93%, honoring return promises through action. Always with "Gratitude" and "Responsibility", we will remain committed to co-developing with investors and sharing achievements, continuously enhancing our capabilities in value creation, value management, and value realization, striving to deliver exceptional returns to shareholders.

**Braving the azure waves, we stand at the tide's forefront; Hoisting cloud-like sails, we start a new voyage.** In 2025, Rongsheng Petrochemical ushers its 30th anniversary. With three decades of concerted efforts, Rongsheng Petrochemical has transformed from a "industry trailblazer" to a "global pioneer". We firmly believe long-termism is the ultimate key to navigating economic cycles and achieving sustainable growth. At present, with the global chemical production capacity restructuring

and China's "Two New" and "Two Major" policies to expand the scope, it promotes the optimization and upgrading of the petrochemical industry structure, with the downstream demand gradually recovering, and supports a series of measures for the private economy to improve quality and efficiency, steadily transforming into the firm development confidence of enterprise. On this new voyage, Rongsheng Petrochemical will remain steadfast in its founding mission as a long-term industrial practitioner, unwaveringly pursue high-quality development through integrated development to forge resilience, high-end product portfolios to seize opportunities, global partnerships to expand frontiers, green transformation to activate growth, and intelligent upgrades to reduce costs and increase efficiency. Anchoring permanence amid uncertainty, pioneering new horizons through change, with the wisdom of "voyager" and the courage of "wave-breaker", Rongsheng Petrochemical will work with all shareholders and partners who trust and support our development, sailing together toward majestic peaks and prosperous future!

Board of Directors of Rongsheng Petrochemical Co., Ltd.

April 2025

## **Section I Important Notice, Table of Contents and Definitions**

**The Board of Directors, the Board of Supervisors and the directors, supervisors 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.**

**Li Shuirong, Chairman of the Company, Wang Yafang, the person in charge of the Company's accounting and Zhang Shaoying, the person in charge of the Accounting Firm (Accounting Officer), hereby make representations in respect of the truthfulness, accuracy and completeness of the financial statements in this annual report.**

**All directors have attended the 2024 annual board meeting to deliberate on the report.**

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

## Contents

<b>Section I Important Notice, Table of Contents and Definitions.....</b>	<b>1</b>
<b>Section II Company Profile and Key Financial Indicators.....</b>	<b>5</b>
<b>Section III Management Discussion and Analysis .....</b>	<b>9</b>
<b>Section IV Corporate Governance.....</b>	<b>63</b>
<b>Section V Environmental and Social Responsibility .....</b>	<b>88</b>
<b>Section VI Important Matters.....</b>	<b>99</b>
<b>Section VII Changes in Shares and Shareholders .....</b>	<b>132</b>
<b>Section VIII Preferred Shares .....</b>	<b>140</b>
<b>Section IX Bonds .....</b>	<b>140</b>
<b>Section X Financial Reports.....</b>	<b>141</b>

## 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 the accounting works and the person in charge of the Accounting Firm (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, senior management and supervisors of the Company on the 2024 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
Saudi Aramco	Refers to	Saudi Arabian Oil Company, the shareholder holding more than 5% of the Company's shares
ZPC	Refers to	Zhejiang Petroleum & Chemical Co., Ltd., a subsidiary of the Company
Zhongjin Petrochemical	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 Sheng Hui	Refers to	Hong Kong Sheng Hui Co., 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
Rongsheng (Singapore)	Refers to	Rongsheng Petrochemical (Singapore) Pte. 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
Yisheng New Materials	Refers to	Zhejiang Yisheng New Materials Co., Ltd., a holding subsidiary of Zhongjin Petrochemical
Niluoshan New Energy	Refers to	Ningbo Niluoshan New Energy Co., Ltd., a subsidiary of Zhongjin
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 1.00, RMB 10,000.00
Reporting period	Refers to	January 1, 2024 to December 31, 2024

## Section II Company Profile and Key Financial Indicators

### I. Company Profile

<b>Stock abbreviation</b>	Rongsheng Petrochemical	<b>Stock code</b>	002493
<b>Abbreviation before change (if any)</b>	None		
<b>Listed on</b>	Shenzhen Stock Exchange		
<b>Company name in Chinese</b>	Rongsheng Petrochemical Co., Ltd.		
<b>Company abbreviation in Chinese</b>	Rongsheng Petrochemical		
<b>Company name in the foreign language (if any)</b>	RONGSHENG PETROCHEMICAL CO., LTD.		
<b>Company abbreviation in foreign language (if any)</b>	RSPC		
<b>Legal representative of the Company</b>	Li Shuirong		
<b>Registered address</b>	No. 98 Hongyang Road, Yinong Town, Xiaoshan District, Hangzhou, Zhejiang Province		
<b>Zip code of the registered address</b>	311247		
<b>Historical changes in the registered address of the Company</b>	None		
<b>Office address</b>	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou, Zhejiang Province		
<b>Zip code of office address</b>	311200		
<b>Company website</b>	<a href="http://www.cnrspc.com">http://www.cnrspc.com</a>		
<b>E-mail</b>	rspc@rong-sheng.com		

### II. Contact information

	<b>Secretary of the Board of Directors</b>	<b>Representative of securities affairs</b>
<b>Name</b>	Quan Weiyong	Hu Yangyang
<b>Address</b>	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou, Zhejiang Province	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou, Zhejiang Province
<b>Tel</b>	0571-82520189	0571-82520189
<b>Fax</b>	0571-82527208 extension 8150	0571-82527208 extension 8150
<b>E-mail</b>	qw@rong-sheng.com	yangyang@rong-sheng.com

### III. Information Disclosure and Archiving Place

Website of the stock exchange where the Company discloses the annual report	Shenzhen Stock Exchange ( <a href="http://www.szse.cn">http://www.szse.cn</a> )
Name and website of the media selected by the Company to disclose the annual report	<i>Securities Times, Securities Daily, China Securities Journal, Shanghai Securities News, and the CNINFO (<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>)</i>
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	Jia Chuan, Xu Haihong

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

Items	2024	2023	Increase or decrease of this year compared with the previous year	2022
Operating revenue (RMB)	326,475,162,608.88	325,111,614,268.09	0.42%	289,094,841,612.76
Net profit attributable to shareholders of the listed company (RMB)	724,484,686.45	1,158,146,248.89	-37.44%	3,340,713,394.56
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss (RMB)	762,154,045.53	820,092,947.36	-7.06%	2,012,164,243.32

Net cash flows from operating activities (RMB)	34,609,126,604.88	28,079,221,508.73	23.26%	19,058,136,885.36
Basic EPS (RMB per share)	0.08	0.12	-33.33%	0.33
Diluted EPS (RMB per share)	0.08	0.12	-33.33%	0.33
Weighted average ROE	1.65%	2.48%	-0.83%	6.87%
<b>Items</b>	<b>At the end of 2024</b>	<b>At the end of 2023</b>	<b>Increase or decrease at the end of this year compared with the end of the previous year</b>	<b>At the end of 2022</b>
Total assets (RMB)	377,845,944,183.98	374,918,440,311.68	0.78%	362,588,594,491.52
Net assets attributable to shareholders of the listed company (RMB)	43,859,172,287.65	44,335,891,085.79	-1.08%	47,261,560,704.95

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 the Company's sustainable operation ability is uncertain.

Yes  No

The lower of the net profit before and after deducting non-recurring profit and loss 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	81,088,312,171.89	80,161,432,105.96	83,946,567,914.37	81,278,850,416.66
Net profit attributable to shareholders of the listed company	552,356,783.62	305,578,099.52	18,742,137.68	-152,192,334.37
Net profit attributable to shareholders of the listed company after deducting	474,627,417.74	197,749,139.41	15,815,885.95	73,961,602.43

non-recurring profit or loss				
Net cash flows from operating activities	4,129,270,983.86	4,263,267,368.09	11,323,922,792.34	14,892,665,460.59

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 Gain and Loss

Applicable  Not applicable

Unit: RMB

Items	Amount in 2024	Amount in 2023	Amount in 2022
Gains on disposal of non-current assets, including write-off of provision for impairment	28,037,854.60	34,130,889.49	14,208,115.78
Government grants included in profit or loss (excluding those closely related to operating activities of the Company, satisfying government policies and regulations, enjoyed based on certain standards, and continuously affecting gains or losses of the Company)	42,372,438.06	60,299,389.39	2,359,477,514.76
Gains on changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains from disposal of financial assets and financial liabilities, excluding those arising from hedging business related to operating activities	51,474,393.47	483,856,260.59	292,348,639.74
Fund possession charge from non-financial entities and included in profit or loss	392,911.94	248,144.66	205,188.67
Other non-operating revenues or expenditures except for the aforementioned items	-98,193,645.95	-7,549,562.66	-9,253,736.65
Other profit/loss items satisfying the definition of non-recurring profit or loss	35,269,367.80	14,297,547.73	2,748,797.01
Less: Enterprise income tax affected	45,497,452.62	37,178,195.47	371,798,967.48
Non-controlling interest affected (after tax)	51,525,226.38	210,051,172.20	959,386,400.59
Total	-37,669,359.08	338,053,301.53	1,328,549,151.24

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 gain and 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 gain and 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.

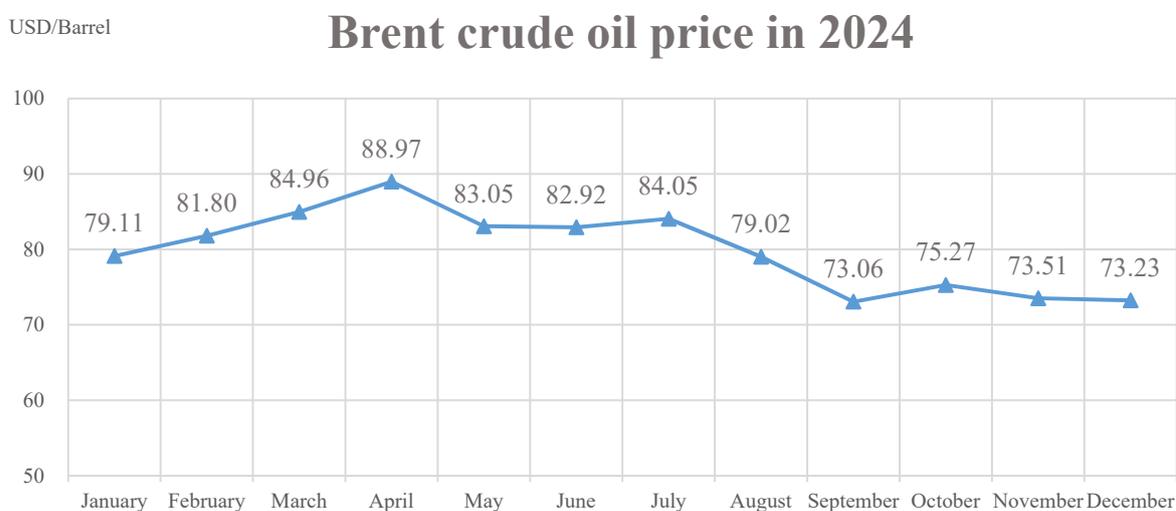
## Section III Management Discussion and Analysis

### I. Industry of the Company during the Reporting Period

Looking back at 2024, the global economy experienced slow growth with a gradually declining inflation rate. While major economies maintained accommodative monetary policies, their upward momentum remained somewhat insufficient. Amid complex and challenging external conditions, China's economy forged ahead against headwinds, achieving stable progress with continuously reinforced positive trends. Its strides along the path of high-quality development grew steadier, providing strong support and creating more opportunities for global economic recovery and development.

#### (1) Global economy

During the reporting period, the world economy continued its slow recovery amidst multiple challenges, advancing along a low-to-moderate growth trajectory with uneven progress. Regional divergence in economic growth became more pronounced, with emerging economies remaining the primary drivers of global economic expansion. According to World Bank and International Monetary Fund (hereinafter referred to as the "IMF") estimates, global GDP growth reached 3.2% in 2024, up from 2.6% in 2023. The rising inflationary trend was partially contained, while international trade showed activity amid fluctuations, and the restructuring of global industrial chains accelerated, with major economies maintaining loose fiscal and monetary policies. IMF data indicates that the global commodity price index for 2024 stood at 165.2, down by 0.3% from 2023, signaling an overall moderation in commodity prices.



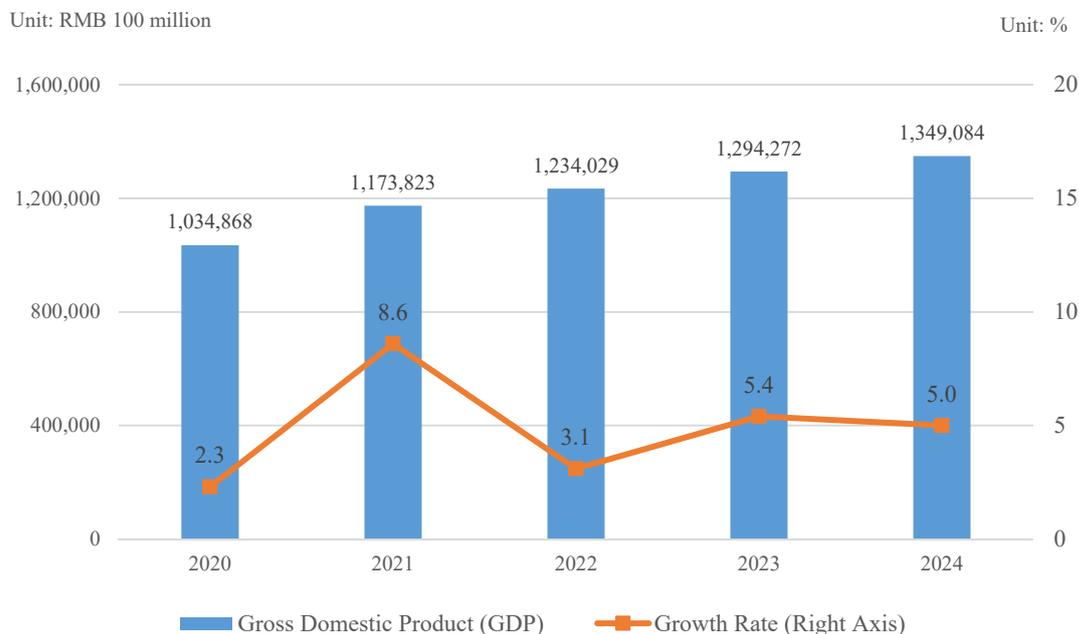
Source: Wind

#### (2) Domestic economy

This year, amid complex economic conditions, China's economy maintained steady progress. The Gross Domestic Product (GDP) reached RMB 134.91 trillion, marking a 5% year-on-year growth, elevating the economic scale to new heights while maintaining leading growth momentum among major economies. The quarterly GDP growth rates were 5.3%, 4.7%, 4.6%, and 5.4% respectively, demonstrating a pattern of "strong start, moderate mid-year, and upward end", reflecting overall stable and progressive economic performance. The value-added output of industrial enterprises above designated size grew by 5.8% year-on-year, with total profits reaching RMB 7.4 trillion.

Following the timely introduction of incremental policies, industrial production sustained recovery and profitability gradually rebounded, confirming that the fundamental trend and supporting conditions for long-term economic growth remain unchanged.

### 2020-2024 Gross Domestic Product (GDP)



Source: National Bureau of Statistics

### (3) Petrochemical industry

The petrochemical industry faced both opportunities and challenges. Evolving global dynamics continued to impact China's crude oil imports and product pricing systems through persistent supply chain uncertainties. However, China benefited from comprehensive supporting advantages across its complete chemical industrial chain, with production and consumption capacities for multiple chemical products ranking first globally. According to European Chemical Industry Council (CEFIC) data, China accounted for 43% of global chemical sales in 2023. In recent years, China's petrochemical enterprises have achieved remarkable technological and innovative advancements. Leveraging robust domestic demand for chemical products and actively responding to the "Belt and Road Initiative", they continued expanding into emerging chemical markets. Under the guidance of the "dual-circulation" development paradigm, transitioning from "product exports" to "capacity globalization" is emerging as a critical strategic pathway for the global layout of petrochemical enterprises.

According to statistics from the China Petroleum and Chemical Industry Federation, China's petrochemical industry achieved an operating revenue of RMB 16.28 trillion in 2024, with a year-on-year increase of 2.1%; and a total profit of RMB 789.71 billion, with a year-on-year decrease of 8.8%, indicating the industry remains in an adjustment cycle; The industry's total import-export volume stood at USD 948.81 billion, with a year-on-year decrease of 2.4%, showing overall stable trade performance. Breaking down by sector, the oil & gas sector benefited from reserve expansion and production increase policies, generating RMB 1.49 trillion in revenue (+1.5% YoY), and RMB 336.08 billion in profits (+12.4% YoY). The refining sector showed recovery due to low-base effects, with domestic refined oil product output (gasoline, kerosene, and diesel combined) reaching 419 million tons (+0.3% YoY). The chemical sector reported RMB 9.76 trillion in revenue (+4.6% YoY), but profits fell to RMB 454.44 billion (-6.4% YoY) due to downstream property market weakness.

In 2024, multiple government bodies including the State Council, the National Development and Reform

Commission, and the Ministry of Industry and Information Technology introduced various regulatory policies to support and standardize the petrochemical industry. The “large-scale equipment renewals and the trade-in of old consumer goods” policies boosted demand for chemical materials, while environmental policies continued guiding green transformation. Industrial policies like the *Implementation Plan for Innovative Development of Fine Chemical Industry (2024-2027)* and *Work Plan for Digital Transformation of Raw Material Industry (2024-2026)* promoted the reshaping of market structures, and guided the direction for the refined and intelligent development of petrochemical enterprises.

S/N	Policy	Issuing authority	Time
1	<i>Work Plan for Digital Transformation of Raw Material Industry (2024-2026)</i>	Ministry of Industry and Information Technology (MIIT) and Other Eight Ministries and Commissions	January 16, 2024
2	<i>Implementation Opinions on Promoting the Innovative Development of Future Industries</i>	MIIT and Other Six Ministries and Commissions	January 29, 2024
3	Action Plan for Promoting Large-Scale Equipment Renewal and Consumer Goods Trade-in	State Council	March 13, 2024
4	<i>2024-2025 Energy Conservation and Carbon Reduction Action Plan</i>	State Council	May 29, 2024
5	<i>Notice on Improving New Energy Integration to Ensure High-Quality Development of New Energy</i>	National Energy Administration	June 4, 2024
6	<i>Work Plan for Phasing Out and Upgrading Outdated Chemical Plants</i>	Ministry of Emergency Management and three other departments	June 14, 2024
7	<i>Implementation Plan for Innovative Development of Fine Chemical Industry (2024-2027)</i>	Ministry of Industry and Information Technology (MIIT) and eight other departments	July 12, 2024
8	<i>Several Measures to Strengthen Support for Large-Scale Equipment Renewal and Consumer Goods Trade-in</i>	National Development and Reform Commission (NDRC) and Ministry of Finance	July 24, 2024
9	<i>Work Plan for Accelerating the Establishment of a Dual-Control System for Carbon Emissions</i>	General Office of the State Council	July 30, 2024
10	<i>Opinions on Accelerating the All-round Green Transformation of Economic and Social Development</i>	Central Committee of the Communist Party of China and State Council	August 11, 2024
11	<i>Guiding Opinions on Vigorously Taking the Renewable Energy Substitution Action</i>	NDRC and Other Five Ministries and Commissions	October 18, 2024
12	<i>Energy Law of the People’s Republic of China</i>	14th National People’s Congress Standing Committee	November 8, 2024

The evolution of industry cycles will continue testing corporate strategic resilience, while technological upgrading and capacity optimization remain key to breakthrough. China’s petrochemical industry, with a solid development foundation, is an important pillar industry of the national economy. Leading integrated refining-chemical enterprises like Rongsheng Petrochemical actively advance “oil-to-chemicals” transformation through their integrated advantages, tapping cost-reduction and efficiency-enhancement potential while rapidly responding to market demands to continuously improve profitability. Currently, three dominant trends are shaping the industry’s development: high-end, digital intelligence, and green and low-carbon. Domestic petrochemical companies are vigorously developing innovative fine chemicals with growing R&D investment in high-end chemical products. With emerging technologies proliferating, the digital transformation in China’s petrochemical industry is deepening, leveraging IoT, big data and AI to enhance digital energy efficiency and new material R&D, thereby strengthening anti-cyclical capabilities. As the “carbon peaking and carbon neutrality” agenda accelerates, green and low-carbon development has become an imperative for industry transformation and upgrading.

Petrochemical enterprises must simultaneously improve production energy efficiency and increase R&D investment in clean energy technologies to meet future market requirements.

#### (4) Industry position and competitive advantages of the Company

As one of the world's leading chemical material producers, Rongsheng Petrochemical is a major manufacturer of polyester, new energy materials, engineering plastics, and high-value-added polyolefins in China and Asia. The refining and chemical integration project of ZPC, which was led by the Company, boasts an annual processing capacity of 40 million tons of crude oil, 8.8 million tons of paraxylene (PX), and 4.2 million tons of ethylene, achieving globally leading integration rates. In July 2024, US Chemical & Engineering News (C&EN) ranked Rongsheng Petrochemical 14th in its "Global Top 50 Chemical Companies 2024", marking the Company's fourth consecutive year on the list. The same year, Rongsheng Petrochemical was ranked 8th in ICIS' "World Top 100 Chemical Companies", 6th in US Chemical Week's "Billion-Dollar Club of Global Chemical Companies", and 6th in Brand Finance's "World's Most Valuable Chemical Brands 2024". In November 2024, the globally authoritative index provider MSCI (Morgan Stanley Capital International) announced its latest ESG ratings, with Rongsheng Petrochemical's MSCI ESG rating upgraded to BBB, ranking among the global leaders in the Diversified Chemicals sector, demonstrating management performance at the forefront of the global petrochemical industry in terms of carbon emission reduction, water resource management, and corporate governance.

In recent years, the Company has actively responded to national policy directives through technological innovation, green transformation, and strategic planning to drive transformation and upgrading. For vertical extension, it has continued to strengthen the resource integration and scale effects of its refining and chemical integration model, and fully leveraged its advantages of "cost reduction and efficiency improvement" and potential of "oil-to-chemical conversion" to enhance operational performance. For horizontal expansion, the Company has actively laid out differentiated, high-end, and green product systems, with its product portfolio covering new energy materials, polyester, synthetic resins, and other sectors, significantly boosting its comprehensive competitiveness in the global market. Through the projects such as ZPC's refining and chemical integration project and Jintang new materials, it is aggressively developing high-value downstream sectors including new energy materials and premium resins; By continuously extending and complementing its industrial chain, it achieves comprehensive coverage from basic chemical raw materials to advanced new materials, establishing a production system with high-quality development. In terms of global cooperation, the strategic partnership between Rongsheng Petrochemical and Saudi Aramco has further solidified its industry position. Since Aramco's strategic investment in 2023, both parties have deepened collaboration in crude oil procurement, raw material supply, technological exchange, and overseas market expansion. In 2024, the Company enhanced equity cooperation with Aramco through joint development of the Zhongjin Petrochemical and SASREF expansion projects, substantially strengthening its global layout.

## II. Main Businesses of the Company during the Reporting Period

Procurement mode of main raw materials

Unit: RMB/ton

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	Quotation purchase	61.87%	No	4,216.22	3,941.67
Naphtha	Quotation purchase	1.67%	No	5,307.99	5,147.04
Fuel oil	Quotation purchase	3.28%	No	3,712.29	3,711.69
PX	Quotation purchase	7.60%	No	7,382.83	6,472.70

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

 Applicable  Not applicable

Production technology of main products

Main products	Development stage of production technology	Core technical personnel	Proprietary technology	Product R&D advantages
Ethylene, Propylene	Stage of technology application	Several core technical personnel	Introduction and innovation	Using the overseas advanced steam cracking process, the raw materials will be cracked in the high-temperature cracking furnace tube to generate a low molecular weight hydrocarbon mixture, that is, pyrolysis gas. The pyrolysis gas containing ethylene, propylene and other products will be quenched, compressed, alkali washed, dried, hydrogenated, and undergo cold-thermal separation and methanization to produce polymer grade ethylene and polymer grade propylene and other products.
FDPE	Stage of technology application	Several core technical personnel	Introduction and innovation	With the overseas advanced low-pressure gas-phase production process, high, medium and linear low-density polyethylene products can be manufactured. Using ethylene as the main raw material and butene-1 or Hexene-1 as a comonomer, linear low density and some medium and high-density polyethylene granular resins can be produced.
HDPE	Stage of technology application	Several core technical personnel	Introduction and innovation	The HDPE unit adopts the advanced slurry loop polymerization process, and produces bimodal and unimodal polyethylene products through two loop reactors in series. The reaction should be carried out at medium temperature and pressure. With mild reaction conditions, the proprietary concentration equipment can improve the slurry concentration and reduce the load of the solvent recovery unit.
EVA/LDPE	Stage of technology application	Several core technical personnel	Introduction and innovation	Advanced tubular reactor technology can switch to produce LDPE homopolymer resin particles of different brands and EVA copolymer resin particles with VA content less than or equal to 28% in one production line.
PP	Stage of technology application	Several core technical personnel	Introduction and innovation	Spherizone process technology has been developed based on the Spheripol process. The Spherizone process based on multizone circulating reactor (MZCR) technology is adopted to divide a reactor into two reaction areas to control the reaction conditions independently. The gradually growing polymer particles will circulate quickly and repeatedly in the two reaction areas to realize the "onion-shaped" uniform mixing in the polymer particles.
PC	Stage of technology application	Several core technical personnel	Introduction and innovation	1) Diphenyl carbonate unit: DPC is produced by using the overseas advanced process of ester exchange between dimethyl carbonate and phenol. DPC products are of high quality and suitable for the production of high-quality polycarbonate; 2) Polymerization unit: the overseas advanced process of non-phosgene transesterification and melt polycondensation is adopted. Main features: compared with phosgenation, the technology has lower emission of environmental pollutants, higher product yield, lower monomer residue and larger single line production capacity.
BPA	Stage of	Several	Introduction	Bisphenol A (BPA) ion exchange resin process technology uses phenol and acetone as raw materials and catalyzes the

	technology application	core technical personnel	and innovation	condensation reaction in an acidic medium to produce BPA.
PX	Stage of technology application	Several core technical personnel	Introduction and innovation	The adsorption and separation unit adopts the overseas advanced process, that is, using simulated moving bed (SMB) technology and supporting adsorption and separation process to produce PX products with desorbent. 2# xylene fractionation unit adopts fractionation process matched with Parex and isomerization, to cut the raw materials meeting the feed requirements for adsorption and separation unit through distillation column separation; The isomerization unit adopts overseas advanced process and catalyst to increase xylene production through isomerization reaction by using the mixed C8 aromatic hydrocarbons with lean PX extracted from the side line of Parex raffinate column are used as raw materials.
Benzene	Stage of technology application	Several core technical personnel	Introduction and innovation	The extraction and distillation unit adopts the overseas advanced sulfolane extraction and distillation process, that is, to use sulfolane as solvent and light and heavy whole oil as raw materials to produce extract oil (mixed aromatic hydrocarbon) and raffinate oil. The disproportionation unit adopts the overseas advanced disproportionation process and catalyst, to increase the production of xylene and benzene by using toluene and C9/C10A as raw materials for disproportionation reaction. The B/T fractionation unit adopts a fractionation process matched with extraction and disproportionation, to separate benzene products and toluene by distillation in benzene column and toluene column with the mixed aromatic hydrocarbons extracted and disproportionated as raw materials. The 1# xylene fractionation unit adopts the fractionation process matched with reforming and disproportionation, to cut the raw materials meeting the feed requirements for adsorption and separation device and other devices through distillation column separation.
ABS	Stage of technology application	Several core technical personnel	Introduction and innovation	The advanced proprietary technology is used to produce ABS resin with acrylonitrile (AN), butadiene (BD) and styrene (SM) as the main raw materials by emulsion grafting-bulk SAN blending method. The emulsion grafting-bulk SAN blending process is mature, because of the direct use of monomer polymerization to produce ABS, the product quality is stable, the variety is wide, the production is flexible, and the product switching is easy. The emulsion grafting-bulk SAN blending method has the advantages of less investment and low production cost and is easy to realize mass production.
Polyether polyol	Stage of technology application	Several core technical personnel	Introduction and innovation	It adopts the anion catalytic synthesis process technology, bimetallic cyanide (DMC) catalytic synthesis process technology, and POP process technology. The first type of product is a polyoxypropylene polyol product, which is obtained by copolymerization with propylene oxide and ethylene oxide using glycerol or organic amines as initiator; The other type is polymer polyols, which are obtained by grafting polymerization of acrylonitrile, styrene and other polyols.
Solution polymerized styrene-butadiene rubber	Stage of technology application	Several core technical personnel	Introduction and innovation	The production processes for SSBR and NDBR both utilize advanced foreign proprietary technology. The production method of solution polymerized styrene-butadiene rubber (SSBR) is a solution polymerization method, where butadiene and styrene are polymerized in a mixed solvent of normal hexane and cyclohexane in the presence of a polymerization catalyst NBL; The rare earth cis-1,4-polybutadiene rubber (NDBR) is produced by solution polymerization. Butadiene is polymerized in an n-hexane solution in the presence of NdV, ACT and AOC catalysts.

(SSBR) and rare earth cis-polybutadiene rubber (NDBR)				
Acrylonitrile	Stage of technology application	Several core technical personnel	Introduction and innovation	The acrylonitrile unit adopts acrylonitrile ammoxidation technology, where propylene and ammonia react and then undergo processes such as quenching and absorption --- extractive distillation + distillation purification, to ultimately obtain high-purity acrylonitrile products.
Ethylene Glycol (EG)	Stage of technology application	Several core technical personnel	Introduction and innovation	It adopts SHELL's process route of ethylene-oxygen direct oxidation to ethylene oxide and ethylene oxide hydration to ethylene glycol for EG production, using ethylene and oxygen as raw materials which react with each other to form ethylene oxide. It consists of five parts: EO reaction system, CO <sub>2</sub> removal and EO recovery system, light component removal and EO refining system, EG reaction and evaporation system, and EG refining system. Compared to other methods, this process features lower reaction temperatures, reducing energy consumption and equipment investment
Phenol Acetone	Stage of technology application	Several core technical personnel	Introduction and innovation	The phenol acetone plant adopts the overseas advanced cumene oxidation technology, where benzene and propylene react under catalyst to produce cumene, which is then oxidized to form cumene hydroperoxide (CHP). After concentration, CHP is decomposed under acidic conditions to yield phenol and acetone. The entire production process consists of seven main sections: oxidation, concentration, decomposition, neutralization, fractionation, hydrogenation, and phenol recovery.
Vinyl Acetate	Stage of technology application	Several core technical personnel	Introduction and innovation	The vinyl acetate plant adopts advanced technology, where gaseous ethylene, oxygen, and acetic acid undergo adsorption-oxidation-reduction-dissociation under a catalyst with silica as the carrier and palladium, gold, and potassium acetate as active components to produce vinyl acetate.
Acetic acid	Stage of technology application	Several core technical personnel	Introduction and innovation	The acetic acid plant adopts advanced methanol low-pressure carbonylation process, using carbon monoxide and methanol as raw materials and Ir/Ru as the catalyst, to synthesize acetic acid under heating and pressurization. The crude acetic acid obtained is then subjected to preliminary processing, dehydration, drying, and a series of refining and purification steps to produce qualified acetic acid products.
Styrene	Stage of technology application	Several core technical personnel	Introduction and innovation	The styrene plant consists of the ethylbenzene unit, which employs the overseas advanced liquid-phase alkylation technology using benzene as the raw materials to produce ethylbenzene by alkylation, and the styrene unit, where ethylbenzene undergoes catalytic dehydrogenation in the presence of steam to yield styrene product.
POE	Stage of technology application	Several core technical	Introduction and innovation	The POE plant adopts advanced technology. It uses polymerization-grade ethylene from the ethylene plant, hydrogen, 1-octene from the $\alpha$ -olefin plant, and 1-butene from the 1-butene unit as raw materials, employs a metallocene (transition metal atom and metallocene ring (cyclopentadienyl or substituted cyclopentadienyl anion)) as the main

		personnel		catalyst, hexane as the solvent, along with solid additives and antioxidants used in the extrusion and pelletization section to produce POE.
PTA	Leading position in China	Several core technical personnel	Introduction and innovation	<p>The core technology of this product has its own independent intellectual property rights. The Company has participated in the formulation of the national standards for the energy consumption limit per unit product of this product. The large-scale device greatly reduces the investment cost per unit product. Besides, the continuous improvement of new technologies and new equipment has shortened the process. For example, the oxidation unit adopts pressure filter instead of vacuum filter, dryer, intermediate silo and other auxiliary systems; The refining unit adopts pressure filter, which changes two-stage separation into one-stage separation. Compared with the traditional process, the number of equipment is reduced, the maintenance cost is also greatly cut, the reliability of equipment is improved, and the stability of the device is improved accordingly. At present, the pressure filter technology has been well applied in PTA plant and has become a development trend at present. In addition, the application of new materials in PTA production has further reduced the investment cost. At present, dual-phase steel is used to replace part of titanium alloy and 317L, which reduces the material cost. In terms of material consumption, all PTA patent manufacturers have done a lot of work in optimizing oxidation reaction conditions, adjusting catalyst ratio, increasing catalyst recovery, PTA mother liquor solid recovery, methyl acetate recovery and so on, and all of them have been successfully applied to industrial devices. The use of these optimizations and new technologies greatly reduce the material consumption of PTA production. In terms of energy consumption, as the oxidation reaction is exothermic, a lot of heat will be released during such reaction. At present, PTA patent technologies use the reaction heat to generate low-pressure steam of different grades for air compressors and other low-pressure steam users in the device (such as dehydration tower). By using this method, the oxidation tail gas at the top of the oxidation reactor is cooled and energy is recovered; Hydrogenation reaction is a high-temperature and high-pressure reaction. During the crystallization process, with the gradual reduction of pressure, a large number of steam with different grades will flash out, which is basically used to heat the feed of hydrogenation reactor, and can be heated to about 260°C. Oxidation tail gas is high-pressure gas, part of which is used as the driving power of air compressor, and the rest is used for conveying gas and inert gas in the device to users. In addition, the process arrangement is optimized as much as possible, to make full use of the heat exchange of hot and cold process fluids. Through the above measures, PTA basically does not need to supply low-pressure steam from outside at present, but only needs a certain amount of high-pressure steam to heat the feed of hydrogenation reactor from about 260°C to about 286°C; The drive of the air compressor does not need to supply energy from outside. In order to reduce energy consumption, some other measures have been taken, such as increasing the feed concentration of hydrogenation reactor and increasing the circulation of mother liquor in TA unit. At present, the comprehensive energy consumption of PTA has been greatly reduced, and the energy consumption of products is better than the advanced value of national standards.</p>
Polyester	Large-scale application	Several core technical personnel	Introduction and innovation	<p>Maximum output, maximum conversion rate and minimum energy consumption; By tapping the equipment potential, achieve the purpose of improving production and efficiency without increasing energy consumption; Improve energy utilization rate and reduce production cost; Eliminate the filter blockage, waste of labor, save the cost of bagging, and bring considerable economic benefits to the company; Make the basic magnesium sulfate whisker, tetrapod-like zinc oxide whisker, magnesium salt whisker, β-type silicon nitride whisker, melamine cyanurate, microencapsulated red phosphorus flame retardant, ethylene glycol, etc., into flame retardant and anti-dripping whisker glycol solution</p>

				through a certain manufacturing process by using the company's patented technology; Add the flame-retardant and anti-dripping whisker glycol solution into the slurry preparation tank, and prepare the flame-retardant and anti-dripping polyester through esterification, pre-polycondensation and final polymerization.
Multi-functional polyester bottle grade chip	Leading position in China	Several core technical personnel	Introduction and innovation	The core technology of this product adopts the current international advanced high-temperature crystallization and solid-phase polycondensation process, with a short process, low energy consumption, and domestic leading performance of comprehensive energy consumption per unit product.
Fiber	Large-scale application	Several core technical personnel	Introduction and innovation	Through the independent design and installation of multiple addition points, online adding equipment with various additional materials, dynamic and static mixing equipment, oil nozzle, winding machine, etc. on the melt direct spinning line, the existing equipment was optimized to obtain benefits from the differentiated and high-end products of polyester melt direct spinning and realize transformation and upgrading. The contradiction between large capacity polyester plants and the production of small batch and multi-agent functional differentiated fibers has been solved. The main products include flame-retardant, antistatic, colored and full extinction functional modified fibers.
Texturing	Mass production	Several core technical personnel	Introduction and innovation	The technology is independently developed and completed by the Company. It is used to process DTY and FDY in uniform military green, black and other colors. No dyeing is required after weaving, so the products hardly lose colors in daily use and are mostly used to weave fabrics for special purposes.
Multifunctional polyester film	Mass production	Several core technical personnel	Introduction and innovation	It possesses both direct melting and chip-based film drawing production lines. The direct melting method involves directly conveying the polymerized melt to the film drawing production line for film production, offering advantages such as simplified processes, lower production costs, and stable quality; The chip-based film production method allows for the addition of various functional materials according to product application requirements, providing benefits such as flexible production and high product added value. Differentiated products such as backplate films, matte films, heat-sealable films, UV-resistant films, and release protective films developed and produced by the chip-based production line have been widely applied in photovoltaic backplates, window films, sunshades, high-end packaging, and optical fields.
Film grade chips	Mass production	Several core technical personnel	Introduction and innovation	By adding composite conductive substances to polyester, the problem of difficult adhesion due to high casting speed on high-speed production lines has been solved, making it applicable to high-speed film drawing production lines.
High silicon masterbatch	Mass production	Several core technical personnel	Introduction and innovation	By solving the problem of dispersion of micron-sized particles, the silica particles are added into a reaction kettle in the polymerization process, so that the master batch with high silica content is prepared, and the master batch can be widely applied to the production of polyester films.
Matte	Mass	Several	Introduction	Through the dispersion of silicon particles, add silica with larger particle size and smaller void ratio to the reaction

master batch	production	core technical personnel	and innovation	kettle during the polymerization process, so as to prepare matte master batch with high fog and low matte, which can be used in the production of polyester matte film.
Antimony-free polyester chips	Mass production	Several core technical personnel	Introduction and innovation	It adopts a novel environmentally friendly and highly efficient titanium-based catalyst, combined with online polyester addition and process optimization, achieving the production of antimony-free polyester melt. The environmentally friendly antimony-free polyester chips can effectively prevent antimony precipitation associated with traditional catalysts, meeting market demand for green and eco-friendly polyester products in wide applications; The cost advantages of titanium-based catalysts further contribute to cost reduction and efficiency improvement.

## Production capacity of main products

Main products	Design capacity (10,000 tons/year)	Capacity utilization	Capacity under construction (10,000 tons/year)	Investment and construction	
Fuel	1,366	Adjust flexibly according to market			
Para-xylene (PX)	1,040				
M-xylene (MX)	20				
Mixed Xylene	9.6				
Benzene (BZ)	330				
Heavy Aromatic Hydrocarbon (HAH)	21				
Ethylene Glycol (MEG)	240				
Diethylene Glycol (DEG)	19.8				
Triethylene Glycol (TEG)	11.4				
Purified terephthalic acid (PTA)	2,150				
Purified isophthalic acid (PIA)	30				
Bi-oriented polyester film (BOPET)	43				
Pre-oriented yarn (POY)	46			25	Shengyuan chemical fiber differential fiber project is under construction
Fully drawn yarn (FDY)	54			25	Shengyuan chemical fiber differential fiber project is under construction
Draw texturing yarn (DTY)	42			25	Shengyuan chemical fiber differential fiber project is under construction
Bottle grade chip (PET)	530				
Full-density polyethylene (FDPE)	90				
High-density polyethylene (HDPE)	65				
Low-density polyethylene (LDPE)	80			40	Under construction
Ethylene-vinyl acetate copolymer (EVA)	140			110	Under construction
Polypropylene (PP)	180				
Acrylonitrile butadiene styrene (ABS)	160			120	Under construction
Styrene monomer (SM)	130				
Polycarbonate (PC)	52				
Phenol (PH)	40				
Acetone (ACT)	13				
Methyl methacrylate (MMA)	38			20	Under construction

Polymethyl Methacrylate (PMMA)			18	Under construction
Acrylonitrile (AN)	48		66	Under construction
Acetonitrile (ACN)	3.36		1.8	
Butadiene (BD)	7			
Sulfur (S)	121			
Polyether glycol/Polyether polyol (PPG/POP)	97		59	Under construction
Low cis-polybutadiene rubber (LCBR)	10			
Solution styrene butadiene rubber (SSBR)	6			
Piperylene Resin	7			
Isoprene	7.4			
Dicyclopentadiene (DCPD)	4.72			
Hydrogenated C9	12.51			
Heavy Fraction	4.7			
Cracked Naphthalene Fraction	3.2			
Cyclopentane	2.52			
Refined C5	16.6			
Isopentane	1			

**Types of products in major chemical parks**

Major chemical parks	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

Projects	EIA approval
Supporting water intake and drainage outlet project (southern zone) of 40 million tons/year refining and chemical integration project of Zhejiang Petroleum & Chemical Co., Ltd.	ZHDJS [2024] No. 4
Supporting gas-fired power station project for 40 million tons/year refining and chemical integration phase II project product structure optimization project of Zhejiang Petroleum & Chemical Co., Ltd.	ZHDJS [2024] No. 3
Renovation and upgrade project (Phase I) of refining and chemical integration project of Zhejiang Petroleum & Chemical Co., Ltd.	ZHDJS [2024] No. 9
High-end new material project of Zhejiang Petroleum & Chemical Co., Ltd.	ZHDJS [2025] No. 4
Novel catalytic cracking pilot project of Zhejiang Petroleum & Chemical Co., Ltd.	ZHDJS [2025] No. 3
Tank farm optimization and renovation project of Ningbo Zhongjin Petrochemical Co., Ltd.	Approval of environmental impact assessment form for tank farm optimization and renovation project of Ningbo Zhongjin Petrochemical Co., Ltd. (ZHX [2024] No.

	29)
Catalyst upgrade zero-land renovation project of Ningbo Zhongjin Petrochemical Co., Ltd.	Review comments of Ningbo Municipal Bureau of Ecology and Environment on environmental impact assessment report for catalyst upgrade zero-land renovation project of Ningbo Zhongjin Petrochemical Co., Ltd. (YHJ [2024] No. 21)
Polyester plant acetaldehyde high-efficiency recovery carbon reduction and efficiency improvement technical renovation project of Yisheng Dahua Petrochemical Co., Ltd.	DHZ Zi [2024] No. 000050
Intelligent functional fiber project with an annual output of 500,000 tons (Shengyuan Phase II) of Zhejiang Shengyuan Chemical Fiber Co., Ltd.	Approval in progress...

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	Work Safety Standardization Certificate	Hangzhou Municipal Emergency Management Bureau	April 2026
Rongsheng Petrochemical	Pollutant Discharge Permit	Hangzhou Municipal Ecology and Environment Bureau	November 5, 2026
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	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, 2025
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	/
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 13, 2025
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, 2025
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	September 5, 2029
Shengyuan Chemical Fiber	Work Safety Standardization Certificate	Hangzhou Municipal Emergency Management Bureau	October 1, 2026
Shengyuan Chemical Fiber	Pollutant Discharge Permit	Hangzhou Municipal Ecology and Environment Bureau	November 5, 2026
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
Hainan Yisheng	Pollutant Discharge Permit	Ecological Environment Bureau of Yangpu Economic Development Zone	May 14, 2026
Hainan Yisheng	Radiation Safety License	Department of Ecology and Environment of Hainan Province	December 26, 2026.
Hainan Yisheng	Safe Production License	Department of Emergency Management of Hainan Province	March 29, 2027
Hainan Yisheng	Hazardous Chemical Business License	Administration Approval Service Bureau of Danzhou City	February 27, 2028

Hainan Yisheng	License for Port Operation of the People's Republic of China	Transportation, Maritime and Port Bureau of Danzhou City	March 8, 2025.
Hainan Yisheng	Class Two Standardization Enterprise on Production Safety	Department of Emergency Management of Hainan Province	November 10, 2027
Hainan Yisheng	Port Shoreline Use Certificate of People's Republic of China (PRC)	Ministry of Transport of the People's Republic of China	May 20, 2065
Hainan Yisheng	Registration Certificate for Hazardous Chemicals	Registration Center for Chemicals of the Ministry of Emergency Management	February 3, 2027
Hainan Yisheng	Port Facility Security Compliance Certificate	Hainan Port and Shipping Administration	October 26, 2026
Hainan Yisheng	Radio Registration Certificate	Hainan Provincial Department of Industry and Information Technology	June 9, 2031
Zhejiang Yisheng	Pollutant Discharge Permit	Ningbo Ecology and Environment Bureau Beilun Branch	November 12, 2029
Zhejiang Yisheng	Radiation Safety License	Department of Ecology and Environment of Zhejiang Province	November 10, 2029

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 all things 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

### 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) Complete industrial synergistic advantages

After years of development and improvement, the Company has seized the opportunity of industrial adjustment, achieved rapid growth, and formed the development strategy of “from a drop of oil to everything in the world”. Through the extension of the industrial chain, the Company has effectively reduced the business cost, realized the mutual support of upstream and downstream sectors, and also improved its sustainable profitability and risk resistance. On the basis of the complete polyester industry chain of Rongsheng Holdings, the controlling shareholder, and Tongkun Holding, the participating shareholder, ZPC has successfully established the last link of the whole process from a drop of oil to a piece of fiber, and formed the great advantage of upstream and downstream integration of the polyester industry, and the favorable synergy advantage between other industrial chain and the shareholder unit

The interconnection of Zhoushan Green Petrochemical Base and Ningbo Petrochemical Base can realize the coordinated development of both Ningbo and Zhoushan bases, and pipeline transportation greatly reduces the risk and cost of ship transportation and land transportation; A large number of light hydrocarbon raw materials by-products from Ningbo Petrochemical Base are transported to Zhoushan Green Petrochemical Base through pipelines, which can be used as high-quality ethylene raw materials. Surplus oil products from Zhoushan Green Petrochemical Base can be transported to Ningbo Petrochemical Base as high-quality raw materials for aromatic hydrocarbon production.

The construction of ZPC Project has supporting facilities that can meet the demand of crude oil supply in the two phases of the project. The total storage capacity of Mamu crude oil depot and Yushan Island crude oil depot has reached 4.6 million m<sup>3</sup>, which is the largest storage capacity among domestic refining and chemical facilities. As the most concentrated resource allocation base for oil and gas enterprises in China, the Zhejiang Free Trade Zone has an oil depot capacity of more than 30 million m<sup>3</sup>, including Cezi Island, and Waidiao Island. Most of the oil pipeline networks are interconnected, making local transportation available.

### **(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, 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 2024, the company garnered multiple accolades thanks to its exceptional capabilities:



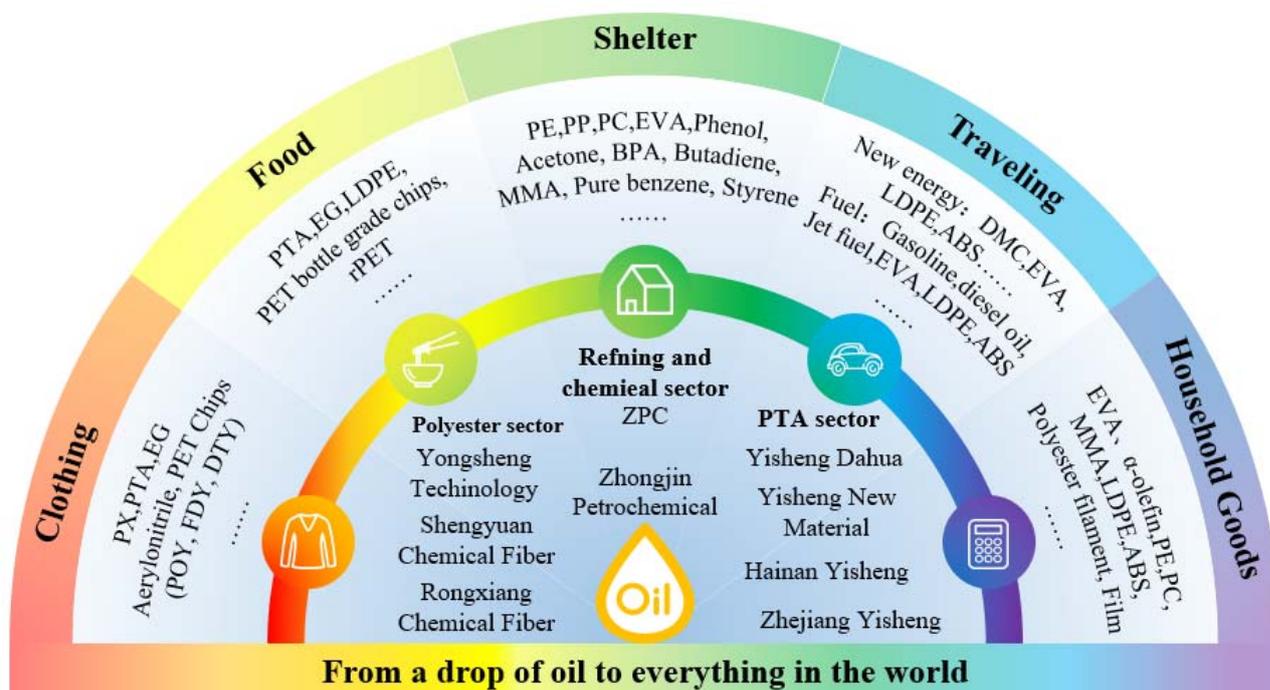
## IV. Analysis of Main Business

### 1. Overview

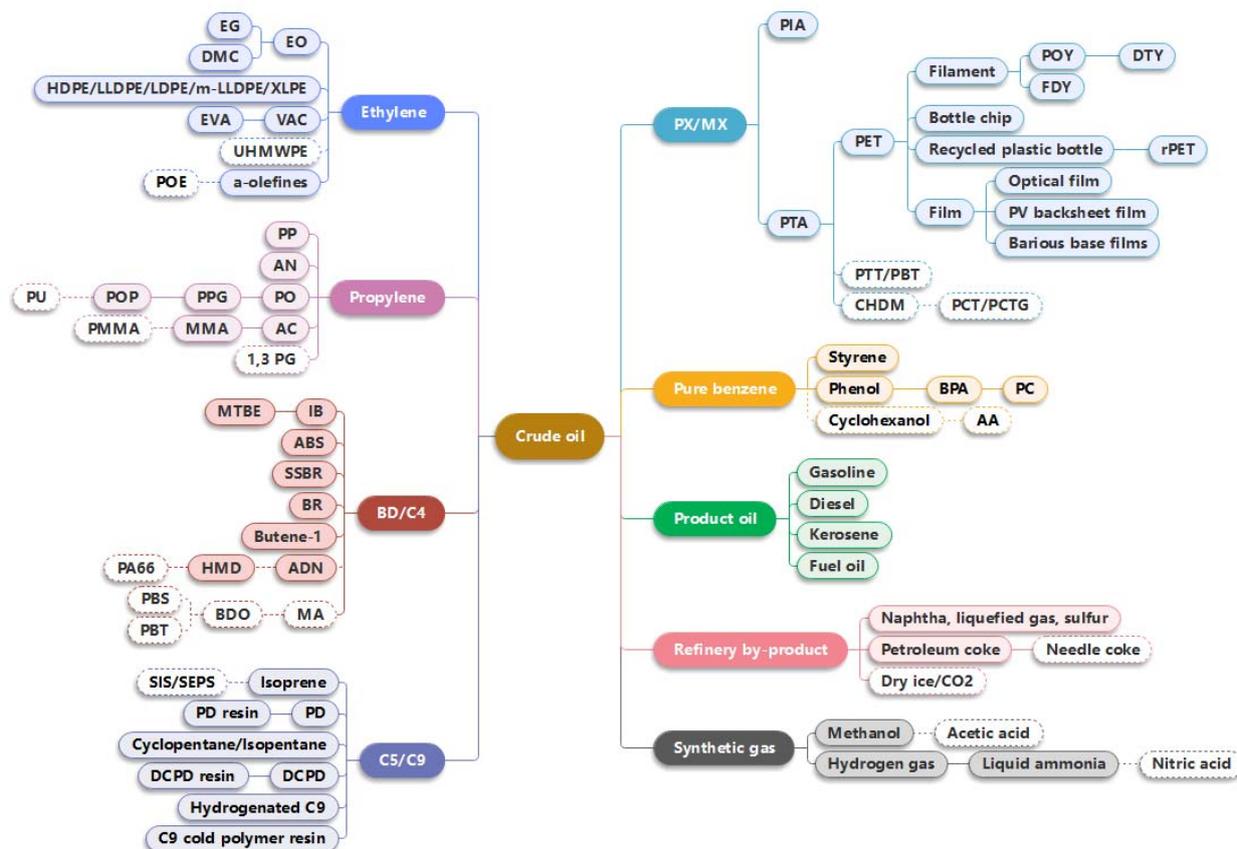
Rongsheng Petrochemical is one of the leading private petrochemical enterprises in China. It is mainly engaged in the research, development, production and sales of all kinds of oil products, chemicals and polyester products. It has established seven production bases in Bohai Economic Rim, Yangtze River 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 the plan.

## (2) Operation measures

China's economy demonstrated remarkable resilience and innovative vitality amid pressures and difficulties, consolidating stable growth while making solid progress. The petrochemical industry maintained fundamental

stability with breakthrough advancements, where technological innovation and low-carbon transformation emerged as core drivers for further industrial development. During the reporting period, under the leadership of the Board of Directors, the Company firmly seized the opportunity, stabilized the “core business foundation” of existing industries, explored high-end materials as new growth frontiers, focused on promoting the “three-oriented” transformation of internationalization, greening and digital-intelligence, and made solid progress in high-quality development.

### **1. Advance industrial layout through vertical and horizontal planning**

In 2024, we steadfastly implemented our “Vertical-Horizontal” development strategy, achieving steady progress in international cooperation while pursuing differentiated growth. Establish “new pillars” for global collaboration. This year, the Company signed the *Memorandum of Cooperation* and the *Collaboration Framework Agreement* with Saudi Aramco to jointly explore joint operations of Zhongjin Petrochemical and Jubail Refining and Chemical Company, expand overseas markets through mutual equity participation and joint projects by subsidiaries, tap the cooperation potential in operation management, resource advantages, sales channels and cutting-edge technologies, strengthen the complementarity of industrial chains, enhance the global market share, enhance the anti-risk ability of transnational operations, and ensure the sustainable growth of the Company in its globalization journey. Accelerate “milestones” by project construction. This year, ZPC put into production a pilot plant of  $\alpha$ -olefins with an annual output of 1,000 tons, laying the foundation for the whole industrial chain of POE; The successful trial production of 100,000 tons/year rare earth cis-polybutadiene rubber plant marked an important step for the Company in the field of green tire materials; The 380,000 tons/year polyether plant produced qualified products, the 1,500,000-ton multifunctional polyester chip project was successfully put into production, and the Jintang new materials and other projects were promoted in an orderly manner, which continuously expanded the Company’s differentiated, high-end and green product matrix.

### **2. Enhance the whole chain with digital intelligence and lean management**

In 2024, guided by our operational philosophy of “stability based, efficiency prioritized”, we relentlessly pursued cost reduction and efficiency improvement, achieved remarkable results through lean management, and realized “zero accidents” for safe production throughout the year. Optimize and tighten the “benefit valve” in the whole chain. This year, we adhered to the market efficiency of products as the guide, adjusted the processing scheme flexibly in time, carried out in-depth optimization of the whole industrial chain, and completed three “oil conversion” processing technologies and process reserves for “light, medium and heavy” components of catalytic gasoline; We researched and implemented cross-flow filtration technology of oil residue, which continuously improved the technical economy of slurry bed; We improved the product yield, optimized the production process, and continuously enhanced the market adaptability of the integrated refining and chemical operation scheme. Drive and activate “new momentum” by digital intelligence. This year, Zhejiang Petrochemical’s “Digitization Project of Refining and Chemical Integration” was selected as a national advanced manufacturing project, and the construction of MES energy module continued to advance, realizing the informationization and digitalization of energy management; The advanced control project was put into full use, which became an important means to save energy, reduce consumption, tap potential and increase efficiency. The reservation and delivery system for hazardous chemicals of Zhongjin Petrochemical was officially put into operation, and the automatic license plate recognition system for loading vehicles of Yongsheng Technology was successfully put into use. Information technology is deeply integrated with the Company’s business processes, and various measures are taken to boost cost reduction and efficiency improvement.

### **3. Enhance quality and efficiency through low-carbon transformation and innovation**

In 2024, we led the industrial upgrading with technological innovation and empower sustainable development with clean and low carbon. Enter the “Fast Lane” via technological breakthroughs. This year, the Company invested RMB 5.101 billion in R&D, significantly enhanced its independent R&D innovation capability, continued to build

a collaborative innovation ecology of “Industry-University-Research-Application”, deeply participated in the formulation of industry standards, and was awarded the “Zhejiang High-tech Enterprise R&D Center”, which further strengthened the supporting force of the technology platform. Multiple self-developed new products passed certification, and with Zhejiang Petrochemical’s containerized marine packaging successfully delivered, technological innovation continued to elevate its product competitiveness. A “new background” was painted via low-carbon transformation. This year, the Company invested RMB 273 million in environmental protection, and ZPC led the country in energy efficiency and water efficiency of many key products for two consecutive years. Its industrial chain of high-value utilization of carbon dioxide realized the synergy of energy saving, pollution reduction, carbon reduction and high-value utilization of carbon dioxide, and continuously transformed environmental benefits into economic benefits. Yisheng Dahua carried out major energy-saving and water-saving technical transformation projects and won the title of “Dalian Water-saving Enterprise”; Shengyuan Chemical Fiber Distributed Photovoltaic Power Generation Project achieved grid-connected operation, which can provide 15 million kWh of green electricity every year; Yongsheng Technology’s boiler fuel was cleaned and upgraded, effectively reducing the impact of volatile gases on the environment. With the exploration and practice in low-carbon transformation, Rongsheng Petrochemical’s ESG rating was upgraded from B to BBB, and its CDP rating also achieved excellent improvement, ranking among the top in the global general and diverse chemicals industry, and it was awarded as “the Best Listed Company for ESG Management in 2024”.

### **(3) Operation synergy**

#### **1. Controlling shareholder**

Rongsheng Holdings ranks 138th among the top 500 enterprises in the world, 40th among the top 500 Chinese enterprises and 5th 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 holding company, 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: ① Frontier 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; ② Stable 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; ③ Interest-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; ④ Flexible cooperation in crude oil storage: Though 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; ⑤ Broad 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.

In addition, Rongsheng Petrochemical planned to acquire 50% equity in SASREF Refinery, a wholly-owned subsidiary of Saudi Aramco in Jubail, Saudi Arabia, and participate in its expansion. This "powerful alliance" achieves the advance of raw material supply and the expansion of global sales channels, promotes resource sharing and industrial chain coordination, and jointly builds an industrial ecology with mutual benefits and win-win situation. As a practitioner of the "Belt and Road Initiative", Rongsheng Petrochemical, driven by the dual drivers of "going out" and "attracting investment", has established a strategic fulcrum in the Middle East, laid out a supply chain network around the Indian Ocean, and attracted international strategic funds to invest in China for long term, injecting continuous vitality for its prosperous 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. 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. Moreover, East China is the main consumption region of terminal chemicals. The Yangtze River Delta contains about 70% of China's production capacity of plastics and chemical fibers, with obvious regional advantages. 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.

#### **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 been successfully applied for the first time in ZPC 2# disproportionation plant (3.5 million tons/year). The catalyst has the excellent characteristics of “three highs”, namely high space velocity, high yield and high conversion and utilization rate of heavy aromatic hydrocarbon, and has good operation stability, whose comprehensive performance and technical indicators have reached the advanced level in the world at present, realizing import substitution, which reflects the staged progress of the Company’s scientific research and innovation ability and level, and is of great significance for continuously improving the technical level of production equipment, improving the conversion and utilization efficiency of raw materials, reducing consumption and production costs, and realizing the aromatic hydrocarbon production from large to strong and achieving green efficiency.

### **3.3. Rongsheng New Materials (Zhoushan)**

As the expansion area of Zhoushan Green Petrochemical Base, relying on ZPC and Ningbo Zhongjin Petrochemical, it extends the industrial chain downstream and develops fine chemicals and new chemical materials. The company focuses on developing downstream products of the existing industrial chains of ZPC and Zhongjin, to achieve the value-added and efficiency increase in raw materials of Zhongjin and ZPC. At present, the project has started construction and related work is progressing in an orderly manner.

## **4. PTA sector**

Since the establishment of the first private PTA production line in 2002, the Company has insisted on independent innovation, successively developed and built the first domestic PTA process package and production equipment with independent intellectual property rights, and realized the first domestic application of core equipment such as large-scale oxidation reactors and high-speed pumps, which changed the long-term dependence of China’s PTA industry on the introduction of complete sets of foreign patented technology, and promoted a large number of domestic equipment manufacturers to achieve leap-forward development. At the same time, we have continuously carried out technical transformation on existing equipment to improve production efficiency and product quality, and at the same time continuously optimized raw material consumption to ensure efficient use of resources. Meanwhile, the Company has steadily promoted the launch of new production capacity, on the one hand, to meet the growing market demand, and on the other hand, to stabilize the Company’s leading position in the polyester industry.

## **5. Polyester sector**

With the general policy of “safety and environmental protection, quality improvement, cost reduction and benefits increase”, the Company focuses on strengthening pandemic prevention and control, implementing hidden danger treatment, boosting process optimization and promoting lean production management. Yongsheng Technology’s 250,000-ton functional polyester film expansion project has been successfully put into production, and the company’s annual polyester film production capacity has reached 430,000 tons, ranking the top four in China. The Company’s PTA production enterprises make full use of the advantages of the Company’s complete industrial chain integration to continuously tap the potential and increase benefits to produce polyester bottle chips. At present, its production capacity ranks first in China, with part of PTA production capacity consumed locally, which enhances the competitiveness of the enterprise and improve the economic benefits. The 500,000 tons of differentiated fiber project of Shengyuan Phase II, which mainly produces flame-retardant, functional and dye-free fiber products, is also in progress.

## 2. Income and cost

### (1) Composition of operating revenue

Unit: RMB

	2024		2023		Year-on-year increase (decrease)
	Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Total operating revenue	326,475,162,608.88	100%	325,111,614,268.09	100%	0.42%
<b>By industry</b>					
Petrochemical Industry	289,301,177,635.53	88.61%	296,851,027,280.87	91.31%	-2.54%
Polyester chemical fiber industry	18,507,338,180.98	5.67%	14,717,875,220.67	4.53%	25.75%
Trade and others	18,666,646,792.37	5.72%	13,542,711,766.55	4.16%	37.84%
<b>By product</b>					
Oil refining products	117,855,712,431.38	36.10%	121,884,564,630.35	37.49%	-3.31%
Chemical products	121,767,959,624.54	37.30%	121,776,659,403.66	37.46%	-0.01%
PTA	49,677,505,579.61	15.21%	53,189,803,246.86	16.36%	-6.60%
Polyester chemical fiber film	18,507,338,180.98	5.67%	14,717,875,220.67	4.53%	25.75%
Trade and others	18,666,646,792.37	5.72%	13,542,711,766.55	4.16%	37.84%
<b>By region</b>					
China	280,740,961,976.87	85.99%	276,231,426,885.63	84.97%	1.63%
Overseas	45,734,200,632.01	14.01%	48,880,187,382.46	15.03%	-6.44%

The Company's total chemical production capacity (including joint ventures) reached 59.27 million tons, with a corresponding total chemical sales revenue of RMB 278.6 billion in 2024.

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

 Applicable  Not applicable

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
<b>By industry</b>						
Petrochemic	289,301,177,635.53	252,706,674,885.15	12.65%	-2.54%	-2.85%	0.27%

al Industry						
Polyester chemical fiber industry	18,507,338,180.98	18,195,490,832.19	1.68%	25.75%	27.73%	-1.52%
Trade and others	18,666,646,792.37	18,088,378,163.21	3.10%	37.84%	35.03%	2.01%
<b>By product</b>						
Oil refining products	117,855,712,431.38	97,149,285,936.52	17.57%	-3.31%	-0.04%	-2.69%
Chemical products	121,767,959,624.54	105,205,550,952.93	13.60%	-0.01%	-3.84%	3.44%
PTA	49,677,505,579.61	50,351,837,995.70	-1.36%	-6.60%	-5.94%	-0.72%
Polyester chemical fiber film	18,507,338,180.98	18,195,490,832.19	1.68%	25.75%	27.73%	-1.52%
Trade and others	18,666,646,792.37	18,088,378,163.21	3.10%	37.84%	35.03%	2.01%
<b>By region</b>						
China	280,740,961,976.87	243,977,718,284.90	13.10%	1.63%	1.59%	0.04%
Overseas	45,734,200,632.01	45,012,825,595.65	1.58%	-6.44%	-5.46%	-1.02%

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	Items	Unit	2024	2023	Year-on-year increase (decrease)
Petrochemical Industry	Sales quantity	ton	48,334,955.18	49,168,141.42	-1.69%
	Production quantity	ton	56,266,126.43	55,993,404.94	0.49%
	Inventory	ton	966,819.06	1,116,062.63	-13.37%
Polyester chemical fiber industry	Sales quantity	ton	2,847,303.37	2,114,331.59	34.67%
	Production quantity	ton	3,792,595.14	3,480,230.85	8.98%
	Inventory	ton	190,226.58	135,913.59	39.96%

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 commissioning of the subsidiary Yisheng Dahua's 500,000-ton multi-functional polyester chip expansion project.

#### (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	Items	2024		2023		Year-on-year increase (decrease)
		Amount	Proportion to operating cost	Amount	Proportion to operating cost	
Petrochemical Industry	Raw material	230,087,963,447.61	91.05%	239,198,623,632.96	91.96%	-0.91%
Petrochemical Industry	Labor wage	1,629,097,178.37	0.65%	1,624,611,209.04	0.62%	0.02%
Petrochemical Industry	Depreciation	11,485,497,958.88	4.54%	9,904,752,215.65	3.81%	0.74%
Petrochemical Industry	Energy	8,088,775,842.84	3.20%	8,186,332,743.25	3.15%	0.05%
Petrochemical Industry	Other	1,415,340,457.45	0.56%	1,203,442,892.56	0.46%	0.10%
Total		252,706,674,885.15	100.00%	260,117,762,693.46	100.00%	0.00%
Polyester chemical fiber industry	Raw material	16,700,812,031.91	91.79%	12,827,143,217.21	90.04%	1.74%
Polyester chemical fiber industry	Labor wage	243,245,412.13	1.34%	290,364,973.60	2.04%	-0.70%
Polyester chemical fiber industry	Depreciation	222,943,670.72	1.23%	213,161,372.30	1.50%	-0.27%
Polyester chemical fiber industry	Energy	736,617,398.02	4.05%	717,988,984.46	5.04%	-0.99%
Polyester chemical fiber industry	Other	291,872,319.41	1.60%	197,028,229.99	1.38%	0.22%
Total		18,195,490,832.19	100.00%	14,245,686,777.56	100.00%	0.00%

Unit: RMB

Product categories	Items	2024		2023		Year-on-year increase (decrease)
		Amount	Proportion to operating	Amount	Proportion to operating	

			cost		cost	
Oil refining products	Raw material	87,489,852,797.32	90.06%	88,386,630,452.32	90.95%	-0.89%
Oil refining products	Labor wage	718,718,241.18	0.74%	728,940,877.61	0.75%	-0.01%
Oil refining products	Depreciation	5,051,388,916.49	5.20%	4,204,103,221.85	4.32%	0.88%
Oil refining products	Energy	3,431,518,474.45	3.53%	3,497,104,097.06	3.60%	-0.07%
Oil refining products	Other	457,807,507.08	0.47%	368,995,276.29	0.38%	0.09%
Total		97,149,285,936.52	100.00%	97,185,773,925.13	100.00%	0.00%
Chemical products	Raw material	94,982,926,212.71	90.28%	99,869,923,999.03	91.29%	-1.01%
Chemical products	Labor wage	786,101,524.14	0.75%	813,044,055.81	0.74%	0.01%
Chemical products	Depreciation	5,485,471,675.60	5.21%	4,726,636,911.00	4.32%	0.89%
Chemical products	Energy	3,530,012,517.16	3.36%	3,642,936,514.85	3.33%	0.03%
Chemical products	Other	421,039,023.32	0.40%	349,677,476.96	0.32%	0.08%
Total		105,205,550,952.93	100.00%	109,402,218,957.65	100.00%	0.00%
PTA	Raw material	47,615,184,437.58	94.56%	50,942,069,181.62	95.17%	-0.61%
PTA	Labor wage	124,277,413.05	0.25%	82,626,275.61	0.15%	0.10%
PTA	Depreciation	948,637,366.79	1.88%	974,012,082.80	1.82%	0.06%
PTA	Energy	1,127,244,851.23	2.24%	1,046,292,131.34	1.95%	0.29%
PTA	Other	536,493,927.05	1.07%	484,770,139.31	0.91%	0.16%
Total		50,351,837,995.70	100.00%	53,529,769,810.68	100.00%	0.00%
Polyester chemical fiber film	Raw material	16,700,812,031.91	91.79%	12,827,143,217.21	90.04%	1.75%
Polyester chemical fiber film	Labor wage	243,245,412.13	1.34%	290,364,973.60	2.04%	-0.70%
Polyester chemical fiber film	Depreciation	222,943,670.72	1.22%	213,161,372.30	1.50%	-0.28%
Polyester chemical fiber film	Energy	736,617,398.02	4.05%	717,988,984.46	5.04%	-0.99%
Polyester chemical fiber film	Other	291,872,319.41	1.60%	197,028,229.99	1.38%	0.22%

Total		18,195,490,832.19	100.00%	14,245,686,777.56	100.00%	0.00%
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**(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
Taizhou ZPC Sales Co., Ltd.	New establishment	February 27, 2024
Zhejiang Rongyi Chemical Fiber Co., Ltd.	New establishment	March 8, 2024
Zhoushan ZPC Logistics Co., Ltd.	New establishment	April 12, 2024

**2. Decrease in consolidation scope**

Company name	Acquisition method	Date of disposal
Zhejiang Zhuosheng Industry & Trade Co., Ltd.	Industrial and commercial deregistration	July 31, 2024

**(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

<b>Total sales amount of the top five customers (RMB)</b>	64,652,232,947.57
<b>Proportion of total sales amount of the top five customers in total annual sales</b>	19.80%
<b>Proportion of related party sales in total annual sales among the top five customers</b>	2.59%

Top 5 customers of the Company

S/N	Customer	Sales amount (RMB)	Proportion in total annual sales
1	Customer 1	33,393,607,220.42	10.23%
2	Customer 2	9,696,945,211.33	2.97%
3	Customer 3	8,456,472,338.73	2.59%
4	Customer 4	7,605,774,083.31	2.33%
5	Customer 5	5,499,434,093.78	1.68%
Total	--	64,652,232,947.57	19.80%

Other information of major customers

 Applicable  Not applicable

Major suppliers

<b>Total purchase amount of the top five suppliers (RMB)</b>	175,039,725,839.41
<b>Proportion of total purchase amount of the top five suppliers in total annual purchase amount</b>	58.24%
<b>Proportion of related party purchase amount in total annual</b>	38.69%

<b>purchase amount of the top five suppliers</b>	
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**Top 5 suppliers of the Company**

S/N	Supplier	Purchase amount (RMB)	Proportion in total annual purchase amount
1	Supplier 1	102,576,943,938.97	34.13%
2	Supplier 2	22,647,066,689.22	7.54%
3	Supplier 3	21,526,429,095.49	7.16%
4	Supplier 4	14,571,811,000.00	4.85%
5	Supplier 5	13,717,475,115.73	4.56%
Total	--	175,039,725,839.41	58.24%

## Other information of major suppliers

 Applicable  Not applicable

**3. Expenses**

Unit: RMB

	2024	2023	Year-on-year increase (decrease)	Description of major changes
Sales expenses	193,112,300.81	160,462,247.93	20.35%	
Administrative expenses	976,713,694.79	908,998,018.22	7.45%	
Financial expenses	7,131,339,847.35	8,202,127,726.14	-13.06%	
R&D expenses	5,101,483,285.60	6,555,282,352.50	-22.18%	

**4. R&D investment**
 Applicable  Not applicable

Name of main R&D project	Project purpose	Project progress	Objectives to be achieved	Expected impact on the company's future development
Based on the molecular refining concept, conduct research and application of reforming raw material optimization technology	Review the research progress and patent layout of domestic and global POE leading enterprises to identify technology gaps and predict future development trends	The project has been implemented	1. Precisely control C6 alkane content in raw materials through naphtha hydrotreating plant to increase aromatics production by over 3t/h. 2. Increase C11 content in reforming raw materials from 1.4-1.8% to above 2.8%; Increase C11 content in reformat from 1.0-1.2% to above 2.6%; 3. Adjust reaction severity to identify the optimal conversion rate point for C7 alkanes.	Improve raw material utilization and increase high-value-added products
Establishment and implementation of intelligent control and management platform for hundred-unit scale reforming units	Assist dominant enterprises in Zhoushan's POE industrial chain to improve patent layout strategies and avoid intellectual property risks.	The project has been implemented	Real-time online monitoring of multiple units, achieving electronic inspection as well as online condition detection and analysis of centrifugal units	Achieve intelligent operation and maintenance and reduce management costs
Research and application of oil reduction and chemical increase process:	1. Adhere to the philosophy of "minimizing oil products, maximizing chemical output, and optimizing economic benefits", effectively achieve heavy oil upgrading, increase yields of aromatics and ethylene raw materials, and enhance overall project profitability. 2. While fully utilizing reformer hydrogen and hydrogen-rich streams, optimize the raw material structure of hydrogen production plant. 3. Refine LPG to highlight the "molecular refining" concept, follow the optimization approach of "material segmentation, plant specialization, and precise matching", maximize the utilization of primary and secondary processing resources. 4. Optimize the product structure for heavy oil upgrading across hydrocracking plants and improve production planning to increase heavy naphtha yield, thereby boosting aromatics production.	The project has been implemented	(1) Solidify and form a set of optimization methods for processing routes of heavy oils (residue, oil sludge, heavy aromatics, light/heavy wax oils). (2) Enhance the processing efficiency of heavy oil, facilitate crude oil upgrading, and process low-cost inferior crude oil. (3) Further reduce oil product output while targeting PX production to over 8 million tons.	Optimize product structure and increase chemical product ratio

	5. Upgrading and diversifying ethylene cracking raw materials to achieve high yields and improved profitability.			
Research and practice of energy-saving and carbon reduction technology	<ol style="list-style-type: none"> <li>1. Optimize and adjust process routes (including new construction or capacity expansion) to achieve energy conservation and carbon reduction through technical modifications and measures.</li> <li>2. Establish a sound energy management organization, develop management systems, rationally organize production, and strengthen measurement management.</li> <li>3. Analyze and evaluate plant energy efficiency levels from multiple dimensions including process flow, equipment/ facility technical modifications, and operational optimization to identify energy conservation and carbon reduction opportunities.</li> </ol>	The project has been implemented	<ol style="list-style-type: none"> <li>1) Achieve the 2024 compliance target for energy consumption across all refining plants in 2024</li> <li>2) Maintain comprehensive energy consumption below 138kgoe/t in 2024.</li> <li>3) Achieve an operational rate of over 80% for energy-saving equipment.</li> <li>4) Ensure valley electricity usage time exceeds 85% for off-peak power consumption equipment across all operating departments.</li> <li>5) Control the total flare emission volume within 45,000 Nm<sup>3</sup>/h.</li> </ol>	Reduce carbon emissions and achieve green transformation
Research on long-term operation of C2 hydrogenation reactor in ethylene plant #3	<ol style="list-style-type: none"> <li>1. Optimize cracking furnace operation to stabilize CO and acetylene content in the C2 hydrogenation reactor raw materials;</li> <li>2. Adjust reactor inlet temperature to optimize acetylene selectivity;</li> <li>3. Optimize reactor operation to ensure qualified acetylene indicators at the outlet.</li> </ol>	The project has been implemented	<ol style="list-style-type: none"> <li>1. Ensure long-term high-load operation of ethylene plant;</li> <li>2. Maintain stable operation with C2 hydrogenation inlet flow rate below 530 t/h;</li> <li>3. Control acetylene content at C2 hydrogenation outlet ≤0.5 ppm</li> </ol>	Extend catalyst life and stabilize production
Research on non-methane total hydrocarbon (NMTH) control technology for #1 ethylene glycol thermal oxidizer:	<ol style="list-style-type: none"> <li>1. Increase residence time and contact area by adding an additional catalyst layer to enhance NMTH removal efficiency;</li> <li>2. Install gas distribution devices at reactor inlet to ensure effective treatment of high-concentration NMTH under low-load conditions, so as to meet environmental emission standards.</li> </ol>	Ongoing	1. Maintain NMTH content <15 mg/kg	Reduce pollutant emissions and enhance environmental performance
Technical research on achieving standard-compliant wastewater discharge during shutdown overhaul of refining & aromatics unit	For the first batch of 13 overhauled plants, the Refining & Aromatics Division implements technical breakthroughs, optimized plans, and detailed operations to reduce wastewater generation at source, organizes all overhaul plants for controlled discharge of wastewater which ensures manageable outflow volume and compliance with discharge standards, lowers treatment costs, maintains	The project has been implemented	High-pressure steam: RMB 138.6/ton. Low-pressure steam: RMB 104/ton. Wastewater treatment cost: RMB 4.81/ton.	Reduce pollution & meet environmental standards

	safe low-level operation of all wastewater storage tanks, an enables stable and efficient wastewater plant performance, thus contributing to the company's efforts to meet the standards and achieve production in 2024.			
Corrosion study and mitigation in methanol-water separation tower & ammonia wash tower	1. Analyze corrosion-prone points in low-temperature methanol wash systems and proposed actionable solutions. 2. Implement modifications to stabilize pH at 7 in methanol-water separation tower and ammonia wash tower, and reduce equipment corrosion	Ongoing	Maintain wastewater pH between 7-8 from both methanol-water separation tower and ammonia wash tower	Extend equipment service life and reduced maintenance costs
Bottleneck study and optimization of waste caustic incineration unit in POSM plant	A comprehensive operational analysis is conducted on the waste caustic incineration unit, with primary research focused on: thinning of refractory bricks at the incinerator base, reduction in lining thickness of the waste heat boiler (WHB), potential brick damage risks, first-pass bottom blockages caused by the WHB, suboptimal structural design of impulse wave soot blowers, operational failures of the propane gas system in soot blowers, ineffective foam zone formation in the circulating slurry of the scrubber resulting in poor absorption performance, severe mist entrainment at the foam zone outlet, inadequate baffle performance in the washing tower with significant mist carryover, and excessive vibration levels due to fouling accumulation on the induced draft fan impeller. Targeted optimization measures are proposed to address the identified issues.	Ongoing	1. Guarantee compliance with flue gas emission standards. Total particulates <10mg/m <sup>3</sup> (GB 18484-2020), NOx <80mg/m <sup>3</sup> (GB 18484-2020, normalized to 11% dry oxygen basis); 2. Maintain combustion capacity at 7.4t/h to meet the operation requirements of main plant.	Successfully resolved processing bottlenecks and enhance environmental protection efficiency
Research on overhead gas recovery scheme for #3 slurry-bed vacuum tower	This project implementation involves pressurizing the overhead gas from the #3 slurry-bed vacuum tower to 0.05MPa by using the vacuum extraction system, followed by integration into the rich gas compressor system for energy recovery purposes.	The project has been implemented	1. After the normal commissioning of the #3 slurry-bed vacuum system, the overhead gas pressure can be properly integrated into the rich gas compressor. 2. If #3 slurry-bed overhead gas integrated into the rich gas compressor operates properly, plans will be made to optimize the process flow of overhead gas from #1 and #2 slurry-bed vacuum towers, similarly redirecting them to the rich gas compressor.	Recover gas resources to achieve energy conservation and consumption reduction
Research on efficient processing of high-sulfur waxy residue	1. Adjust the structure of #2 waxy oil catalytic raw material and replace catalysts to reduce isobutane content in LPG and increase olefin content in stabilized gasoline.	The project has been implemented	1. LPG isobutane content in #2 catalytic plant is ≤23%, and stabilized gasoline olefin content is ≥16%. 2. Carbon residue in fourth-sidecut oil from three slurry-	Improve processing efficiency and reduce sulfur content

	2. Optimize waxy oil hydrotreating raw materials by adding transfer process for #2 atmospheric-vacuum unit's third-sidecut and fourth-sidecut waxy oils, enabling third-sidecut to exclusively supply #2 catalytic unit while fourth-sidecut feeds the coker for processing. 3. Optimize operations of three slurry-bed vacuum towers to increase plant capacity, improve sidecut product quality, and achieve long-term stable operation of plant.		bed hydrotreating plants is $\leq 3\%$ C7 insolubles in fourth-sidecut oil from three slurry-bed hydrotreating plants is $\leq 3000\text{ppm}$ 3. Heavy naphtha yield in two waxy oil hydrocracking plants is $\geq 160\text{t/h}$ , and conversion rate is $\geq 85\%$ .	
Research on characterization and recovery technology of non-methane total hydrocarbons (NMTH) in catalytic oxidizer of POSM plant	1. Analysis of pollution sources and causes of NMTH OOT; 2. Modification plan for catalytic oxidizer.	Ongoing	1. Achieve NMTH emission standards: $\text{NMHC} < 60\text{mg/m}^3$ , $\text{NOx} < 50\text{mg/m}^3$ , $\text{SO}_2 < 5\text{mg/m}^3$ ; 2. Achieve hourly electricity savings of 800kW.	Optimize waste gas treatment to realize resource recovery
Development of new HP648ET thin-wall injection molding material for #3/#4 polypropylene plant	1. Develop specialized HP648ET material meeting technical specifications for thin-wall injection molding; 2. Explore high-melt production control parameters for Spherizone process and impact of ethylene on polymerization reaction to ensure stable production of plant, establish extruder control parameters and gradually standardize process parameters; 3. Monitor downstream customer usage and adjust production parameters accordingly; 4. Achieve stable mass production.	The project has been implemented	Establish HP648ET production protocol.	Develop lightweight materials to expand application fields
Research and application of boiler-turbine coordinated automation	1. Achieve automatic combustion air distribution control according to boiler load, pressure, temperature and other parameters; 2. Simulate combustion adjustment modes under various boiler operating conditions for different coal qualities, and input into DCS system to establish automatic combustion control; 3. Optimize main steam pressure control and adjustable extraction steam pressure control logic for steam turbine and meet stable steam supply requirements; 4. Implement steam pipeline network parameter	As the final version of APC (Advanced Process Control) technical agreement is still under corporate-level review	1. Reduce high-frequency boiler operations by 50%; 2. Decrease flue gas temperature and oxygen deviations at furnace outlet; 3. Reduce carbon content in boiler fly ash; 4. Maintain pressure fluctuations of all steam supply grades $< 0.05\text{MPa}$ ; 5. Achieve disturbance alarm and automatic regulation functions for steam pipeline network.	Enhance automation level and optimize energy management

	fluctuation warning, adjustment strategy recommendation, and automatic regulation.	with no progress made currently, and subsequent work cannot proceed temporarily, resulting in delayed completion of the research project, an extension has been applied for.		
Development of high-stiffness HP840N new product for #3/#4 polypropylene plant	<ol style="list-style-type: none"> <li>1. Develop specialized high-stiffness polypropylene material HP840N meeting technical specifications.</li> <li>2. Conduct technical exchanges with nucleating agent suppliers to confirm agent type and compound formulation through laboratory evaluation.</li> <li>3. Monitor downstream customer usage and adjust production parameters accordingly.</li> <li>4. Achieve stable mass production.</li> </ol>	The project has been implemented	<ol style="list-style-type: none"> <li>1. Melt flow index range: 10-13g/10min;</li> <li>2. Flexural modulus <math>\geq 1800\text{MPa}</math>;</li> <li>3. Charpy notched impact strength (at 23°C) <math>\geq 3\text{kJ/m}^2</math>;</li> <li>4. Estimated added profit per ton: RMB 50-200</li> </ol>	Develop high-performance products and enhance market competitiveness
Combustion optimization research for afterburner system	<ol style="list-style-type: none"> <li>1. Resolve afterburner vibration issues</li> <li>2. Optimize afterburner logic to enable single-burner operation with load adjustment capability</li> <li>3. Analyze and troubleshoot flame detector failure causes, then implement corrective measures</li> </ol>	The project has been implemented	<ol style="list-style-type: none"> <li>1. Achieve stable single-burner operation with adjustable load in afterburner system</li> </ol>	Improve combustion efficiency and reduce fuel consumption
Industrial research on multi-scale solution for salt-containing wastewater in catalytic PTU plant	<ol style="list-style-type: none"> <li>1. Analyze and evaluate environmental emission bottleneck issues in the PTU removal system of catalytic plant;</li> <li>2. Develop feasible optimization technical solutions;</li> <li>3. Implement optimized technical solutions and conduct system operational research and analysis to obtain optimal process parameters.</li> </ol>	The project has been implemented	Under the premise of maintaining regenerated flue gas $\text{SO}_2 \leq 3000\text{mg/Nm}^3$ , it uses multi-scale technology to achieve uniform gas-liquid mixing, increase wastewater-oxygen contact time, and complete the COD removal process through aeration oxidation. The treated saline wastewater achieves $\text{COD} \leq 50\text{mg/L}$ , meeting environmental discharge requirements and resolving COD OOT issues in discharged saline wastewater.	Reduce wastewater discharge and enhance environmental standards

<p>Technical research on improving separation accuracy of light/heavy naphtha in atmospheric tower</p>	<p>This research project leverages the acidic wastewater treatment project, based on the “Process Method and Plant for Resource Recovery and Purification Utilization of Sodium Salt-containing Organic Wastewater Incinerator Ash” technology, and through pilot and industrial-scale tests applying ash from the 260 kt/year acrylonitrile plant to neutralize acidic water in the SAR plant, to develop an ash resource utilization process. This process not only replaces partial chemicals in acidic wastewater treatment but also serves as alkali supplementation in biochemical treatment processes, achieving comprehensive ash utilization, providing retrofit basis for resolving ash disposal issues in ZPC Phase I and II projects while reducing wastewater treatment costs.</p>	<p>The project has been implemented</p>	<ol style="list-style-type: none"> <li>1. Cracking process of waste acid and removal of impurities in flue gas;</li> <li>2. Conversion of high-concentration SO<sub>2</sub>, plant heat balance, and factory-wide concentrated sulfuric acid balance.</li> </ol>	<p>Resolved the challenge of ash disposal and reduce hazardous waste storage risks</p>
<p>Research on operation quality improvement of alkylation plant</p>	<p>Enhance reactor packing throughput by alkylation reactor caustic washing and thus reduce packing pressure drop.</p>	<p>The project has been implemented</p>	<p>Reduce packing pressure drop in alkylation plant.</p>	<p>Optimize plant performance and enhance product quality</p>
<p>Research on optimizing overhead water injection process and reducing corrosion rate in overhead vapor lines of #1 atmospheric-vacuum plant</p>	<p>Through process optimization, eliminate primary overhead cut water pumps P-0121A/B, first-stage atmospheric overhead cut water pumps P-0122A/B, and second-stage atmospheric overhead cut water pumps P-0123A/B, add primary atmospheric overhead drainage drum V-0105 and primary atmospheric overhead drainage pumps P-0121A/B, collect the primary atmospheric overhead cut water first in the drainage drum, then pump it out by drainage pumps - with part recycled back to the tower top as injection water for recycle and the other cooled and sent off-plant.</p>	<p>The project has been implemented</p>	<p>Reduce the number of cut water pumps from 6 to 2, simplifying equipment management while saving 200,000 kWh electricity annually (about RMB 120,000). Reduce the sulfur-containing wastewater discharge by 15t/h, with the annual energy cost savings of RMB 3.281 million in sulfur recovery plant.</p>	<p>Reduce equipment corrosion and extend service life</p>
<p>Research on using propylene as modifier in #1 LDPE plant</p>	<ol style="list-style-type: none"> <li>1. Research on propylene blending ratio;</li> <li>2. Research on propylene’s impact on product quality;</li> <li>3. Research on propylene’s impact on production yield.</li> </ol>	<p>The project has been implemented</p>	<ol style="list-style-type: none"> <li>1. Reduce density by propylene blending;</li> <li>2. Mitigate reactor fouling and increase output;</li> <li>3. Lower catalyst costs;</li> <li>4. Maintain production during propanal supply interruptions;</li> <li>5. Facilitate transition to 2220H grade production.</li> </ol>	<p>Optimize modifier formulation to reduce raw material costs</p>

<p>Development of new fiber grade product GF7750M2 in #2 HDPE plant</p>	<p>1. Transition from 23050 to GF7750M2 Production. Shift from three-reactor series configuration to two-reactor parallel operation by addition and replacement. 2. Analysis of gostalen low-pressure slurry process polyethylene fiber-grade product structural property to establish target product specifications and core key indexes. Develop production protocol, optimize polymerization conditions, including optimization research on temperature/pressure, butene/ethylene ratio, to obtain consistent MI/density base resin. 3. Optimize the extrusion and pelletization process conditions to stabilize the product quality. 4. Research on product performance evaluation and processing application, market tracking service; 5. Problem feedback and protocol optimization.</p>	<p>The project has been implemented</p>	<p>1. R&amp;D report; 2. Industrial trial report; 3. Expand PE product portfolio to capture its market share, achieving ZPC's product diversification and enhancing its competitiveness.</p>	<p>Expand product line to strengthen market competitiveness</p>
<p>Development of new metallocene-based DZDZm-3606 in #2 FDPE plant</p>	<p>1. Transition from DFDA7042 to DZDZm-3606 via reactor bed changeover, with special additive replaced; 2. Analyze UNIPOL low-pressure gas-phase PE metallocene pipe material DZDZm-3606 structural property and define the index range and core key indexes of the target product; 3. Additive system research. Research on synergistic effects of multi-component functional agents (thermal-stable antioxidants, molecular lubricants, processing rheology modifiers) to ensure superior processability; 4. Adjust extrusion and pelletizing parameters to reduce shear heat and maintain whiteness; 5. Research on product performance evaluation and processing application, market tracking service; 6. Problem feedback and protocol optimization.</p>	<p>The project has been implemented</p>	<p>1. R&amp;D report; 2. Industrial trial summary; 3. Meet the requirements for producing high-end polyethylene products, capture the metallocene polyethylene market share, achieve premiumization and diversification of polyethylene products, and enhance market competitiveness.</p>	<p>Develop high-end products to dominate niche markets</p>
<p>Research on comprehensive pelletizing system modification for #2 polycarbonate plant</p>	<p>1. Achieve nozzle integration by eliminating pelletizer spray head nozzle seats and directly installing spray heads on pipelines. 2. Improve infrared inspection system stability by adding new infrared monitoring system to pelletizers. 3. Reduce pelletizer vapor by installing new exhaust fans. 4. Upgrade the pellet cooling water filtration system to vibrating filtration for return water.</p>	<p>Purchasing</p>	<p>1. After stabilizing the pelletizing system, based on increasing the average annual load from 80% to 90% (excluding reduced head materials and nonconforming materials for now), annual PC production can increase by 20.8 kt. At a profit of RMB 1,500/ton, it generates additional annual benefits of <math>20.8 \times 1,500 = \text{RMB } 31.2</math> million; 2. Filter cloth savings can amount to <math>\text{RMB } 0.68\text{k/roll} \times 35 \text{ rolls/month} \times 12 \text{ months} = \text{RMB } 290\text{k}</math> annually. Total</p>	<p>Improve pellet quality and enhance product consistency</p>

	<p>5. Install new steam control valves for pelletizer water systems.</p> <p>6. Add control valves for overflow water, spray water, and conveying water return lines.</p> <p>7. Expand overflow water flowmeter range and convert spray water flowmeters to remote transmission.</p>		annual benefits: RMB 31.49 million.	
<p>Technical research optimization for turbine flowmeters in PX plant adsorption tower pumping system</p>	<p>1. Currently, there are exclusive spare part procurements both domestically and globally with no precedents for control and program optimization.</p> <p>2. Modify and configure black-box system configuration, revise the signals of different types from both turbine and Venturi flowmeters, add 2 control points as turbine flowmeter alternatives, and switch between the newly added flowmeter and the turbine flowmeter.</p> <p>3. Utilize high-precision onsite Venturi flowmeters to add transmitter standard signals and replace original turbine flowmeter frequency signals for control.</p>	<p>The project has been implemented</p>	<p>1. Ensure long-term safe and stable operation of the plant, maintain operational capacity, and prevent load reduction or nonconforming products caused by flowmeters.</p> <p>2. Save the spare part cost approximately by RMB 5 million per year.</p>	<p>Enhance flow control accuracy and stabilize production</p>
<p>Development and quality improvement of G2010 new product in polycarbonate plant</p>	<p>1. Adjust catalyst formulation to optimize reaction process and improve product quality. Conduct technical exchanges with industry peers and optimize the innovative catalyst formulation system.</p> <p>2. Implement devolatilization system in polycarbonate extruder to remove residual phenol and by-products from the melt, and remove the residual low-molecular-weight oligomers of polycarbonate. However, design flaws cause oligomers to condense and clog pipelines in vacuum condensate tanks. Onsite modifications have reduced oligomer outflow and improved devolatilization efficiency at the devolatilization outlet.</p> <p>3. Most industry additive systems are pure powder systems, commonly suffering from inconsistent injection. Modifications to the additive feeding pipeline have eliminated powder additive bridging risks and unstable injection, ensuring smooth operation of additive system.</p>	<p>Ongoing</p>	<p>1. Summarize and complete the transition plan for new product production;</p> <p>2. Meet the usage requirements of downstream customers.</p>	<p>Develop high-performance products and enhance market competitiveness</p>
<p>Development of theoretical air-fuel ratio</p>	<p>This project achieves precise control of the heating furnace air supply system by rapidly detecting CO in flue</p>	<p>Ongoing</p>	<p>F2401 furnace oxygen content %vol <math>\leq 1.5\%</math></p>	<p>Save energy and reduce consumption</p>

combustion optimization technology for heating furnaces	gas and converting the results into real-time control signals to adjust the frequency of the fan motor of heating furnace, thus achieving accurate control of the air supply system of the heating furnace.			to improve corporate economic efficiency.
Optimization research and application of Watlow heaters for propane dehydrogenation reactor #2 buffer tank	After 10kV capacitor bank activation, harmonic currents reach 30% or higher. Analysis confirms various issues correlate with excessive harmonics, and the solution involves installing active power filters on the power supply side to resolve harmonic-related problems and ensure continuous production of the enterprise.	The project has been implemented	Ensure stable heater operation and reduce plant production fluctuations caused by heating system issues. Meet the petrochemical enterprise's requirements for continuous production; Enable the capacitor compensation plant operation to improve grid power factor and reduce energy waste.	Ensure the stable production of the plant.
Optimization of oil vapor recovery from slurry bed high-temperature residue tanks	In this project, the inlet temperature of tail gas is between 200-250°C, combined with the physical properties of wax oil and the matching calculation of air volume, the appropriate treatment technology, namely primary condensation + demisting recovery process, is adopted to meet the requirements of this design, considering wind speed, energy consumption and equipment cost, and to achieve an optimal efficiency.	The project has been implemented	1. Emission standards: Recovery efficiency $\geq 97\%$ ; Control condenser outlet temperature at approximately 55°C. 2. The overall service life of oil vapor pretreatment facilities shall be no less than 20 years, with that of vulnerable parts of at least 4 years.	Reduce energy waste and achieve resource recycling
Development of corrosion reduction technology for PSA vacuum pump outlet pipelines	This project installs an acid-base neutralizer injection equipment at the pre-adsorption vacuum system inlet to adjust the acidic environment in the vacuum pump chamber to near-neutral conditions, thereby reducing corrosion rate of vacuum pump.	Ongoing	Adjust the acidic environment in pre-adsorption vacuum pump chamber to near-neutral conditions.	Reduce equipment corrosion, extend service life, and indirectly create economic benefits.
Optimization research of slurry bed naphtha processing routes	1# naphtha hydroprocessing plant processes all heavy naphtha from three slurry beds, while 2# naphtha hydroprocessing plant blends slurry bed heavy naphtha.	The project has been implemented	1# Naphtha Hydroprocessing plant processes naphtha from slurry beds #1, #2, and #3 (about 85 t/h), and the nitrogen content in refined naphtha product is $< 0.5 \mu\text{g/g}$ . 2# naphtha hydroprocessing plant blends 10%-15% slurry bed heavy naphtha in raw materials and controls nitrogen content in refined naphtha product $< 0.5 \mu\text{g/g}$ .	Optimize processing routes and enhance product value
Development of tray technology for high liquid-gas ratio & large liquid load conditions	Based on the raffinate tower's feed volume and operating conditions, this project develops a novel tray combining sieve and valve tray characteristics through optimizing the tray structure to adapt to high liquid-gas ratios and large liquid loads while maintaining specified overhead/bottom product quality and original tower heat load.	Ongoing	Improve separation precision without altering operating conditions.	Enhance tower product quality.

Development of naphtha combined processing technology	Enable the pre-hydrotreating plant to process coker naphtha.	Project completed	Nitrogen content $\leq 2$ mg/t Sulfur content $\leq 30$ mg/t	Improve corporate economic efficiency.
Research on application of new denitration catalyst in cracking furnace	(1) Search for advanced catalysts at home and abroad, and select the catalyst that is more suitable for ZPC cracking furnaces. (2) Optimize the monitoring means of the supporting denitration system to ensure more accurate monitoring data. (3) Explore the technical characteristics of new catalysts and optimize the process operation.	The project has been implemented	Ammonia consumption is reduced by 10%.	Improve the environmental protection level of the enterprise and improve the corporate image.
Research on corrosion & mitigation in atmospheric environment for composite air coolers	1. Corrosion mechanism in coastal salt-spray atmospheric environments; 2. Research on measures against atmospheric corrosion for composite air coolers.	Ongoing	Significantly reduce corrosion-induced leaks in refinery plant composite air coolers, and maintain dynamic corrosion control.	Reduce equipment wear and maintenance costs
Development and application of a new reactor cold hydrogen distribution tray for hydro-upgrading plant	This project aims to upgrade the hydro-upgrading reactors by developing a new high-efficiency cold hydrogen distribution tray to improve fluid distribution inside the reactor, reduce the reaction flow maldistribution, and prevent localized hot spots that may cause reactor "temperature runaway".	Ongoing	After implementing the new high-efficiency cold hydrogen distribution tray, the average radial temperature difference (T) at the catalyst bed outlet shall meet the specification: $T_{max} \leq 5^{\circ}\text{C}$ .	Ensure safe, long-term and stable operation of the plant.
Projects under RMB 40 million (188 in total)				

**R&D personnel of the Company**

Items	2024	2023	Change
Number of R&D personnel	3,842	3,659	5.00%
Proportion of R&D personnel	20.14%	19.07%	1.07%
<b>Educational structure of R&amp;D personnel</b>			
Bachelor's Degree	1,986	1,770	12.20%
Master's Degree	96	106	-9.43%
Doctor's Degree	5	6	-16.67%
Below Bachelor's degree	1,755	1,777	-1.24%
<b>Composition of R&amp;D personnel by ages</b>			
30 years old and below	408	477	-14.47%
30 to 40 years old	2,285	2,197	4.01%
Above 40 years old	1,149	985	16.65%

**R&D investment of the Company**

Items	2024	2023	Change
R&D investment (RMB)	5,101,483,285.60	6,555,282,352.50	-22.18%
Proportion of R&D investment in operating revenue	1.56%	2.02%	-0.46%
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

Items	2024	2023	Year-on-year increase (decrease)
Subtotal of cash inflows from operating activities	384,219,250,887.30	443,339,037,616.94	-13.34%
Subtotal of cash outflows from operating activities	349,610,124,282.42	415,259,816,108.21	-15.81%
Net cash flows from operating activities	34,609,126,604.88	28,079,221,508.73	23.26%
Subtotal of cash inflows from investment activities	3,993,648,376.29	3,750,853,990.57	6.47%
Subtotal of cash outflows from investment activities	35,249,529,611.29	36,038,087,908.11	-2.19%
Net cash flows from investment activities	-31,255,881,235.00	-32,287,233,917.54	3.19%

Subtotal of cash inflows from financing activities	149,236,865,336.65	159,295,018,590.84	-6.31%
Subtotal of cash outflows from financing activities	150,925,150,107.33	158,092,248,128.26	-4.53%
Net cash flows from financing activities	-1,688,284,770.68	1,202,770,462.58	-240.37%
Net increase in cash and cash equivalents	1,456,977,237.93	-3,972,424,706.25	136.68%

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

Applicable  Not applicable

The net cash flow from the Company's financing activities this year was RMB -1.688 billion, with a decrease of approximately RMB 2.891 billion compared to the previous year, mainly due to dividend distributions to minority shareholders by subsidiaries.

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

Items	Amount	Proportion to total profit	Cause description	Whether it is sustainable
Investment income	163,033,295.85	8.55%	Mainly investment income from joint ventures of the Company	No
Profit (loss) from fair value change	120,298,131.43	6.31%	Mainly due to changes in the fair value of foreign exchange derivative instruments	No
Asset impairment	-163,827,403.04	-8.60%	Mainly the write off of inventory provision for impairment	No
Non-operating revenue	10,470,949.91	0.55%	Mainly due to compensation income	No
Non-operating expenses	109,027,148.89	5.72%	Mainly due to compensation	No
Income from asset disposal	17,440,176.91	0.92%	Mainly due to the disposal of non-current assets	No
Other income	2,871,905,081.83	150.70%	Mainly due to VAT additional deduction policy for advanced manufacturing enterprises	Yes
Credit impairment loss	-189,106,251.69	-9.92%	Mainly due to the provision for bad debts of accounts receivable	No

## VI. Analysis of assets and liabilities

### 1. Significant changes in asset composition

Unit: RMB

	At the end of 2024	At the beginning of 2024	Increase
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Items	Amount	Proportion in total assets	Amount	Proportion in total assets	(decrease) of proportion
Cash and bank balances	14,833,384,920.45	3.93%	13,070,255,466.02	3.49%	0.44%
Accounts receivable	6,821,971,706.36	1.81%	4,737,733,703.66	1.26%	0.55%
Contract assets					
Inventories	44,566,934,616.59	11.80%	61,733,657,342.07	16.47%	-4.67%
Investment property	10,124,128.60	0.00%	10,395,574.60	0.00%	0.00%
Long-term equity investments	9,516,636,321.17	2.52%	9,183,711,444.96	2.45%	0.07%
Fixed assets	232,497,113,015.70	61.53%	219,699,679,397.52	58.60%	2.93%
Construction in progress	44,036,132,096.28	11.65%	41,820,671,070.59	11.15%	0.50%
Right-of-use assets	176,237,821.55	0.05%	200,102,141.16	0.05%	-0.00%
Short-term borrowings	44,090,969,803.23	11.67%	44,810,936,767.94	11.95%	-0.28%
Contract liabilities	5,995,580,462.05	1.59%	4,421,732,432.83	1.18%	0.41%
Long-term borrowings	119,518,340,862.41	31.63%	125,179,583,821.18	33.39%	-1.76%
Lease liabilities	171,624,458.34	0.05%	193,002,312.38	0.05%	-0.00%
Non-current liabilities due within one year	38,322,495,216.94	10.14%	30,286,684,174.81	8.08%	2.06%

Overseas assets account for a relatively high proportion

Applicable  Not applicable

## 2. Assets and liabilities measured at fair value

Applicable  Not applicable

Unit: RMB

Items	Opening balance	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	Closing balance
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)								
2.	310,087,42							475,766,68

Derivative financial assets	9.45							5.17
Total financial assets	310,087,429.45							475,766,685.17
Financial liabilities	623,298,741.33							1,303,911,939.76

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

Items	Carrying amount at the end of 2024 (RMB)	Reasons for restrictions
Cash and bank balances	1,889,552,585.00	Deposits for letters of credit, bank acceptance, deposits for lease of silver, letters of guarantee and borrowings
Receivables financing	57,470,000.00	Pledged for bank acceptance
Fixed assets	254,645,778,826.31	Mortgaged for borrowings and letters of credit
Construction in progress	29,474,930,368.68	Mortgaged for borrowings and letters of credit
Intangible assets	6,229,413,556.02	Mortgaged for borrowings and letters of credit
Total	292,297,145,336.01	

## VII. Analysis of investment

### 1. Overall situation

Applicable  Not applicable

Investment amount in the reporting period (RMB)	Investment amount in the same period of last year (RMB)	Variations
9,516,636,321.17	9,183,711,444.96	3.63%

### 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) Derivatives investment for hedging purposes during the reporting period.

 Applicable  Not applicable

Unit: RMB 10,000

Derivatives investment type	Initial investment amount	Opening balance	Profit and loss from changes in fair value for the period	Accumulated fair value changes recognized in equity	Purchase amount in the reporting period	Sales amount in the reporting period	Closing balance	Proportion of investment amount at the end of the period in the net assets at the end of the reporting period
Forward foreign exchange contract		20,863.07	26,376.71				42,018.03	0.96%
Paper futures contract		2,193.43	2,093.10				2,093.10	0.05%
Total		23,056.50	28,469.81				44,111.13	1.01%
Accounting policies and specific principles of accounting for hedging operations during the reporting period, and explanation of whether there is any significant change compared with the previous reporting period	No							
Explanation of the actual profit and loss situation in the reporting period	The Company's actual gain or loss in the reporting period is RMB 215.8744 million.							
Explanation of hedging effect	Not applicable							
Source of funds for derivatives investment	Owned fund							
Explanation of risk analysis and control measures for derivative holding in the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p><b>(I) Risk analysis of futures hedging operations</b></p> <p>1.Risk of abnormal price fluctuations: In theory, futures and spot market prices for all traded products shall converge during the delivery period. However, in rare irrational market scenarios, futures and spot price discrepancies may persist through delivery period, potentially impacting the Company's hedging proposals and even causing losses.</p> <p>2.Liquidity risk: Futures trading, if the amount invested is too large, may result in liquidity risk, or even actual losses due to the forced liquidation because of the inability to replenish margin in a timely manner. Futures trading may pose liquidity risk due to inactive trading, which makes it difficult to transact business.</p> <p>3.Operational risk: Due to the specialized nature and complexity of futures trading, there is a potential for unexpected losses due to deficiencies in information systems or internal controls.</p> <p>4.Credit risk: In the event of significant price fluctuations unfavorable to the counterparty, the</p>							

counterparty may violate the relevant provisions of the contract and terminate the contract, resulting in a loss to the Company.

5. Legal risk: Changes in the relevant legal system or violation of the relevant legal system by the counterparty may cause the contract to be unable to be properly executed and result in losses to the Company.

**(II) Risk control measures to be taken by the Company for the futures hedging business**

1. Align futures hedging activities strictly with its operational needs to hedge the risk of price fluctuation. The Company's futures hedging activities are limited to the futures varieties related to the raw materials or products required for the Company's operations.

2. Strictly control the scale of hedging funds, and rationalize the planning and use of margins. The Company establishes principles for the design of hedging plans and provides for specific approval authority for hedging plans. The Company's hedging business is only for the purpose of avoiding commodity price risk, and does not involve speculative and arbitrage transactions. The varieties of hedging business are limited to the raw materials and products required by the Company, of which the quantity of hedging cannot exceed the volume of actual spot transactions, and the open interest cannot exceed the spot quantity required for hedging purposes.

3. In accordance with the relevant provisions of the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, the Company established Commodity Futures Hedging Management System to manage its futures business, which can minimize operational risks caused by imperfect systems and inappropriate work procedures.

4. Establish computer systems and related facilities that meet the requirements to ensure that transactions are carried out properly. When a failure occurs, take timely action to minimize losses.

**(III) Risk analysis of foreign exchange derivatives trading business**

1. Market risk: In the event that the trend of the exchange rate or interest rate market deviates significantly from the Company's expectations, the Company's cost expenditure after locking in the exchange rate or interest rate cost may exceed the cost expenditure without locking in, which may cause potential losses.

2. Internal control risk: The foreign exchange derivatives trading business is highly specialized and complex, which may result in risks due to inadequate internal control systems.

3. Risk of default by customers or suppliers: The occurrence of overdue accounts receivable from customers, the inability of goods to be collected within the estimated payback period, or the delay in payment to suppliers will affect the Company's cash flow, which may cause a failure to fully match the actual cash flow incurred with the duration or amount of the foreign exchange derivatives business that has been operated.

Payback prediction risk: The Company usually makes payment and payback prediction based on purchase orders, customer orders and predicted orders. However, in the process of actual execution, suppliers or customers may adjust their own orders and prediction, resulting in inaccurate payback prediction by the Company, which leads to the risk of delayed settlement of foreign exchange derivatives that have been operated.

4. Legal risk: Changes in the relevant laws or violation of the relevant legal system by the counterparty may cause the contract to be unable to be properly executed and result in losses to the Company.

**(IV) Risk control measures to be taken by the Company for foreign exchange derivatives trading business**

1. The Company shall have formulated the Foreign Exchange Derivatives Trading Management System, and specified no foreign exchange derivatives trading solely for speculative purposes. All such trading must be based on normal production and operational needs, supported by specific business activities, and aimed at hedging against and preventing exchange rate or interest risks. The system makes clear provisions on the operating principles of the Company's business, approval authority, internal review process, responsible departments and responsible persons, information segregation measures, internal risk reporting system and risk handling procedures, etc. The system complies with the relevant requirements of the regulatory authorities, meets the needs of actual operation, and the risk control measures formulated are effective and efficient.

2. The Treasury Department and the Audit Department of the Company, as the relevant responsible departments, have clear management positioning and responsibilities, and responsibilities are assigned to the specific person, through hierarchical management, fundamentally eliminating the risk of single person or separate department operation, and effectively controlling the risk under the premise of improving the speed of response to the risk.

3. The Company conducts foreign exchange derivatives trading business with large commercial banks having legal qualifications, and closely follows the laws and regulations in the relevant fields to avoid any legal risks that may arise.

Changes in the market	The Company values its hedging investments at a fair value. Forward foreign exchange is basically
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price or product fair value of invested derivatives during the reporting period, where the analysis of the fair value of derivatives should disclose the specific methodology used and the setting of relevant assumptions and parameters	determined in accordance with the prices provided or obtained by banks and other pricing services, etc., and the Company performs fair value measurement and recognition on a monthly basis; the trading price of futures is the fair price.
Involvement in lawsuits (if any)	None
Announcement disclosure date of the board of directors for derivatives investment approval (if any)	April 24, 2024
Announcement disclosure date of the shareholders' meeting for derivatives investment approval (if any)	May 24, 2024

## 2) Derivative investment for speculative purposes during the reporting period

Applicable  Not applicable

The Company has no derivatives investment for speculative purposes during the reporting period.

## 5. Use of the raised funds

Applicable  Not applicable

The Company did not use the raised funds 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

## IX. Analysis of Main Holding and Joint-stock Companies

Applicable  Not applicable

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

Unit: RMB 10,000

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
ZPC	Subsidiary	Production, sales,	RMB55,80	29,430,103	9,491,433.	26,174,788	391,213.78	354,248.01

	ry	storage and transportation of petroleum products, etc.	0,000,000	.72	77	.32		
Zhongjin Petrochemical	Subsidiary	Production and sales of chemical products and petroleum products	RMB6,000,000,000	2,666,916.15	562,108.98	1,832,892.27	147,884.74	-124,943.88
Yisheng Investment	Subsidiary	Project investment, domestic trade, import and export of goods	RMB 2,018,000,000	1,767,728.83	752,822.45	3,181,974.27	-20,857.50	-15,349.59
Yisheng Dahua	Subsidiary	Production and sales of PTA and polyester bottle chips	RMB2,456,450,000	1,598,396.95	583,664.10	3,181,974.27	-28,527.89	-23,005.95
Yisheng New Materials	Subsidiary	Production and sales of PTA	RMB3,000,000,000	1,073,486.64	178,321.63	3,226,652.45	-71,059.70	-51,046.53
Zhejiang Yisheng	Joint-stock company	Production and sales of PTA and PIA	USD 5,144,471,000	2,074,990.51	919,212.85	1,524,658.32	22,719.39	21,458.79
Hainan Yisheng	Joint-stock company	Production and sales of PTA and polyester bottle chips	RMB4,580,000,000	1,971,626.16	687,123.74	3,213,406.32	15,888.57	14,380.19
Shengyuan Chemical Fiber	Subsidiary	Production and sales of polyester chips and polyester filaments	RMB2,000,000,000	820,673.49	212,372.66	293,894.32	-6,171.09	-4,795.83

**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
Taizhou ZPC Sales Co., Ltd.	New establishment	No significant impact
Zhejiang Rongyi Chemical Fiber Co., Ltd.	New establishment	No significant impact
Zhoushan ZPC Logistics Co., Ltd.	New establishment	No significant impact
Zhejiang Zhuosheng Industry & Trade Co., Ltd.	Industrial and commercial deregistration	No significant impact

**Description of major holding companies and joint-stock companies**
**(1) Zhejiang Petroleum & Chemical Co., Ltd.**

Zhejiang Petroleum & Chemical Co., Ltd. serves as the implementation entity for the Company's 40 million tons/year refining and chemical integration project. It is mainly engaged in production, sales, storage and

transportation of petroleum products, etc. With Li Shuirong as its legal representative, ZPC, a holding subsidiary of the Company, owns a registered capital of RMB 55,800 million. By the end of 2024, the company had total assets of RMB 294,301.04 million and net assets of RMB 94,914.34 million; In 2024, the company achieved an operating revenue of RMB 261,747.88 million and a net profit of RMB 3,542.48 million.

**(2) Ningbo Zhongjin Petrochemical Co., Ltd.**

Ningbo Zhongjin Petrochemical Co., Ltd. is mainly engaged in the storage of chemical products; wholesale and retail of chemical products and petroleum products (except hazardous chemicals), etc. With Li Shuirong as its legal representative, Zhongjin Petrochemical, a wholly-owned subsidiary of the Company, owns a registered capital of RMB 6,000 million. By the end of 2024, the company had total assets of RMB 26,669.16 million and net assets of RMB 5,621.09 million; In 2024, the company achieved an operating revenue of RMB 18,328.92 million and a net profit of RMB -1,249.44 million.

**(3) Dalian Yisheng Investment Co., Ltd.**

Dalian Yisheng Investment Co., Ltd. is mainly engaged in industrial investment, etc. With Li Shuirong as its legal representative, Yisheng Investment owns registered capital of RMB 2,018 million. The Company holds 70% of its equity. By the end of 2024, the company had total assets of RMB 17,677.29 million and net assets of RMB 7,528.22 million. In 2024, the company achieved an operating revenue of RMB 31,819.74 million and a net profit of RMB -153.50 million.

**(4) Yisheng Dahua Petrochemical Co., Ltd.**

Yisheng Dahua Petrochemical Co., Ltd. is mainly engaged in the production and sales of PTA, etc. With Li Shuirong as its legal representative, Yisheng Dahua Petrochemical owns a registered capital of RMB 2,456.45 million. By the end of 2024, the company had total assets of RMB 15,983.97 million and net assets of RMB 5,836.64 million. In 2024, the company achieved an operating revenue of RMB 31,819.74 million and a net profit of RMB -230.06 million.

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

Zhejiang Yisheng New Materials Co., Ltd. is mainly engaged in the production and sales of PTA, etc. The legal representative is Xu Baoyue, the registered capital is RMB 3 billion, and Ningbo Zhongjin Petrochemical Co., Ltd. holds 51% of its equity. By the end of 2024, the company had total assets of RMB 10,734.87 million and net assets of RMB 1,783.22 million; In 2024, the company achieved an operating revenue of RMB 32,266.52 million and a net profit of RMB -510.47 million.

**(6) Zhejiang Yisheng Petrochemical Co., Ltd.**

Zhejiang Yisheng Petrochemical Co., Ltd. is mainly engaged in PTA and PIA production and sales, etc. With Fang Xianshui as its legal representative, Yisheng Petrochemical owns a registered capital of USD 514,447,100. By the end of 2024, the company had total assets of RMB 20,749.91 million and net assets of RMB 9,192.13 million; In 2024, the company achieved an operating revenue of RMB 15,246.58 million and a net profit of RMB 214.59 million.

**(7) Hainan Yisheng Petrochemical Co., Ltd.**

Hainan Yisheng Petrochemical Co., Ltd. is a joint-stock subsidiary of Yisheng Investment, the Company's holding subsidiary. The Company is mainly engaged in the production and sales of PTA and polyester bottle chips, and import and export business, etc. With Fang Xianshui as its legal representative, Yisheng Petrochemical owns a registered capital of RMB 4,580 million. Yisheng Investment holds 50% of its equity. By the end of 2024, the company had total assets of RMB 19,716.26 million and net assets of RMB 6,871.24 million; In 2024, the company achieved an operating revenue of RMB 32,134.06 million and a net profit of RMB 143.80 million.

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

Zhejiang Shengyuan Chemical Fiber Co., Ltd. is the implementing body of the Company's multi-functional

fibre technical transformation project. It is mainly engaged in the production and sales of polyester chips and polyester filaments, etc. With Li Shuirong as its legal representative, Shengyuan Chemical Fiber, a wholly-owned subsidiary of the Company, owns a registered capital of RMB 2 billion. By the end of 2024, the company had total assets of RMB 8,206.73 million and net assets of RMB 2,123.73 billion; In 2024, the company achieved an operating revenue of RMB 2,938.94 million and a net profit of RMB -47.96 million.

## X. Structured Entities Controlled by the Company

Applicable  Not applicable

## XI. Prospect for the Company's Future Development

The year of 2025 marks the conclusion of the 14th Five-Year Plan and the preparatory phase for the 15th Five-Year Plan. In terms of macro-economic situation, China's economy will maintain its upward trajectory and long-term positive trend; In terms of market dynamics, the high-quality development of the petrochemical industry will accelerate, supported by the expanded implementation of domestic "dual new" policies, structural optimization within the sector, and the timely implementation of growth stabilization measures, leading to a gradual recovery and improvement in downstream market demand. Looking ahead to 2025, during this critical period of industry transformation and upgrading, we shall adapt to the industry development trends such as product high-end, cost reduction and efficiency improvement, and sustainable development, maintain strategic focus and steadfastly advance high-quality growth. Our operational priorities will concentrate on the following aspects:

### (I) Business plan

#### 1. Refined operations to achieve "high-quality" growth in both quantity and quality

Cost reduction and efficiency improvement have become vital strategies for petrochemical enterprises to strengthen core competitiveness, therefore, we must focus on the priority of profitability and synergize operations across the industrial chain. Leveraging the refining and chemical integration advantages, we will emphasize specialization, intensification, and refinement enhancements, further exploring process innovation and optimization; Through scientific planning and management optimization, we will tap energy-saving potential, improve information management methods, and achieve cost reduction and efficiency improvement from a holistic supply chain perspective to better leverage our integrated upstream-midstream-downstream advantages and continuously improve operational performance.

#### 2. Optimized layout to accelerate project construction

China's petrochemical industry has entered a new phase of modernization, diversification, and collaborative development. Growing demand for fine chemicals and the rise of strategic emerging industries present fresh opportunities for corporate growth. We will adopt forward-looking planning to fully accelerate projects like Jintang New Materials and ZPC Polyolefins, achieving efficient coordination while strengthening and complementing our industrial chain to form differentiated competitive advantages; We will intensify R&D in core technologies, focus on overcoming difficulties by domestic technologies, promote commercialization and application of technological achievements, and constantly ascend the value chain.

#### 3. Deepened cooperation to build a "new pattern" of international development

With globally leading technologies and industrial chains, our inevitable path forward is transitioning from "going global" to "ascending globally", advancing toward deeper globalization to expand incremental growth and secure long-term prospects. Aligning with development trends, we will build our brand advantages, proactively enhance our international operational capabilities and actively consolidate and expand global market. Meanwhile, we must always pay attention to the international situation and effectively prevent and mitigate risks. Through

expanded high-level international cooperation and innovative cooperation models, we will achieve resource/market complementarity and create new mutually beneficial outcomes.

#### **4. Integrated innovation to execute a “combination strategy” for digital intelligence and green energy**

As the “carbon peaking and carbon neutrality” initiative accelerates, “digital intelligence, greening and integration” constitute the essential route for cultivating new quality productive forces and achieving high-quality development. We will accelerate our sustainable development layout, actively respond to China’s “carbon peaking and carbon neutrality” policy, promote synergistic energy-saving and emission-reduction effects, and contribute to transformation and upgrading; proactively leverage new digital solutions and intelligent technologies to enhance production efficiency; achieving deep integration between information technology and business processes to build digital intelligent systems encompassing “production control, equipment management, supply chain management, safety and environmental protection”. We will activate new growth drivers and cultivate fresh competitive advantages to propel high-quality development to new heights.

### **(II) Potential risks**

#### **1. Risk of raw material price fluctuations**

As a member of the crude oil industrial chain, the Company’s main cost of production is the cost of upstream raw materials. Therefore, the fluctuation of crude oil prices will result in the price fluctuation of products in the industry chain. Our main products are aromatic hydrocarbons, chemicals and oil products, 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 our performance. Our purchasing, production and marketing team has rich experience in procurement, production, marketing, hedging, and logistics, etc. With the help of the marketing department, we will focus on market changes, adhere to the combination of strategic procurement and preferential procurement, flexibly adjust our product mix and production load according to market demand; maneuver to arrange long-term and short-term contracts, and strengthen sales management to reduce the adverse impact of raw material fluctuations.

#### **2. Risk of foreign exchange rate fluctuations**

In the future, the market-oriented reform of the exchange rate will become one of the important factors affecting investors’ asset allocation. If the USD further strengthens in the interest rate increase cycle, it may lead to greater pressure on the depreciation of the Chinese Yuan. As the Company pursues international growth, the sharp fluctuation of the currency exchange rate of foreign exchange settlement, which is dominated by the USD, will jeopardize our daily operations. While controlling financial risks, we will continue to optimize the financing structure and the financing scale of USD funds, control the cost within a reasonable range, and then reduce the adverse impact of the exchange rate.

The Company has overseas purchases and sales. As the scale of the Company’s operations continues to expand, sales and purchases denominated in foreign currencies have further increased. In addition, there are various complex factors affecting the exchange rate trend in the foreign exchange market, which are more uncertain. If the exchange rate of RMB fluctuates significantly in the future, it may affect the operating results of the Company. The Company will take into account the characteristics of its own foreign-related business, follow the principles of lawfulness, prudence, safety and effectiveness, and carry out foreign exchange derivatives trading business based on its specific operating business 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 strategy of “reducing oil and increasing chemicals” in recent years, the basic chemical raw materials and general chemical products in the downstream of refining and chemical industry are characterized by certain homogenization. With the support of the Company’s complete and refined industrial chain platform, the Company will still be at the left end of the industry cost curve in the future, thus occupying a favorable position in the market competition. On the

other hand, many products in the new materials project planned by the Company have less domestic production capacity or even rely entirely on imports, which will bring excess returns to the Company.

#### 4. Risk of project capital expenditure

Petrochemical industry is a capital-intensive industry with large investment scale and long construction period. Continued large-scale capital investment will likely increase the level of asset-liability ratio and trigger cash flow risks. Besides, in the context of overcapacity in the industry and sluggish downstream demand, the return on invested capital may also be less than expected. After the second phase of ZPC was put into production, although the Company planned several new materials projects intensively, it has strictly controlled the pace of investment and construction, adjusted the project content in strict accordance with the market situation, maintained a reasonable asset-liability ratio, and actively negotiated cooperation with foreign petrochemical giants such as Saudi Aramco to create 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
January 3, 2024	COMEIN FINANCE	Online communication on network platform	Institutions	Investor	Visit <a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1218801097&amp;announcementTime=2024-01-03%2017:55">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1218801097&amp;announcementTime=2024-01-03%2017:55</a> for details	Visit <a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1218801097&amp;announcementTime=2024-01-03%2017:55">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1218801097&amp;announcementTime=2024-01-03%2017:55</a> for details
May 6, 2024	“Investor Relations Interactive Platform” of p5w.net	Online communication on network platform	Individual	Investor	Visit <a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1219995529&amp;announcementTime=2024-05-07%2016:14">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1219995529&amp;announcementTime=2024-05-07%2016:14</a> for details	Visit <a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1219995529&amp;announcementTime=2024-05-07%2016:14">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1219995529&amp;announcementTime=2024-05-07%2016:14</a> for details
September 4, 2024	“Investor Relations Interactive Platform” of p5w.net	Online communication on network platform	Individual	Investor	Visit <a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1221137837&amp;announcementTime=2024-09-04%2019:57">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1221137837&amp;announcementTime=2024-09-04%2019:57</a> for details	Visit <a href="http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1221137837&amp;announcementTime=2024-09-04%2019:57">http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&amp;orgId=9900015502&amp;stockCode=002493&amp;announcementId=1221137837&amp;announcementTime=2024-09-04%2019:57</a> 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. In the future, the Company will strictly implement such system to standardize relevant practices, and continuously enhance investment value and shareholder returns, thus laying a solid foundation for long-term, high-quality 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 "improving the quality and investment value of listed companies, taking more powerful and effective measures, focusing on stabilizing the market and confidence" put forward at the executive meeting of the State Council on January 22, 2024, and 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 of the Company and its recognition of the stock value, and disclosed it 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 globally leading petrochemical enterprises, ranking 6th in the world's top-25 most valuable brands report by Brand Finance, the UK's leading brand evaluator, 6<sup>th</sup> on the list in American Chemistry Weekly's "Chemical Week's Billion-Dollar Club". in global chemical industry in 2023 and 8th in the ICIS top 100 global chemical enterprises in 2024. The Company is firmly putting into practice the "vertical and horizontal strategy". 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. Since listing, the Company's business has developed rapidly, and its operating revenue has increased from RMB 15,795,678,900 in 2010 to RMB 32,647,516.26 in 2024, with a compound growth rate of 24.15%.

On the basis of the existing complete industrial chain, the Company actively arranges products related to new energy and new materials, and the proportion of related products continues to increase. At the same time, the

Company actively carried out the global layout. In 2023, the Company introduced Saudi Aramco as a strategic investor. At present, Saudi Aramco holds about 10% of the Company's stake through its fully-owned affiliate. At the beginning of 2024, the Company signed a Memorandum of Understanding with Saudi Aramco, and the two sides are discussing further cooperation matters 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 forefront of international science and technology, and constantly launches new technologies and products in clean energy, high-end materials and green development. The Company upholds a technological research and development pattern driven by both independent innovation and cooperation. It has established many first-class research and development platforms, including a high-tech research and development center, a workstation for academicians and experts, an enterprise technology center, and a post-doctoral science and research workstation. Moreover, it engages in active technology exchanges and discussions and promotes industry-university-research collaboration to pool resources from universities, the community, and the Company. With all sectors of society, it jointly promotes its research capability and technological advancement and together create an innovative development system that is open, healthy, and cooperative, where everyone can benefit.

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

While paying attention to its own development, the Company also attaches great importance to shareholders' return. In order to improve and enhance the Company's shareholder return mechanism and increase the transparency and operability of profit distribution policies, the Company has formulated the Shareholders' Return Plan for the Next Three Years since its listing, according to the Company Law of People's Republic of China, the Supervision Guide for Listed Companies No.3-Cash Dividends of Listed Companies and other laws, regulations and the Articles of Association, and has continuously updated them. Up to now, a total of 14 cash dividends have been paid, with a total cash dividend of nearly RMB 8.443 billion. In the future, the Company will continue to coordinate the dynamic balance of corporate development, performance growth and shareholder return according to its development stage, and realize a "long-term, stable and sustainable" shareholder value return mechanism.

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

Based on the confidence in the Company's future development prospects and the recognition of its long-term value, the Company and its controlling shareholder actively carry out share repurchase and increase plans in order to protect the interests of investors, especially small and medium-sized investors, enhance investors' confidence, promote the reasonable return of the Company's stock price to its long-term intrinsic value, and promote the Company's stable and sustainable development.

Since the Company repurchased shares for the first time on March 29, 2022, it has implemented three-phase share repurchase schemes. As of March 31, 2024, the Company have repurchased 553,232,858 shares in the three repurchase phases, accounting for 5.4637% of the Company's total share capital, with a total turnover of RMB 6,987,904,924.02 (excluding transaction costs). 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	3.29. 2022-8.2. 2022	136,082,746	10-20	1,998,203,937.31
Phase II	8.18. 2022-7.27. 2023	147,862,706	10-20	1,989,986,431.34
Phase III	8.28. 2023-8.19. 2024	269,287,406	15-30	2,999,714,555.37
<b>Total</b>		<b>553,232,858</b>	-	<b>6,987,904,924.02</b>

Rongsheng Holdings, the controlling shareholder, implemented the increase plan twice from January 22, 2024

to February 20, 2025, and has completed the two increases. It has increased its shareholding in the Company for an aggregate of 172,422,254 shares, accounting for 1.70% of the total share capital of the Company at present, and the total increase amount is approximately RMB 1,692.9317 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	1.22. 2024-7.18. 2024	115,530,037	10-20	118,805.82
Phase II	8.21.2024-2.20.2025	56,892,217	5-10	50,487.35
<b>Total</b>		<b>172,422,254</b>	-	<b>169,293.17</b>

On April 8, 2025, Rongsheng Holdings once again commenced the implementation of a plan to increase its shareholding in an amount of not less than RMB 1 billion and not more than RMB 2 billion, which is currently under implementation.

### 5. Standardize corporate governance and deliver corporate value

The Company strictly abides by the requirements of relevant laws and regulations, constantly improves the corporate governance structure, establishes and enhances the internal control system, regulates the company's operation, strives to achieve full coverage of the system, and promotes a more mature construction of the internal control system. The Company has established a corporate governance structure of "three meetings and one management", namely the General Meeting of Shareholders, Board of Directors, Board of Supervisors and Senior Management, which has independent business and operational autonomy and operates independently in business, assets, personnel, institutions and finance.

The Company strictly abides by the principle of "truthfulness, accuracy, completeness, timeliness and fairness", constantly improves the effectiveness and transparency of information disclosure, and continuously presents investors with information on the Company's operations at multiple levels, from multiple angles and in all directions. At the same time, the Company continuously expands the breadth and depth of investor communication, and improves the open, fair, transparent and multi-dimensional investor communication channels, so that investors can understand the Company's core values more clearly and comprehensively and enhance their confidence in the Company.

In the future, the Company will continue to focus on its main business, adhere to the investor-oriented principle, continue to practice the "double improvement of quality and return" policy, realize the sustainable and healthy development of the Company, and strive to make positive contributions to stabilizing the market and confidence through standardized corporate governance and positive investor returns.

## Section IV Corporate Governance

### I. Basic Information of Our Corporate Governance

During the reporting period, the Company followed the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines on 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 China Securities Regulatory Commission. We constantly improved internal corporate governance, established a sound internal control system, and regulated operational processes in line with the above-mentioned legal requirements. The status quo of our corporate governance met the requirements of normative documents concerning listed companies governance.

#### 1. The shareholders and the General Meeting of Shareholders

During the reporting period, the Company standardized the convening and voting procedures of the General Meeting of Shareholders in strict accordance with the Company Law of the People's Republic of China, the Rules for the Shareholders' Meetings of Listed Companies, the Articles of Association, the Rules of Procedure of the General Meeting of Shareholders, and other applicable regulations and requirements so as to ensure that all shareholders, especially small and medium-sized shareholders, enjoy equal status and fully exercise their rights. Additionally, according to the Articles of Association and other applicable laws and regulations, the matters to be voted at the General Meeting of Shareholders would be first reviewed by the corresponding authority and then submitted to the General Meeting for deliberation. There was no approval beyond authority or implementation before deliberation. During the reporting period, the Company held two General Meeting of Shareholders, which was convened by the Board of Directors, and invited lawyers to guarantee the legitimacy and normalization of the General Meeting of Shareholders.

#### 2. The relationship between the controlling shareholders and the listed company

The Company and its controlling shareholders are completely separated when it comes to business, personnel, assets, institutions and finances. The Company has full capability of independent operations. The controlling shareholders strictly regulate their own behavior, fulfill corresponding obligations, and do not interfere, directly or indirectly, in the Company's decision-making and business activities without the presence of the Board of Directors. The company has independent business and operational autonomy, so it is independent of the controlling shareholders in terms of business, assets, personnel, organization and finances. The Board of Directors, Board of Supervisors and internal organizations can 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, and the controlling shareholders do not appropriate the Company's funds. Moreover, the Company provides no guarantee for its controlling shareholders.

#### 3. The Board of Directors and its members

The Company, in strict accordance with the provisions and requirements stipulated in the Company Law of the People's Republic of China and the Articles of Association, etc., during the reporting period, held six board meetings of directors, and the convening and voting procedures of the Board Meetings satisfied the requirements of 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 the directors can work diligently and dutifully in accordance with the Rules of Procedure of the Board of Directors, attend the Board of Directors Meetings, participate in the training sessions, and learn relevant laws and regulations. Independent directors independently perform their duties,

safeguard the overall interests of the Company, protect the legitimate rights and interests of minority shareholders from harm, and discussed important and major matters through special meetings of independent directors. The special committees under the Board of Directors perform their respective duties and give full play to their professional functions, greatly improving the efficiency of the Board.

#### **4. The Board of Supervisors and its members**

The Company, in strict accordance with the provisions and requirements stipulated in the Company Law of the People's Republic of China and the Articles of Association, etc., during the reporting period, held six board meetings of supervisors, and the convening and voting procedures of the Board of Supervisors 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 Supervisors. The Company's supervisors can earnestly perform their duties and assume responsibility for the shareholders in accordance with the relevant requirements. They also supervise the Company's finances, related-party transactions, internal controls and the performance of directors and senior executives, provide their opinions, and safeguard the legitimate rights and interests of the Company and its shareholders.

#### **5. Performance evaluation standards and incentive mechanisms**

The Company kept improving a set of fair and transparent performance evaluation standards and incentive mechanisms. The appointment process of senior executives is open and transparent and complies with the applicable laws and regulations.

#### **6. Stakeholders**

The Company respects and protects the legitimate rights and interests of its shareholders, customers, employees, suppliers, partners and other stakeholders, strengthens communication and cooperation with them, and strives to balance their interests while maximizing the profits, so as to sustain the healthy development of the Company.

#### **7. Information disclosure management**

During the reporting period, the Company strengthened information disclosure management and fulfilled the obligation of information disclosure in accordance with the spirit of documents issued by Shenzhen Stock Exchange and other applicable laws and regulations. The Company disclosed its information on the Securities Times, China Securities Journal, and CNINFO website (<http://www.cninfo.com.cn>) to enable investors to access our information in a fair manner. The Company also established smooth communication channels such as the Investor Hotline and Investor Relations Interactive Platform of Shenzhen Stock Exchange to better exchange opinions.

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.

### 1. 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.

### 2. 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 executives 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.

### 3. 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.

### 4. Organizational independence

The Company has established effective bodies such as the General Meeting of Shareholders, the Board of Directors and the Board of Supervisors, 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.

### 5. 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. The Convening of the Annual General Meeting and Interim Shareholders' Meeting During the Reporting Period

### 1. General meeting of shareholders during the reporting period

Session	Type	Investor Attendance Ratio	Convening date	Disclosure Date	Meeting Resolution
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The First Extraordinary General Meeting in 2024	Extraordinary General Meeting	64.32%	January 15, 2024	January 16, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the First Extraordinary General Meeting of Shareholders in 2023 (Announcement No.: 2024-009)
General Meeting of Shareholders 2023	Annual General Meeting	77.26%	May 24, 2024	May 25, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of Annual General Meeting of Shareholders in 2023 (Announcement No.: 2024-037)

## 2. Preferred shareholders with voting rights recovered requested to convene an extraordinary general meeting of shareholders

Applicable  Not applicable

## V. Basic Information of the Board Members, Supervisors and Senior Executives

### 1. Profile

Name	Gender	Age	Title	Status	Start Date of Tenure	End Date of Tenure	Number of Shares Held at the Beginning	Number of Shares Held at the End
Li Shuirong	Male	69	Chairman	Incumbency	April 8, 2010		643,275,000	643,275,000
Alharbi, Mitib Awadh M	Male	48	Director	Incumbency	November 13, 2023			
Xiang Jiongjiong	Male	42	Director and General Manager	Incumbency	May 26, 2015			
Li Yongqing	Male	61	Director	Incumbency	April 8, 2010		96,525,000	96,525,000
Li Cai'e	Female	62	Director	Incumbency	April 8, 2010			
Yu Fengdi	Female	57	Director	Incumbency	April 8, 2010			
Yan Jianmiao	Male	60	Director	Incumbency	May 10, 2019			
Shao Yiping	Female	62	Director	Incumbency	May 20, 2021			
Zheng Xiaodong	Male	47	Director	Incumbency	May 10, 2019			
Sun Guoming	Male	44	Supervisor	Incumbency	May 10, 2019			
Li Guoqing	Male	55	Supervisor	Incumbency	April 8, 2010		96,525,000	96,525,000
Xu Yongming	Male	54	Supervisor	Incumbency	April 8, 2010			
Zhou Xianhe	Male	50	Deputy General Manager	Incumbency	October 25, 2022			
Quan Weiyang	Female	47	Secretary of the Board of	Incumbency	April 29, 2010			

			Directors						
Wang Yafang	Female	46	Chief Financial Officer	Incumbency	May 10, 2019				
Total	--	--	--	--	--	--	836,325,000	836,325,000	

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 Executives

Applicable  Not applicable

## 2. Holding of Post

The background, main work experience, and current main duties of directors, supervisors and officers in the Company

### 1. Main work experience of current directors:

Mr. Li Shuirong: Senior Economist, university degree, Chinese nationality; He has 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 holds positions as President of China Township Enterprises Association, Invited Vice President of China National Textile and Apparel Council, Vice President of China Chemical Fibers Association, and Senior Consultant of Zhejiang Province Zheshang Economic Development Center; He is currently the Chairman of Rongsheng Petrochemical Co., Ltd. and the 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 Jiongiong: Senior Economist; 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 the Vice President of the General Association of Zhejiang Entrepreneurs; and he is listed in ICIS "Top 40 Most Influential Chemical Leaders Worldwide 2025" 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 the Vice Chairman of Zhejiang Rongsheng Holding Group Co., Ltd. and a director of Rongsheng Petrochemical Co., Ltd.

Ms. Li Cai'e: Senior Economist, Bachelor's degree, Chinese nationality; She was awarded many honorary titles such as model worker of Xiaoshan District in 2008, and advanced accountant of Xiaoshan District in Hangzhou; She once served as Deputy General Manager of Rongsheng Chemical Fiber Group Co., Ltd. and Chief Financial Officer of Rongsheng Petrochemical Co., Ltd.; She is currently the Vice President of Zhejiang Rongsheng Holding Group Co., Ltd., a director of Rongsheng Petrochemical Co., Ltd., a director of Zhejiang Petroleum & Chemical Co., Ltd., and a director of Ningbo United Group Co., Ltd.

Ms. Yu Fengdi: College degree; She was awarded the title of Model Worker of Hangzhou City; She has served as a technician of the Biotechnology Department of Shaoxing County No. 1 Polyester Factory, the head of the

Biotechnology Department of Shaoxing No. 1 Chemical Fiber Factory, the manager and the assistant to the general manager of the False Twisting Department of Rongsheng Chemical Fiber Group Co., Ltd.; She is currently the Vice President of Zhejiang Rongsheng Holding Group Co., Ltd. and a director of Rongsheng Petrochemical Co., Ltd.

Mr. Yan Jianmiao: Chinese nationality, without permanent residency abroad, Ph.D. in Economics. He has served as the former deputy director of the Department of International Trade of the School of Finance and Economics, Hangzhou University and the director of the Department of International Economics of the School of Economics, Zhejiang University. He is currently a professor at the School of Economics of Zhejiang University and the executive director of Zhejiang International Economy & Trade Institute. He is currently an independent director of Rongsheng Petrochemical Co., Ltd., Zhejiang Garden Biotechnology Co., Ltd. and Zhejiang Jingong Technology Co., Ltd.

Ms. Shao Yiping: Master degree, professor of accounting, master's supervisor, main research interests: Accounting theory and accounting standards, accounting professional judgment and earnings management, asset impairment accounting, etc., focusing on many fields such as corporate litigation risk and accounting robustness; She served as Secretary of Party General Branch and Vice President of the School of Accounting, Zhejiang University of Finance and Economics, Director of the Personnel Department of Zhejiang University of Finance and Economics, Member of the CPC Committee of Zhejiang University of Finance and Economics, Secretary of the CPC Committee of Dongfang College, Member of the CPC Committee and Chairman of the Labor Union of Zhejiang University of Finance and Economics, Member of Zhejiang Accounting System Advisory Expert Committee, etc. I am currently a professor of accounting at the Zhejiang University of Finance and Economics, an executive director of the Hangzhou Institute of Certified Public Accountants, and an independent director of Rongsheng Petrochemical Co., Ltd., UE Furniture Co., Ltd. and Zhongtian Service Co., Ltd.

Mr. Zheng Xiaodong: Chinese nationality, without permanent residency abroad, Master of Maritime Law. He is currently the Managing Partner of BEIJING JINCHENGTONGDA & NEAL LAW FIRM, an arbitrator of Shanghai International Arbitration Center, and an independent director of Rongsheng Petrochemical Co., Ltd., Gigadevice Semiconductor Inc. and Beijing Foyou Pharma Co., Ltd. He served as a member of the Listing Committee of the Shanghai Stock Exchange, deputy head of the Enterprise Compliance Special Working Group of All China Lawyers Association (including enterprise compliance and ESG), and deputy director of the Professional Committee of Securities Law of Beijing Lawyers Association. Zheng Xiaodong has extensive experience in corporate compliance, ESG, investment and financing, and corporate listing, and has presided over the ESG reporting of JT&N.

## **2. Main work experience of current supervisors:**

Mr. Sun Guoming: Party Member of the Communist Party of China, Bachelor Degree, Certified Anti-Fraud Professional, Enterprise Human Resource Manager. He ever served as an inspector, assistant manager and deputy manager of the Inspection Department of Zhejiang Rongsheng Holding Group Co., Ltd.; Manager of the Warehouse Management Department and General Management Department of Ningbo Zhongjin Petrochemical Co., Ltd. He is currently the Deputy Secretary of the Discipline Inspection Commission, Deputy Director of the Inspection Department of Zhejiang Rongsheng Holding Group Co., Ltd. and the Supervisor of Rongsheng Petrochemical Co., Ltd.

Mr. Li Guoqing: He used to be assistant manager of the Sales Department of Rongsheng Chemical Fiber Group Co., Ltd.; He is currently the Assistant to Vice President of Zhejiang Rongsheng Holding Group Co., Ltd. and the Supervisor of Rongsheng Petrochemical Co., Ltd.

Mr. Xu Yongming: Bachelor's degree, senior economist, successively served as manager of the spinning department and assistant to general manager of Rongsheng Chemical Fiber Group Co., Ltd.; He is currently the supervisor of Rongsheng Petrochemical Co., Ltd. and the general manager of Zhejiang Yongsheng Technology Co., Ltd.

### 3. Main work experience of current senior management personnel:

Mr. Xiang Jiongjiong: Senior Economist; 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 the Vice President of the General Association of Zhejiang Entrepreneurs; and he is listed in ICIS “Top 40 Most Influential Chemical Leaders Worldwide 2025” 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 of Zhejiang Sci-Tech University; He is also a member of the National Chemical Fiber Standardization Technical Committee; He is currently the General Manager of Zhejiang Shengyuan Chemical Fiber Co., Ltd.

Ms. Quan Weiyong: Bachelor’s degree, once worked in 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 used to be deputy manager, manager and deputy financial director of the Financial Management Department of Zhejiang Rongsheng Holding Group Co., Ltd.; She is currently the Chief Financial Officer of Rongsheng Petrochemical Co., Ltd.

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
Li Yongqing	Rongsheng Holding	Director	June 20, 2007		Yes
Sun Guoming	Rongsheng Holding	Supervisor	May 10, 2019		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
Additional Information	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 Chemical Co., Ltd.	Director	October 1, 2018		No
Li Shuirong	Rongsheng New Materials (Taizhou) Co., Ltd.	Chairman, Manager	May 1, 2022		No
Li Shuirong	Zhejiang Shengcheng New Materials Co., Ltd.	Executive director	June 1, 2023		No
Li Shuirong	Zhejiang Rongshen New Materials Co., Ltd.	Executive director	June 1, 2023		No
Li Shuirong	Zhejiang Huiyu New Materials Co., Ltd.	Executive director	June 1, 2023		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 A wadh M	Saudi Arabian Oil Company	VP of Fuels Business Management	March 10, 2024		Yes
Alharbi, Mitib A wadh M	Aramco Far East (Beijing) Business Services Co., Ltd	President	July 1, 2023	March 9, 2024	Yes
Alharbi, Mitib A wadh M	Aramco Asia Korea Limited	Representative director	September 29, 2020	June 30, 2023	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	Hainan Rongsheng International Trade Co., Ltd.	Executive director	August 1, 2020		No
Xiang Jiongjiong	Zhejiang ZPC Sales Co., Ltd.	Executive director	May 1, 2021		No

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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 1, 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 Holdings Group Hangzhou Thermal Power Co., Ltd.	Supervisor	June 1, 2012		No
Xiang Jiongjiong	Zhejiang International Oil and Gas Trading Center 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	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	Vice Chairman	June 15, 2010		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	Dalian Yisheng Investment Co., Ltd.	Director	December 19, 2005		No

Li Cai'e	Yisheng Dahua Petrochemical Co., Ltd.	Director	December 19, 2005		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
Yan Jianmiao	Zhejiang University	Professor	September 1, 1998		Yes
Yan Jianmiao	Zhejiang Garden Biopharmaceutical Co., Ltd.	Independent Director	February 1, 2021		Yes
Yan Jianmiao	Zhejiang Garden Biopharmaceutical Co., Ltd.	Independent Director	August 27, 2021		Yes
Yan Jianmiao	Kingdom Holdings Limited	Independent non-executive director			Yes
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
Zheng Xiaodong	Beijing JT&N Law Firm	Partner	December 1, 2009		Yes
Zheng Xiaodong	GigaDevice Semiconductor Inc.	Director	September 12, 2023		Yes
Zheng Xiaodong	Beijing Foyou Pharmaceutical Co., Ltd.	Independent Director	June 14, 2019		Yes
Sun Guoming	Rongsheng New Materials (Taizhou) Co., Ltd.	Chairman of the Board of Supervisors, Supervisor	December 01, 2023		No
Sun Guoming	Zhejiang ZPC Sales Co., Ltd.	Supervisor	May 1, 2021		No
Sun Guoming	Zhoushan ZPC Sales Co., Ltd.	Supervisor			No
Sun Guoming	Zhejiang Rongshen New Materials Co., Ltd.	Supervisor	June 1, 2023		No
Sun Guoming	Zhejiang Huiyu New Materials Co., Ltd.	Supervisor	June 1, 2023		No
Sun Guoming	Zhejiang Shengcheng New Materials Co., Ltd.	Supervisor	June 1, 2023		No
Li Guoqing	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	Supervisor	June 26, 2006		No
Li Guoqing	Rongxiang Chemical Fiber Co., Ltd.	Supervisor			No
Xu Yongming	Zhejiang Yongsheng Technology Co. Ltd.	Chairman, General Manager			No
Zhou Xianhe	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	General Manager	June 1, 2017		No

Zhou Xianhe	.Zhejiang Rongshen New Materials Co., Ltd.	Manager	June 1, 2023		No
Zhou Xianhe	Zhejiang Huiyu New Materials Co., Ltd.	Manager	June 1, 2023		No
Zhou Xianhe	Zhejiang Shengcheng New Materials Co., Ltd	Manager	June 1, 2023		No
Quan Weiyang	Zhejiang Yisheng Petrochemical Co., Ltd.	Supervisor			No
Quan Weiyang	Hong Kong Sheng Hui Limited	Director	July 5, 2007		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, supervisors and senior management in the reporting period

Applicable  Not applicable

In January 2023, Chairman Li Shuirong, General Manager Xiang Jiong, Chief Financial Officer Wang Yafang and Secretary of the Board Quan Weiyong 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 CNINFO website (www.cninfo.com.cn).

In May 2024, Chairman Li Shuirong, General Manager Xiang Jiong, CFO Wang Yafang, and Board Secretary Quan Weiyong 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 CNINFO website (www.cninfo.com.cn).

### 3. Remuneration of the Directors, Supervisors and Senior Management

Decision-making procedure, basis of determination and actual payment of remuneration of the directors, supervisors and senior management

According to the Articles of Association and the Work Regulations of the Remuneration and Appraisal Committee of the Board of Directors, the remuneration of and its payment to directors and supervisors should be determined by the General Meeting of Shareholders. The directors and supervisors who hold specific positions in the Company receive remuneration based on their post and the internal remuneration system, and receive no further allowances. The Remuneration and Appraisal Committee would assess the annual performance of the senior executives and determine their remuneration based on the evaluation findings. The pay package is then submitted to the Board of Directors for deliberation and approval. In conclusion, the remuneration of the Company's directors, supervisors and senior executives is determined by corporate performance, the current remuneration system and personnel performance appraisal, and changes in sustainable development performance indicators are incorporated into the remuneration structure of directors, supervisors and senior management, with remuneration being closely linked to sustainable development objectives. The assessment involves HSE daily supervision and management (including contractors), accident management, safety training, employee satisfaction and business ethics. The Company conducts annual assessment of directors, supervisors and senior executives in accordance with the assessment requirements and confirms the year-end bonus allocation plan with the assessment scores.

Remuneration of the Company's Directors, Supervisors 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	69	Chairman	Incumbency	471.52	No
Alharbi, Mitib Awadh M	Male	48	Director	Incumbency		Yes
Xiang Jiong	Male	42	Director and General Manager	Incumbency	217.72	No
Li Yongqing	Male	61	Director	Incumbency		Yes
Li Cai'e	Female	62	Director	Incumbency		Yes

Yu Fengdi	Female	57	Director	Incumbency		Yes
Yan Jianmiao	Male	60	Independent Director	Incumbency	16.00	No
Shao Yiping	Female	62	Independent Director	Incumbency	16.00	No
Zheng Xiaodong	Male	47	Independent Director	Incumbency	16.00	No
Sun Guoming	Male	44	Chairman of the Board of Supervisors	Incumbency		Yes
Li Guoqing	Male	55	Supervisor	Incumbency		Yes
Xu Yongming	Male	54	Supervisor	Incumbency	161.33	No
Zhou Xianhe	Male	50	Deputy General Manager	Incumbency	151.87	No
Quan Weiyang	Female	47	Secretary of the Board of Directors	Incumbency	93.15	No
Wang Yafang	Female	46	Chief Financial Officer	Incumbency	94.32	No
Total					1,237.91	

Description of other situations

 Applicable  Not applicable

## VI. The Performance of Duties of Directors During the Reporting Period

### 1. Convening of the Board of Directors Meetings during the reporting period

Session	Convening date	Disclosure Date	Meeting Resolution
The Sixteenth Meeting of the Sixth Session of the Board of Directors	January 2, 2024	January 3, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the Sixteenth Meeting of the Sixth Session of the Board of Directors (Announcement No.: 2024-001)
The Seventeenth Meeting of the Sixth Session of the Board of Directors	April 24, 2024	April 26, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the Seventeenth Meeting of the Sixth Session of the Board of Directors (Announcement No.: 2024-022)
The Eighteenth Meeting of the Sixth Session of the Board of Directors	April 29, 2024	April 30, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the Eighteenth Meeting of the Sixth Session of the Board of Directors (Announcement No.: 2024-033)
The Nineteenth Meeting of the Sixth Session of the Board of Directors	August 27, 2024	August 28, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the Nineteenth Meeting of the Sixth Session of the Board of Directors (Announcement No.: 2024-051)
The Twentieth Meeting of the Sixth Session of the Board of Directors	October 29, 2024	October 30, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the Twentieth Meeting of the Sixth Session of the Board of Directors (Announcement No.: 2024-057)
The Twenty-first Meeting of the Sixth Session of the Board of Directors	December 16, 2024	December 17, 2024	For details, please refer to CNINFO ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) Announcement on Resolutions of the Twenty-first Meeting of the Sixth Session of the Board of Directors (Announcement No.: 2024-064)

## 2. Directors' attendance at the Board of Directors Meetings and General Meeting 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	6	0	6	0	0		2
Alharbi, Mitib Awadh M	6	0	6	0	0		0
Xiang Jiongjiong	6	0	6	0	0		1
Li Yongqing	6	1	5	0	0		2
Li Cai'e	6	1	5	0	0		2
Yu Fengdi	6	1	5	0	0		2
Yan Jianmiao	6	1	5	0	0		1
Shao Yiping	6	1	5	0	0		1
Zheng Xiaodong	6	1	5	0	0		1

## 3. 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.

## 4. 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 Code 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.

**VII. 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	5	January 19, 2024	Deliberate on the following proposals: 1. Rongsheng Petrochemical Co., Ltd. 2023 Q4 Internal Audit Work Report 2. Rongsheng Petrochemical Co., Ltd. 2023 Internal Audit Work Report 3. Rongsheng Petrochemical Co., Ltd. 2024 Internal Audit Work Plan 4. Rongsheng Petrochemical Co., Ltd. 2024 Q1 Internal Audit Work Plan	In terms of internal audit, the Audit Committee examined the implementation of the internal audit department's work plan and verified the audit results. In terms of financial reports, the Audit Committee communicated with the accounting department and external accountants, examined the norms of the financial system and the preparation process for financial reports, and ensured the accuracy and integrity of the reports. In terms of internal control, the Audit Committee agreed that the Company has established a well-designed internal control framework, and that the internal control department has fully carried out the internal control test process in strict accordance with the relevant norms and regulations, so as to effectively control the gaps in internal control and improve the capability in this respect.	All the contents of the meeting were passed after review.	None
			April 22, 2024	Deliberate on the following proposals: 1. Evaluation Report of the Board of Directors on the Accounting Firm's Performance in 2023 2. Report of the Audit Committee of the Board of Directors on the Supervision of Accounting Firms in 2023	According to the requirements of laws and regulations, combined with the actual situation of the Company, it reviewed the annual performance of accounting firms, internal audit supervision responsibilities and the renewal of audit institutions, and guided the orderly development of internal audit work.	All the contents of the meeting were passed after review.	None

			<p>3. 2023 Annual Report of Rongsheng Petrochemical Co., Ltd.</p> <p>4. Proposal on Changes to Accounting Policies of Rongsheng Petrochemical Co., Ltd.</p> <p>5. Proposal on Reappointing the 2024 Annual Audit Firm of Rongsheng Petrochemical Co., Ltd.</p> <p>6. 2023 Annual Internal Control Self-Assessment Report of Rongsheng Petrochemical Co., Ltd.</p> <p>7. &lt;Accounting Firm Appointment Management System&gt; of Rongsheng Petrochemical Co., Ltd.</p>			
		April 26, 2024	<p>Deliberate on the following proposals:</p> <p>1. Rongsheng Petrochemical Co., Ltd. 2024 Q1 Internal Audit Work Report</p> <p>2. Rongsheng Petrochemical Co., Ltd. 2024 Q2 Internal Audit Work Plan</p> <p>3. Rongsheng Petrochemical Co., Ltd. 2024 Q1 Report</p>	<p>In line with the legal guidance and the Company's actual conditions, the Audit Committee reviewed the quarterly report, put forward opinions on the internal audit results, and guided the internal audit efforts.</p>	<p>All the contents of the meeting were passed after review.</p>	None
		August 15, 2024	<p>Deliberate on the following proposals:</p> <p>1. Rongsheng Petrochemical Co., Ltd. 2024 Q2 Internal Audit Work Report</p> <p>2. Rongsheng Petrochemical Co., Ltd. 2024 Q3 Internal</p>	<p>In line with the legal guidance and the Company's actual conditions, the Audit Committee reviewed the quarterly report, put forward opinions on the internal audit results, and guided the internal audit efforts.</p>	<p>All the contents of the meeting were passed after review.</p>	None

				Audit Work Report 3. Rongsheng Petrochemical Co., Ltd. 2024 Semi-annual Internal Audit Work Report 4. Rongsheng Petrochemical Co., Ltd. 2024 Semi-annual Report			
			October 25, 2024	Deliberate on the following proposals: 1. Rongsheng Petrochemical Co., Ltd. 2024 Q3 Internal Audit Work Report 2. Rongsheng Petrochemical Co., Ltd. 2024 Q4 Internal Audit Work Report 3. Rongsheng Petrochemical Co., Ltd. 2024 Q3 Report	In line with the legal guidance and the Company's actual conditions, the Audit Committee reviewed the quarterly report, put forward opinions on the internal audit results, and guided the internal audit efforts.	All the contents of the meeting were passed after review.	None
The Nominating Committee	Shao Yiping, Li Shuirong, Yu Fengdi, Yan Jianmiao, Zheng Xiaodong	1	April 15, 2024	All members reviewed the work in the past year, evaluated the effectiveness of the nomination process, discussed and determined the new nomination strategy and worked out the work plan for the next year.	During the reporting period, the Nominating Committee met to fully discuss the size and composition of the Board of Directors, and studied the rationality of the election conditions, selection procedures and term of office of the Company's directors and senior executives in accordance with the Company Law of the People's Republic of China, the Guidelines on Corporate Governance for Listed Companies, the Articles of Association and other applicable laws and regulations, and in combination with the Company's actual conditions.	All the contents of the meeting were passed after review.	None
The Strategy & ESG Committee	Li Shuirong, Li Yongqing, Yan Jianmiao, Shao Yiping, Zheng Xiaodong	1	April 16, 2024	All committee members reviewed the company's 2023 operational management and ESG-related work, deeply integrated ESG concepts, and formulated major 2024 business strategies through	2024 Key Business Plans: 1. Green & low-carbon, to accelerate technological breakthrough; 2. Quality & efficiency enhancement, to strengthen brand building; 3. Coordinated advancement, to accelerate project implementation; 4. Software-hardware integration, to improve management and control capabilities; 5. Internal promotion &	All the contents of the meeting were passed after review.	None

				discussions.	external recruitment, to expand talent pool.		
The Remuneration and Appraisal Committee	Yan Jianmiao, Li Shuirong, Yu Fengdi, Shao Yiping, Zheng Xiaodong	1	April 17, 2024	All committee members examined the 2023 compensation of directors, supervisors, and senior management, and discussed/formulated the 2024 performance-based compensation plan of directors, supervisors, and senior management.	During the reporting period, the Remuneration and Appraisal Committee reviewed the rationality of the remuneration package and policy of the Company's directors, supervisors and senior executives, and conducted performance evaluation on them according to their authority and major responsibilities, along with the internal finances and KPI performance for 2023.	All the contents of the meeting were passed after review.	None
The Risk Control Committee	Zheng Xiaodong, Yan Jianmiao, Shao Yiping, Li Cai'e, Xiang Jiongjiong	1	April 12, 2024	All committee members analyzed internal/external risks faced during the company's production and operations in 2023 and made suggestions on risk control for operation in 2024.	The Risk Control Committee analyzed the situation in 2023 and agreed that in 2024, the Company should continue to focus on the overarching business objectives, summarize and implement the fundamental risk control processes across the major links, key fields and even the whole process, foster a good risk control culture, and improve the comprehensive risk management system. To that end, the Company should develop risk management strategies, evaluate the functional structure of the risk control organization, and improve the risk control information system and internal control system, so as to achieve the annual targets in managing risks and enhance the Company's risk resilience and long-term profitability.	All the contents of the meeting were passed after review.	None

### VIII. The Work of the Board of Supervisors

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

Yes  No

The Board of Supervisors voiced no disagreement on the supervisory matters during the reporting period.

## IX. Corporate Staff

### 1. Staff number, professional composition, and educational background

<b>Number of Staff on the Parent Company's Payroll at the End of the Reporting Period</b>	1,562
<b>Number of Staff on the Main Subsidiaries' Payroll at the End of the Reporting Period</b>	17,096
<b>Total Number of Staff on the Company's Payroll at the End of the Reporting Period</b>	19,077
<b>Total Number of Staff Receiving Remuneration</b>	19,077
<b>Number of Retired Staff Whose Pensions Are Covered by the Parent Company and Main Subsidiaries</b>	0
<b>Professional Composition</b>	
<b>Categories</b>	<b>Number</b>
Production Staff	13,655
Sales Staff	377
Technical Staff	3,135
Financial Staff	116
Administrative Staff	1,265
Logistical Staff	529
Total	19,077
<b>Educational Background</b>	
<b>Categories</b>	<b>Number</b>
Bachelor's Degree or Above	5,961
Junior College	7,043
Senior High School and Technical Secondary School	2,540
Other	3,533
Total	19,077

### 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

### X. Distribution of Corporate Profits and Shift of Public Accumulation Funds to Capital Stock

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

Applicable  Not applicable

According to the profit distribution plan for 2023 approved at the 17th Meeting of the Sixth Session of the Board of Directors on April 24, 2024, based on the current equity base of 9,573,144,542 shares which is based on existing total share capital of 10,125,525,000 shares deducted by the repurchased shares of 552,380,458 shares, the Company plans to give RMB 1.00 in cash (tax included) to all its shareholders for every ten shares they hold. There will be no equity dividend or conversion of equity reserve into the share capital of the Company. The Company has completed the profit distribution according to 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 (share)	0
Number of distributed dividends per ten shares (RMB) (tax inclusive)	1
Share capital base of distribution plan (share)	9,572,292,142
Amount of cash dividends (RMB) (tax inclusive)	957,229,214.20
Amount of cash dividends paid in other means (such as share repurchase) (RMB)	0
Total amount of cash dividends (including other means) (RMB)	957,229,214.20
Distributable profit (RMB)	2,785,571,654.14
Proportion of total cash dividends (including other means) in total profit distribution	34.36%
<b>Cash dividends</b>	

The cash bonus accounts 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 Public Accumulation Funds to Capital Stock**

As audited by Pan-China Certified Public Accountants (Special General Partnership), the Company (parent company) achieved a net profit of RMB 2,965,914,213.54 in 2024, including an undistributed profit of RMB 1,073,563,316.15 at the beginning of the year, a statutory surplus reserve of RMB 296,591,421.35 withdrawn in the current period, and a cash dividend of RMB 957,314,454.2 from the previous year. As of December 31, 2024, the actual profit available for shareholder distribution was RMB 2,785,571,654.14.

The Company plans to distribute a cash dividend of RMB 1.00 (tax included) to all shareholders for every 10 shares. Based on 9,572,292,142 shares after deducting 553,232,858 shares that have been repurchased accumulatively as of the disclosure date of this announcement, the total cash dividend to be distributed is RMB 957,229,214.20 (tax included), and the remaining undistributed profits are carried forward to the next year. The shares held in the Company's dedicated securities repurchase account will not be included in this round of profit distribution. In the case that before the registration date of equity distribution, the total share capital of the Company has changed due to the conversion of convertible bonds into shares, share repurchase, cancellation of share repurchase granted by equity incentive, reservation of partial share grant registration and others, the total amount of distribution is adjusted according to the principle of distribution proportion unchanged.

## **XI. 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.

## **XII. Institutional Development and Implementation of Internal Control During the Reporting Period**

### **1. Construction and implementation of internal control**

The Company has established a sound internal control management system in accordance with the applicable laws, regulations and normative documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines on the Bylaws of Listed Companies, and the Guidelines on Corporate Governance for Listed Companies and in combination with the actual conditions facing the Company. The Company has developed internal management systems concerning external guarantees and related-party transactions, regularly inspected and evaluated various systems, and amended them in line with the new laws and regulations issued by the regulatory authorities.

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

Yes  No

## **XIII. Management Control of Subsidiaries during the Reporting Period**

Not applicable

## **XIV. Internal control assessment report and internal control audit report**

### **1. Internal control assessment report**

<b>Report Disclosure Date</b>	April 25, 2025	
<b>Report Disclosure Index</b>	The Internal Control Self-Assessment Report 2024 is available on CNINFO Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ).	
<b>Proportion of the Total Assets of the Organizations Included in the Assessment Scope to Those of the Company's Consolidated Financial Statements</b>	92.91%	
<b>Proportion of the Operating Revenues of the Organizations Included in the Assessment Scope to Those of the Company's Consolidated Financial Statements</b>	91.83%	
<b>Defect Identification Standards</b>		
<b>Categories</b>	<b>Financial Statements</b>	<b>Non-Financial Statements</b>
Qualitative Standards	<p>Signs of major defects in financial statements include: (1) Invalid internal control environment; (2) Misconduct committed by directors, supervisors and senior executives; (3) External auditors identify a material mistake in the current financial statement neglected by the Company; (4) Invalid supervision by the Audit Committee and internal audit department on internal control; and (5) Other defects that may affect the judgment of readers of the report.</p> <p>Signs of important defects in financial statements include: Individual internal control defects, or in combination with other defects, have a reasonable possibility that prevents the timely detection and correction of any misstatements in the financial statement that should be paid heed to by the Board and management although such misstatements may not reach or exceed the importance level. General defects refer to other control defects apart from the material and important defects mentioned above.</p>	<p>The following scenarios are identified as constituting material defects: (1) The decision-making procedures are not sound; (2) Violation of national laws and regulations, such as causing environmental pollution; (3) Gradual loss of managers or technicians; (4) Frequent negative news in the media; (5) The flaws of internal control assessments, especially material or important defects, are not rectified; and (6) Lack of institutional control for important operations or systematic institutional failure.</p>
Quantitative Standards	<p>The operating revenue and total assets are taken as the measurement indicators. If the losses resulting from internal control defects are related to the profit statement, the operating revenue will be taken as the indicator. If the amount of misstatement in the financial report caused by the 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 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 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 the</p>	<p>The operating revenue and total assets are taken as the measurement indicators. If the losses resulting from internal control defects are related to the profit statement, the operating revenue will be taken as the indicator. If the amount of misstatement in the financial report caused by the 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 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 losses resulting from internal control defects are related to asset</p>

	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 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.	management, the total assets will be taken as the indicator. If the amount of misstatement in the financial report caused by the 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 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.
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, 2024, in accordance with the *Basic Standard for Enterprise Internal Control* and related provisions.

<b>Report Disclosure Status</b>	Disclosed
<b>Report Disclosure Date</b>	April 25, 2025
<b>Report Disclosure Index</b>	The Internal Control Audit Report in 2024 is available on CNINFO Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ).
<b>Suggestions Category</b>	Standard Clean Opinion
<b>Whether Having Material Defects in Non-Financial Statements</b>	No

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-assessment report of the Board of Directors or not

Yes  No

## XV. 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.

## Section V Environmental and Social Responsibility

### I. Major Environmental Issues

Whether the listed company and its subsidiaries are key pollutant discharging units announced by environmental protection authorities

Yes No

Environmental protection-related policies and industry standards

The Company and its subsidiaries have strictly abided by the laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, *Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution*, *Law of the People's Republic of China on Prevention and Control of Air Pollution*, *Law of the People's Republic of China on Prevention and Control of Radioactive Pollution*, and the requirements of the ecological environmental protection department, and timely handled the environmental protection permit procedures such as emission right, applied for and obtained the pollutant discharge permit, business license for hazardous waste and radiation safety permit; They have implemented procedures such as filing the sewage outlet into the sea, filing the self-monitoring plan and filing the emergency plan for sudden environmental incidents, and ensured the legal start-up and legitimate operation of relevant devices of all projects and supporting projects.

#### 1. Executive standards

(1) The flue gas from plant heating furnace, catalytic regeneration flue gas, tail gas from sulfur plant, reforming catalytic regeneration flue gas, organic waste gas and the concentration of air pollutants at the plant boundary shall implement the special emission limits of air pollutants specified in *Emission Standard of Pollutants for Petroleum Refining Industry* (GB31570-2015, including the 2024 amendment), *Emission Standard of Pollutants for Petroleum Chemistry Industry* (GB31571-2015, including the 2024 amendment), and *Emission Standard of Pollutants for Synthetic Resin Industry* (GB31572-2015, including the 2024 amendment).

(2) The sulfuric acid mist of sulfuric acid plants shall be subject to the special emission limits of atmospheric pollutants specified in the *Emission Standard of Pollutants for Sulfuric Acid Industry* (GB26132-2010).

(3) The emission of odor pollutants shall comply with the Class II standard of *Emission Standard for Odor Pollutants* (GB14554-93).

(4) The exhaust gas pollutants of the power boiler shall be subject to an 80% commitment value of emission limit specified in Phase II of the *Emission Standard of Air Pollutants for Coal-fired Power Plants* (DB33/2147-2018).

(5) Both integrated projects and base wastewater treatment plants shall implement the special emission limits specified in *Emission Standard of Pollutants for Petroleum Refining Industry* (GB 31570-2015, including 2024 amendments), *Emission Standard of Pollutants for Petrochemical Industry* (GB 31571-2015, including 2024 amendments), and *Emission Standard of Pollutants for Synthetic Resin Industry* (GB 31572-2015, including 2024 amendments).

(6) The noise at the boundary of the factory shall comply with the Class III standard of *Emission Standard for Noise at Boundary of Industrial Enterprises* (GB12348-2008).

(7) The Integrated Project and the Solid Waste Disposal Center shall implement the *Standard for Pollution Control on the Non-hazardous Industrial Solid Waste Storage and Landfill* (GB 18599-2001), the *Standard for Pollution Control of Hazardous Waste Storage* (GB 18597-2001), the *Standard for Pollution Control of Hazardous*

*Waste Incineration* (GB 18484-2020) and the *Standard for Pollution Control of Hazardous Waste Landfill* (GB 18598-2019).

## 2. Quality standards

(1) The base and the points of concern shall implement the Class I (Class I area) and Class II (Class II area) standards in the *Ambient Air Quality Standard* (GB3095-2012) according to the category of ambient air functional areas. The Cm value specified in *Detailed Explanation of Integrated Emission Standard of Air Pollutants* is taken as the reference value of quality standard for non-methane total hydrocarbon (2.0mg/m<sup>3</sup>).

(2) The monitoring of surface water shall comply with the *Standard for Seawater Quality* (GB3097-1997).

Environmental protection administrative licensing

S/N	Certificate	Certificate No.	Issued by	Validity term
1	Pollutant Discharge Permit of Rongsheng Petrochemical	91330000255693873W001P	Hangzhou Municipal Ecology and Environment Bureau	November 5, 2026
2	Pollutant Discharge Permit of ZPC	913309003440581426001P	Zhoushan Ecology and Environment Bureau	July 14, 2029
3	Radiation Safety Permit of ZPC	ZHFZ [L2105]	Zhoushan Ecology and Environment Bureau	March 4, 2029
4	Pollutant Discharge Permit of Zhongjin Petrochemical	91330211764527945N001P	Zhenhai Branch of Ningbo Ecology and Environment Bureau	December 2, 2029
5	Radiation Safety Permit of Zhongjin Petrochemical	ZHFZ [B2500]	Department of Ecology and Environment of Zhejiang Province	July 16, 2028
6	Pollutant Discharge Permit for Niluoshan New Energy Co., Ltd.	91330211MA2CHYTM1K001V	Zhenhai Branch of Ningbo Ecology and Environment Bureau	December 1, 2029
7	Pollutant Discharge Permit of Yisheng Dahua	912102137873094570001R	Dalian Ecology and Environment Bureau	September 5, 2029
8	Radiation Safety Permit of Yisheng Dahua	LHFZ (B0001)	Dalian Ecology and Environment Bureau	November 25, 2026
9	Pollutant Discharge Permit of Shengyuan Chemical Fiber	91330109754409144F001P	Hangzhou Municipal Ecology and Environment Bureau	November 5, 2026
10	Radiation Safety Permit of Shengyuan Chemical Fiber	ZHFZ [A2408]	Hangzhou Municipal Ecology and Environment Bureau	December 4, 2028
11	Pollutant Discharge Permit of Yongsheng Technology	91330621MA2887DL53001Q	Shaoxing Ecology and Environment Bureau	February 6, 2029
12	Radiation Safety Permit of Yongsheng Technology	ZHFZ [D2193]	Department of Ecology and Environment of Zhejiang Province	August 7, 2027
13	Pollutant Discharge Permit of Hainan Yisheng	914603005527989627001P	Ecological Environment Bureau of Yangpu Economic Development Zone	May 14, 2026
14	Radiation Safety Permit of Hainan Yisheng	QHFZ [00153]	Department of Emergency Management of Hainan Province	December 26, 2026
15	Pollutant Discharge Permit of Zhejiang Yisheng	91330200744973411W001W	Ningbo Ecological Environment Bureau Beilun Branch	November 12, 2029
16	Radiation Safety Permit of Zhejiang Yisheng	ZHFZ [B2005]	Department of Ecology and Environment of Zhejiang Province	November 10, 2029

## Industry emission standards and specific situations of pollutant emissions involved in production and operation activities

Company or Subsidiary Name	Types of main pollutants and particular pollutants	Names of main pollutants and particular pollutants	Discharge method	Number of discharge outlets	Distribution of discharge outlets	Emission concentration/intensity	Pollutant discharge standards in execution	Total emissions	Total certified emissions	Excessive emissions
Rongsheng Petrochemical	Waste gas	Smoke dust	Organized	2	Ultra-clean of Rongxiang furnace area	2.357mg/m <sup>3</sup>	20mg/Nm <sup>3</sup>	1.37t/a	13.65t/a	/
Rongsheng Petrochemical	Waste gas	Sulfur dioxide	Organized	2	Ultra-clean of Rongxiang furnace area	3.462mg/m <sup>3</sup>	50mg/Nm <sup>3</sup>	2.26t/a	121.93t/a	/
Rongsheng Petrochemical	Waste gas	Nitric oxide	Organized	2	Ultra-clean of Rongxiang furnace area	20.647mg/m <sup>3</sup>	150mg/Nm <sup>3</sup>	8.81046t/a	102.59t/a	/
Rongsheng Petrochemical	Waste gas	Volatile organic compounds	Organized	2	Ultra-clean of Rongxiang furnace area	0.633mg/m <sup>3</sup>	60mg/L	0.35t/a	110.38t/a	/
Rongsheng Petrochemical	Waste water	Ammonia nitrogen	Under control	1	Shengyuan factory gate	1.72mg/m <sup>3</sup>	35mg/L	0.002t/a	0.16t/a	/
Rongsheng Petrochemical	Waste water	Chemical oxygen demand	Under control	1	Shengyuan factory gate	29.5mg/m <sup>3</sup>	500mg/Nm <sup>3</sup>	0.16t/a	3.69t/a	/
ZPC	Waste gas	Particulate matter	Discharge after treatment	68	In the factory	Mean: 1.00mg/m <sup>3</sup> ; Range: 0.0905-10.159mg/m <sup>3</sup>	GB31570, GB31571, GB31572	118.57t/a	1,566.86t/a	/
ZPC	Waste gas	Sulfur dioxide	Discharge after treatment	100	In the factory	Mean: 3.01mg/m <sup>3</sup> ; Range: 0.026-24.798mg/m <sup>3</sup>	GB31570, GB31571, GB31572	410.95t/a	2,750.8t/a	/
ZPC	Waste gas	Nitric oxide	Discharge after treatment	106	In the factory	Mean: 31.91mg/m <sup>3</sup> ; Range: 0.078-78.097mg/m <sup>3</sup>	GB31570, GB31571, GB31572	4,881.45t/a	7,078.45t/a	/

ZPC	Waste water	COD	Discharge after treatment	1	In the factory	Mean: 31.13mg/m <sup>3</sup> ; Range: 0.7-49.6mg/m <sup>3</sup>	GB31570, GB31571, GB31572	391.36t/a	524.04t/a	/
ZPC	Waste water	Ammonia nitrogen	Discharge after treatment	1	In the factory	Mean: 0.107mg/m <sup>3</sup> ; Range: 0.01-2.57mg/m <sup>3</sup>	GB31570, GB31571, GB31572	1.47t/a	53.31t/a	/
Zhongjin Petrochemical	Waste gas	Sulfur dioxide	Continuous blow-down	22	Whole factory	7.45mg/m <sup>3</sup>	GB31570, DB33/2147	139.77t/a	251.49t/a	/
Zhongjin Petrochemical	Waste gas	Nitric oxide	Continuous blow-down	22	Whole factory	24.40mg/m <sup>3</sup>	GB31570, DB33/2147	458.05t/a	1,085.334t/a	/
Zhongjin Petrochemical	Waste gas	Smoke dust	Continuous blow-down	22	Whole factory	2.66mg/m <sup>3</sup>	GB31570, DB33/2147	49.87t/a	191.19t/a	/
Zhongjin Petrochemical	Waste water	Chemical oxygen demand	Continuous blow-down	2	East side	75.98mg/L	GB8978	60.61t/a	70.34t/a	/
Zhongjin Petrochemical	Waste water	Ammonia nitrogen	Continuous blow-down	2	East side	4.42mg/L	GB8978	3.53t/a	17.16t/a	/
Yisheng Dahua	Waste gas	Nitric oxide	Continuous	3	Southeast corner of the plant	33.42mg/m <sup>3</sup>	50mg/m <sup>3</sup>	162.04t/a	415t/a	/
Yisheng Dahua	Waste gas	Sulfur dioxide	Continuous	3	Southeast corner of the plant	0.7mg/m <sup>3</sup>	35mg/m <sup>3</sup>	2.45t/a	251t/a	/
Yisheng Dahua	Waste gas	Smoke dust	Continuous	3	Southeast corner of the plant	1.5mg/m <sup>3</sup>	5mg/m <sup>3</sup>	6.82t/a	56t/a	/
Yisheng Dahua	Waste water	Chemical oxygen demand	Continuous	2	Northwest corner and north side of the plant	72.58mg/L	300mg/L	882.57t/a	1,862t/a	/
Yisheng Dahua	Waste water	Ammonia nitrogen	Continuous	2	Northwest corner and north side of	0.77mg/L	30mg/L	9.39t/a	217t/a	/

					the plant					
Shengyuan Chemical Fiber	Waste gas	Particulate matter	Organized	One for use and one for standby	Furnace area	3.8mg/m <sup>3</sup>	20mg/Nm <sup>3</sup>	2.17t/a	8.74t/a	/
Shengyuan Chemical Fiber	Waste gas	Sulfur dioxide	Organized	One for use and one for standby	Furnace area	1.68mg/m <sup>3</sup>	50mg/Nm <sup>3</sup>	1.12t/a	17.38t/a	/
Shengyuan Chemical Fiber	Waste gas	Nitric oxide	Organized	One for use and one for standby	Furnace area	26.34mg/m <sup>3</sup>	150mg/Nm <sup>3</sup>	20.44t/a	52.15t/a	/
Shengyuan Chemical Fiber	Waste gas	Non-methane	Organized and unorganized	One for use and one for standby	Furnace area	0.9mg/m <sup>3</sup>	60mg/L	0.77t/a (organized)	97.29t/a	/
Shengyuan Chemical Fiber	Waste water	Ammonia nitrogen	Organized	1	Southeast corner of the plant	1.72mg/m <sup>3</sup>	35mg/L	0.0078t/a	1.3t/a	/
Shengyuan Chemical Fiber	Waste water	Chemical oxygen demand	Organized	1	Southeast corner of the plant	29.57mg/m <sup>3</sup>	500mg/Nm <sup>3</sup>	0.7966t/a	2.74t/a	/
Yongsheng Technology	Waste gas	Nitric oxide	Organized emission	2	In the factory	39.71mg/m <sup>3</sup>	Emission Standard of Air Pollutants for Boilers (GB13271-2014)	27.271t/a	86t/a	/
Yongsheng Technology	Waste gas	Sulfur dioxide	Organized emission	2	In the factory	8.37mg/m <sup>3</sup>	Emission Standard of Air Pollutants for Boilers (GB13271-2014)	1.565t/a	106.2t/a	/
Yongsheng Technology	Waste gas	NmHc	Organized emission	2	In the factory	4.04mg/m <sup>3</sup>	Emission Standard of Air Pollutants for Boilers (GB13271-2014)	15.245t/a	19.27t/a	/

Yongsheng Technology	Waste water	Chemical oxygen demand	Under control	1	In the factory	63.42mg/L	Integrated Wastewater Discharge Standard (GB31575-2015)	4.976t/a	10.8t/a	/
Yongsheng Technology	Waste water	Ammonia nitrogen	Under control	1	In the factory	0.41mg/L	Integrated Wastewater Discharge Standard (GB31575-2015)	0.028t/a	1.35t/a	/
Hainan Yisheng	Waste gas	SO <sub>2</sub>	Discharge after treatment	2	Boiler/heat medium furnace/alkali furnace/No.1 large boiler/No.2 large boiler	Boiler: 4.82 mg/m <sup>3</sup> ; Heat medium furnace: 17.81 mg/m <sup>3</sup> ; Alkali furnace: 0.54 mg/m <sup>3</sup> ; No.1 large boiler: 13.80 mg/m <sup>3</sup> ; No.2 large boiler: 11.78 mg/m <sup>3</sup>	GB13223-2011, GB13271-2014	56.1t/a	642.14t/a	/
Hainan Yisheng	Waste gas	NO <sub>x</sub>	Discharge after treatment	2	Boiler/heat medium furnace/alkali furnace/No.1 large boiler/No.2 large boiler	Boiler: 34.28 mg/m <sup>3</sup> ; Heat medium furnace: 58.04 mg/m <sup>3</sup> ; Alkali furnace: 27.92 mg/m <sup>3</sup> ; No.1 large boiler: 39.19 mg/m <sup>3</sup> ; No.2 large boiler: 27.94 mg/m <sup>3</sup>	GB13223-2011, GB13271-2014	154.58t/a	1038.85t/a	/
Hainan Yisheng	Waste gas	Smoke dust	Discharge after treatment	2	Boiler/heat medium furnace/alkali furnace/No.1 large boiler/No.2 large boiler	Boiler: 5.67 mg/m <sup>3</sup> ; Heat medium furnace: 5.65 mg/m <sup>3</sup> ; Alkali furnace: 1.45 mg/m <sup>3</sup> ; No.1 large boiler: 1.07 mg/m <sup>3</sup> ; No.2 large boiler: 1.46 mg/m <sup>3</sup>	GB13223-2011, GB13271-2014	23.42t/a	340.63t/a	/
Hainan Yisheng	Waste water	COD	Discharge after treatment	1	Sewage station	26.47mg/m <sup>3</sup>	GB31571-2015, GB31572-2015	179.53t/a	544.41t/a	/
Hainan	Waste water	Ammonia	Discharge after	1	Sewage station	0.38mg/m <sup>3</sup>	GB31571-2015,	2.62t/a	41.16t/a	/

Yisheng		nitrogen	treatment				GB31572-2015			
Zhejiang Yisheng	Waste gas	SO2	Discharge after treatment	2	Boiler island	10.1mg/m <sup>3</sup>	35mg/m <sup>3</sup>	24.61t/a	333.47t/a	/
Zhejiang Yisheng	Waste gas	NOx	Discharge after treatment	2	Boiler island	17.6mg/m <sup>3</sup>	50mg/m <sup>3</sup>	64.23t/a	880.08t/a	/
Zhejiang Yisheng	Waste gas	Particulate matter	Discharge after treatment	2	Boiler island	3.28mg/m <sup>3</sup>	10mg/m <sup>3</sup>	28.85t/a	110.46t/a	/
Zhejiang Yisheng	Waste water	COD	Discharge after treatment	2	Sewage station	49.19mg/L	100mg/L	506.32t/a	880.08t/a	/
Zhejiang Yisheng	Waste water	Ammonia nitrogen	Discharge after treatment	2	Sewage station	0.16mg/L	8mg/L	1.65t/a	13.2t/a	/

**Treatment of pollutants**

Company name	Types of pollutants	Treatment technology and treatment mode	
Rongsheng Petrochemical	Waste gas, waste water and solid waste	The company began to construct the ultra-clean desulfurization tower and flue gas desulfurization and dust removal device in March 2016, which was put into operation in September 2016. At present, the device is in good operation and can meet the flue gas emission standard of Xiaoshan District.	
ZPC	Waste gas	Denitrification facilities	Mainly include major exhaust gas treatment facilities, including low-nitrogen burners, ultra-low-nitrogen burners, selective catalytic reduction denitrification (SCR), selective non-catalytic reduction denitrification (SNCR), etc.
		Desulfurization & recovery	The dry gas desulfurization and sulfur recovery plant (1,310,000 tons/year) of the whole factory is operated by seawater desulfurization, alkaline scrubber and dual desulfurization unit, to recover acid gas and acid water to produce sulfur.
		Dust removal facility	Including cyclone separators, bag-type dust removal facilities, electrostatic precipitators, etc.
		Organic waste gas treatment facilities	The oil and gas recovery in the whole site is carried out by combining zoning and centralized treatment; the recovery system mainly adopts decentralized classification collection pretreatment + centralized terminal treatment mode. The main treatment facilities include RTO regenerative incinerators, CO catalytic oxidizers, etc.
		Foul gas treatment facilities	Low-concentration odor treatment facilities in sewage plants (120000+150000m <sup>3</sup> /h), odor treatment facilities in incineration plants (50000m <sup>3</sup> /h), and odor treatment facilities in landfills (50000m <sup>3</sup> /h).

		Abnormal working condition treatment	Full-site flare incineration and flare gas recovery system (refinery flare gas recovery 38460m <sup>3</sup> /h + chemical flare gas recovery 2081m <sup>3</sup> /h).
	Waste water		The factory area is subject to rain-sewage diversion, and clean water-sewage diversion, and the entire wastewater system is subject to quality-based diversion and classified treatment. The main treatment units include the first phase + second phase oily wastewater treatment unit (2100 + 3400m <sup>3</sup> /h), the first phase + second phase high ammonia nitrogen wastewater treatment unit (500 + 500m <sup>3</sup> /h), the first phase + second phase high salt wastewater treatment unit (1100 + 1800m <sup>3</sup> /h), the first phase + second phase recycled water unit (3600 + 5000m <sup>3</sup> /h), the cyanide-contained wastewater pretreatment unit (600m <sup>3</sup> /h), and the alkali residue wastewater pretreatment (6m <sup>3</sup> /h). The main treatment technologies are physical method + biological method + biochemical method.
	Solid waste		The oil residue gasification & filter cake incineration recovery unit mainly processes the filter cake produced by the oil residue hydrogen production unit to achieve volume reduction and resource utilization, with a disposal scale of 108000 tons/year. Acrylonitrile waste liquid incinerators (148k + 148k t/a), PC waste liquid incinerators (15k + 25k t/a), and chemical waste incineration plants (168k t/a) centrally treat organic waste liquids with low recovery value.
	Noise		Set up a sound insulation room, install sound attenuation and sound insulation equipment, choose low-noise equipment, make reasonable layout, and ensure basic vibration prevention and noise reduction
Zhongjin Petrochemical	Waste gas, waste water, solid waste and noise		The prevention and control measures are designed, constructed, and put into use simultaneously with the main device according to the EIA requirements. The operation is now in good condition.
Yisheng Dahua	Waste gas, waste water, solid waste and noise		The prevention and control measures are strictly designed, constructed, and put into use simultaneously with the main equipment in accordance with the requirements of environmental impact assessment. Currently, the operation is in good condition and all pollutants are discharged up to the standard. At the same time, according to the rectification requirements proposed by the ecological and environmental protection department, new environmental governance facilities have been added, further improving the level of environmental governance.
Shengyuan Chemical Fiber	Waste gas		The boiler flue gas treatment plant operates properly, with emissions compliant with the permit limits in Pollutant Discharge Permit.
	Waste water		The wastewater station functions properly, with wastewater discharge compliant with the permit limits in Pollutant Discharge Permit.
	Solid waste		Industrial waste (312.9 tons) and hazardous waste (336.21 tons) are fully processed by licensed contractors.
Yongsheng Technology	Waste gas	Waste gas treatment	1 set of stripper
			Gas boiler flue gas low-nitrogen combustion system
			Secondary activated carbon adsorption device matched with film workshop
			Pulse dust removal device for PTA feeding dust
	Waste water	Sewage Treatment	1 set of sewage treatment system with a treatment capacity of 1250t/d

	Rain and sewage diversion, clean water and sewage diversion, etc.	Establish rain and sewage diversion system and clean water and sewage diversion system in the factory area; Standardize the sewage outlets in the factory area, and install online monitoring devices for pH, COD and ammonia nitrogen
Noise	Noise control	Set up a sound insulation room separately, install sound attenuation and sound insulation equipment, choose low-noise equipment, make reasonable layout, and ensure basic vibration prevention and noise reduction
Solid waste	Solid waste disposal	Standardize the hazardous waste yards and general solid waste yards, and dispose of hazardous waste

## Emergency response plans for paroxysmal environment events

Emergency plan	Filing number	Filing time
Emergency Response Plan for Paroxysmal Environment Events of Rongsheng Petrochemical Co., Ltd.	330109-2022-045-L	July 26, 2022
<i>Emergency Response Plan for Paroxysmal Environment Events of Zhejiang Petroleum &amp; Chemical Co., Ltd.</i>	330921-2023-004-H	July 11, 2023
Emergency Response Plan for Paroxysmal Environment Events of Ningbo Zhongjin Petrochemical Co., Ltd.	330211-2022-019-H	March 2022
Emergency Response Plan for Paroxysmal Environment Events of Yisheng Dahua Petrochemical Co., Ltd.	2102132023-066-H	March 2023
Emergency Response Plan for Paroxysmal Environment Events of Zhejiang Shengyuan Chemical Fiber Co., Ltd.	330109-2022-034-L	June 2, 2022
Emergency Response Plan for Paroxysmal Environment Events of Zhejiang Yongsheng Technology Co., Ltd.	330603-2024-114-L	October 11, 2024
Emergency Response Plan for Paroxysmal Environment Events of Hainan Yisheng Petrochemical Co., Ltd.	/	December 2023
<i>Emergency Response Plan for Paroxysmal Environment Events of Zhejiang Yisheng Petrochemical Co., Ltd.</i>	/	September 2023

#### Environmental self-monitoring scheme

The Company and its subsidiaries strictly abide by the environmental protection laws, regulations and relevant regulations of the state and local governments. The Company has established an environmental self-monitoring scheme to ensure that all pollutants are discharged and disposed of in strict accordance with the requirements of laws and regulations. The self-monitoring scheme is disclosed in the pollution source monitoring data management system. The Company carries out pollution source monitoring in strict accordance with the monitoring scheme to ensure that all pollutants are discharged in strict accordance with the requirements of laws and regulations, and entrusts a qualified third-party monitoring agency to carry out monitoring on a regular basis.

#### Investment in environmental governance and protection and payment of environmental protection tax

The Company's investment in environmental governance and protection in 2024 was RMB 272.7269 million. Measures were taken to reduce carbon emission and their effects during the reporting period

Applicable  Not applicable

For specific measures, check the 2024 Sustainability Report published issued by the Company on April 25, 2025 on CNINFO (www.cninfo.com.cn).

#### Administrative penalties imposed on environmental issues during the reporting period

Applicable  Not applicable

#### Other environmental information that should be disclosed

Other environmental information that should be disclosed has been disclosed as required.

#### Other environmental protection-related information

The Company and its subsidiaries attach great importance to environmental protection and make major decisions on environmental protection periodically or irregularly. The Company has established a Health, Safety and Environment (HSE) Department to comprehensively supervise and manage the Company's HSE issues. Each subsidiary has a full-time environmental protection department responsible for daily comprehensive management, supervision and inspection. To understand the dynamic situation of pollution, the Company has established a strict monitoring system and entrusted the environmental management and monitoring department to monitor the water, gas, sound and slag of the whole plant.

The Company shall comply with the disclosure requirements for the chemical industry as set forth in the *Self-Regulatory Guidelines for Listed Companies on Shenzhen Stock Exchange No. 3 — Industry Information Disclosure*. Relevant situation of environmental accidents in listed companies

Applicable  Not applicable

## II. Social responsibility information

The Company actively performs its social responsibility. For the full text, check the 2024 Sustainability Report published issued by the Company on April 25, 2025 on CNINFO (www.cninfo.com.cn).

The Company shall comply with the disclosure requirements for the chemical industry as set forth in the *Self-Regulatory Guidelines for Listed Companies on Shenzhen Stock Exchange No. 3 — Industry Information Disclosure*.

### **III. Consolidating and expanding the achievements of poverty alleviation and rural revitalization**

The Company actively performs its social responsibility and supports poverty alleviation and rural revitalization. For related contents, check the 2024 Sustainability Report published issued by the Company on April 25, 2025 on CNINFO ([www.cninfo.com.cn](http://www.cninfo.com.cn)).

## Section VI 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	Commitment made during IPO	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	Term of commitment for share lock-up is 36 months	Commitments honored
Equity incentive commitment	N/A	N/A	N/A		N/A	N/A
Other commitments made to minor shareholders of the Company	Shareholders before issuance	Commitment made during IPO	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 Xincan, Xu Yuejuan and Zhao Guanlong, respectively issued the Letter of Commitment on Avoiding Horizontal Competition and promised not to compete	November 2, 2010	Long term	Commitments honored

			with the company in the same industry.			
Other commitments	Controlling shareholder	Commitment made in the increase plan	Rongsheng Holdings, the controlling shareholder of the Company, plans to increase its shareholding in the Company within 6 months from January 19, 2024, and promises not to actively reduce its shareholding in the Company during the share increase period and within the statutory time limit.	January 18, 2024	During the share increase period and statutory time limit	Commitments honored
Other commitments	Controlling shareholder	Commitment made in the increase plan	Rongsheng Holdings, the controlling shareholder of the Company, plans to increase its shareholding in the Company within 6 months from August 21, 2024, and promises not to actively reduce its shareholding in the Company during the share increase period and within the statutory time limit.	August 21, 2024	During the share increase period and statutory time limit	Commitments honored
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

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

Applicable  Not applicable

There is no non-operating occupation of funds of the listed company by the controlling shareholder and 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, the Board of Supervisors 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.

1. The Company has implemented the provisions of “Classification of Current and Non-current Liabilities” in the Interpretation of Accounting Standards for Business Enterprises No. 17 since January 1, 2024. Changes in this accounting policy had no impact on the Company’s financial statements.

2. The Company has implemented the provisions of “Disclosure of Supplier Financing Arrangements” in the Interpretation of Accounting Standards for Business Enterprises No. 17 since January 1, 2024.

3. The Company has implemented the provisions of “Accounting Treatment for After-Sale Leaseback Transactions” in the Interpretation of Accounting Standards for Business Enterprises No. 17 since January 1, 2024. Changes in this accounting policy had no impact on the Company’s financial statements.

4. The Company has implemented the provisions of “Accounting Treatment for Assurance-Type Warrants Not Constituting Separate Performance Obligations” in the Interpretation of Accounting Standards for Business Enterprises No. 18 since December 6, 2024. Changes in this accounting policy had no impact on the Company’s financial statements.

## 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
Taizhou ZPC Sales Co., Ltd.	New establishment	No significant impact
Zhejiang Rongyi Chemical Fiber Co., Ltd.	New establishment	No significant impact
Zhoushan ZPC Logistics Co., Ltd.	New establishment	No significant impact
Zhejiang Zhuosheng Industry & Trade Co., Ltd.	Industrial and commercial deregistration	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)	800
Consecutive audit services year of domestic accounting firm	19

Name of the certified public accountant of a domestic accounting firm	Jia Chuan, Xu Haihong
Consecutive audit services year of the certified public accountant of a domestic accounting firm	5 years, 4 years

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

## 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

Designation /name	Type	Cause	Type of investigation punishment	Conclusion (if any)	Disclosure Date	Disclosure index
Rongsheng Petrochemical Co., Ltd.	Other	Inaccurate disclosure of performance forecast information.	Administrative regulatory measures taken by the China Securities Regulatory Commission	Take the supervision and management measures of issuing warning letters and record them in the integrity files of the securities and futures markets.	May 30, 2024	For details, please refer to CNINFO (www.cninfo.com.cn) Announcement on the Company and Relevant Personnel Receiving the Warning Letter from Zhejiang Regulatory Bureau (Announcement No.: 2024-038).
Li Shuirong	Director					
Xiang Jiongjiong	Director					
Quan Weiyang	Senior management					
Wang Yafang	Senior management					

Explanation of rectification

Applicable  Not applicable

After receiving the Warning Letter, the Company and relevant personnel attached great importance to the problems pointed out in the Warning Letter, fully learned lessons in strict accordance with the requirements of Zhejiang Regulatory Bureau, continuously strengthened the study of securities laws and regulations, further

improved and strictly implement the financial and accounting management system, strengthened the management of information disclosure affairs, further raised the standardized operation level of the Company, and protected the interests of the Company and its all shareholders.

The administrative supervisory measure will not affect the normal business management and standardized operation of the Company. The Company will fulfill its information disclosure obligations in a timely manner in strict accordance with relevant regulatory requirements and relevant laws and regulations, and endeavor to do a good job in every aspect of business management and standardized governance. Please invest in a rational manner and pay attention to the investment risk.

### **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	Controlling shareholders	Purchase of goods	Coal and other materials	Market price	Market price	1,371,747.51	99.63%	2,000,000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 26, 2024	<a href="http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&amp;announcementId=1219827987&amp;orgId=9900015502&amp;announcementTime=2024-04-26">http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&amp;announcementId=1219827987&amp;orgId=9900015502&amp;announcementTime=2024-04-26</a>
Saudi Aramco	Minority shareholders	Purchase of goods	Crude oil, fuel oil, ethylene glycol	Market price	Market price	10,257,694.39	51.88%	12,000,000	No	Letter of credit, spot exchange	Market price	April 26, 2024	<a href="http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&amp;announcementId=1219827987&amp;orgId=9900015502&amp;announcementTime=2024-04-26">http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&amp;announcementId=1219827987&amp;orgId=9900015502&amp;announcementTime=2024-04-26</a>
Zhejiang Yisheng	Associate	Sales of goods	PTA, PX	Market price	Market price	845,647.23	10.83%	1,500,000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 26, 2024	<a href="http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&amp;announcementId=1219827987&amp;orgId=9900015502&amp;announcementTime=2024-04-26">http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&amp;announcementId=1219827987&amp;orgId=9900015502&amp;announcementTime=2024-04-26</a>
Total				--	--	12,475,089.13	--	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 connected 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 connected transactions related to joint outward investment during the reporting period.

## 4. Connected transactions on credit and debt

Applicable  Not applicable

The Company had no connected 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 connected transactions during the reporting period.

## XV. Material Contracts and Their Performance

### 1. Status of trusteeship, 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) Lease

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 17, 2024	5,432,000	September 14, 2024	3,680	Joint liability guarantee			March 10, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 14, 2024	3,680	Joint liability guarantee			September 10, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 14, 2024	29,440	Joint liability guarantee			March 10, 2026	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	November 27, 2024	10,000	Joint liability guarantee			November 26, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	December 11, 2024	20,000	Joint liability guarantee			December 10, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	August 23, 2024	50	Joint liability guarantee			February 22, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 5, 2024	750	Joint liability guarantee			March 4, 2025	No	Yes
Shengyuan	December 17,	5,432,000	August 23,	50	Joint liability			August 22,	No	Yes

Chemical Fiber	2024		2024		guarantee			2025		
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 5, 2024	750	Joint liability guarantee			September 4, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	August 23, 2024	9,900	Joint liability guarantee			September 22, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 5, 2024	13,500	Joint liability guarantee			October 4, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	January 11, 2024	10	Joint liability guarantee			January 11, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	January 11, 2024	2,480	Joint liability guarantee			February 11, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	October 25, 2024	125	Joint liability guarantee			April 25, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	October 25, 2024	125	Joint liability guarantee			October 25, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	October 25, 2024	2,250	Joint liability guarantee			November 25, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	March 20, 2024	10,000	Joint liability guarantee			March 17, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	March 21, 2024	10,000	Joint liability guarantee			March 21, 2025	No	Yes
Shengyuan	December 17,	5,432,000	April 23,	10,000	Joint liability			April 16, 2025	No	Yes

Chemical Fiber	2024		2024		guarantee					
Yisheng Dahua	December 17, 2024	5,432,000	May 24, 2023	20,000	Joint liability guarantee			May 22, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 15, 2023	8,000	Joint liability guarantee			June 6, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	January 31, 2024	18,268.99	Joint liability guarantee			January 17, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	February 7, 2024	11,000	Joint liability guarantee			January 27, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 6, 2024	25,000	Joint liability guarantee			June 5, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 6, 2024	2,000	Joint liability guarantee			June 20, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 19, 2024	18,000	Joint liability guarantee			June 19, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 27, 2024	16,800	Joint liability guarantee			June 19, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	July 19, 2024	4,400	Joint liability guarantee			July 4, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	July 24, 2024	8,770	Joint liability guarantee			July 14, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	July 26, 2024	8,830	Joint liability guarantee			July 16, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	February 26, 2024	21,912	Joint liability guarantee			February 14, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	May 6, 2024	23,972.4	Joint liability guarantee			March 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	August 21, 2024	11,209.25	Joint liability guarantee			June 24, 2025	No	Yes
Yisheng	December 17, 2024	5,432,000	December 5, 2024	12,124.37	Joint liability			November 21, 2025	No	Yes

Dahua	2024		2024		guarantee			2025		
Yongsheng Technology	December 17, 2024	5,432,000	December 11, 2024	10,773	Joint liability guarantee			December 4, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	March 2, 2021	5,785.71	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 16, 2021	1,339	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 24, 2022	4,739	Joint liability guarantee			December 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 14, 2022	873.81	Joint liability guarantee			December 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 26, 2023	1,746	Joint liability guarantee			December 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	March 2, 2021	5,785.71	Joint liability guarantee			June 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 16, 2021	1,339	Joint liability guarantee			June 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 24, 2022	1,164.5	Joint liability guarantee			June 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 14, 2022	214.71	Joint liability guarantee			June 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 26, 2023	430	Joint liability guarantee			June 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 24, 2022	1,164.5	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 14, 2022	214.71	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 26, 2023	430	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 6, 2022	174.84	Joint liability guarantee			May 15, 2025	No	Yes

Yongsheng Technology	December 17, 2024	5,432,000	June 15, 2022	2,233.1	Joint liability guarantee			May 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 15, 2022	1,173.22	Joint liability guarantee			November 17, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	August 22, 2022	1,234.71	Joint liability guarantee			November 17, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	August 22, 2022	134.87	Joint liability guarantee			May 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 6, 2022	2,190.92	Joint liability guarantee			May 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	82.15	Joint liability guarantee			May 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	2,407.94	Joint liability guarantee			November 16, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	2,407.94	Joint liability guarantee			May 17, 2027	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	1,546.8	Joint liability guarantee			November 15, 2027	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	861.13	Joint liability guarantee			November 15, 2027	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	2,407.94	Joint liability guarantee			May 15, 2028	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	2,407.94	Joint liability guarantee			November 15, 2028	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	2,407.94	Joint liability guarantee			May 15, 2029	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	1,375.99	Joint liability guarantee			November 15, 2029	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 9, 2022	1,031.95	Joint liability guarantee			November 15, 2029	No	Yes

Yongsheng Technology	December 17, 2024	5,432,000	November 9, 2022	1,100.12	Joint liability guarantee			May 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 28, 2022	1,307.81	Joint liability guarantee			May 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 28, 2022	1,209.35	Joint liability guarantee			November 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	December 14, 2022	1,198.59	Joint liability guarantee			November 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	December 14, 2022	1,424.12	Joint liability guarantee			May 15, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	January 19, 2023	983.82	Joint liability guarantee			May 15, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	January 19, 2023	2,407.94	Joint liability guarantee			November 16, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	January 19, 2023	810.97	Joint liability guarantee			May 17, 2032	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	February 14, 2023	1,596.97	Joint liability guarantee			May 17, 2032	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	February 14, 2023	1,451.13	Joint liability guarantee			November 15, 2032	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	April 25, 2023	956.8	Joint liability guarantee			November 15, 2032	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	April 25, 2023	673.13	Joint liability guarantee			May 16, 2033	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 17, 2023	1,369.58	Joint liability guarantee			May 16, 2033	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 31, 2023	365.22	Joint liability guarantee			May 16, 2033	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 28, 2024	5,000	Joint liability guarantee			May 28, 2025	No	Yes

Yongsheng Technology	December 17, 2024	5,432,000	May 30, 2024	5,000	Joint liability guarantee			May 28, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 1, 2023	20,000	Joint liability guarantee			January 24, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 7, 2023	6,500	Joint liability guarantee			February 6, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 1, 2024	20,000	Joint liability guarantee			February 7, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 22, 2024	20,000	Joint liability guarantee			February 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 22, 2024	30,000	Joint liability guarantee			February 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	May 6, 2024	25,000	Joint liability guarantee			April 24, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 29, 2024	50,000	Joint liability guarantee			November 28, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	May 20, 2024	35,000	Joint liability guarantee			May 20, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	June 19, 2024	17,856	Joint liability guarantee			June 3, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	June 26, 2024	23,000	Joint liability guarantee			June 26, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	July 5, 2024	11,564.49	Joint liability guarantee			January 5, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	July 26, 2024	19,509.59	Joint liability guarantee			January 26, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	September 6, 2024	38,201.38	Joint liability guarantee			March 6, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 30, 2024	20,000	Joint liability guarantee			January 30, 2025	No	Yes

Zhongjin Petrochemical	December 17, 2024	5,432,000	April 8, 2024	48,200	Joint liability guarantee			April 8, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 15, 2024	3,700	Joint liability guarantee			April 15, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 19, 2024	6,700	Joint liability guarantee			April 18, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 22, 2024	12,000	Joint liability guarantee			April 22, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	August 13, 2024	53,610	Joint liability guarantee			August 13, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	August 21, 2024	32,300	Joint liability guarantee			August 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	October 16, 2024	39,000	Joint liability guarantee			October 16, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	October 31, 2024	14,390	Joint liability guarantee			October 31, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	December 19, 2024	30,000	Joint liability guarantee			December 19, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 19, 2024	500	Joint liability guarantee			January 16, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 19, 2024	9,000	Joint liability guarantee			February 17, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 27, 2024	2,000	Joint liability guarantee			May 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 27, 2024	2,000	Joint liability guarantee			November 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 27, 2024	36,000	Joint liability guarantee			December 15, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	September 19, 2024	13,000	Joint liability guarantee			September 18, 2025	No	Yes

Zhongjin Petrochemical	December 17, 2024	5,432,000	October 12, 2024	20,000	Joint liability guarantee			October 11, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 13, 2024	20,000	Joint liability guarantee			November 12, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 15, 2024	12,000	Joint liability guarantee			November 14, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 21, 2024	28,000	Joint liability guarantee			November 20, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 26, 2024	19,098.89	Joint liability guarantee			February 25, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 26, 2024	7,000	Joint liability guarantee			November 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	June 7, 2024	12,364.05	Joint liability guarantee			June 6, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	June 27, 2024	37,954.75	Joint liability guarantee			June 20, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 21, 2024	18,368.19	Joint liability guarantee			November 20, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	September 19, 2024	18,150	Joint liability guarantee			March 3, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	December 4, 2024	39,600	Joint liability guarantee			May 9, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	December 2, 2024	10,000	Joint liability guarantee			December 2, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 13, 2023	100	Joint liability guarantee			February 28, 2025	No	Yes
ZPC	December 17, 2024	6,260,000	July 31, 2018	255,000	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2018	68,214.03	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	March 18, 2019	57,375	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 3, 2018	9,388.08	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 9, 2018	15,414.75	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 9, 2018	23,121.11	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2018	4,003.76	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2018	7,706.37	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 13, 2018	2,854.47	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 16, 2018	27,120.78	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 15, 2018	5,710.98	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 31, 2018	25,500	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 23, 2018	47,077.34	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 26, 2018	8,557.8	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 30, 2018	3,996.26	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 31, 2018	17,130.9	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 7, 2018	5,433.67	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	November 8, 2018	11,131.42	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 8, 2018	8,281.38	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 3, 2018	4,026.45	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 9, 2018	13,585.38	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 1, 2019	20,818.51	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 3, 2019	14,268.78	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	2,283.58	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 9, 2018	5,824.2	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	9,989.88	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	41,103.96	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 8, 2019	5,424.87	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 9, 2019	14,253.23	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 10, 2019	7,135.53	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 14, 2019	3,431.79	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 15, 2019	10,281.6	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	January 30, 2019	65,790	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 31, 2019	11,421.96	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 30, 2019	1,712.68	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	9,406.19	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	2,286.33	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	5,995.05	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	4,852.16	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 3, 2019	19,987.41	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 11, 2019	2,573.84	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 12, 2019	3,708.72	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 11, 2019	15,232.68	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 27, 2019	46,920	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 1, 2019	6,555.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	2,562.75	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 7, 2019	3,994.83	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	March 7, 2019	9,989.88	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 8, 2019	1,141.79	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 8, 2019	3,425.05	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 12, 2019	2,570.4	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 13, 2019	1,715.9	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 15, 2019	13,992.36	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 29, 2019	18,360	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 8, 2019	2,850.65	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 10, 2019	570.89	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 11, 2019	1,141.99	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 7, 2019	1,708.5	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 11, 2019	2,000.22	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 12, 2019	4,856.73	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 12, 2019	571.97	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 12, 2019	3,994.83	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	April 15, 2019	1,427.11	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 1, 2019	6,271.47	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 11, 2019	854.25	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	3,196.17	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	17,340	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	6,279.12	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 9, 2019	2,568.79	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 10, 2019	856.34	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 13, 2019	1,429.91	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 13, 2019	1,997.77	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 16, 2019	9,135.63	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 30, 2019	18,474.75	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 1, 2019	3,424.65	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 4, 2019	9,989.74	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	1,366.8	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	June 5, 2019	5,710.98	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2019	7,133.98	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 6, 2019	3,425.36	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 6, 2019	35,700	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 6, 2019	2,859.83	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 12, 2019	17,130.9	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 20, 2019	286.11	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 1, 2019	51,000	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 5, 2019	3,139.63	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 8, 2019	1,141.79	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 8, 2019	17,850	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	11,421.96	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	3,717.77	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	2,570.4	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2019	1,424.43	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	July 10, 2019	2,000.22	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 11, 2019	854.25	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 16, 2019	2,850.65	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 16, 2019	5,135.7	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 31, 2019	31,399.68	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 2, 2019	5,708.42	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	2,859.83	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	6,996.18	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	4,278.9	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 23, 2019	2,852.94	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 23, 2019	2,288.88	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 29, 2019	44,370	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 30, 2019	8,565.45	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	3,001.35	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 9, 2019	2,993.7	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	October 21, 2019	8,281.38	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 21, 2019	5,415.18	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 29, 2019	26,520	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 15, 2019	7,143.06	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 9, 2019	1,285.2	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 18, 2019	2,399.55	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 19, 2019	1,025.1	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 21, 2019	74,970	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	December 18, 2019	2,373.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	December 19, 2019	3,994.83	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	December 24, 2019	4,286.55	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	5,424.87	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	3,140.58	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	1,740.12	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	8,281.38	Joint liability guarantee			July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	January 16, 2020	1,684.53	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 14, 2020	1,994.56	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 18, 2020	577.83	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 16, 2020	3,708.72	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 19, 2020	5,710.98	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 31, 2020	10,200	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 1, 2020	16,575	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 17, 2020	1,424.43	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 17, 2020	2,000.22	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 13, 2020	2,040	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 3, 2020	3,424.65	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2020	3,424.65	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 4, 2023	16,702.37	Joint liability guarantee			March 15, 2027	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	74,520	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	21,804	Joint liability guarantee			November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	January 20, 2021	82,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	276,000	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	120,888	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	23,956.8	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	8,280	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	31,464	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	55,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	55,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	11,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 22, 2021	31,464	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 4, 2021	52,440	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	41,400	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	38,640	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	16,560	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	55,200	Joint liability guarantee			November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	February 5, 2021	102,120	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	62,928	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 7, 2021	31,464	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 18, 2021	11,592	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 18, 2021	19,673.28	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 19, 2021	27,600	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 19, 2021	33,120	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 22, 2021	55,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 22, 2021	55,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 25, 2021	27,600	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 26, 2021	138,000	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 26, 2021	44,160	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	16,560	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	71,760	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	34,224	Joint liability guarantee			November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	April 28, 2021	27,600	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	17,112	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 29, 2021	44,160	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 30, 2021	2,760	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 30, 2021	2,760	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	June 29, 2021	55,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 5, 2021	182,160	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 5, 2021	27,600	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	22,080	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	38,640	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	80,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	80,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	82,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	165,600	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	22,080	Joint liability guarantee			November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	September 15, 2021	55,729.92	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	22,080	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	21,528	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	44,160	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	113,160	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 22, 2021	18,216	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	June 13, 2022	8,832	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 11, 2022	187.68	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 2, 2022	121.44	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 4, 2022	209.76	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 9, 2022	66.24	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2022	8.28	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 5, 2022	284.28	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	October 10, 2022	226.32	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	November 1, 2022	242.88	Joint liability guarantee			November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	December 16, 2022	38.64	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	December 27, 2022	4,416	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	November 2, 2021	9.26	Joint liability guarantee			January 1, 2025	No	Yes
ZPC	December 17, 2024	6,260,000	November 18, 2021	0.39	Joint liability guarantee			January 1, 2025	No	Yes
Total limits of guarantees to subsidiaries approved at the end of the reporting period (B3)		11,692,000		Total balance of guarantees actually provided to subsidiaries at the end of the reporting period (B4)		5,802,254.25				

**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 17, 2024	209,000	October 14, 2024	15.9	Joint liability guarantee			April 14, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	October 14, 2024	50.71	Joint liability guarantee			April 14, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	October 14, 2024	14.93	Joint liability guarantee			April 14, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	November 12, 2024	24	Joint liability guarantee			May 12, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	November 12, 2024	76.74	Joint liability guarantee			May 12, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	December 27, 2024	24.86	Joint liability guarantee			June 27, 2025	No	Yes
Yisheng	December 17, 2024	209,000	December 27, 2024	31.63	Joint liability			June 27, 2025	No	Yes

Dahua	2024		2024		guarantee					
Yisheng Dahua	December 17, 2024	209,000	December 20, 2024	2,700	Joint liability guarantee			June 17, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	September 26, 2024	16,000	Joint liability guarantee			March 24, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	December 4, 2024	13,500	Joint liability guarantee			December 3, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	December 25, 2024	997.5	Joint liability guarantee			June 24, 2025	No	Yes
Total limits of guarantees to subsidiaries approved at the end of the reporting period (C3)		209,000		Total balance of guarantees actually provided to subsidiaries at the end of the reporting period (C4)		33,436.28				
<b>Total amount of guarantees of the Company (Including the above three mentioned guarantees)</b>										
Total limits of guarantees approved at the end of the reporting period (A3+B3+C3)		11,901,000		Total balance of guarantees actually provided at the end of the reporting period (A4+B4+C4)		5,835,690.53				
Proportion of total amount of guarantees (i.e. A4+B4+C4) in net assets of the Company				133.06%						

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. Explanation of other major matters

Applicable  Not applicable

No other important events to be described during the reporting period.

### XVII. Major Events of Subsidiaries

Applicable  Not applicable

Ningbo Zhongjin Petrochemical Co., Ltd., a wholly-owned subsidiary of the Company, applied to Ningbo Branch of China Pacific Property Insurance Co., Ltd. for a tariff guarantee insurance coverage of not more than RMB 585 million for a guarantee period from March 1, 2025 to March 1, 2026, and the Company will provide joint liability guarantee for it, which is subject to the letter of guarantee signed by both parties.

## Section VII Changes in Shares and Shareholders

### I. Changes in shares

#### 1. Changes in shares

Unit: share

	Before the change		Increase or decrease (+, -) Subtotal	After this change	
	Number	Ratio		Number	Ratio
I. Restricted shares	627,243,750	6.19%		627,243,750	6.19%
1. State-owned shares					
2. Shares held by state-owned legal persons					
3. Shares held by other domestic capital	627,243,750	6.19%		627,243,750	6.19%
Including: Shares held by domestic legal persons					
Shares held by domestic natural persons	627,243,750	6.19%		627,243,750	6.19%
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%		9,498,281,250	93.81%
1. RMB ordinary shares	9,498,281,250	93.81%		9,498,281,250	93.81%
2. Domestically-listed foreign shares					
3. Overseas-listed foreign shares					
4. Others					
III. Total shares	10,125,525,000	100.00%		10,125,525,000	100.00%

Causes for change in shares

 Applicable  Not applicable

Approval of changes in shares

 Applicable  Not applicable

Transfer of share changes

 Applicable  Not applicable

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

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

## **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

### **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	89,709	Total number of common shareholders at the end of the last month before the disclosure date of the annual report	87,976	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	
<b>Shareholdings of shareholders holding over 5% of shares or the top 10 shareholders (excluding shares lent through refinancing)</b>								
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	53.16%	5,382,659,734	172,422,254	0	5,382,659,734	Not applicable	0
Aramco Overseas Company B.V.	Overseas legal person	10.00%	1,012,552,501	0	0	1,012,552,501	Not applicable	0
Li Shuirong	Domestic natural person	6.35%	643,275,000	0	482,456,250	160,818,750	Not applicable	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	1.74%	175,884,129	29,093,618	0	175,884,129	Not applicable	0

Li Guoqing	Domestic natural person	0.95%	96,525,000	0	72,393,750	24,131,250	Not applicable	0
Xu Yuejuan	Domestic natural person	0.95%	96,525,000	0	0	96,525,000	Not applicable	0
Li Yongqing	Domestic natural person	0.95%	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	0.54%	55,148,287	0	0	55,148,287	Not applicable	0
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	Other	0.52%	52,504,751	30,021,950	0	52,504,751	Not applicable	0
Huaneng Guicheng Trust Co., Ltd. - Huaneng Trust · Rongyue Weicheng collective funds trust plan	Other	0.49%	50,078,500	0	0	50,078,500	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 persons acting 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 553,232,858 shares in the special securities account, accounting for 5.46% of the Company's total share capital.		
<b>Shareholding of top 10 shareholders not subject to sales restrictions (excluding shares lent through refinancing and executive lock-in shares)</b>			
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.	5,382,659,734	RMB ordinary shares	5,382,659,734
Aramco Overseas Company B.V.	1,012,552,501	RMB ordinary shares	1,012,552,501
Hong Kong Securities Clearing Company Limited	175,884,129	RMB ordinary shares	175,884,129
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
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	52,504,751	RMB ordinary shares	52,504,751
Huaneng Guicheng Trust Co., Ltd. - Huaneng Trust · Rongyue Weicheng collective funds trust plan	50,078,500	RMB ordinary shares	50,078,500
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 5,342,659,734 shares through an ordinary account and 40,000,000 shares through a credit 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 53.16% of shares of the Company and 29.08% of shares of Ningbo United Group Co., Ltd., respectively as their de facto 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

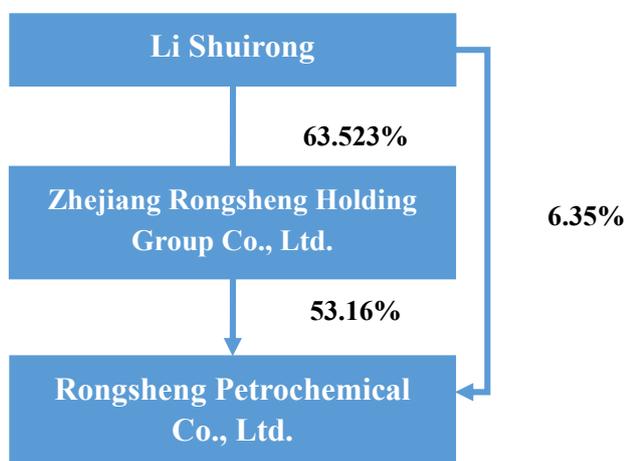
Name of the actual controller	Relationship with actual controller	Nationality	Obtaining the right of residence in other countries or regions or not
Li Shuirong	Same person	China	No
Main occupation and position	Chairman of the Board of Directors of Zhejiang Rongsheng Holding Group Co., Ltd., Chairman 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 53.16% of shares of the Company and 29.08% of shares of Ningbo United Group Co., Ltd., respectively as their de facto 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 rights and control relations between the Company and its actual controller



Block diagram for the property rights 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/pers on-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

Disclose 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	Convertible corporate bonds 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 inclusive)	0.8230%-1.6460%	RMB 1.5 billion (inclusive) - RMB 3 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	269,287,406	0.00%

Implementation progress of reducing repurchased shares by centralized competitive bidding

Applicable  Not applicable

## Section VIII Preferred Shares

Applicable  Not applicable

The Company had no preferred shares during the reporting period.

## Section IX Bonds

Applicable  Not applicable

## Section X Financial Reports

### I. Audit Report

<b>Type of audit opinions</b>	Standard unqualified opinion
<b>Signing date of audit report</b>	April 24, 2025
<b>Name of auditor</b>	Pan-China Certified Public Accountants (Special General Partnership)
<b>Reference No. of audit report</b>	2025 No. (7758)
<b>Name of certified public accountants</b>	Jia Chuan, Xu Haihong

#### Text of Audit Report

##### I. Audit Opinion

We have audited the financial statements of Rongsheng Petrochemical Co., Ltd. (the “Company”), which comprise the consolidated and parent company balance sheets as at December 31, 2024, the consolidated and parent company income statements, consolidated and parent company cash flow statements, and consolidated and parent company statements of changes in equity for the year then ended, as well as notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.

##### II. Basis for Audit Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Certified Public Accountant’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

###### (I) Revenue recognition

###### 1. Key audit matters

See Notes V, 25 and VII, 40 to the financial statements for relevant information disclosure.

The Company is mainly engaged in sales of refinery products, chemical products, PTA, polyester chips, polyester yarns, polyester films, etc. In 2024, the operating revenue amounted to 326,475.16 million yuan. According to the sales contract entered into between the Company and its customers, revenue from sales of goods is recognized when the customer has obtained the control over related goods.

As operating revenue is one of the key performance indicators of the Company, there might be inherent risks that the Company’s management (the “Management”) adopts inappropriate revenue recognition to achieve specific goals or expectations, we have identified revenue recognition as a key audit matter.

###### 2. Responsive audit procedures

Our main audit procedures for revenue recognition are as follows:

- (1) We obtained understandings of key internal controls related to revenue recognition, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We checked sales contracts, obtained understandings of main contractual terms or conditions, confirmed the transaction essence of the related businesses in combination with their background, and assessed whether the revenue recognition method was appropriate;
- (3) We performed analysis procedure on operating revenue and gross margin by month, product, customer, etc., so as to identify whether there are significant or abnormal fluctuations and find out the reason;
- (4) For revenue from domestic sales, we selected items to check supporting documents related to revenue recognition, including sales contracts, orders, sales invoices, outbound delivery orders, logistics records, delivery receipts, etc.; for revenue from overseas sales, we obtained information from Electron Port to check with accounting records, and selected items to check supporting documents including sales contracts, bills of clearance, waybills, sales invoices, delivery and shipping records, etc.;
- (5) We selected items to perform confirmation procedures on sales amount in combination with confirmation procedure of accounts receivable;
- (6) We performed cut-off tests to check whether the revenue was recognized in the appropriate period;
- (7) We obtained sales return records subsequent to the balance sheet date and checked whether there was revenue not eligible for recognition at the balance sheet date; and
- (8) We checked whether information related to operating revenue had been presented appropriately in the financial statements.

## (II) Measurement of fixed assets and construction in progress

### 1. Key audit matters

See Notes V, 16, V, 17, VII, 11 and V, 12 to the financial statements for details of relevant information disclosure.

As of December 31, 2024, the carrying amount of fixed assets of the Company amounted to 232,497.11 million yuan, which mainly refer to machinery used for production of refining-chemical products, etc. and corresponding plants. Such assets are accounted for as fixed assets when they reach the designed usable conditions, with depreciation made using the straight-line method over their estimated useful lives.

As of December 31, 2024, the carrying amount of construction in progress of the Company amounted to 44,036.13 million yuan, which mainly refers to 1.40 million tons of ethylene, as well as downstream chemical plant installations, high performance resin project, etc. Such construction in progress is measured at actual cost, which include construction costs, installation costs, borrowing costs eligible for capitalization and other necessary expenditures incurred to bring the construction in progress to its designed usable conditions, including expenditures on engineering design, supervision, cost consultancy, etc.

The judgments made by the Management would have an impact on the carrying amount of fixed assets and construction in progress, as well as deprecation policy for fixed assets, which includes: determination of expenditures eligible for capitalization, time point of transferring the construction in progress into fixed assets and starting deprecation, estimation of the economic useful life and the residual value of corresponding fixed assets.

As the assessment of carrying amount of fixed assets and construction in progress involves significant judgment of the Management, and may have significant impact on the consolidated financial statements, we have identified measurement and recognition of fixed assets and construction in progress as a key audit matter.

### 2. Responsive audit procedures

Our main audit procedures for measurement of fixed assets and construction in progress are as follows:

- (1) We obtained understandings of key internal controls related to measurement of fixed assets and construction

in progress, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;

(2) We selected items to check newly increased construction in progress, confirmed whether they were eligible for capitalization, spot checked construction and installation costs with significant amount increased in the current period, checked related construction contracts, and cross checked the actual amount paid with invoices and payment vouchers;

(3) We obtained loan contracts and reviewed the accuracy and completeness of recognition of capitalized interest in combination with the inputs into construction in progress;

(4) We conducted on-site observation on engineering construction to obtain an understanding of and assess the progress of engineering, so as to confirm whether there are significant differences between the observation results and the Company's accounting records;

(5) We confirmed the time point of transferring construction in progress to fixed assets, checked the accuracy of the time point in combination with on-site observation and fixed assets acceptance reports;

(6) We assessed the reasonableness of depreciation method of fixed assets to further review the reasonableness of accrued depreciations; and

(7) We checked whether information related to fixed assets and construction in progress had been presented appropriately in the financial statements.

#### **IV. Other Information**

The Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

#### **V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements**

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### **VI. Certified Public Accountant's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit performed in accordance with China Standards on Auditing. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(IV) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain sole responsibility for our audit opinion.

We communicate with those charged with governance regarding the planned audit scope, time schedule and significant audit findings, including any deficiencies in internal control of concern that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 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, 2024

Unit: RMB

Items	December 31, 2024	January 1, 2024
Current assets:		
Cash and bank balances	14,833,384,920.45	13,070,255,466.02
Settlement funds		
Loans to other banks		
Held-for-trading financial assets		
Derivative financial assets	475,766,685.17	310,087,429.45
Notes receivable		
Accounts receivable	6,821,971,706.36	4,737,733,703.66
Receivables financing	103,225,654.46	175,036,242.93
Advances paid	1,354,519,708.48	1,493,312,465.86
Premium receivables		
Reinsurance accounts receivables		
Reinsurance reserves receivable		
Other receivables	4,345,964,007.66	4,510,228,597.49
Including: Interest receivables		
Dividends receivable		
Financial assets under reverse repo		
Inventories	44,566,934,616.59	61,733,657,342.07
including: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	5,801,152,355.65	5,297,128,974.31
Total current assets	78,302,919,654.82	91,327,440,221.79
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investment	9,516,636,321.17	9,183,711,444.96
Other equity instrument investments		
Other non-current financial assets		
Investment property	10,124,128.60	10,395,574.60
Fixed assets	232,497,113,015.70	219,699,679,397.52
Construction in progress	44,036,132,096.28	41,820,671,070.59
Productive biological assets		
Oil & gas assets		
Right-of-use assets	176,237,821.55	200,102,141.16
Intangible assets	8,142,781,094.80	7,128,930,412.44

including: data resources		
Development expenditures		
including: data resources		
Goodwill		
Long-term prepayments		45,701.13
Deferred tax assets	1,237,176,277.28	690,808,878.08
Other non-current assets	3,926,823,773.78	4,856,655,469.41
Total non-current assets	299,543,024,529.16	283,591,000,089.89
Total assets	377,845,944,183.98	374,918,440,311.68
Current liabilities:		
Short-term borrowings	44,090,969,803.23	44,810,936,767.94
Central bank loans		
Loans from other banks		
Held-for-trading financial liabilities	1,269,256,561.53	544,366,956.25
Derivative financial liabilities	34,655,378.23	78,931,785.08
Notes payable	3,204,293,497.95	4,195,471,402.63
Accounts payable	59,032,829,819.11	49,744,126,901.38
Advances received		
Contract liabilities	5,995,580,462.05	4,421,732,432.83
Financial liabilities under repo		
Absorbing deposit and interbank deposit		
Deposits for agency security transaction		
Deposits for agency security underwriting		
Employee benefits payable	996,809,278.49	1,032,220,776.56
Taxes and rates payable	1,277,862,468.64	476,781,167.70
Other payables	6,588,756,879.48	16,919,133,504.47
Including: Interests payable		
Dividends payable		228,000,000.00
Handling fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	38,322,495,216.94	30,286,684,174.81
Other current liabilities	742,351,889.84	551,990,844.96
Total current liabilities	161,555,861,255.49	153,062,376,714.61
Non-current liabilities:		
Insurance policy reserves		
Long-term borrowings	119,518,340,862.41	125,179,583,821.18
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	171,624,458.34	193,002,312.38

Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	198,629,966.29	195,581,593.25
Deferred tax liabilities	1,577,357,341.78	1,619,074,228.97
Other non-current liabilities		
Total non-current liabilities	121,465,952,628.82	127,187,241,955.78
Total liabilities	283,021,813,884.31	280,249,618,670.39
Equity:		
Share capital	10,125,525,000.00	10,125,525,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	10,819,566,635.04	10,825,322,259.36
Less: treasury shares	6,987,008,823.24	6,619,807,176.02
Other comprehensive income	280,892,216.98	110,203,866.35
Special reserve	19,057,187.43	60,677,296.91
Surplus reserve	1,270,743,066.03	974,151,644.68
General risk reserve		
Undistributed profit	28,330,397,005.41	28,859,818,194.51
Total equity attributable to the parent company	43,859,172,287.65	44,335,891,085.79
Non-controlling interest	50,964,958,012.02	50,332,930,555.50
Total equity	94,824,130,299.67	94,668,821,641.29
Total liabilities & equity	377,845,944,183.98	374,918,440,311.68

Legal representative: Li Shuirong    Officer in charge of accounting: Wang Yafang    Head of accounting department: Zhang Shaoying

## 2. Balance Sheet of the Parent Company

Unit: RMB

Items	December 31, 2024	January 1, 2024
Current assets:		
Cash and bank balances	682,038,492.96	3,178,729,609.27
Held-for-trading financial assets		
Derivative financial assets		590,642.24
Notes receivable		
Accounts receivable	2,470,580.97	20,051,350.25
Receivables financing	7,377,152.89	48,866,718.09
Advances paid	153,158,590.35	86,770,376.46
Other receivables	2,378,142,849.26	3,279,228,160.71
Including: Interest receivables		

Dividends receivable	550,000,000.00	1,230,000,000.00
Inventories	169,343,856.05	373,819,275.01
including: data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets		
Total current assets	3,392,531,522.48	6,988,056,132.03
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	48,129,034,147.12	44,868,063,401.17
Other equity instrument investments		
Other non-current financial assets		
Investment property	10,124,128.60	10,395,574.60
Fixed assets	274,806,084.66	278,851,669.68
Construction in progress		
Productive biological assets		
Oil & gas assets		
Right-of-use assets		362,662.83
Intangible assets	13,461,355.78	15,926,750.02
including: data resources		
Development expenditures		
including: data resources		
Goodwill		
Long-term prepayments		
Deferred tax assets		
Other non-current assets	2,271,130.13	
Total non-current assets	48,429,696,846.29	45,173,600,058.30
Total assets	51,822,228,368.77	52,161,656,190.33
Current liabilities:		
Short-term borrowings	7,055,037,415.98	5,205,927,913.36
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	575,194,158.34	877,250,766.14
Accounts payable	5,205,888,310.81	2,236,363,176.15
Advances received		
Contract liabilities	710,551,453.29	132,034,985.73
Employee benefits payable	53,751,135.30	62,259,994.55
Taxes and rates payable	13,850,759.94	9,502,189.46

Other payables	8,264,563,912.00	17,362,996,403.59
Including: Interests payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	2,788,700,063.61	5,306,548,588.47
Other current liabilities	92,371,688.93	17,164,548.14
Total current liabilities	24,759,908,898.20	31,210,048,565.59
Non-current liabilities:		
Long-term borrowings	8,399,186,264.02	4,066,370,787.22
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Provisions		
Deferred income	7,309,864.22	8,319,120.04
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	8,406,496,128.24	4,074,689,907.26
Total liabilities	33,166,405,026.44	35,284,738,472.85
Equity:		
Share capital	10,125,525,000.00	10,125,525,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	11,243,374,721.45	11,243,374,721.45
Less: treasury shares	6,987,008,823.24	6,619,807,176.02
Other comprehensive income	217,617,723.95	80,110,211.22
Special reserve		
Surplus reserve	1,270,743,066.03	974,151,644.68
Undistributed profit	2,785,571,654.14	1,073,563,316.15
Total equity	18,655,823,342.33	16,876,917,717.48
Total liabilities & equity	51,822,228,368.77	52,161,656,190.33

### 3. Consolidated Income Statement

Unit: RMB

Items	2024	2023
I. Total operating revenue	326,475,162,608.88	325,111,614,268.09

Including: operating revenue	326,475,162,608.88	325,111,614,268.09
Interest income		
Premiums earned		
Revenue from handling fees and commissions		
II. Total operating cost	327,290,632,772.57	326,533,413,625.57
Including: operating cost	288,990,543,880.55	287,758,885,697.30
Interest expenses		
Handling fees and commissions		
Surrender value		
Net payment of insurance claims		
Net provision of insurance policy reserve		
Premium bonus expenditures		
Reinsurance expenses		
Taxes and surcharges	24,897,439,763.47	22,947,657,583.48
Selling expenses	193,112,300.81	160,462,247.93
Administrative expenses	976,713,694.79	908,998,018.22
R&D expenses	5,101,483,285.60	6,555,282,352.50
Financial expenses	7,131,339,847.35	8,202,127,726.14
Including: interest expenses	7,077,035,657.42	7,352,267,160.76
Interest income	544,687,994.07	462,192,239.25
Add: Other income	2,871,905,081.83	2,589,241,344.18
Investment income (or less: losses)	163,033,295.85	460,034,533.27
Including: Investment income from associates and joint ventures	244,591,550.05	275,964,998.21
Gains from derecognition of financial assets at amortized cost		
Gains on foreign exchange (or less: losses)		
Gains on net exposure to hedging risk (or less: losses)		
Gains on changes in fair value (or less: losses)	120,298,131.43	155,886,267.94
Credit impairment loss	-189,106,251.69	-105,271,556.51
Assets impairment loss	-163,827,403.04	-121,513,148.98
Gains on asset disposal (or less: losses)	17,440,176.91	3,706,231.92
III. Operating profit (or less: losses)	2,004,272,867.60	1,560,284,314.34
Add: Non-operating revenue	10,470,949.91	2,956,271.70
Less: Non-operating expenditures	109,027,148.89	10,662,129.76
IV. Profit before tax (or less: total loss)	1,905,716,668.62	1,552,578,456.28
Less: Income tax expenses	-219,603,413.29	-50,584,009.36
V. Net profit (or less: net loss)	2,125,320,081.91	1,603,162,465.64
(I) Categorized by the continuity of operations		
1. Net profit from continuing operations (or less: net loss)	2,125,320,081.91	1,603,162,465.64
2. Net profit from discontinued operations (or less: net loss)		

(II) Categorized by the portion of equity ownership		
1. Net profit attributable to owners of parent company(or less: losses)	724,484,686.45	1,158,146,248.89
2. Net profit attributable to non-controlling shareholders(or less: losses)	1,400,835,395.46	445,016,216.75
VI. Other comprehensive income after tax	168,426,991.01	-15,189,892.14
Items attributable to the owners of the parent company	170,688,350.63	-29,258,747.36
(I) Not to be reclassified subsequently to profit or loss	-590,642.24	590,642.24
1. Remeasurements of the net defined benefit plan		
2. Items under equity method that will not be reclassified to profit or loss		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of own credit risk		
5. Others	-590,642.24	590,642.24
(II) To be reclassified subsequently to profit or loss	171,278,992.87	-29,849,389.60
1. Items under equity method that may be reclassified to profit or loss	120,207,167.57	34,005,723.54
2. Changes in fair value of other debt investments		
3. Profit or loss from reclassification of financial assets into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserve		
6. Translation reserve	51,071,825.30	-63,855,113.14
7. Others		
Items attributable to non-controlling shareholders	-2,261,359.62	14,068,855.22
VII. Total comprehensive income	2,293,747,072.92	1,587,972,573.50
Items attributable to the owners of the parent company	895,173,037.08	1,128,887,501.53
Items attributable to non-controlling shareholders	1,398,574,035.84	459,085,071.97
VIII. Earnings per share (EPS)		
(I) Basic EPS (yuan per share)	0.08	0.12
(II) Diluted EPS (yuan per share)	0.08	0.12

Legal representative: Li Shuirong    Officer in charge of accounting: Wang Yafang    Head of accounting department: Zhang Shaoying

#### 4. Income Statement of the Parent Company

Unit: RMB

Items	2024	2023
I. Operating revenue	2,444,347,399.21	3,801,464,198.72
Less: Operating cost	2,369,629,011.51	3,722,981,661.13

Taxes and surcharges	14,941,864.15	6,655,211.53
Selling expenses	35,432,354.53	57,902,895.45
Administrative expenses	53,799,008.45	50,209,045.98
R&D expenses	82,619,613.45	96,402,110.80
Financial expenses	784,068,244.65	830,017,775.12
Including: interest expenses	837,233,949.57	889,784,232.11
Interest income	60,929,188.85	62,283,984.35
Add: Other income	1,040,297,788.65	751,632,963.95
Investment income (or less: losses)	2,827,800,018.74	1,089,479,531.08
Including: Investment income from associates and joint ventures	244,101,230.58	213,559,806.48
Gains from derecognition of financial assets at amortized cost		
Gains on net exposure to hedging risk (or less: losses)		
Gains on changes in fair value (or less: losses)		
Credit impairment loss	2,255,948.69	1,510,901.98
Assets impairment loss	-846,863.09	-2,961,557.87
Gains on asset disposal (or less: losses)	-150,448.41	-14,028.90
II. Operating profit (or less: losses)	2,973,213,747.05	876,943,308.95
Add: Non-operating revenue	14,902.40	21,209.63
Less: Non-operating expenditures	7,314,435.91	152,018.99
III. Profit before tax (or less: total losses)	2,965,914,213.54	876,812,499.59
Less: Income tax expenses		
IV. Net profit (or less: net losses)	2,965,914,213.54	876,812,499.59
(I) Net profit from continuing operations (or less: net losses)	2,965,914,213.54	876,812,499.59
(II) Net profit from discontinued operations (or less: net losses)		
V. Other comprehensive income after tax	137,507,512.73	35,137,595.13
(I) Not to be reclassified subsequently to profit or loss	-590,642.24	590,642.24
1. Remeasurements of the net defined benefit plan		
2. Items under equity method that will not be reclassified to profit or loss		
3. Changes in fair value of other equity instrument investments		
4. Changes in fair value of own credit risk		
5. Others	-590,642.24	590,642.24
(II) To be reclassified subsequently to profit or loss	138,098,154.97	34,546,952.89
1. Items under equity method that may be reclassified to profit or loss	138,098,154.97	34,546,952.89
2. Changes in fair value of other debt investments		
3. Profit or loss from reclassification of financial assets into other comprehensive income		

4. Provision for credit impairment of other debt investments		
5. Cash flow hedging reserve		
6. Translation reserve		
7. Others		
VI. Total comprehensive income	3,103,421,726.27	911,950,094.72
VII. Earnings per share (EPS):		
(I) Basic EPS (yuan per share)		
(II) Diluted EPS (yuan per share)		

## 5. Consolidated Cash Flow Statement

Unit: RMB

Items	2024	2023
I. Cash flows from operating activities:		
Cash receipts from sale of goods or rendering of services	372,036,265,785.03	427,728,683,875.50
Net increase of client deposit and interbank deposit		
Net increase of central bank loans		
Net increase of loans from other financial institutions		
Cash receipts from original insurance contract premium		
Net cash receipts from reinsurance		
Net increase of policy-holder deposit and investment		
Cash receipts from interest, handling fees and commissions		
Net increase of loans from others		
Net increase of repurchase		
Net cash receipts from agency security transaction		
Receipts of tax refund	8,183,620,508.01	9,958,573,336.65
Other cash receipts related to operating activities	3,999,364,594.26	5,651,780,404.79
Subtotal of cash inflows from operating activities	384,219,250,887.30	443,339,037,616.94
Cash payments for goods purchased and services received	319,391,099,945.22	382,643,654,728.90
Net increase of loans and advances to clients		
Net increase of central bank deposit and interbank deposit		
Cash payments for insurance indemnities of original insurance contracts		
Net increase of loans to others		
Cash payments for interest, handling fees and commissions		
Cash payments for policy bonus		
Cash paid to and on behalf of employees	3,418,589,693.72	3,522,432,198.53
Cash payments for taxes and rates	24,125,457,835.49	25,072,810,953.81
Other cash payments related to operating activities	2,674,976,807.99	4,020,918,226.97

Subtotal of cash outflows from operating activities	349,610,124,282.42	415,259,816,108.21
Net cash flows from operating activities	34,609,126,604.88	28,079,221,508.73
II. Cash flows from investing activities:		
Cash receipts from withdrawal of investments	3,519,097,041.94	3,180,301,658.70
Cash receipts from investment income	24,778,639.60	46,185,918.80
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	264,117,510.59	33,821,614.72
Net cash receipts from the disposal of subsidiaries & other business units		18,698,663.16
Other cash receipts related to investing activities	185,655,184.16	471,846,135.19
Subtotal of cash inflows from investing activities	3,993,648,376.29	3,750,853,990.57
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	31,582,215,734.40	32,643,267,964.49
Cash payments for investments	3,524,971,851.23	3,178,359,828.41
Net increase of pledged borrowings		
Net cash payments for the acquisition of subsidiaries & other business units		
Other cash payments related to investing activities	142,342,025.66	216,460,115.21
Subtotal of cash outflows from investing activities	35,249,529,611.29	36,038,087,908.11
Net cash flows from investing activities	-31,255,881,235.00	-32,287,233,917.54
III. Cash flows from financing activities:		
Cash receipts from absorbing investments	1,728,000,000.00	
Including: Cash received by subsidiaries from non-controlling shareholders as investments	1,728,000,000.00	
Cash receipts from borrowings	126,032,872,268.04	138,409,693,130.84
Other cash receipts related to financing activities	21,475,993,068.61	20,885,325,460.00
Subtotal of cash inflows from financing activities	149,236,865,336.65	159,295,018,590.84
Cash payments for the repayment of borrowings	124,519,359,588.57	117,188,136,080.88
Cash payments for distribution of dividends or profits and for interest expenses	12,029,536,471.85	9,700,463,891.53
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit	2,678,000,000.00	
Other cash payments related to financing activities	14,376,254,046.91	31,203,648,155.85
Subtotal of cash outflows from financing activities	150,925,150,107.33	158,092,248,128.26
Net cash flows from financing activities	-1,688,284,770.68	1,202,770,462.58
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-207,983,361.27	-967,182,760.02
V. Net increase in cash and cash equivalents	1,456,977,237.93	-3,972,424,706.25
Add: Opening balance of cash and cash equivalents	11,486,855,097.52	15,459,279,803.77
VI. Closing balance of cash and cash equivalents	12,943,832,335.45	11,486,855,097.52

## 6. Cash Flow Statement of the Parent Company

Unit: RMB

Items	2024	2023
<b>I. Cash flows from operating activities:</b>		
Cash receipts from sale of goods or rendering of services	15,696,588,713.99	9,684,499,404.78
Receipts of tax refund	13,166,721.36	90,299,027.73
Other cash receipts related to operating activities	1,592,873,201.79	1,009,384,263.80
Subtotal of cash inflows from operating activities	17,302,628,637.14	10,784,182,696.31
Cash payments for goods purchased and services received	11,840,353,525.29	10,826,529,124.42
Cash paid to and on behalf of employees	232,656,827.23	246,704,453.63
Cash payments for taxes and rates	65,728,903.16	13,470,165.07
Other cash payments related to operating activities	525,957,823.36	799,794,540.43
Subtotal of cash outflows from operating activities	12,664,697,079.04	11,886,498,283.55
Net cash flows from operating activities	4,637,931,558.10	-1,102,315,587.24
<b>II. Cash flows from investing activities:</b>		
Cash receipts from withdrawal of investments		62,012,313.32
Cash receipts from investment income	3,243,228,639.60	39,685,918.80
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets	1,307,737.00	376,446.55
Net cash receipts from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities	1,681,000,000.00	2,003,000,000.00
Subtotal of cash inflows from investing activities	4,925,536,376.60	2,105,074,678.67
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets	2,271,130.13	16,403,475.25
Cash payments for investments	2,892,000,000.00	1,516,209,000.00
Net cash payments for the acquisition of subsidiaries & other business units		
Other cash payments related to investing activities	1,401,550,000.00	2,878,891,000.00
Subtotal of cash outflows from investing activities	4,295,821,130.13	4,411,503,475.25
Net cash flows from investing activities	629,715,246.47	-2,306,428,796.58
<b>III. Cash flows from financing activities:</b>		
Cash receipts from absorbing investments		
Cash receipts from borrowings	18,976,690,000.00	11,935,860,000.00
Other cash receipts related to financing activities	5,528,552,171.00	24,651,006,000.00
Subtotal of cash inflows from financing activities	24,505,242,171.00	36,586,866,000.00
Cash payments for the repayment of borrowings	15,272,538,000.00	11,421,360,479.28
Cash payments for distribution of dividends or profits and for interest expenses	1,616,645,745.96	2,030,433,516.19

Other cash payments related to financing activities	15,357,194,192.39	17,082,266,592.43
Subtotal of cash outflows from financing activities	32,246,377,938.35	30,534,060,587.90
Net cash flows from financing activities	-7,741,135,767.35	6,052,805,412.10
IV. Effect of foreign exchange rate changes on cash and cash equivalents	998,308.18	288,239.11
V. Net increase in cash and cash equivalents	-2,472,490,654.60	2,644,349,267.39
Add: Opening balance of cash and cash equivalents	3,154,529,147.56	510,179,880.17
VI. Closing balance of cash and cash equivalents	682,038,492.96	3,154,529,147.56

**7. Consolidated Statement of Changes in Owner's Equity**

Current amount

Unit: RMB

Items	2024														
	Owner's equity attributable to the parent company												Minority equity	Total equity	
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Generic risk reserves	Undistributed profits	Others			Subtotal
Preferred shares		Perpetual bond	Others												
I. Balance at the end of prior 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: Cumulative changes of accounting policies															
Error correction of prior period															
Others															
II. Balance at the beginning of current 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. Current period increase (or less: decrease)					-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 or withdrawn by owners						367,201,647.22							-367,201,647.22	1,728,000,000.00	1,360,798,352.78

1. Ordinary shares contributed by owners						367,201,647.22							-	367,201,647.22	1,728,000.00	1,360,798,352.78
2. Capital contributed by holders of other equity instruments																
3. Amount of share-based payment included in equity																
4. Others																
(III) Profit distribution									296,591.42				-	957,314,454.20	-	-
1. Appropriation of surplus reserve									296,591.42				-	296,591.42		
2. Appropriation of general risk reserve																
3. Appropriation of profit to owners													-	957,314,454.20	-	-
4. Others																
(IV) Internal carry-over within equity																
1. Transfer of capital reserve to capital																
2. Transfer of surplus reserve to capital																
3. Surplus reserve to cover losses																
4. Changes in defined benefit plan																

carried over to retained earnings															
5. Other comprehensive income carried over to retained earnings															
6. Others															
(V) Special reserve															
1. Current period appropriation															
2. Current period use															
(VI) Others															
IV. Balance at the end of 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

Amount of prior period

Unit: RMB

Items	2023														
	Owner's equity attributable to the parent company												Minority equity	Total equity	
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Generic risk reserves	Undistributed profits	Others			Subtotal
Preferred shares		Perpetual bond	Others												
I. Balance at the end of prior year	10,125,525,000.00				10,822,594,513.39	3,978,202,364.65	139,462,613.71		886,470,394.72		29,265,710,547.78		47,261,560,704.95	49,905,399,878.19	97,166,960,583.14
Add: Cumulative changes of accounting policies															

Error correction of prior period															
Others															
II. Balance at the beginning of current year	10,125,525,000.00				10,822,594,513.39	3,978,202,364.65	139,462,613.71		886,470,394.72		29,265,710,547.78		47,261,560,704.95	49,905,399,878.19	97,166,960,583.14
III. Current period increase (or less: decrease)					2,727,745.97	2,641,604,811.37	-29,258,747.36	60,677,296.91	87,681,249.96		-405,892,353.27		-2,925,669,619.16	427,530,677.31	-2,498,138,941.85
(I) Total comprehensive income							-29,258,747.36				1,158,146,248.89		1,128,887,501.53	459,085,071.97	1,587,972,573.50
(II) Capital contributed or withdrawn by owners						2,641,604,811.37							-2,641,604,811.37		-2,641,604,811.37
1. Ordinary shares contributed by owners						2,641,604,811.37							-2,641,604,811.37		-2,641,604,811.37
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment included in equity															
4. Others															
(III) Profit distribution									87,681,249.96		-1,564,038,602.16		-1,476,357,352.20	-120,000,000.00	-1,596,357,352.20
1. Appropriation of surplus reserve									87,681,249.96		-87,681,249.96				
2. Appropriation of general risk reserve															
3. Appropriation of profit to owners											-1,476,357,352.20		-1,476,357,352.20	-120,000,000.00	-1,596,357,352.20

											352.20		7,352.20	000.00	7,352.20
4. Others															
(IV) Internal carry-over within equity															
1. Transfer of capital reserve to capital															
2. Transfer of surplus reserve to capital															
3. Surplus reserve to cover losses															
4. Changes in defined benefit plan carried over to retained earnings															
5. Other comprehensive income carried over to retained earnings															
6. Others															
(V) Special reserve								60,677,296.91					60,677,296.91	58,876,200.72	119,553,497.63
1. Current period appropriation								367,322,639.12					367,322,639.12	289,192,850.95	656,515,490.07
2. Current period use								306,645,342.21					306,645,342.21	230,316,650.23	536,961,992.44
(VI) Others					2,727,745.97								2,727,745.97	29,569,404.62	32,297,150.59
IV. Balance at the end of current period	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

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

Current amount

Unit: RMB

Items	2024											
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total equity
		Preferred shares	Perpetual bond	Others								
I. Balance at the end of prior 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: Cumulative changes of accounting policies												
Error correction of prior period												
Others												
II. Balance at the beginning of current 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. Current period increase (or less: decrease)						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 or withdrawn by owners						367,201,647.22						-367,201,647.22
1. Ordinary shares contributed by owners						367,201,647.22						-367,201,647.22
2. Capital contributed by holders of other												

equity instruments												
3. Amount of share-based payment included in equity												
4. Others												
(III) Profit distribution									296,591,421.35	-	1,253,905,875.55	957,314,454.20
1. Appropriation of surplus reserve									296,591,421.35	-	296,591,421.35	
2. Appropriation of profit to owners (or shareholders)										-	957,314,454.20	957,314,454.20
3. Others												
(IV) Internal carry-over within equity												
1. Transfer of capital reserve to capital												
2. Transfer of surplus reserve to capital												
3. Surplus reserve to cover losses												
4. Changes in defined benefit plan carried over to retained earnings												

5. Other comprehensive income carried over to retained earnings												
6. Others												
(V) Special reserve												
1. Current period appropriation												
2. Current period use												
(VI) Others												
IV. Balance at the end of 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

Amount of prior period

Unit: RMB

Items	2023											
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total equity
		Preferred shares	Perpetual bond	Others								
I. Balance at the end of prior year	10,125,525,000.00				11,243,393,393.54	3,978,202,364.65	44,972,616.09		886,470,394.72	1,760,789,418.72		20,082,948,458.42
Add: Cumulative changes of accounting policies												
Error correction of prior period												
Others												

II. Balance at the beginning of current year	10,125,525,000.00				11,243,393,393.54	3,978,202,364.65	44,972,616.09		886,470,394.72	1,760,789,418.72		20,082,948,458.42
III. Current period increase (or less: decrease)					-18,672.09	2,641,604,811.37	35,137,595.13		87,681,249.96	-687,226,102.57		-3,206,030,740.94
(I) Total comprehensive income							35,137,595.13			876,812,499.59		911,950,094.72
(II) Capital contributed or withdrawn by owners						2,641,604,811.37						-2,641,604,811.37
1. Ordinary shares contributed by owners						2,641,604,811.37						-2,641,604,811.37
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment included in equity												
4. Others												
(III) Profit distribution									87,681,249.96	-1,564,038,602.16		-1,476,357,352.20
1. Appropriation of surplus reserve									87,681,249.96	-87,681,249.96		
2. Appropriation of profit to owners										-1,476,357,352.20		-1,476,357,352.20

3. Others												
(IV) Internal carry-over within equity												
1. Transfer of capital reserve to capital (or share capital)												
2. Transfer of surplus reserve to capital (or share capital)												
3. Surplus reserve to cover losses												
4. Changes in defined benefit plan carried over to retained earnings												
5. Other comprehensive income carried over to retained earnings												
6. Others												
(V) Special reserve												
1. Current period appropriation												
2. Current period use												
(VI) Others					-18,672.09							-18,672.09
IV. Balance at the end of current period	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. 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 Xincan 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 10,125,525,000.00 and a total of 10,125,525,000 shares (par value: RMB 1 per share), including outstanding shares subject to sales restrictions: 627,243,750 A shares, and outstanding shares not subject to sales restrictions: 9,498,281,250 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 Sixth Board of Directors at its 23th meeting on April 24, 2025.

### 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 Sheng Hui 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

Items	Materiality
Significant advances paid with age over one year	With individual balance exceeding 0.5% of total assets
Significant dividend receivable with age over one year	With individual balance exceeding 0.5% of total assets
Significant construction in progress	With individual balance exceeding 0.5% of total assets
Significant accounts payable with age over one year	With individual balance exceeding 0.5% of total assets
Significant other payables with age over one year	With individual balance exceeding 0.5% of total assets
Significant contract liabilities with age over one year	With individual balance exceeding 0.5% of total assets
Significant foreign operating entities	15% of total revenue
Significant cash flows from investing activities	With individual balance exceeding 0.5% of total assets
Significant not wholly-owned subsidiaries	With individual total assets exceeding 3% of the group's total assets
Significant associates	With the carrying amount of individual investment exceeding 0.5% of the group's total assets
Significant contingencies	With individual balance exceeding 3% of total assets or other events that may be significantly influential for investors in decision-making
Significant events after the balance sheet date	Profit distribution and other events after the balance sheet date that may be significantly influential for investors in decision-making

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

##### 1. Accounting methods for business combinations under common control

The assets and liabilities acquired by the Company in business combination shall be measured according to the carrying amount of the combined party in the consolidated financial statements of the final controlling party on the date of combination. The Company shall adjust the capital reserve according to the difference between the carrying amount share of the owner's equity of the combined party in the consolidated financial statements of the final controlling party and the carrying amount of the consolidated consideration paid or the total face value of the issued shares; If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

##### 2. Accounting methods for business combinations not under the common control

On the purchase date, the difference between the combined cost and the fair value share of the identifiable net assets of the acquiree obtained in the merger is recognized as goodwill. If the combined cost is less than the fair value share of the identifiable net assets of the acquiree obtained in the combination, first, the fair value of

identifiable assets, liabilities and contingent liabilities of the acquiree and the measurement of combined cost are reviewed. If the combined cost is still less than the fair value share of identifiable net assets of the acquiree obtained in the merger after review, the difference is included in the current gain and loss.

## **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 divided into 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 gain and 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 gain and 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 gain and loss.

At initial recognition, financial liabilities are classified into four categories: (1) financial liabilities at fair value through gain and 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 gain and loss, the transaction expenses thereof shall be directly recorded in current gain and loss. For other categories of financial assets or financial liabilities, the related transaction expenses 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 gain and 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 gain and 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 gain and 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 gain and 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 out from other comprehensive incomes and included in retained earnings.

4) Financial assets at fair value through gain and loss

They are subsequently measured at fair value, and the resulting gains or losses (including interest and dividend income) are included in current gain and 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 gain and loss

Such financial liabilities comprise trading financial liabilities (including derivatives of financial liabilities) and those specified as financial liabilities at fair value through gain and 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 gain and 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 gain and 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 gain and 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 transferred out from other comprehensive incomes and included in 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 reserve determined in accordance with the provision for impairment 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 gain and 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 gain and loss: (1) the carrying amount 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 carrying amount 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 gain and loss: (1) the carrying amount 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) Tier 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) Tier 2 input value refers to them directly or indirectly observable input value of relevant assets or liabilities apart from Tier 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) Tier 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 classified as financial liabilities at fair value through gain and loss, financial guarantee contracts that do not belong to financial liabilities at fair value through gain and 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 reserve 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, that is, the present value of all cash shortages. 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 reserve 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 reserve 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 reserve 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 reserve 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 reserve is included in the current gain and loss as impairment loss or profit. For financial assets at amortized cost, the loss provision is offset against the carrying amount 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 carrying amount 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 cannot 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. Contract assets

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 records the right to receive consideration from customers unconditionally (i.e., only depending on the time lapses) as the receivables, and presents the right to receive consideration when goods have been transferred to the customers, which depends on other factors other than the time lapses, as contract assets.

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

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Bank acceptance receivable	Type of notes	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and lifetime expected credit loss rate.
Trade acceptance receivable		
Accounts receivable – Portfolio grouped with ages	Ages	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and expected credit loss rate of accounts receivable, so as to calculate expected credit loss.
Accounts receivable – Portfolio grouped with trade funds of overseas subsidiaries	Nature of receivables	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and lifetime expected credit loss rate.
Accounts receivable – Portfolio grouped with balances due from related parties within the consolidation scope	Related parties brought into the consolidation scope [Note]	
Other receivables – Portfolio grouped with balances due from related parties within the consolidation scope	Related parties brought into the consolidation scope [Note]	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and 12-month or lifetime expected credit loss rate.
Other receivables – Portfolio grouped with deposits for borrowings	Nature of receivables	
Other receivables – Portfolio grouped with government funds receivable		
Other receivables – Portfolio grouped with futures margin		
Other receivables – Portfolio grouped with settlement funds of paper trade		
Other receivables – Portfolio grouped with security deposits receivable		
Other receivables – Portfolio grouped with petty cash, etc. receivable		
Other receivables – Portfolio grouped with intercompany balances receivable		

[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

Ages	Expected credit loss rate of accounts receivable (%)
Within 1 year (inclusive, the same hereinafter)	5
1-2 years	10
2-3 years	30
Over 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. Inventory

#### 1. Classification of inventories

Inventory includes finished products or commodities held for sale in daily activities, 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

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

#### 5. Recognition standards and accrual method of inventory falling price 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.

### 14. 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 common 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 carrying amount 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 carrying amount 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 common 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 carrying amount 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 carrying amount of long-term equity investment before the combination is realized and the carrying amount 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 common 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 common 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 individual financial statements, the initial investment cost of long-term equity investment accounted using the cost method is measured at the sum of the carrying amount 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 carrying amount 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 gain and 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 associates 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) Individual financial statements

For disposal of equity, the difference between carrying amount and the actual price of the acquisition shall be recorded into current gain and 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) Individual 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 carrying amount of long-term equity investment corresponding to the disposal investment is recognized as other comprehensive income in individual financial statements, and when the control is lost, transferred together into gain and 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 gain and loss for the period during which the control is lost.

## 15. 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.

## 16. 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

Categories	Depreciation method	Useful life (years)	Residual value proportion (%)	Annual depreciation rate (%)
Buildings and structures	Straight-line method	5-30	5 or 10	19.00-3.00
Machinery	Straight-line method	10-15	5 or 10	9.50-6.00
Transport facilities	Straight-line method	4-5	5 or 10	23.75-18.00
Other equipment	Straight-line method	3-10	5 or 10	31.67-9.00

## 17. 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.

Categories	Standards and time point of transferring construction in progress to fixed assets
Buildings and structures	When the main project and supporting projects have been substantially completed and reached the intended design requirements, and acceptance has been completed by survey, design, construction, supervision and other units.
Machinery	When the design requirements or standards specified in the contract are met after installation and commissioning

## 18. 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 gain and 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 depreciation 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.

## 19. 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:

Items	Useful life and determination basis	Amortization method
Land use right	15-50 years, useful life registered on the land use certificate	Straight-line method
Proprietary technology	6-10 years, estimated economic useful life	Straight-line method
Management software	5-10 years, estimated economic useful life	Straight-line method
Pollution discharge right	5-20 years, useful life registered on the certificate of titles	Straight-line method
Sea areas use right	1-50 years, useful life registered on the certificate of titles	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.

(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 gain and 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.

## **20. 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 carrying amount, the Company shall recognize the provision for asset impairment based on the difference and recognize such loss into the current gains and losses.

## **21. 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 gain and loss.

## **22. 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.

## **23. Employee remuneration**

Employee remuneration includes short-term remuneration, post-employment benefits, dismissal 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 gain and 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 gain and 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 gain and 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 gain and 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 gain and loss or relevant asset cost.

## **24. 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 carrying amount of the provisions on the balance sheet date.

## 25. Revenue

Disclosure of accounting policies adopted for revenue recognition and measurement according to business types

### 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.

## 26. 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 gain and 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 gain and loss.

If the carrying amount 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 carrying amount of the asset, the withdrew asset provision for impairment shall be reversed and recorded in the current gains or losses, but the carrying amount of the asset after reversion shall not exceed the carrying amount of the asset at the reversion date under the condition of not withdrawing the provision for impairment.

## 27. 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 grants 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 carrying amount of the relevant assets or recognized as deferred income. The government grants recognized as deferred income shall be recorded in the gain and 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 gain and 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 gain and 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 gain and 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 gain and 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 daily activities of the Company are recorded in non-operating revenues and expenses.

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

(1) Where the Treasury 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 Treasury allocates the discount interest funds directly to the Company, the discount interest will be used to offset the borrowing costs.

### **28. Deferred tax assets/deferred income tax liabilities**

1. Depending on the difference between the carrying amount and the tax base of assets or liabilities (the difference between the tax base and the carrying amount 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 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 carrying amount 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 carrying amount 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.

## 29. 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 gain and 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 gain and loss. The variable lease payments not included in the measurement of lease liabilities shall be included in current gain and 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 carrying amount 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 carrying amount 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 gain and 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 carrying amount 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 gain and 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 gain and 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 gain and 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*.

### 30. 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 treasury 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.

### 31. Changes in significant accounting policies and accounting estimates

#### (1) Significant accounting policy changes

Applicable  Not applicable

1. Starting from January 1, 2024, the Company implemented the provisions of "Classification of Current Liabilities and Non-Current Liabilities" under the *Accounting Standards for Business Enterprises Interpretation No. 17* issued by the Ministry of Finance. This change in accounting policy had no impact on the Company's financial statements.

2. Starting from January 1, 2024, the Company implemented the provisions of "Disclosure of Supplier Financing Arrangements" under the *Accounting Standards for Business Enterprises Interpretation No. 17* issued by the Ministry of Finance.

3. Starting from January 1, 2024, the Company implemented the provisions of "Accounting Treatment for Sale and Leaseback Transactions" under the *Accounting Standards for Business Enterprises Interpretation No. 17* issued by the Ministry of Finance. This change in accounting policy had no impact on the Company's financial statements.

4. Starting from December 6, 2024, the Company implemented the provisions of "Accounting Treatment for Quality Guarantees Not Constituting a Single Performance Obligation" under the *Accounting Standards for Business Enterprises Interpretation No. 18* issued by the Ministry of Finance. This change in accounting policy had no impact on the Company's financial statements.

#### (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

#### 32. 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 work safety 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 taxes and tax rates

Taxes	Tax bases	Tax rates
Value-added tax (VAT)	The output tax calculated based on the revenue from sales of goods or rendering of services in accordance with the tax law, net of the input tax that is allowed to be deducted in the current period	13%, 9%, 6% [Note 1]
Consumption tax	The taxable sales value/volume	[Note 2]
Urban maintenance and construction tax	Turnover tax actually paid	7%, 5%
Enterprise income tax	Taxable income	[Note 3]
Housing property tax	For housing property levied on the basis of price, housing property tax is levied at the balance after deducting 30% of the cost; for housing property levied on the basis of rent, housing property tax is levied at lease income	1.2%, 12%
Education surcharge	Turnover tax actually paid	3%

Local education surcharge	Turnover tax actually paid	2%
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[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] Explanation if taxpayers are subject to different enterprise income tax rates

Taxpayers	Income tax rate
The 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%
The subsidiaries Hong Kong Sheng Hui Limited, Hong Kong Yi Sheng Da Hua Co., Limited, Yisheng New Materials Trading Co., Limited, Rongsheng Petrochemical (Hong Kong) Limited, Rongsheng Petrochemical (Singapore) Pte. Ltd., Rongtong Logistics (Singapore) Pte. Ltd., Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	Levied at the rate stipulated by local regulations
The subsidiaries Rongxiang Chemical Fiber Co., Ltd., Rongsheng International Trade (Hainan) Co., Ltd., Dalian Yisheng New Materials Co., Ltd., Zhejiang Rongyi Trading Co., Ltd., Zhejiang Rongyi Chemical Fiber Co., Ltd.	20%
Taxpayers other than the above-mentioned	25%

## 2. Tax preference

1. According to requirements in the *Notice on the Continuation of the Policy of Partial Consumption Tax on Naphtha 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 Naphtha 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 Naphtha 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 Naphtha 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)*, for naphtha and fuel oil purchased by enterprises using naphtha and fuel oil for the production of ethylene and aromatic hydrocarbons and used for the production of ethylene and aromatic chemical products, the consumption tax included shall be refunded according to the actual quantity consumed; in the case that the production enterprise implementing the fixed-point direct supply plan and selling naphtha 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 subsidiary Ningbo Zhongjin Petrochemical Co., Ltd. is 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 467.8495 million.

3. According to the *Announcement on Filing of High-tech Enterprises Recognized by Zhejiang Provincial Accreditation Institutions in 2022* 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 GR202233004307 and GR202233003797 respectively. The validity period of the recognition is 2022-2024, 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 2022* 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 GR202233101251, with the validity period of 2022-2024. 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.

6. According to the relevant provisions of the Circular of the Ministry of Finance and the State Administration of Taxation on the Policies Regarding Period-End Value-Added Tax Credit Refund on the Urban Maintenance and Construction Tax, Education Fee Surcharge and Local Education Surcharge (Finance & Taxation [2018] No. 80), taxpayers implementing the period-end value-added tax credit refund are permitted to deduct the amount of the refunded VAT from the taxable (levied) bases of the Urban Maintenance and Construction Tax, the Education Fee Surcharge and the Local Education Surcharge. The subsidiary Zhejiang Shengyuan Chemical Fiber Co., Ltd. enjoys this tax preference.

## VII. Notes to Items in the Consolidated Financial Statements

### 1. Cash and bank balances

Unit: RMB

Items	Closing balance	Opening balance
Cash on hand	1,580,800.25	1,499,665.59
Cash in bank	12,624,073,263.80	11,121,148,364.87
Other cash and bank balances	2,207,730,856.40	1,947,607,435.56
Total	14,833,384,920.45	13,070,255,466.02
Including: Deposited overseas	2,835,618,399.02	2,007,064,372.61

### 2. Derivative financial assets

Unit: RMB

Items	Closing balance	Opening balance
Paper futures contracts	55,586,387.34	100,866,121.14
Foreign exchange derivatives [Note]	420,180,297.83	208,630,666.07
Option contracts [Note]		590,642.24
Total	475,766,685.17	310,087,429.45

[Note] Reclassified foreign exchange derivative instruments and paper futures contracts from trading financial assets to derivative financial assets in accordance with the Compilation of *Application Guidelines for Enterprise Accounting Standards (2024)*.

### 3. Accounts receivable

#### (1) Age analysis

Unit: RMB

Ages	Closing balance	Opening balance
Within 1 year (inclusive of 1 year)	6,823,012,066.63	4,552,918,612.20
1-2 years	1,366.19	293,966,484.61
2-3 years	283,780,636.85	41,283,731.68
Over 3 years	33,453,923.37	387,649.73
Total	7,140,247,993.04	4,888,556,478.22

#### (2) Classified disclosure by bad debt accrual method

Unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	Provision proportion		Amount	% to total	Amount	Provision proportion	
Receivables with provision made on a collective basis	7,140,247,993.04	100.00%	318,276,286.68	4.46%	6,821,971,706.36	4,888,556,478.22	100.00%	150,822,774.56	3.09%	4,737,733,703.66
Total	7,140,247,993.04	100.00%	318,276,286.68	4.46%	6,821,971,706.36	4,888,556,478.22	100.00%	150,822,774.56	3.09%	4,737,733,703.66

Provision for bad debt by combination: RMB 318,276,286.68

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision proportion
Portfolio grouped with trade funds of overseas subsidiaries	2,829,251,353.58		
Portfolio grouped with ages	4,310,996,639.46	318,276,286.68	7.38%
Total	7,140,247,993.04	318,276,286.68	4.46%

Accounts receivable of provision for bad debt by aging combination

Unit: RMB

Ages	Closing balance		
	Book balance	Provision for bad debts	Provision proportion
Within 1 year	3,993,760,713.05	199,688,035.64	5.00%

1-2 year(s)	1,366.19	136.62	10.00%
2-3 years	283,780,636.85	85,134,191.05	30.00%
Over 3 years	33,453,923.37	33,453,923.37	100.00%
Subtotal	4,310,996,639.46	318,276,286.68	7.38%

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

Items	Opening balance	Increase/Decrease				Closing balance
		Accrual	Recovery or reversal	Write-off	Others	
Receivables with provision made on a collective basis	150,822,774.56	167,453,512.12				318,276,286.68
Total	150,822,774.56	167,453,512.12				318,276,286.68

### (4) Accounts receivables and contract assets with top 5 ending balances by debtor

Unit: RMB

Debtors	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the closing balance of accounts receivable (%)	Provision for bad debts of accounts receivable
Sinopec Sales Co., Ltd. East China Branch	1,474,122,217.22		1,474,122,217.22	20.65%	73,706,110.86
VITOL ASIA PTE LTD	538,699,642.35		538,699,642.35	7.54%	
GLENCORE SINGAPORE PTE LTD	534,143,901.27		534,143,901.27	7.48%	
ITG Resources (Singapore) Pte Ltd	522,229,766.09		522,229,766.09	7.31%	
Zhoushan Yushan Petrochemical Engineering Co., Ltd.	456,496,581.50		456,496,581.50	6.39%	22,824,829.08
Subtotal	3,525,692,108.43		3,525,692,108.43	49.37%	96,530,939.94

#### 4. Receivables financing

##### (1) Classified presentation of receivables financing

Unit: RMB

Items	Closing balance	Opening balance
Bank acceptance	103,225,654.46	175,036,242.93
Subtotal	103,225,654.46	175,036,242.93

##### (2) Receivable financing pledged by the Company at the end of the period

Unit: RMB

Items	Closing balance pledged
Bank acceptance	57,470,000.00
Subtotal	57,470,000.00

##### (3) Receivables financing endorsed or discounted by the company at the end of the period and not expired yet on the balance sheet date

Unit: RMB

Items	Closing balance derecognized	Closing balance not derecognized
Bank acceptance	1,771,175,650.91	0.00
Subtotal	1,771,175,650.91	0.00

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

Items	Closing balance	Opening balance
Other receivables	4,345,964,007.66	4,510,228,597.49
Total	4,345,964,007.66	4,510,228,597.49

##### 1) Other receivables categorized by nature

Unit: RMB

Nature of receivables	Closing balance	Opening balance
Government funds receivable	3,675,348,932.89	4,013,740,226.69
Futures margin	313,138,787.88	317,793,118.68
Security deposits receivable	285,638,372.22	34,082,287.67
Paper goods transaction settlement	75,500,340.27	60,243,144.32
Petty cash receivable, etc.	30,929,370.92	26,389,252.01

Deposits for borrowings	15,000,000.00	85,908,960.00
Intercompany balances	10,800,000.00	10,810,665.07
Subtotal	4,406,355,804.18	4,548,967,654.44

## 2) Age analysis

Unit: RMB

Ages	Closing balance	Opening balance
Within 1 year (inclusive of 1 year)	3,154,663,061.38	2,890,584,356.52
1-2 years	165,271,254.66	1,565,488,732.75
2-3 years	1,063,871,496.61	44,802,241.88
Over 3 years	22,549,991.53	48,092,323.29
Total	4,406,355,804.18	4,548,967,654.44

## 3) Classified disclosure by bad debt accrual method

 Applicable  Not applicable

Unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	% to total		Amount	% to total	Amount	% to total	
Receivables with provision made on a collective basis	4,406,355,804.18	100.00%	60,391,796.52	1.37%	4,345,964,007.66	4,548,967,654.44	100.00%	38,739,056.95	0.85%	4,510,228,597.49
Total	4,406,355,804.18	100.00%	60,391,796.52	1.37%	4,345,964,007.66	4,548,967,654.44	100.00%	38,739,056.95	0.85%	4,510,228,597.49

Provision for bad debt by combination: RMB 60,391,796.52

Unit: RMB

Name	Closing balance		
	Book balance	Provision for bad debts	Provision proportion
Government funds receivable	3,675,348,932.89	31,803,975.36	0.87%
Futures margins	313,138,787.88		
Security deposits receivable	285,638,372.22	16,833,208.91	5.89%
Paper goods transaction settlement	75,500,340.27		
Petty cash receivable, etc.	30,929,370.92	6,354,612.25	20.55%
Deposits for borrowings	15,000,000.00		
Intercompany balances	10,800,000.00	5,400,000.00	50.00%

Subtotal	4,406,355,804.18	60,391,796.52	1.37%
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Book balance changes with significant changes in loss provisions in the current period

Applicable  Not applicable

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

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Opening balance	2,257,739.83	18,866,417.27	17,614,899.85	38,739,056.95
Opening balance in the current period				
--Transferred to stage 2	-1,401,879.86	1,401,879.86		
--Transferred to stage 3		-18,647,363.30	18,647,363.30	
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	2,001,784.88	1,237,201.97	18,413,752.72	21,652,739.57
Provision recovered or reversed in the current period				
Provision written off in the current period				
Other changes				
Closing balance	2,857,644.85	2,858,135.80	54,676,015.87	60,391,796.52
Provision proportion (%)	0.09	1.73	5.03	1.37

There is no significant provisions collected or reversed in the current period.

#### 5) Details of the top 5 debtors with largest balances

Unit: RMB

Debtors	Nature of receivables	Closing book balance	Ages	Proportion to the total balance of other receivables	Provision for bad debts at the balance sheet date
Consumption tax refund receivable	Government funds receivable	1,898,211,720.77	Within 1 year	43.08%	
Zhoushan Green Petrochemical Base Management Committee [Note 1]	Government funds receivable	1,045,798,000.00	2-3 years	23.73%	31,803,975.36
The People's government of Yinong Town, Xiaoshan District,	Government funds receivable	594,020,000.00	Within 1 year	13.48%	

Hangzhou [Note 2]					
Zhengzhou Commodity Exchange	Security deposits receivable, petty cash receivable, etc.	217,812,380.00	Within 1 year, 1-2 years, over 3 years	4.94%	660,119.00
Investment Promotion Bureau of Xiaoshan District, Hangzhou [Note 3]	Government funds receivable	100,000,000.00	Within 1 year	2.27%	
Subtotal		3,855,842,100.77		87.50%	32,464,094.36

[Note 1] As of the date of approval for issuing the financial statements, the Company has received subsidies of RMB 442,761,584.00

[Note 2] As of the date of approval for issuing the financial statements, the Company has received subsidies of RMB 500,000,000.00

[Note 3] As of the date of approval for issuing the financial statements, the Company has received subsidies of RMB 100,000,000.00

## 6. Advances paid

### (1) Advance payments presented by age

Unit: RMB

Ages	Closing balance		Opening balance	
	Amount	% to total	Amount	% to total
Within 1 year	1,335,495,318.36	98.60%	1,433,838,902.86	96.02%
1-2 years	7,472,652.90	0.55%	51,983,340.46	3.48%
2-3 years	11,361,398.90	0.84%	7,490,222.54	0.50%
Over 3 years	190,338.32	0.01%		
Total	1,354,519,708.48	100.00%	1,493,312,465.86	100.00%

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) Details of the top 5 debtors with largest balances

Debtors	Book balance	Proportion to the total balance of advances paid (%)
Zhenhai Customs of the People's Republic of China	725,754,048.09	53.58%
Xinao Xinneng (Zhejiang) Energy Trading Co., Ltd.	69,263,345.84	5.11%
Chimet S.p.A	51,716,840.76	3.82%
Dalian Fujia Dahua Petroleum & Chemical Co., Ltd.	39,989,765.04	2.95%
Sinopec Chemical Sales (Tianjin) Co., Ltd.	26,921,706.62	1.99%
Subtotal	913,645,706.35	67.45%

## 7. Inventories

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

No

### (1) Classification of inventories

Unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for write-down	Carrying amount	Book balance	Provision for write-down	Carrying amount
Raw materials	24,248,974,369.50		24,248,974,369.50	38,274,190,347.56	339,286.40	38,273,851,061.16
Work in process	14,299,190,002.95	75,164,691.08	14,224,025,311.87	15,957,096,293.96	9,449,010.11	15,947,647,283.85
Goods on hand	5,642,813,644.18	68,717,646.29	5,574,095,997.89	7,425,770,624.07	103,851,876.74	7,321,918,747.33
Goods dispatched	353,746,058.32	19,945,065.67	333,800,992.65	43,141,279.48	7,872,975.73	35,268,303.75
Work in process - outsourced	2,162,886.07		2,162,886.07	252,182.13		252,182.13
Low-value consumables	183,875,058.61		183,875,058.61	154,719,763.85		154,719,763.85
Total	44,730,762,019.63	163,827,403.04	44,566,934,616.59	61,855,170,491.05	121,513,148.98	61,733,657,342.07

### (2) Inventory depreciation reserves and contract performance cost provision for impairment

Unit: RMB

Items	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Accrual	Others	Reversal or transfer-out	Others	
Raw materials	339,286.40			339,286.40		
Work in process	9,449,010.11	75,164,691.08		9,449,010.11		75,164,691.08
Goods on hand	103,851,876.74	68,717,646.29		103,851,876.74		68,717,646.29
Goods dispatched	7,872,975.73	19,945,065.67		7,872,975.73		19,945,065.67
Total	121,513,148.98	163,827,403.04		121,513,148.98		163,827,403.04

Determination basis of net realizable value and reasons for the reversal or transfer-out of provision for inventory write-down:

Items	Determination basis of net realizable value	Reasons for reversal of provision for inventory write-down	Reasons for transfer-out of provision for inventory write-down
Raw materials, work in process	Estimated selling price of relevant finished goods less cost to be incurred upon completion, estimated selling expenses, and relevant taxes and	Net realizable value of inventories with provision for inventory write-down made in preceding period increased	Inventories with provision for inventory write-down made in preceding period were used/sold in the current

	surcharges		period.
Finished goods inventory, goods dispatched	Estimated selling price of relevant finished goods less estimated selling expenses, and relevant taxes and surcharges	Net realizable value of inventories with provision for inventory write-down made in preceding period increased	Inventories with provision for inventory write-down made in preceding period were sold in the current period.

## 8. Other current assets

Unit: RMB

Items	Closing balance	Opening balance
Input VAT to be credited	5,238,332,408.47	4,338,748,642.91
Prepaid enterprise income tax	562,819,947.18	797,324.80
Prepaid consumption tax		957,583,006.60
Total	5,801,152,355.65	5,297,128,974.31

## 9. Long-term equity investment

Unit: RMB

Investees	Opening balance (carrying amount)	Opening balance of provision for impairment	Increase and decrease in the current period								Closing balance (carrying amount)	Closing balance of provision for impairment
			Investments increased	Investments decreased	Investment income recognized under equity method	Adjustment in other comprehensive income	Changes in other equity	Cash dividend/ Profit declared for distribution	Provision for impairment	Others		
<b>I. Joint ventures</b>												
<b>II. Associate</b>												
Zhejiang Yisheng Petrochemical Co., Ltd.	2,704,956,582.65				64,376,380.08	-420,818.12					2,768,912,144.61	
Ningbo Hengyi Trading Co., Ltd.	167,563,505.10				-81,450,853.13	8,239,250.71	-				77,873,401.26	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,265,598,668.75				291,067,802.78	146,562,823.92			13,228,639.60		2,690,000,655.85	
Hainan Yisheng Petrochemical Co., Ltd.	3,483,137,669.72				73,959,625.39	27,464,169.04	-				3,529,633,126.07	
ZPC ENN (Zhoushan) Gas Co., Ltd.	8,937,867.92				5,271,856.59						14,209,724.51	
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	43,794,603.87				17,262,221.84						61,056,825.71	
Zhejiang Derong Chemical Co.,	296,641,210.33				-130,102,054.52			2,430,073.16			168,969,228.97	

Ltd.												
Zhoushan ZPC Zhougang Tug Co., Ltd.	74,255,638.79				12,032,024.11		243,306.55	11,550,000.00			74,980,969.45	
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	111,312,399.95				-12,511,596.65						98,800,803.30	
Ningbo Coastal Public Pipeline Co., Ltd.	5,511,703.40				-840,665.34						4,671,038.06	
Zhejiang Zhenshi Port Services Co., Ltd.	22,001,594.48				5,526,808.90						27,528,403.38	
Subtotal	9,183,711,444.96				244,591,550.05	110,438,586.05	2,673,379.71	24,778,639.60			9,516,636,321.17	
Total	9,183,711,444.96				244,591,550.05	110,438,586.05	2,673,379.71	24,778,639.60			9,516,636,321.17	

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

## 10. Investment properties

### (1) Investment properties under the cost measurement mode

Applicable  Not applicable

Unit: RMB

Items	Buildings and structures	Land use right	Construction in progress	Total
I. Original carrying amount				
1. Opening 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. Closing balance	14,286,632.00			14,286,632.00
II. Accumulated depreciation and accumulated amortization				
1. Opening balance	3,891,057.40			3,891,057.40
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. Closing balance	4,162,503.40			4,162,503.40
III. Provision for impairment				
1. Opening balance				
2. Increase in the				

current period				
(1) Accrual				
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer-out				
4. Closing balance				
IV. Carrying amount				
1. Closing carrying amount	10,124,128.60			10,124,128.60
2. Opening carrying amount	10,395,574.60			10,395,574.60

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

Items	Closing balance	Opening balance
Fixed assets	232,497,113,015.70	219,699,679,397.52
Liquidation of fixed assets		
Total	232,497,113,015.70	219,699,679,397.52

### (1) Fixed assets

Unit: RMB

Items	Buildings and structures	Machinery	Transportation facilities	Other equipment	Total
I. Original carrying amount:					
1. Opening balance	71,198,105,232.65	194,194,556,207.58	247,878,440.68	356,451,433.69	265,996,991,314.60
2. Increase in the current period	960,374,302.79	27,583,134,112.75	10,295,155.35	37,193,243.29	28,590,996,814.18
(1) Acquisition	579,221,816.34	1,064,695,447.27	10,295,155.35	31,854,108.21	1,686,066,527.17
(2) Transferred in from construction in progress	381,152,486.45	26,518,438,665.48		5,339,135.08	26,904,930,287.01
(3) Increase due to business merger					

3. Decrease in the current period	6,277,950.00	3,370,900.72	1,680,176.99	958,544.59	12,287,572.30
(1) Disposal or scrapping	6,277,950.00	3,370,900.72	1,680,176.99	958,544.59	12,287,572.30
4. Closing balance	72,152,201,585.44	221,774,319,419.61	256,493,419.04	392,686,132.39	294,575,700,556.48
<b>II. Accumulated depreciation</b>					
1. Opening balance	8,802,448,426.77	37,023,289,144.10	198,473,039.46	261,561,634.53	46,285,772,244.86
2. Increase in the current period	3,346,746,760.67	12,382,361,050.30	13,890,748.89	44,668,980.42	15,787,667,540.28
(1) Accrual	3,346,746,760.67	12,382,361,050.30	13,890,748.89	44,668,980.42	15,787,667,540.28
3. Decrease in the current period	2,472,143.26	2,688,142.58	372,439.20	859,191.54	6,391,916.58
(1) Disposal or scrapping	2,472,143.26	2,688,142.58	372,439.20	859,191.54	6,391,916.58
4. Closing balance	12,146,723,044.18	49,402,962,051.82	211,991,349.15	305,371,423.41	62,067,047,868.56
<b>III. Provision for impairment</b>					
1. Opening balance		11,539,672.22			11,539,672.22
2. Increase in the current period					
(1) Accrual					
3. Decrease in the current period					
(1) Disposal or scrapping					
4. Closing balance		11,539,672.22			11,539,672.22
<b>IV. Carrying amount</b>					
1. Closing carrying amount	60,005,478,541.26	172,359,817,695.57	44,502,069.89	87,314,708.98	232,497,113,015.70
2. Opening carrying amount	62,395,656,805.88	157,159,727,391.26	49,405,401.22	94,889,799.16	219,699,679,397.52

## (2) Fixed asset with certificate of titles being unsettled

Unit: RMB

Items	Carrying amount	Reasons for unsettlement
Buildings and structures – ZPC tank farm, supporting buildings, etc.	5,373,012,606.44	In processing
Buildings and structures – ZPC dormitory	577,467,823.24	In processing
Buildings and structures – Shengyuan Chemical Fiber Polymerization Building, etc.	366,078,749.60	In processing
Buildings and structures – Yisheng Dahua office building, etc.	440,010,084.35	In processing

Buildings and structures – Niluoshan power station supporting facilities	127,414,048.68	In processing
Buildings and structures – Zheyong Technology flow workshop	84,815,315.44	In processing
Buildings and structures – Yongsheng Technology film warehouse, etc.	41,963,613.88	In processing
Subtotal	7,010,762,241.63	

### (3) Impairment test of fixed assets

Applicable  Not applicable

## 12. Construction in progress

Unit: RMB

Items	Closing balance	Opening balance
Construction in progress	42,746,526,646.14	40,987,208,589.89
Construction materials	1,289,605,450.14	833,462,480.70
Total	44,036,132,096.28	41,820,671,070.59

### (1) Construction in progress

Unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
1.4 million tons of ethylene and downstream chemical equipment (product structure optimization of the phase II project)	15,446,802,951.63		15,446,802,951.63	15,402,756,124.76		15,402,756,124.76
Public projects and supporting facilities	899,607,272.74		899,607,272.74	14,708,733,890.06		14,708,733,890.06
Functional polyester film expansion project with an annual output of 250,000 tons	964,148,483.95		964,148,483.95	1,206,752,266.57		1,206,752,266.57
High performance resin project	12,950,188,811.48		12,950,188,811.48	2,930,448,031.11		2,930,448,031.11
High-end new material project	3,140,188,910.32		3,140,188,910.32	888,295,228.78		888,295,228.78
Jintang New Material Project	4,335,769,983.60		4,335,769,983.60	507,816,831.97		507,816,831.97

Piecemeal projects	5,009,820,862.42		5,009,820,862.42	5,342,406,216.64		5,342,406,216.64
Subtotal	42,746,526,646.14		42,746,526,646.14	40,987,208,589.89		40,987,208,589.89

**(2) Changes in major construction in progress in the current period**

Unit: RMB

Project	Budgets	Opening balance	Increase in the current period	Transferred to fixed assets	Other decreases in the current period	Closing balance	Accumulated input to budget	Completion percentage (%)	Accumulated amount of borrowing cost capitalization	Amount of borrowing cost capitalization in the current period	Annual capitalization rate	Source of funds
1.4 million tons of ethylene and downstream chemical equipment (product structure optimization of the phase II project)	34,485,170,000.00	15,402,756,124.76	3,736,978,018.78	3,692,931,191.91		15,446,802,951.63	99.38%	95.00%	962,824,061.53	445,843,729.40	3.27%	Bank loans and others
Public projects and supporting facilities		14,708,733,890.06	6,142,256,795.51	19,951,383,412.83		899,607,272.74			798,152,540.95	353,844,678.49	2.92%	Bank loans and others
High performance resin project	19,235,380,000.00	2,930,448,031.11	10,019,740,150.37			12,950,188,181.48	74.06%	70.00%	335,333,463.33	304,343,905.73	2.95%	Bank loans and others
High-end new material project	64,146,910,000.00	888,295,228.78	2,251,893,681.54			3,140,188,910.32	5.38%	5.00%	32,061,910.52	30,195,059.23	2.95%	Bank loans and others
Jintang New Material Project	79,538,570,000.00	507,816,831.97	3,827,953,151.63			4,335,769,983.60	5.99%	5.00%	81,502,969.92	58,764,822.16	3.26%	Bank loans and others
Subtotal	197,406,030,000.00	34,438,050,106.68	25,978,821,797.83	23,644,314,604.74		36,772,557,299.77			2,209,874,946.25	1,192,992,195.01		

**(3) Impairment test of construction in progress**
 Applicable  Not applicable

**(4) Engineering materials**

Unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Special materials	1,019,693,874.99		1,019,693,874.99	507,367,195.93		507,367,195.93
Special equipment	269,911,575.15		269,911,575.15	326,095,284.77		326,095,284.77
Subtotal	1,289,605,450.14		1,289,605,450.14	833,462,480.70		833,462,480.70

**13. Right-of-use assets**
**(1) Situation of right-of-use assets**

Unit: RMB

Items	Buildings and structures	Total
I. Original carrying amount		
1. Opening balance	285,203,745.16	285,203,745.16
2. Increase in the current period		
3. Decrease in the current period	4,351,954.18	4,351,954.18
(1) Lease expiration	4,351,954.18	4,351,954.18
4. Closing balance	280,851,790.98	280,851,790.98
II. Accumulated depreciation		
1. Opening balance	85,101,604.00	85,101,604.00
2. Increase in the current period	23,864,319.63	23,864,319.63
(1) Accrual	23,864,319.63	23,864,319.63
3. Decrease in the current period	4,351,954.20	4,351,954.20
(1) Lease expiration	4,351,954.20	4,351,954.20
4. Closing balance	104,613,969.43	104,613,969.43
III. Provision for impairment		
1. Opening balance		
2. Increase in the current period		
(1) Accrual		
3. Decrease in the current period		
(1) Disposal		
4. Closing balance		
IV. Carrying amount		

1. Closing carrying amount	176,237,821.55	176,237,821.55
2. Opening carrying amount	200,102,141.16	200,102,141.16

## (2) Impairment test of right-of-use assets

Applicable  Not applicable

## 14. Intangible assets

### (1) Intangible assets

Expiration of ownership rights (intangible assets)

Unit: RMB

Items	Land use right	Proprietary technology	Management software	Pollution discharge right	Sea area use right	Total
I. Original carrying amount						
1. Opening balance	7,921,588,443.27	5,879,510.85	60,447,191.09	113,384,688.14	38,477,963.94	8,139,777,797.29
2. Increase in the current period	1,377,410,801.15		2,692,045.23	26,026,942.53	11,529,502.88	1,417,659,291.79
(1) Acquisition	1,377,410,801.15		2,692,045.23	26,026,942.53	11,529,502.88	1,417,659,291.79
(2) Internal R&D						
(3) Increase due to business merger						
3. Decrease in the current period	204,043,000.00			735,000.00	17,673,133.56	222,451,133.56
(1) Disposal	204,043,000.00					204,043,000.00
(2) Ownership Expiry				735,000.00	17,673,133.56	18,408,133.56
4. Closing 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
II. Accumulated amortization						
1. Opening balance	854,803,056.18	4,543,032.90	29,034,219.45	101,858,356.39	20,608,719.93	1,010,847,384.85
2. Increase in the current period	185,925,227.56	188,679.24	6,854,631.47	10,948,492.68	1,629,796.86	205,546,827.81
(1) Accrual	185,925,227.56	188,679.24	6,854,631.47	10,948,492.68	1,629,796.86	205,546,827.81
3. Decrease in the current period	5,781,218.38			735,000.00	17,673,133.56	24,189,351.94

(1) Disposal	5,781,218.38					5,781,218.38
(2) Ownership Expiry				735,000.00	17,673,133.56	18,408,133.56
4. Closing 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
III. Provision for impairment						
1. Opening balance						
2. Increase in the current period						
(1) Accrual						
3. Decrease in the current period						
(1) Disposal						
4. Closing balance						
IV. Carrying value						
1. Closing carrying 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
2. Opening carrying value	7,066,785,387.09	1,336,477.95	31,412,971.64	11,526,331.75	17,869,244.01	7,128,930,412.44

## (2) Land use right for which the certificate of title has not been obtained

Unit: RMB

Items	Carrying amount	Reasons for unsettlement
Land use right	818,673,984.43	In processing
Subtotal	818,673,984.43	

## (3) Impairment test of intangible assets

 Applicable  Not applicable

## 15. Long-term deferred expenses

Unit: RMB

Items	Opening balance	Increase	Amortization	Other decreases	Closing balance
Improvement expenditures of fixed assets leased in under operating leases	45,701.13		45,701.13		
Total	45,701.13		45,701.13		

**16. Deferred tax assets/deferred income tax liabilities**
**(1) Deferred tax assets before offset**

Unit: RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Provision for impairment of assets	436,276,327.17	74,249,543.63	246,050,247.19	42,463,572.53
Unrealized profits from internal transactions	99,854,988.15	18,235,948.62	63,697,197.61	13,460,223.08
Deductible unrecovered losses	8,534,688,742.74	1,550,960,099.21	6,398,196,587.74	1,157,432,552.84
Changes in fair value of held-for-trading financial instruments and derivative financial instruments	331,739,047.49	49,815,680.12	137,921,940.29	21,006,601.04
Deferred income	191,230,102.07	29,528,959.74	186,812,473.21	28,932,982.09
Lease liabilities	182,212,003.42	27,331,800.51	195,424,408.50	29,313,661.28
<b>Total</b>	<b>9,776,001,211.04</b>	<b>1,750,122,031.83</b>	<b>7,228,102,854.54</b>	<b>1,292,609,592.86</b>

**(2) Deferred tax liabilities before offset**

Unit: RMB

Items	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
One-time pre-tax deduction of long-term assets	10,046,188,810.96	1,506,928,321.65	10,872,084,425.53	1,630,812,663.83
Capitalized interest on borrowings for long-term asset construction of subsidiaries from parent company as paid-in capital at the consolidated financial statements level	2,066,452,064.88	319,599,270.81	2,147,934,662.52	326,849,061.47
Changes in fair value of held-for-trading financial instruments and derivative financial instruments	432,807,147.83	64,977,475.17	309,098,071.08	49,549,153.55
Right-of-use assets	168,620,191.32	25,293,028.70	184,427,099.32	27,664,064.90
Government grants	694,020,000.00	173,505,000.00	744,000,000.00	186,000,000.00
<b>Total</b>	<b>13,408,088,214.99</b>	<b>2,090,303,096.33</b>	<b>14,257,544,258.45</b>	<b>2,220,874,943.75</b>

**(3) Deferred tax assets or liabilities presented as net amount after offset**

Unit: RMB

Items	Deferred tax assets offset by deferred tax liabilities	Deferred tax assets/liabilities after offset	Deferred tax assets offset by deferred tax liabilities	Deferred tax assets/liabilities after offset
Deferred tax assets	512,945,754.55	1,237,176,277.28	601,800,714.78	690,808,878.08
Deferred tax liabilities	512,945,754.55	1,577,357,341.78	601,800,714.78	1,619,074,228.97

**(4) Details of unrecognized deferred income tax assets**

Unit: RMB

Items	Closing balance	Opening balance
Deductible losses	3,061,760,213.17	3,808,384,773.87
Changes in fair value of held-for-trading financial instruments and derivative financial instruments	468,838.23	74,162,385.08
Deferred income	7,399,864.22	8,769,120.04
Provision for impairment of assets	45,827,362.55	26,285,676.35
Lease liabilities	10,610,567.21	18,116,777.97
Total	3,126,066,845.38	3,935,718,733.31

**(5) The deductible loss of unrecognized deferred income tax assets will expire in the following year**

Unit: RMB

Maturity years	Closing balance	Opening balance
Year 2024		585,681,449.15
Year 2025	869,483,144.03	869,483,144.03
Year 2026	852,118,955.75	852,380,510.77
Year 2027	1,094,476,141.77	1,094,661,596.29
Year 2028	104,227,489.45	406,178,073.63
Year 2029	141,454,482.17	
Total	3,061,760,213.17	3,808,384,773.87

**17. Other non-current assets**

Unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Prepayments for acquisition of long-term	2,936,356,587.96		2,936,356,587.96	4,445,441,053.45		4,445,441,053.45

asset						
Lease value of leased-in silver	990,467,185.82		990,467,185.82	411,214,415.96		411,214,415.96
Total	3,926,823,773.78		3,926,823,773.78	4,856,655,469.41		4,856,655,469.41

## 18. Assets with ownership or use rights restricted

Unit: RMB

Items	Closing balance				Opening balance			
	Book balance	Carrying amount	Type of restrictions	Reasons for restrictions	Book balance	Carrying amount	Type of restrictions	Reasons for restrictions
Cash and bank balances	1,889,552,585.00	1,889,552,585.00	Occupied deposits	Deposits for letters of credit, bank acceptance, deposits for lease of silver, letters of guarantee and borrowings	1,583,400,368.50	1,583,400,368.50	Occupied deposits	Deposits for letters of credit, bank acceptance, letters of guarantee and borrowings
Fixed assets	254,645,778,826.31	208,346,971,958.41	Mortgage	Mortgaged for borrowings and letters of credit	226,875,011,143.49	194,464,280,744.52	Mortgage	Mortgaged for borrowings and letters of credit
Intangible assets	6,229,413,556.02	5,629,806,156.03	Mortgage	Mortgaged for borrowings and letters of credit	5,608,715,198.07	5,135,074,543.17	Mortgage	Mortgaged for borrowings and letters of credit
Construction in progress	29,474,930,368.68	29,474,930,368.68	Mortgage	Mortgaged for borrowings and letters of credit	29,889,674,426.59	29,889,674,426.59	Mortgage	Mortgaged for borrowings and letters of credit
Receivables financing	57,470,000.00	57,470,000.00	Pledge	Pledged for bank acceptance	263,131.23	263,131.23	Pledge	Pledged for bank acceptance
Total	292,297,145,336.01	245,398,731,068.12			263,957,064,267.88	231,072,693,214.01		

## 19. Short-term borrowings

### (1) Categories of short-term borrowings

Unit: RMB

Items	Closing balance	Opening balance
Guaranteed borrowings	40,887,276,581.01	43,817,771,706.43

Credit borrowings	3,203,693,222.22	795,165,061.51
Mortgaged and guaranteed borrowings		198,000,000.00
Total	44,090,969,803.23	44,810,936,767.94

## 20. Trading financial liabilities

Unit: RMB

Items	Closing balance	Opening balance
Held-for-trading financial liabilities	1,269,256,561.53	544,366,956.25
Including: Fair value of leased-in silver	1,269,256,561.53	544,366,956.25
Total	1,269,256,561.53	544,366,956.25

## 21. Derivative financial liabilities

Unit: RMB

Items	Closing balance	Opening balance
Paper futures contracts [Note]	34,655,378.23	78,931,785.08
Total	34,655,378.23	78,931,785.08

[Note] Adjustments were made to reclassify paper futures contracts from trading financial liabilities to derivative financial liabilities in accordance with the *Compilation of Enterprise Accounting Standards Application Guide (2024)*.

## 22. Notes payable

Unit: RMB

Items	Closing balance	Opening balance
Bank acceptance	3,204,293,497.95	4,195,471,402.63
Total	3,204,293,497.95	4,195,471,402.63

## 23. Accounts payable

### (1) Presentation of accounts payable

Unit: RMB

Items	Closing balance	Opening balance
Payments for material purchase and operations	50,482,691,896.90	39,250,503,194.27
Payments for acquisition of long-term assets	8,550,137,922.21	10,493,623,707.11
Total	59,032,829,819.11	49,744,126,901.38

## 24. Other payables

Unit: RMB

Items	Closing balance	Opening balance
-------	-----------------	-----------------

Dividends payable		228,000,000.00
Other payables	6,588,756,879.48	16,691,133,504.47
Total	6,588,756,879.48	16,919,133,504.47

### (1) Dividends payable

Unit: RMB

Items	Closing balance	Opening balance
Dividends payable on ordinary shares by subsidiaries		228,000,000.00
Total		228,000,000.00

### (2) Other payables

#### 1) Other payables listed by the nature of payment

Unit: RMB

Items	Closing balance	Opening balance
Intercompany balances	5,548,635,694.24	14,776,720,257.46
Entrusted loan		787,149,197.50
Security deposits	916,055,524.03	826,693,128.75
Settled but unpaid operating expenses	110,443,622.88	278,440,701.05
Others	13,622,038.33	22,130,219.71
Subtotal	6,588,756,879.48	16,691,133,504.47

There is no other important payables with age over 1 year at the end of the period.

## 25. Contract liabilities

Unit: RMB

Items	Closing balance	Opening balance
Payments for goods	5,995,580,462.05	4,421,732,432.83
Total	5,995,580,462.05	4,421,732,432.83

There is no other important contract liabilities with age over 1 year at the end of the period.

## 26. Employee benefits payable

### (1) Presentation of employee benefits

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
I. Short-term employee benefits	1,019,260,553.27	3,769,686,804.32	3,804,883,191.95	984,064,165.64
II. Post-employment benefits - defined	12,960,223.29	167,347,072.81	167,562,183.25	12,745,112.85

contribution plan				
III. Termination benefits		1,209,375.43	1,209,375.43	
Total	1,032,220,776.56	3,938,243,252.56	3,973,654,750.63	996,809,278.49

## (2) Short-term remuneration

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Wage, bonus, allowance and subsidy	1,010,626,077.30	3,559,521,777.54	3,595,111,000.86	975,036,853.98
2. Employee welfare fund		26,550,691.11	26,550,691.11	
3. Social insurance premium	7,487,649.31	97,603,622.53	97,244,984.25	7,846,287.59
Including: Medical premium	6,528,799.94	84,848,078.09	84,330,369.92	7,046,508.11
Occupational injuries premium	958,849.37	12,372,129.24	12,531,199.13	799,779.48
Maternity premium		383,415.20	383,415.20	
4. Housing provident fund	290,954.00	58,223,085.23	58,180,186.55	333,852.68
5. Trade union fund and employee education fund	855,872.66	27,787,627.91	27,796,329.18	847,171.39
Subtotal	1,019,260,553.27	3,769,686,804.32	3,804,883,191.95	984,064,165.64

## (3) Presentation of defined contribution plan

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
1. Basic endowment insurance premium	12,529,399.41	161,791,210.53	161,994,014.38	12,326,595.56
2. Unemployment insurance premium	430,823.88	5,555,862.28	5,568,168.87	418,517.29
Subtotal	12,960,223.29	167,347,072.81	167,562,183.25	12,745,112.85

## 27. Taxes payable

Unit: RMB

Items	Closing balance	Opening balance
VAT	13,254,307.86	7,837,443.46
Consumption tax	747,606,263.37	28,973,236.05
Enterprise income tax	89,950,544.34	61,736,590.18
Individual income tax	15,562,859.71	15,229,448.50

Urban maintenance and construction tax	98,714,225.59	29,773,987.02
Housing property tax	34,022,887.00	30,376,665.46
Land use tax	116,305,831.44	234,528,096.28
Education surcharge	42,653,919.65	12,775,359.01
Local education surcharge	28,437,246.39	8,518,206.02
Environmental protection tax	3,145,855.20	2,831,476.99
Stamp duty	67,254,962.09	40,489,040.73
Deed tax	20,953,566.00	3,711,618.00
Total	1,277,862,468.64	476,781,167.70

## 28. Non-current liabilities due within one year

### (1) Details

Unit: RMB

Items	Closing balance	Opening balance
Long-term borrowings due within one year	38,301,297,104.65	28,229,063,293.47
Bonds payable due within one year		2,037,082,007.25
Lease liabilities due within one year	21,198,112.29	20,538,874.09
Total	38,322,495,216.94	30,286,684,174.81

### (2) Increase/decrease of bonds payable: (excluding preferred stock, perpetual bond and other financial instruments classified as financial liabilities)

Bonds Name	Par value	Coupon rate	Issuing date	Maturity	Amount outstanding	Opening Balance	Par value interest	Premium/discount amortization	Current period repayment	Closing Balance	Whether default
20 Rongsheng G1	1,000,000,000.00	3.86%	4/21/2020, 4/22/2020	4 (2+2) years	995,452,830.20	1,030,423,555.96	12,459,178.08	394,255.94	1,043,276,989.98		No
20 Rongsheng G2	1,000,000,000.00	3.45%	8/31/2020, 9/1/2020, 9/2/2020	4 years, with the Company's option to adjust the coupon rate and the investor's sell-back option at the end of the second year	995,405,660.39	1,006,658,451.29	22,553,972.62	610,586.11	1,029,823,010.02		No
Total					1,990,858,490.59	2,037,082,007.25	35,013,150.70	1,004,842.05	2,073,100,000.00		

## 29. Other current liabilities

Unit: RMB

Items	Closing balance	Opening balance
Output tax to be recognized	742,351,889.84	551,990,844.96
Total	742,351,889.84	551,990,844.96

## 30. Long-term borrowings

Unit: RMB

Items	Closing balance[Note]	Opening balance
Mortgaged borrowings	187,683,275.31	400,775,733.62
Guaranteed borrowings	25,309,274,718.75	25,540,063,351.05
Credit borrowings	874,673,819.84	462,895,972.33
Mortgaged and guaranteed borrowings	93,146,709,048.51	98,775,848,764.18
Total	119,518,340,862.41	125,179,583,821.18

[Note] The Group's long-term borrowings include multiple bank loans with covenants. As of December 31, 2024, the carrying amount of such borrowings amounted to RMB 104,096,748,848.05. The loan agreements require the Company to comply with covenant conditions, such as asset-liability ratio, current ratio, and interest coverage ratio, during the borrowing period. If these conditions are not met, the loans may become repayable on demand at the discretion of the banks. The Group expects to comply with the aforementioned covenant conditions.

## 31. Lease liabilities

Unit: RMB

Items	Closing balance	Opening balance
Lease payments	212,198,297.79	241,120,991.44
Unrecognized financial expenses	-40,573,839.45	-48,118,679.06
Total	171,624,458.34	193,002,312.38

## 32. Deferred income

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Reasons for balance
Government grants	195,581,593.25	26,625,900.00	23,577,526.96	198,629,966.29	Related to assets
Total	195,581,593.25	26,625,900.00	23,577,526.96	198,629,966.29	--

## 33. Share capital

Unit: RMB

	Opening balance	Movements				Subtotal	Closing balance
		Issue of new shares	Bonus shares	Conversion of reserve to	Others		

				shares			
Total number of shares	10,125,525,000.00						10,125,525,000.00

### 34. Capital reserve

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Share/capital premium	10,779,726,139.51			10,779,726,139.51
Other capital reserve	45,596,119.85	1,363,423.65	7,119,047.97	39,840,495.53
Total	10,825,322,259.36	1,363,423.65	7,119,047.97	10,819,566,635.04

Other notes, including notes to increase and decrease in the current period and its reasons:

1) Because of other changes in the owner's equity of associates other than net gain and loss, other comprehensive income and profit distribution, the share to be entitled by shareholding ratio calculated by the company is included in the capital reserve (other capital reserves), that is RMB 1,363,423.65.

2) During this period, the subsidiary Zhejiang Petroleum & Chemical Co., Ltd. transferred its equity in associate, resulting in a transfer of the accumulated capital reserve (other capital reserve) of RMB 7,119,047.97.

### 35. Treasury stock

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Repurchased public shares	6,619,807,176.02	367,392,060.78	190,413.56	6,987,008,823.24
Total	6,619,807,176.02	367,392,060.78	190,413.56	6,987,008,823.24

Other notes, including notes to increase and decrease in the current period and its reasons:

According to the Proposal on Repurchase of Shares of the Company deliberated and adopted at the 21st meeting of the fifth board of directors held by the Company on March 15, 2022, the Company has used its own funds to buy back part of the public shares issued by it in the form of centralized bidding transaction, which is used to convert corporate bonds issued by listed companies that can be converted into shares. In the current period, the repurchase amount is not less than RMB 1 billion (inclusive) and not more than RMB 2 billion (inclusive), and the repurchase price is not more than RMB 22/share (inclusive).

According to the Proposal on Repurchase of Shares of the Company deliberated and adopted at the second meeting of the sixth session of the Board of Directors of the Company held on August 4, 2022, the Company has used its own funds to buy back part of the public shares issued by it in China in the form of centralized bidding transaction, which is used to convert corporate bonds or employee stock ownership plans issued by listed companies that can be converted into shares. The total amount of repurchase funds shall be not less than RMB 1 billion (inclusive) and not more than RMB 2 billion (inclusive), and the repurchase price shall not exceed RMB 20/share.

According to the Proposal on Repurchase of Shares approved at the 10th meeting of the Sixth Board of Directors on August 21, 2023, and the *Proposal on Increasing the Amount of Share Repurchase (Phase III)* approved at the 14th meeting of the Sixth Board of Directors on November 27, 2023, it was agreed that the Company would use its own funds to repurchase a portion of its domestically issued RMB-denominated ordinary shares (A-shares) through centralized bidding transactions, which would be used to convert corporate bonds or employee stock

ownership plans that could be converted into shares issued by listed companies. The repurchase amount was no less than RMB 1.5 billion (inclusive) and no more than RMB 3.0 billion (inclusive), and the repurchase price was no more than RMB 18 per share (inclusive).

At the beginning of the period, the Company had already repurchased 516,433,122 shares. During this period, it repurchased additional 36,799,736 shares through the dedicated repurchase securities account via centralized bidding transactions, with a total transaction amount of RMB 367,392,060.78 (excluding transaction fees). At the same time, by entering into over-the-counter (OTC) derivative agreements with CITIC Securities Co., Ltd. and Shenwan Hongyuan Securities Co., Ltd., the Company obtained cash settlement gains, thereby reducing the actual repurchase cost by RMB 190,416.56 for this period.

As of December 31, 2024, the Company has completed the aforementioned third-phase share repurchase program.

### 36. Other comprehensive income

Unit: RMB

Items	Opening balance	Current period cumulative						Closing balance
		Current period cumulative before income tax	Less: OCI previously recognized but transferred to profit or loss in the current period	Less: Amount included in other comprehensive incomes previously and then transferred into current retained earnings	Less: Income tax expenses	Attributable to parent company	Attributable to non-controlling shareholders	
I. Items not to be reclassified subsequently to profit or loss	590,642.24					- 590,642.24		
Others	590,642.24					- 590,642.24		
II. Items to be reclassified subsequently to profit or loss	109,613,224.11	110,438,586.05	- 2,998,687.87			171,278,992.87	- 2,261,359.62	280,892,216.98
Including: OCI to be transferred to profit or loss under equity method	105,770,286.01	110,438,586.05	- 2,998,687.87			120,207,167.57	- 6,769,893.65	225,977,453.58
Translation reserves	3,842,938.10					51,071,825.30	4,508,534.03	54,914,763.40
Total	110,203,866.35	110,438,586.05	- 2,998,687.87			170,688,350.63	- 2,261,359.6	280,892,216.98

2

### 37. Special reserves

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Work safety fund	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 work safety expenses accrued and used by subsidiaries Zhejiang Petroleum & Chemical Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Yisheng New Material Co., Ltd., and ZPC Zheyong Technology Co., Ltd.

### 38. Surplus reserve

Unit: RMB

Items	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
Statutory surplus reserve	974,151,644.68	296,591,421.35		1,270,743,066.03
Total	974,151,644.68	296,591,421.35		1,270,743,066.03

Notes to surplus reserves, including notes to current increase and decrease and related reasons:

According to the Articles of Association, 10% of the net profit realized by the parent company in this period has been withdrawn for the statutory surplus reserve.

### 39. Undistributed profit

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Balance before adjustment at the end of preceding period	28,859,818,194.51	29,264,532,743.94
Add: Increase due to adjustment (or less: decrease)		1,177,803.84
Opening balance after adjustment	28,859,818,194.51	29,265,710,547.78
Add: Net profit attributable to owners of the parent company	724,484,686.45	1,158,146,248.89
Less: Appropriation of statutory surplus reserve	296,591,421.35	87,681,249.96
Dividend payable on ordinary shares	957,314,454.20	1,476,357,352.20
Closing balance	28,330,397,005.41	28,859,818,194.51

## 40. Operating revenue and operating cost

### (1) Details

Unit: RMB

Items	Current period cumulative		Preceding period comparative	
	Revenue	Cost	Revenue	Cost
Main operations	324,687,881,171.91	287,532,565,333.66	324,161,501,353.80	286,937,146,140.13
Other operations	1,787,281,436.97	1,457,978,546.89	950,112,914.29	821,739,557.17
Total	326,475,162,608.88	288,990,543,880.55	325,111,614,268.09	287,758,885,697.30

Whether the lower of the net profits before and after net of non-recurring gains/losses is negative through audit

Yes  No

Other notes

### (2) Breakdown of revenue

#### 1) Breakdown of revenue from contracts with customers by goods or services

Items	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Refining	117,855,712,431.38	97,149,285,936.52	121,884,564,630.35	97,185,773,925.13
Chemical	121,767,959,624.54	105,205,550,952.93	121,776,659,403.66	109,402,218,957.65
PTA	49,677,505,579.61	50,351,837,995.70	53,189,803,246.86	53,529,769,810.68
Polyester chemical fiber film	18,507,338,180.98	18,195,490,832.19	14,717,875,220.67	14,245,686,777.56
Trade and others	18,659,250,541.39	18,084,103,124.44	13,540,394,215.39	13,394,398,783.78
Subtotal	326,467,766,357.90	288,986,268,841.78	325,109,296,716.93	287,757,848,254.80

The Company's total chemical production capacity (including associate) reached 59.27 million tons, corresponding to a total of RMB 278.6 billion in operating revenue from chemicals in 2024.

#### 2) Breakdown of revenue from contracts with customers by time of transferring goods or rendering services

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Recognized at a point in time	326,467,766,357.90	325,109,296,716.93
Subtotal	326,467,766,357.90	325,109,296,716.93

### (3) Information related to performance obligations

Items	Time of fulfilling performance obligations	Significant payment terms	Nature of goods or services that the Company has promised to transfer	Whether the Company is a principal	Amount expected to be returned to the customer	Type of warranties and related obligations
Sale of Goods	Upon delivery of goods	The payment is generally made in	Products that meet national standards	Yes	None	Warranty-type quality guarantee

		advance; the payment duration for accounts receivable is generally from 30 to 90 days after delivery				
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(4) The revenue recognized in the current period included in the opening carrying amount of contract liabilities is RMB 4,421,732,432.83.

(5) Revenue from and cost of trial sales presented as operating revenue and operating cost

1) Revenue from and cost of trial sales

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Revenue	10,302,502,259.17	12,346,750,810.64
Cost	9,364,411,482.35	12,028,406,955.08

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

Items	Current period cumulative	Preceding period comparative
Consumption tax	21,876,182,863.52	20,158,116,786.69
Urban maintenance and construction tax	1,522,606,490.49	1,413,261,170.65
Education surcharge	662,539,298.03	609,449,176.14
Housing property tax	40,528,943.36	35,451,787.21
Land use tax	119,576,761.38	145,847,592.94
Vehicle and vessel use tax	88,104.29	92,010.68
Stamp duty	210,664,196.49	167,370,574.64
Local education surcharge	441,692,865.27	406,300,720.73
Environmental protection tax	23,560,240.64	11,767,763.80
Total	24,897,439,763.47	22,947,657,583.48

#### 42. Administrative expenses

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Employee benefits	403,637,588.16	404,325,067.28
Office expenses	144,753,610.00	132,123,305.00

Depreciation and amortization	248,918,000.60	170,018,094.68
Insurance fees	140,182,396.42	156,362,133.49
Business entertainment expenses	13,536,625.23	20,556,059.77
Others	25,685,474.38	25,613,358.00
Total	976,713,694.79	908,998,018.22

#### 43. Selling expenses

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Employee benefits	143,059,036.16	114,405,591.84
Sales business fees	33,491,051.89	33,264,718.69
Others	16,562,212.76	12,791,937.40
Total	193,112,300.81	160,462,247.93

#### 44. R&D expenses

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Direct inputs	3,650,032,751.45	5,002,777,534.42
Depreciation and amortization	847,644,288.46	977,831,515.04
Employee benefits	582,233,984.76	553,305,248.93
Equipment testing fees	7,362,107.00	7,048,769.45
Outsourced R&D and others	14,210,153.93	14,319,284.66
Total	5,101,483,285.60	6,555,282,352.50

#### 45. Financial expenses

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Interest expenditures	7,077,035,657.42	7,352,267,160.76
Interest income	-544,687,994.07	-462,192,239.25
Gains and losses on foreign exchange	239,749,460.14	988,178,999.07
Others	359,242,723.86	323,873,805.56
Total	7,131,339,847.35	8,202,127,726.14

#### 46. Other income

Unit: RMB

Sources generating other incomes	Current period cumulative	Preceding period comparative
Government grants related to assets	23,577,526.96	30,422,294.00
Government grants related to income	1,077,141,580.04	798,372,989.39

Refund of handling fees for withholding individual income tax	3,890,671.08	5,085,360.29
VAT extra deductions	1,767,143,763.75	1,751,845,788.50
Others	151,540.00	3,514,912.00
<b>Total</b>	<b>2,871,905,081.83</b>	<b>2,589,241,344.18</b>

#### 47. Gains on changes in fair value

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Derivative financial assets	319,353,476.86	292,781,787.20
Derivative financial liabilities	-34,655,378.23	-78,931,785.08
Held-for-trading financial liabilities	-164,399,967.20	-57,963,734.18
<b>Total</b>	<b>120,298,131.43</b>	<b>155,886,267.94</b>

#### 48. Investment income

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Investment income from long-term equity investments under equity method	244,591,550.05	275,964,998.21
Investment income from disposal of long-term equity investments	10,960,230.72	30,580,952.97
Losses on discounting of receivables financing	-68,823,737.96	327,969,992.65
Investment income from disposal of derivative financial assets	-24,087,658.90	-174,729,555.22
Interest income from call loans between related parties	392,911.94	248,144.66
<b>Total</b>	<b>163,033,295.85</b>	<b>460,034,533.27</b>

#### 49. Credit impairment loss

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Bad debts	-189,106,251.69	-105,271,556.51
<b>Total</b>	<b>-189,106,251.69</b>	<b>-105,271,556.51</b>

#### 50. Assets impairment loss

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Inventory write-down loss	-163,827,403.04	-121,513,148.98
<b>Total</b>	<b>-163,827,403.04</b>	<b>-121,513,148.98</b>

## 51. Gains on asset disposal

Unit: RMB

Sources of asset disposal income	Current period cumulative	Preceding period comparative
Gains on disposal of fixed assets	-334,956.39	3,706,231.92
Gains on disposal of intangible assets	17,775,133.30	
Total	17,440,176.91	3,706,231.92

## 52. Non-operating revenue

Unit: RMB

Items	Current period cumulative	Preceding period comparative	Amount included in non-recurring profit or loss
Indemnity income	9,406,545.91	223,772.36	9,406,545.91
Confiscatory income	845,875.26	2,533,090.04	845,875.26
Others	218,528.74	199,409.30	218,528.74
Total	10,470,949.91	2,956,271.70	10,470,949.91

## 53. Non-operating expenditures

Unit: RMB

Items	Current period cumulative	Preceding period comparative	Amount included in non-recurring profit or loss
Donation expenditures	17,300,000.00	10,000,000.00	17,300,000.00
Losses on damage or retirement of non-current assets	362,553.03	156,295.40	362,553.03
Overdue fines	60,411,769.58	403,869.72	60,411,769.58
Compensation expenses	30,488,423.15		30,488,423.15
Others	464,403.13	101,964.64	464,403.13
Total	109,027,148.89	10,662,129.76	109,027,148.89

## 54. Income tax expenses

### (1) Presentation of income tax expenses

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Current period income tax expenses	368,480,873.10	597,000,358.58
Deferred income tax expenses	-588,084,286.39	-647,584,367.94
Total	-219,603,413.29	-50,584,009.36

## (2) Adjustment of accounting profit and income tax expense

Unit: RMB

Items	Current period cumulative
Profit before tax	1,905,716,668.62
Income tax expenses based on tax rate applicable to the parent company	476,429,167.15
Effect of different tax rate applicable to subsidiaries	-114,282,096.25
Effect of prior income tax reconciliation	-4,475,808.72
Effect of non-taxable income	-147,549,741.61
Effect of non-deductible costs, expenses and losses	130,657,096.78
Effect of utilization of deductible losses not previously recognized as deferred tax assets	-176,072,653.11
Effect of deducible temporary differences or deductible losses not recognized as deferred tax assets in the current period	35,363,620.54
Effect of extra deductions of R&D costs	-419,672,998.07
Income tax expenses	-219,603,413.29

## 55. Other comprehensive income

Refer to Note VII 36 for details.

## 56. Cash flow statement items

### (1) Cash related to operating activities

Other cash receipts related to operating activities

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Receipts of government grants	1,704,903,975.77	882,037,187.49
Withdrawal of deposits for notes and letters of credit	1,274,960,321.30	2,227,779,041.99
Receipts of temporary borrowings from Zhejiang Rongsheng Holding Group Co., Ltd.	201,500,000.00	1,700,000,000.00
Receipts of interest income from cash in bank	544,687,994.07	462,192,239.25
Withdrawal of operating security deposits	243,339,427.96	358,954,526.64
Others	29,972,875.16	20,817,409.42
Total	3,999,364,594.26	5,651,780,404.79

Other cash payments related to operating activities

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Payment for deposits for notes and letters of credit	939,955,714.82	1,274,961,321.30

Repayment of temporary borrowings from Zhejiang Rongsheng Holding Group Co., Ltd.	201,500,000.00	1,700,000,000.00
Out-of-pocket expenses of administrative expenses, R&D expenses and selling expenses	451,840,559.05	421,455,195.91
Payment for bank handling fees	273,301,181.98	302,962,268.04
Payment for operating security deposits	419,277,649.81	241,779,503.01
Others	389,101,702.33	79,759,938.71
<b>Total</b>	<b>2,674,976,807.99</b>	<b>4,020,918,226.97</b>

## (2) Cash related to investment activities

Other cash receipts related to investing activities

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Withdrawal of deposits for notes and letters of credit	58,439,047.20	300,801,878.44
Receipts of project and land bidding deposits	126,799,650.30	170,796,112.11
Withdrawal of temporary borrowings and interests from ZPC ENN (Zhoushan) Gas Co., Ltd.	416,486.66	248,144.64
<b>Total</b>	<b>185,655,184.16</b>	<b>471,846,135.19</b>

Other cash payments related to investing activities

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Payment for project and land bidding deposits	115,357,030.89	152,021,068.01
Payment for deposits for notes and letters of credit	26,984,994.77	58,439,047.20
Payment for temporary borrowings to ZPC ENN (Zhoushan) Gas Co., Ltd.		6,000,000.00
<b>Total</b>	<b>142,342,025.66</b>	<b>216,460,115.21</b>

## (3) Cash related to financing activities

Other cash receipts related to financing activities

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Receipts from discounted but undue letters of credit and notes	18,250,688,807.61	
Receipts of temporary borrowings from Zhejiang Rongsheng Holding Group Co., Ltd.	3,148,500,000.00	19,821,000,000.00
Receipts of entrusted loans from Zhejiang Yisheng Petrochemical Co.,		786,000,000.00

Ltd.		
Withdrawal of deposits for borrowings	70,908,960.00	250,000,000.00
Receipts of the transaction margin and settlement funds related to the repurchase of shares	5,895,301.00	
Receipts from transfer of non-controlling interest of subsidiaries		28,325,460.00
Total	21,475,993,068.61	20,885,325,460.00

**Other cash payments related to financing activities**

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Repayment of temporary borrowings from Zhejiang Rongsheng Holding Group Co., Ltd.	12,415,012,459.99	6,927,759,989.43
Repayment of entrusted loans from Zhejiang Yisheng Petrochemical Co., Ltd. and interests thereof	804,453,086.65	1,028,982,195.75
Payment for repurchase of shares	367,392,060.78	2,642,310,498.59
Payment for financing handling fees	85,941,541.88	20,911,537.53
Payment for right-of-use assets	30,874,272.20	31,518,302.23
Payment for deposits for borrowings		250,000,000.00
Payment for discounted letters of credit upon maturity		20,297,165,632.32
Payment for option margin		5,000,000.00
Payment for deposits for leased-in silver	672,580,625.41	
Total	14,376,254,046.91	31,203,648,155.85

**Changes in all 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 period cumulative	Preceding period comparative
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	2,125,320,081.91	1,603,162,465.64
Add: Provision for assets impairment	163,827,403.04	121,513,148.98
Provision for credit impairment	189,106,251.69	105,271,556.51
Depreciation of fixed assets, oil and gas assets, productive biological assets	15,021,129,741.20	14,535,540,221.77
Depreciation of right-of-use assets	23,864,319.63	25,504,627.18
Amortization of intangible assets	185,023,887.02	160,144,938.95
Amortization of long-term prepayments	45,701.13	71,458.00

Losses on disposal of fixed assets, intangible assets and other long-term assets (Less: gains)	-17,440,176.91	-3,706,231.92
Fixed assets retirement loss (Less: gains)	362,553.03	156,295.40
Losses on changes in fair value (Less: gains)	-120,298,131.43	-155,886,267.94
Financial expenses (Less: gains)	7,412,256,559.44	8,367,284,097.36
Investment losses (Less: gains)	-163,033,295.85	-460,034,533.27
Decrease of deferred tax assets (Less: increase)	-546,367,399.20	-310,687,195.79
Increase of deferred tax liabilities (Less: decrease)	-41,716,887.19	-336,897,172.15
Decrease of inventories (Less: increase)	16,587,048,796.10	-1,165,260,697.11
Decrease of operating receivables (Less: increase)	-5,370,176,094.92	695,137,952.67
Increase of operating payables (Less: decrease)	-796,925,853.22	4,721,365,821.01
Others	-42,900,850.59	176,541,023.44
Net cash flows from operating activities	34,609,126,604.88	28,079,221,508.73
2. Significant investing and financing activities not related to cash receipts and payments:		
Conversion of debt into capital		
Convertible bonds due within one year		
Fixed assets leased under finance leases		
3. Net changes in cash and cash equivalents:		
Cash at the end of the period	12,943,832,335.45	11,486,855,097.52
Less: Cash at the beginning of the period	11,486,855,097.52	15,459,279,803.77
Add: Cash equivalents at the end of the period		
Less: Cash equivalents at the beginning of the period		
Net increase of cash and cash equivalents	1,456,977,237.93	-3,972,424,706.25

## (2) Composition of cash and cash equivalents

Unit: RMB

Items	Closing balance	Opening balance
I. Cash	12,943,832,335.45	11,486,855,097.52
Including: cash on hand	1,580,800.25	1,499,665.59
Cash in bank on demand for payment	12,624,073,263.80	11,121,148,364.87
Other cash and bank balances on demand for payment	318,178,271.40	364,207,067.06
III. Cash and cash equivalents at the end of the period	12,943,832,335.45	11,486,855,097.52

**(3) Cash and bank balances not considered as cash and cash equivalents**

Unit: RMB

Items	Closing balance	Opening balance	Reasons for not considered as cash and cash equivalents
Deposits for bank acceptance	471,306,867.33	771,727,014.41	These are all deposits for related businesses and are subject to restrictions on use.
Deposits for letters of credit	475,632,655.05	561,350,011.26	
Deposits for loans	250,000,000.00	250,000,000.00	
Deposits for letters of guarantee	20,001,187.21		
Deposits for leased-in silver	672,580,625.41		
Accrued interest of deposits	30,250.00	322,342.83	The accrued interest on the deposit
ETC deposits	1,000.00	1,000.00	ETC frozen funds
Subtotal	1,889,552,585.00	1,583,400,368.50	

**(4) Changes in liabilities related to financing activities**

Unit: RMB 10,000

Items	Opening balance	Increase		Decrease		Closing balance
		Changes in cash	Changes in non-cash	Changes in cash	Changes in non-cash	
Bank borrowings	19,821,958.38	12,603,287.23	849,863.32	13,084,048.16		20,191,060.77
Other payables – temporary borrowings from Zhejiang Rongsheng Holding Group Co., Ltd.	1,461,576.36	314,850.00	19,938.45	1,241,501.25		554,863.56
Other payables – entrusted loans from Zhejiang Yisheng Petrochemical Co., Ltd.	78,714.92		1,730.39	80,445.31		
Other payables – dividend payable	22,800.00		340,731.45	363,531.45		
Bonds payable (including bonds payable due within one year)	203,708.20		3,601.80	207,310.00		
Lease liabilities (including lease liabilities due within one year)	21,354.12		1,015.57	3,087.43		19,282.26
Subtotal	21,610,111.98	12,918,137.23	1,216,880.98	14,979,923.60		20,765,206.59

**(5) Major activities that do not involve cash receipts and payments**

Endorsement and transfer amount of commercial drafts that do not involve cash receipts and payments

Items	Current period cumulative	Preceding period comparative
-------	---------------------------	------------------------------

Amount of endorsed commercial acceptance	609,274,450.40	3,524,694,837.25
Including: Payments for goods	434,924,689.02	3,454,580,186.05
Payments for acquisition of fixed assets and other long-term assets	174,349,761.38	70,114,651.20

## 58. Foreign currency monetary items

### (1) Monetary items in foreign currency

Unit: RMB

Items	Closing balance in foreign currencies	Exchange rate	RMB equivalent at the end of the period
Cash and bank balances			
Including: USD	746,268,368.26	7.1884	5,364,475,538.40
EUR	4,548,291.87	7.5257	34,229,080.13
HKD	230,186.82	0.92604	213,162.20
Pound	2.70	9.0765	24.51
SGD	2,350,376.90	5.3214	12,507,295.65
Accounts receivable			
Including: USD	542,762,040.06	7.1884	3,901,590,648.77
Other receivables			
Including: USD	14,660,128.94	7.1884	105,382,870.87
SGD	40,614.65	5.3214	216,126.80
HKD	53,901,206.49	0.92604	49,914,673.26
Other payables			
Including: USD	13,335,663.62	7.1884	95,862,084.37
SGD	102,100.37	5.3214	543,316.91
Short-term borrowings			
Including: USD	95,552,540.68	7.1884	686,869,883.42
Accounts payable			
Including: USD	1,211,508,617.27	7.1884	8,708,808,544.39
EUR	6,652,993.05	7.5257	50,068,429.80
GBP	678,025.00	9.0765	6,154,093.91
Long-term borrowings			
Including: EUR	47,994,261.07	7.5257	361,190,410.53
Non-current liabilities due within one year			
Including: USD	1,030,962.05	7.1884	7,410,967.60
EUR	6,399,234.82	7.5257	48,158,721.48

**(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

Name of entities	Place of registration	Functional currency	Selection basis
Hong Kong Sheng Hui Limited	Hong Kong SAR	USD	Common settlement currency for their operations
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	Hong Kong SAR		
Yisheng New Materials Trading Co., Ltd.	Hong Kong SAR		
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	Hong Kong SAR		
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, 29 of these financial statements. The amounts of short-term lease expense and low-value asset lease expense included in the current gain and loss are as follows:

Items	Current period cumulative	Preceding period comparative
Expense relating to short-term leases	23,582,427.12	20,554,034.54
Expense relating to leases of low-value assets (excluding short-term leases)		
Total	23,582,427.12	20,554,034.54

3) Current gain and loss and cash flow related to leasing

Items	Current period cumulative	Preceding period comparative
Interest expense on lease liabilities	8,158,128.24	9,249,553.79
Total cash outflows related to leases	55,525,318.25	52,662,695.17

4) The maturity analysis of lease liabilities and the corresponding liquidity risk management are detailed in Note IX (II) of these financial statements.

**(2) The Company as the lessor**

Operating lease as lessor

 Applicable  Not applicable

Unit: RMB

Items	Leasing revenue
Lease income	7,396,250.98
Total	7,396,250.98

Financial lease as lessor

 Applicable  Not applicable

Undiscounted lease receipts for each of the next five years

 Applicable  Not applicable

Unit: RMB

Items	Undiscounted annual lease receivables	
	Closing balance	Opening balance
Within 1 year	2,137,089.00	1,433,356.05
1-2 years	2,137,089.00	
2-3 years	2,137,089.00	
3-4 years	2,137,089.00	
4-5 years	2,137,089.00	
Total amount of undiscounted lease receipts after five years	12,644,441.00	

**(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

Banks	Amount of borrowings	Commencement date	Maturity date	Guarantors
Huishang Bank Co., Ltd., Ningbo Haishu Sub-branch	92,000,000.00	March 27, 2024	March 19, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
Agricultural Bank of China Co., Ltd., Ningbo Xiapu Sub-branch	89,000,000.00	April 9, 2024	April 7, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
Agricultural Bank of China Co., Ltd., Ningbo Xiapu Sub-branch	80,000,000.00	April 9, 2024	April 7, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
Agricultural Bank of China Co., Ltd., Ningbo Xiapu Sub-branch	84,000,000.00	April 9, 2024	April 7, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.

Agricultural Bank of China Co., Ltd., Ningbo Xiapu Sub-branch	50,000,000.00	June 17, 2024	June 12, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
Agricultural Bank of China Co., Ltd., Ningbo Xiapu Sub-branch	30,000,000.00	June 25, 2024	June 19, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
Agricultural Bank of China Co., Ltd., Ningbo Xiapu Sub-branch	17,000,000.00	September 25, 2024	September 16, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
China Construction Bank Corporation Hangzhou Dangwan Sub-branch	50,000,000.00	March 29, 2024	March 20, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.
Bank of China Co., Ltd. Zhejiang Branch	10,000,000.00	September 29, 2024	March 17, 2025	Zhejiang Rongsheng Holding Group Co., Ltd.

(2) Liabilities related to supplier financing arrangements

1) Carrying amount of related liabilities

Items	Closing balance	Opening balance
Short-term borrowings	502,000,000.00	
Including: Payments already received by suppliers	502,000,000.00	
Subtotal	502,000,000.00	

2) Range of payment due dates for related liabilities

Items	Range of payment due dates at the end of the current period	Range of payment due dates at the beginning of the current period
Liabilities under finance arrangements	March 17, 2025 – September 16, 2025	

3) Non-cash changes in related liabilities

Non-cash change type	Current period cumulative	Preceding period comparative
Balances transferred from accounts payable to short-term borrowings	502,000,000.00	

## VIII. R&D expenditure

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Direct inputs	3,650,032,751.45	5,002,777,534.42
Depreciation and amortization	847,644,288.46	977,831,515.04
Employee benefits	582,233,984.76	553,305,248.93
Equipment commissioning costs	7,362,107.00	7,048,769.45
Outsourced R&D and others	14,210,153.93	14,319,284.66
Total	5,101,483,285.60	6,555,282,352.50
Including: R&D costs to be expensed	5,101,483,285.60	6,555,282,352.50

## IX. Consolidation scope changes

### Changes in consolidation scope for other reasons

#### 1. Increase in consolidation scope

Company name	Acquisition method	Date of equity acquisition	Subscribed capital contribution	Proportion of subscribed capital contribution (%)
Taizhou ZPC Sales Co., Ltd.	New establishment	February 27, 2024	10,000,000.00	100.00
Zhejiang Rongyi Chemical Fiber Co., Ltd.	New establishment	March 8, 2024	10,000,000.00	100.00
Zhoushan ZPC Logistics Co., Ltd.	New establishment	April 12, 2024	10,000,000.00	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 Zhuosheng Industry & Trade 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 10,000

Subsidiaries	Registered capital	Main operating place	Place of registration	Business nature	Holding proportion		Acquisition method
					Direct	Indirect	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	200,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Establishment
Hong Kong Sheng Hui Limited	USD 1,970	Hong Kong, China	Hong Kong, China	Business	100.00%		Business combination under common control
Ningbo Yisheng Chemical Co., Ltd.	USD10,526.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		95.00%	Establishment
Dalian Yisheng Investment Co., Ltd.	201,800.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing	70.00%		Establishment
Yisheng Dahua	245,645.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		84.60%	Establishment

Petrochemical Co., Ltd.							
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	USD 10.00	Hong Kong, China	Hong Kong, China	Business		100.00%	Establishment
Dalian Rongxinchen Trading Co., Ltd.	1,000.00	Dalian, Liaoning	Dalian, Liaoning	Business		100.00%	Establishment
Zhejiang Rongtong Chemical Fiber New Material Co., Ltd.	5,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Business		100.00%	Establishment
Zhejiang Rongyi Chemical Fiber Co., Ltd.	1,000.00	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Business		100.00%	Establishment
Dalian Yisheng New Materials Co., Ltd.	2,000.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		100.00%	Establishment
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%	Establishment
Zhejiang Yisheng New Materials Co., Ltd.	300,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		51.00%	Business combination not under common control
Ningbo Rongxinchen Trading Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Business		100.00%	Establishment
Yisheng New Materials Trading Co., Ltd.	HKD 100.00	Hong Kong, China	Hong Kong, China	Business		100.00%	Establishment
Zhejiang Rongyi Trading Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Business		100.00%	Establishment
Rongsheng Petrochemical (Singapore) Pte. Ltd.	USD 10,100.00	Singapore	Singapore	Business	100.00%		Establishment
Rongtong Logistics (Singapore)	USD 0.0001	Singapore	Singapore	Business		100.00%	Establishment

Pte. Ltd.							
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	USD 10.00	Hong Kong	Hong Kong	Business	100.00%		Establishment
Rongsheng International Trading Co., Ltd.	10,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Business	100.00%		Establishment
Zhejiang Petroleum & Chemical Co., Ltd.	5,580,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	51.00%		Business combination under common control
ZPC Zheyu Technology Co., Ltd.	41,220.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		70.00%	Establishment
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	USD 10.00	Singapore	Singapore	Business		100.00%	Establishment
ZPC Jintang Logistics Co., Ltd.	200,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Business		100.00%	Establishment
Zhejiang ZPC Sales Co., Ltd.	10,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Business		100.00%	Establishment
Zhoushan ZPC Sales Co., Ltd.	6,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Business		100.00%	Establishment
Zhoushan ZPC Trading Co., Ltd.	6,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Business		100.00%	Establishment
Ningbo ZPC Sales Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Business		100.00%	Establishment
Taizhou ZPC Sales Co., Ltd.	1,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang	Business		100.00%	Establishment
ZPC (Zhejiang Free Trade Zone) Green Petrochemical Research Institute Co., Ltd.	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Business		100.00%	Establishment
Zhejiang ZPC Power Generation Co., Ltd.	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		100.00%	Establishment
Zhoushan ZPC Logistics Co., Ltd.	1,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Road transport		100.00%	Establishment

Rongxiang Chemical Fiber Co., Ltd.	20,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Establishment
Zhejiang Yongsheng Technology Co. Ltd.	102,000.00	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Manufacturing	70.00%		Business combination under common control
Hainan Rongsheng International Trade Co., Ltd.	10,000.00	Danzhou, Hainan	Danzhou, Hainan	Business	100.00%		Establishment
Rongsheng Chemical (Shanghai) Co., Ltd.	5,000.00	Shanghai, China	Shanghai, China	Business	100.00%		Establishment
Rongsheng New Materials (Zhoushan) Co., Ltd.	500,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	100.00%		Establishment
Rongsheng Energy (Zhoushan) Co., Ltd.	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		100.00%	Establishment
Rongsheng New Materials (Taizhou) Co., Ltd.	100,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang	Manufacturing	90.00%		Establishment
Zhejiang Rongshen New Materials Co., Ltd.	2,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Business	100.00%		Establishment
Zhejiang Shengcheng New Materials Co., Ltd.	2,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Business	100.00%		Establishment
Zhejiang Huiyu New Materials Co., Ltd.	2,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Business	100.00%		Establishment

## (2) Significant not wholly-owned subsidiaries

Unit: RMB 10,000

Subsidiaries	Holding proportion of non-controlling shareholders	Non-controlling shareholders' profit or loss	Dividend declared to non-controlling shareholders	Closing balance of non-controlling interest
Dalian Yisheng Investment Co., Ltd.	30.00%	-3,541.79		200,931.24
Yisheng Dahua Petrochemical Co.,	15.40%	-3,543.61		101,381.83

Ltd.				
Zhejiang Yisheng New Materials Co., Ltd.	49.00%	-25,619.25		87,248.40
Zhejiang Petroleum & Chemical Co., Ltd.	49.00%	176,492.34	245,000.00	4,673,503.24

**(3) Main financial information of important partially-owned subsidiaries**

Unit: RMB

Subsidiaries	Closing balance						Opening 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.	7,147,381.97	10,529,906.29530	17,677,288.273.07	8,836,810.317.71	1,312,253,421.18	10,149,063,738.89	6,043,382,793.70	10,173,002,029.51	16,216,384.823.21	7,509,876.231.58	1,006,365,995.26	8,516,242.226.84
Yisheng Dahua Petrochemical Co., Ltd.	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	7,881,162,643.98	6,690,663,043.40	14,571.825.687.38	7,507,801.187.61	1,006,365,995.26	8,514,167.182.87
Zhejiang Yisheng New Materials Co., Ltd.	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	3,092,416,626.70	8,847,477,862.13	11,939.894.488.33	6,977,327.918.39	2,670,572,649.50	9,647,900.567.89
Zhejiang Petroleum & Chemical Co., Ltd.	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	64,568,747,170.94	233,498,324,220.33	298,067,071,391.27	89,967,924,493.30	114,638,353,580.77	204,606,278,074.07

Unit: RMB

Subsidiaries	Current period cumulative				Preceding period comparative			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Dalian Yisheng Investment Co., Ltd.	31,819,742,678.09	-153,495,879.83	-171,918,062.19	-1,369,513,418.04	30,081,391,445.25	57,567,769.18	63,603,754.14	1,434,071,122.98
Yisheng Dahua Petrochemical Co., Ltd.	31,819,742,678.05	-230,059,520.50	-221,017,533.82	-1,371,960,815.44	30,081,390,277.11	-128,953,709.57	-118,923,973.72	1,412,368,245.10

Zhejiang Yisheng New Materials Co., Ltd.	32,266,524,499.34	- 510,465,274.41	- 508,777,661.78	746,383,950.40	34,389,876,066.56	- 567,448,779.11	- 568,035,478.61	598,995,712.89
Zhejiang Petroleum & Chemical Co., Ltd.	261,747,883,222.19	3,542,480,099.59	3,545,466,729.89	45,148,928,308.69	260,199,581,771.04	1,366,854,753.00	1,390,250,929.22	9,170,067,788.54

## 2. Equity in joint venture arrangement or joint venture

### (1) Significant joint ventures or associates

Joint venture or associate	Main operating place	Place of registration	Business nature	Holding proportion		Accounting treatment on investments in joint ventures or associates
				Direct	Indirect	
Zhejiang Yisheng Petrochemical Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing	16.07%	13.93%	Equity method
Hainan Yisheng Petrochemical Co., Ltd.	Yangpu, Hainan	Yangpu, Hainan	Manufacturing	0.00%	50.00%	Equity method
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Finance	9.712%	0.00%	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 significant associates

Unit: RMB

	Closing balance/Current period cumulative			Opening balance/Preceding period comparative		
	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	18,007,943,478.45	8,131,053,257.49	260,652,281,183.67	16,498,637,547.38	6,162,955,958.24	238,736,568,512.17
Non-current assets	2,741,961,606.23	11,585,208,302.00	131,191,013,484.36	3,137,691,308.20	10,723,396,187.42	113,548,089,574.71
Total assets	20,749,905,084.68	19,716,261,559.49	391,843,294,668.03	19,636,328,855.58	16,886,352,145.66	352,284,658,086.88
Current liabilities	10,573,546,592.33	8,089,815,969.61	335,547,942,251.55	9,220,485,531.00	5,777,465,785.67	306,542,331,514.47
Non-current liabilities	984,230,000.00	4,755,208,149.68	28,342,070,574.28	1,436,900,038.76	4,326,522,448.83	22,201,300,436.51

Total liabilities	11,557,776,592.33	12,845,024,119.29	363,890,012,825.83	10,657,385,569.76	10,103,988,234.50	328,743,631,950.98
Non-controlling interest						284,964,915.83
Equity attributable to owners of parent company	9,192,128,492.35	6,871,237,440.20	27,640,173,446.18	8,978,943,285.82	6,782,363,911.16	23,256,061,220.07
Proportionate share in net assets	2,757,638,547.71	3,435,618,720.10	2,684,413,645.09	2,693,682,985.75	3,391,181,955.58	2,258,628,665.69
Adjustments	0.00	0.00	0.00			
- Goodwill	0.00	102,420,730.97	4,040,414.35		102,420,730.97	4,040,414.35
- Unrealized profit from internal transactions	0.00	-8,406,325.00	0.00		-10,465,016.83	
- Others	11,273,596.89	0.00	1,546,596.41	11,273,596.90		2,929,588.71
Carrying amount of investments in associates	2,768,912,144.61	3,529,633,126.08	2,690,000,655.85	2,704,956,582.65	3,483,137,669.72	2,265,598,668.75
Fair value of equity investments in joint ventures in association with quoted price						
Operating revenue	15,246,583,176.45	32,134,063,244.75	7,600,481,397.91	22,591,382,924.36	17,995,790,974.30	7,015,368,301.09
Net profit	214,587,933.59	143,801,867.13	3,047,587,610.27	27,812,596.46	364,367,774.59	2,789,441,227.26
Net profit of discontinued operations						
Other comprehensive income	-1,402,727.06	-54,928,338.09	1,509,122,219.37	16,183,749.25	-7,987,501.78	339,244,113.18
Total comprehensive income	213,185,206.53	88,873,529.04	4,556,709,829.64	43,996,345.71	356,380,272.81	3,128,685,340.44
Dividend from associates received in the current period			13,228,639.60			39,685,918.80

### (3) Aggregated financial information of insignificant joint ventures and associates

Unit: RMB

	Closing balance/ Current period cumulative	Opening balance/ Preceding period comparative
Associates :		

Proportionate shares in the following items		
Joint venture:		
Total carrying amount of investments	528,090,394.63	730,018,523.84
Proportionate shares in the following items		
- Net profit	-184,812,258.20	-182,684,759.52
- Other comprehensive income	-8,239,250.71	-1,198,206.27
- Total comprehensive income	-193,051,508.91	-183,882,965.79

## XI. Government grants

### 1. At the end of the reporting period, government grants recognized according to the amount receivable

Applicable  Not applicable

Items	Closing book balance
Government grants receivable – The People’s government of Yinong Town, Xiaoshan District, Hangzhou [Note]	594,020,000.00
Government grants receivable – Investment Promotion Bureau of Xiaoshan District, Hangzhou [Note]	100,000,000.00
Government grants receivable – Zhoushan Green Petrochemical Base Management Committee	1,045,798,000.00
Subtotal	1,739,818,000.00

Note: As of the date of approval for issuing the financial statements, the Company has received subsidies of RMB 600,000,000.00.

### 2. Reasons for not receiving the estimated amount of government grants at the expected time

Applicable  Not applicable

As of the date of approval of this financial report, the Company has received grant payments totaling RMB 442,761,584, with an outstanding receivable balance of RMB 603,036,416 pending fiscal allocation and payment.

### 3. Liability items involving government subsidies

Applicable  Not applicable

Unit: RMB

Items	Opening balance	Amount of additional subsidy in current period	Amount included in current non-operating revenue	Amount carried forward to other income in current period	Other change in current period	Closing balance	Related to assets/income
Deferred income	195,581,593.25	26,625,900.00		23,577,526.96		198,629,966.29	Related to assets
Subtotal	195,581,593.25	26,625,900.00		23,577,526.96		198,629,966.29	

### 4. Government grants included in current profit and loss

Applicable  Not applicable

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Government grants included into other income	1,100,719,107.00	828,795,283.39
Affected amount of interest subvention on profit before tax	9,529,900.00	5,926,400.00
Total	1,110,249,007.00	834,721,683.39

## 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 daily activities, 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 V (I) 3 and V (i) 6 of the financial statements for details.

#### 4. Credit risk exposure and credit risk concentration

The credit risk to the Company mainly comes from cash and bank balances and accounts receivable. In order to control the above related risks, the Company has taken the following measures respectively.

##### (1) Cash and bank balances

The Company deposits bank deposits and other cash and bank balances 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, 2024, the Company has a certain credit concentration risk, because 49.38% (December 31, 2023: 53.41%) 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 carrying amount 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.

Financial liabilities are classified by remaining time period till maturity

Items	Closing balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years

Bank borrowings	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
Held-for-trading financial liabilities	1,269,256,561.53	1,269,256,561.53	1,269,256,561.53		
Derivative financial liabilities	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

(Cont.)

Items	Opening balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Bank borrowings	197,839,011,037.27	221,286,938,697.31	77,162,762,558.85	62,140,808,417.55	81,983,367,720.91
Held-for-trading financial liabilities	544,366,956.25	544,366,956.25		544,366,956.25	
Derivative financial liabilities	78,931,785.08	78,931,785.08	78,931,785.08		
Notes payable	4,195,471,402.63	4,195,471,402.63	4,195,471,402.63		
Accounts payable	49,744,126,901.38	49,744,126,901.38	49,744,126,901.38		
Other payables	16,691,133,504.47	16,691,133,504.47	16,691,133,504.47		
Bonds payable	2,037,082,007.25	2,073,100,000.00	2,073,100,000.00		
Lease liabilities	213,541,186.47	261,662,503.81	29,346,490.83	55,282,901.20	177,033,111.78
Subtotal	271,343,664,780.80	294,875,731,750.93	149,974,872,643.24	62,740,458,275.00	82,160,400,832.69

### (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 risk and foreign currency risk.

#### 1. Interest risk

Interest 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 risk, and the interest-bearing financial instruments with floating interest rates expose the Company to cash flow interest 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 risk faced by the Company is mainly related to the bank borrowings with floating interest rates.

As of December 31, 2024, the bank borrowings with a floating interest rate of the Company are RMB 155,681.1217 million, and EUR 54.3935 million (December 31, 2023: RMB 157,889.1476 million, and EUR 60.7927 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 currency risk

Foreign currency 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 VII 58.(1) to the Financial Statements.

## 2. Financial assets

### (1) Classification by transfer method

Applicable  Not applicable

Unit: RMB

Ways of transfer	Nature of financial assets transferred	Amount of financial assets transferred	Derecognition	Judgement basis of derecognition
Discounting of notes	Receivables financing	1,718,503,751.55	Derecognized	The Company has transferred substantially all of the risks and rewards.
Endorsement of notes	Receivables financing	52,671,899.36	Derecognized	The Company has transferred substantially all of the risks and rewards.
Total		1,771,175,650.91		

### (2) Financial assets derecognized due to transfer

Applicable  Not applicable

Unit: RMB

Items	Ways of financial assets transfer	Amount derecognized	Gains or losses related to derecognition
Receivables financing	Discounting	1,718,503,751.55	3,347,411.03
Receivables financing	Endorsement	52,671,899.36	
Subtotal		1,771,175,650.91	3,347,411.03

**(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

Items	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Recurring fair value measurement	--	--	--	--
1. Derivative financial assets	55,586,387.34	420,180,297.83		475,766,685.17
2. Receivables financing			103,225,654.46	103,225,654.46
Total assets at recurring fair value measurement	55,586,387.34	420,180,297.83	103,225,654.46	578,992,339.63
3. Held-for-trading financial liabilities				
(1) Fair value of leased-in silver	1,269,256,561.53			1,269,256,561.53
4. Derivative financial liabilities	34,655,378.23			34,655,378.23
Total liabilities at recurring fair value measurement	1,303,911,939.76			1,303,911,939.76
II. Non-recurring fair value measurement	--	--	--	--

**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 derivative financial assets/liabilities consist of futures or paper commodity contracts held at the end of the period, the trading financial liabilities are liabilities to repay the leased silver upon maturity, 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 party relationships and transactions

### 1. Parent company of the Company

Parent company	Place of registration	Business nature	Registered capital	Holding proportion over the Company	Voting right proportion over the Company
Zhejiang Rongsheng Holding Group Co., Ltd.	Xiaoshan District, Hangzhou, Zhejiang Province	Industrial investment	RMB 834.6640 million	53.16%	53.16%

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 6.35% shares of the Company; Zhejiang Rongsheng Holding Group Co., Ltd. holds 53.16% 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 33.77% of the shares of the Company, so he holds a total of 40.12% of the shares of the Company.

### 2. Information on subsidiaries of the Company

See Note 7 for details of the Company's subsidiaries.

### 3. Joint ventures and associates of the Company

See Note VII for details of important joint ventures or associates of the Company.

Other joint ventures and associates that form balances in related party transactions with the Company in the current or previous period are as follows:

Name of joint venture or associate	Relationships with the Company
Ningbo Hengyi Trading Co., Ltd.	Associate
ZPC ENN (Zhoushan) Gas Co., Ltd.	Associate
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Associate
Ningbo Coastal Public Pipeline Co., Ltd.	Associate
Zhejiang Zhenshi Port Services Co., Ltd.	Associate
Zhejiang Derong Chemical Co., Ltd.	Associate
Zhoushan ZPC Zhougang Tug Co., Ltd.	Associate
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Associate

### 4. Other related parties

Related parties	Relationships with the Company
-----------------	--------------------------------

Li Jumei	Close family member of the actual controller
Sanyuan Holdings Group Co., Ltd.	Under control of close family members of the actual controller
Sanyuan Holdings Group Hangzhou Thermal Power Co., Ltd.	Under control of close family members of the actual controller
Zhejiang Saintyear Textile Co., Ltd.	Under control of close family members of the actual controller
Zhejiang Rongxiang Thermal Power Co., Ltd.	Under common control of the same actual controller
Zhejiang Rongtong Logistics Co., Ltd.	Under common control of the same actual controller
Ningbo Rongxiang Logistics Co., Ltd.	Under common control of the same actual controller
Ningbo Economic and Technological Development Zone Thermal Power Co., Ltd.	Under common control of the same actual controller
Ningbo United Group Co., Ltd.	Under common control of the same actual controller
Ningbo United Group Co., Ltd. Qijiashan Hotel	Under common control of the same actual controller
Suzhou Shenghui Equipment Co., Ltd.	Under common control of the same actual controller
Hangzhou Shengyuan Real Estate Development Co., Ltd.	Under common control of the same actual controller
Hangzhou Shengyuan Property Services Co., Ltd.	Under common control of the same actual controller
Daishan Chenyu Real Estate Co., Ltd.	Under common control of the same actual controller
Rongsheng Coal Co., Ltd.	Under common control of the same actual controller
Rongsheng Energy Co., Ltd.	Under common control of the same actual controller
Ningbo Qingzhi Chemical Terminal Co., Ltd.	Under common control of the same actual controller
Ningbo Qijiashan Chemical Terminal Co., Ltd.	Under common control of the same actual controller
Ningbo Haineng Blended Oil Co., Ltd.	Under common control of the same actual controller
Hainan Shenggu Petrochemical Equipment Investment Co., Ltd.	Under common control of the same actual controller
Xin Heng Rong (HK) Limited	Subsidiary of Hainan Yisheng Petrochemical Co., Ltd.
Shanghai Shenglanhui Technology Co., Ltd	Associate 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 Petrochemical Investment Yisheng Co., Ltd.
Zhejiang Yixin Chemical Fiber Co., Ltd.	Subsidiary of Zhejiang Yisheng Petrochemical Co., Ltd.
Dongzhan Shipping Co., Ltd.	Associate of Zhejiang Rongtong Logistics Co., Ltd.
Aramco Overseas Company B.V.	Shareholder
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
SABIC (Shanghai) Trading Co., Ltd.	Subsidiary of Saudi Arabian Oil Company
Shanghai Huanqiu Engineering Co., Ltd.	The Company's actual controller serves as its director
Zhoushan Yushan Petrochemical Engineering Co., Ltd.	[Note]

Other notes:

[Note]: The Company transferred out the equity of this entity on June 30, 2023. As a result, the Company no longer held the equity of this entity after the equity transfer, and related party transactions with such entity disclosed in the notes to financial statements cover the period from January to June 2024.

## 5. Related party transactions

### (1) Related party transactions regarding purchase and sales of goods, rendering and receiving of labor services

Table of the purchase of goods and receiving of labor services

Unit: RMB

Related parties	Content of transactions	Current period cumulative	Trading limit approved	Whether it exceeds the approved limit or not (Y/N)	Preceding period comparative
Saudi Arabian Oil Company	Crude oil	97,964,759,446.07	120,000,000,000.00	No	66,719,031,294.31
Zhejiang Rongsheng Holding Group Co., Ltd.	Coal and other materials	13,717,475,115.73	20,000,000,000.00	No	15,251,114,785.47
Aramco Trading Fujairah Fze	Fuel oil	3,166,540,805.77		No	
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Device guarantee service and maintenance service	1,157,136,315.87	800,000,000.00	Yes	665,220,775.65
Aramco Trading Singapore Pte.Ltd.	Fuel oil, crude oil, naphtha	729,553,790.76		No	715,684,419.41
SABIC (Shanghai) Trading Co., Ltd.	Ethylene glycol	716,089,896.37		No	451,575,907.40
Zhejiang Rongtong Logistics Co., Ltd.	Freight	683,589,630.60	1,000,000,000.00	No	829,079,472.16
Zhejiang Derong Chemical Co., Ltd.	Processing fee, cracking C5 and m-pentadiene	386,591,695.92	600,000,000.00	No	589,026,230.79
Suzhou Shenghui Equipment Co., Ltd.	Equipment and materials	380,313,029.51	600,000,000.00	No	269,205,160.24
Zhejiang Yisheng Petrochemical Co., Ltd.	Isophthalic acid, freight	296,501,943.09	300,000,000.00	No	102,296,411.49
Ningbo Hengyi Trading Co., Ltd.	PTA	290,142,203.61	1,000,000,000.00	No	618,253,217.70
Ningbo Qingzhi Chemical Terminal Co., Ltd.	Lump sum fee for port operation	62,997,478.57	100,000,000.00	No	74,439,063.16
Shanghai Shenglanhui Technology Co., Ltd	Process package	39,139,104.44			
Shanghai Huanqiu Engineering Co., Ltd.	Engineering design service	38,861,013.25	30,000,000.00	Yes	28,970,687.63

Xin Heng Rong (HK) Limited	PX	29,726,102.82			
Ningbo Haineng Blended Oil Co., Ltd.	Warehousing service	28,018,189.56	50,000,000.00	No	29,783,142.66
Hainan Yisheng Petrochemical Co., Ltd.	PTA, etc.	19,594,396.81	305,000,000.00	No	18,030,557.52
Zhejiang Rongxiang Thermal Power Co., Ltd.	High-pressure steam	18,499,078.25			
Ningbo Rongxiang Logistics Co., Ltd.	Freight	17,916,030.26	30,000,000.00	No	26,641,187.46
Sanyuan Holdings Group Hangzhou Thermal Power Co., Ltd.	Steam	12,973,362.42	30,000,000.00	No	21,654,594.51
Zhejiang Saintyear Textile Co., Ltd.	Work clothes and other materials	4,634,374.66	15,000,000.00	No	17,384,105.66
Ningbo United Group Co., Ltd. Qijiashan Hotel	Hotel service	226,229.16	1,000,000.00	No	171,052.90
Dongzhan Shipping Co., Ltd.	Freight	296,097.74	30,000,000.00	No	27,587,848.85
Ningbo Economic and Technological Development Zone Thermal Power Co., Ltd.	Electricity	163,352.08	1,000,000.00	No	160,963.22
Total		119,761,738,683.32			86,455,310,878.19

## Selling commodities/offering labor

Unit: RMB

Related party	Contents of related party transaction	Current period cumulative	Preceding period comparative
Zhejiang Yisheng Petrochemical Co., Ltd.	PTA, PX	8,456,472,338.73	9,086,732,238.95
Ningbo Hengyi Trading Co., Ltd.	PX	3,064,892,973.06	
Zhejiang Derong Chemical Co., Ltd.	Power energy, industrial pyrolysis C5, etc.	780,656,247.56	943,900,741.37
SABIC (Shanghai) Trading Co., Ltd.	PTA	774,528,858.93	562,937,837.46
Zhejiang Yixin Chemical Fiber Co., Ltd.	PTA	331,991,150.43	147,504,424.78
Zhoushan Yushan Petrochemical Engineering Co., Ltd.	Power	253,944,736.06	227,688,076.20
Aramco Trading Singapore Pte.Ltd.	Diesel	225,986,336.88	837,228,882.63
Ningbo Shengmao Trading Co., Ltd.	PX, PTA	112,686,769.41	857,363,452.14

Zhejiang Rongtong Logistics Co., Ltd.	Automotive diesel, hardware spare parts	21,014,955.44	24,940,833.81
Zhoushan ZPC Zhougang Tug Co., Ltd.	Vehicle diesel	9,266,952.73	12,288,361.89
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Vehicle diesel	2,526,991.15	2,464,159.29
Ningbo Rongxiang Logistics Co., Ltd.	Vehicle diesel	1,059,756.64	4,784,882.22
Zhejiang Rongxiang Thermal Power Co., Ltd.	Digital electronic truck scales, electricity fees	460,176.99[Note]	
Zhejiang Rongsheng Holding Group Co., Ltd.	Electric charge	[Note]	[Note]
Hainan Yisheng Petrochemical Co., Ltd.	PTA, PX	240,265.49	223,053,907.61
Suzhou Shenghui Equipment Co., Ltd.	Vehicle diesel	12,389.38	20,353.98
Ningbo Coastal Public Pipeline Co., Ltd.	Service charge		358,742.95
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Office supplies	683.19	
Total		14,035,741,582.07	12,931,266,895.28

Note to related party transactions of goods purchase & sale and labor services rendering & receiving

[Note]: The Company cumulatively sold RMB 2,974,125.08 of electricity (with carrying amount recorded by net amount method) to Zhejiang Rongxiang Thermal Power Co., Ltd. and Zhejiang Rongsheng Holding Group Co., Ltd. this year, and the accumulated electricity sold to Zhejiang Rongsheng Holding Group Co., Ltd. in the same period last year amounted to RMB 1,374,709.77

## (2) Related party leases

The Company as the Lessor

Unit: RMB

Lessees	Types of assets leased	Lease income for the current period	Lease income for the preceding period
Zhejiang Rongtong Logistics Co., Ltd.	Buildings	425,788.99	1,284,403.67

The Company as the Lessee

Unit: RMB

Lessors	Types of assets leased	Lease expenses paid for short-term leases and leases of low-value assets with simplified approach, if applicable		Rent paid	
		Current period cumulative	Preceding period comparative	Current period cumulative	Preceding period comparative
Hangzhou Shengyuan Property Services Co., Ltd.	Parking lots	56,023.81	175,428.61		

Hangzhou Shengyuan Real Estate Development Co., Ltd.	Buildings	5,900,823.31	4,276,509.52		
Zhejiang Rongsheng Holding Group Co., Ltd.	Buildings	550,458.72	550,458.72		
Zhejiang Yixin Chemical Fiber Co., Ltd.	Buildings	1,031,670.22	365,845.33		

### (3) Related party guarantees

The Company as the guarantor

Unit: RMB

Guarantors	Amount guaranteed	Commencement date	Maturity date	Whether the guarantee is mature (Y/N)
Sanyuan Holdings Group Co., Ltd.	80,000,000.00	January 1, 2024	December 28, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd.	77,381,390,732.22	January 29, 2021	June 11, 2028	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 1]	432,251,939.80	April 28, 2020	April 1, 2029	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 2]	812,499,999.94	January 26, 2022	December 20, 2027	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 3]	2,440,429,610.94	November 22, 2021	September 24, 2028	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 4]	17,142,934,000.00	November 14, 2022	October 30, 2030	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 7]	3,900,000,000.00	April 23, 2024	February 15, 2033	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 8]	2,756,666,700.00	January 13, 2023	August 29, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd., the Company [Note 6]	28,681,975,200.00	January 20, 2021	November 15, 2032	No
Zhejiang Rongsheng Holding Group Co.,	4,418,314,565.89	January 30, 2024	March 10, 2026	No

Ltd., the Company				
Zhejiang Rongsheng Holding Group Co., Ltd., the Company, Li Shuirong, Li Jumei [Note 5]	16,283,681,700.00	July 31, 2018	July 30, 2030	No
Zhejiang Rongsheng Holding Group Co., Ltd.	2,633,246,315.93	July 5, 2024	June 27, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 9]	40,000,000.00	September 9, 2024	March 6, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd.	45,771,784,829.90	January 18, 2024	December 18, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd.	2,509,735,348.57	March 22, 2023	April 18, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd.	183,671,335.05	May 12, 2023	March 30, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 10]	215,206,422.34	May 22, 2024	October 30, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 10]	3,162,896.00	October 30, 2024	March 21, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 11]	24,178,902.24	October 25, 2023	January 31, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 11]	25,968,180.42	April 25, 2023	August 26, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 12]	92,730.36	November 2, 2021	January 1, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 12]	3,762.85	November 18, 2021	January 1, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd., the Company	496,000,000.00	December 2, 2024	December 2, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd.	2,894,260,400.00	August 7, 2023	July 29, 2025	No

**Description of related guarantees**

[Note 1] Zhejiang Rongsheng Holding Group Co., Ltd. provides joint liability guarantee for 100% of the guarantee amount. Ningbo Niluoshan New Energy Co., Ltd., a subsidiary of the Company, provided mortgage

guarantee for fixed assets and intangible assets of RMB 103,511,200 in the book balance.

[Note 2] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. Ningbo Zhongjin Petrochemical Co., Ltd., a subsidiary of the Company, provided mortgage guarantee with fixed assets of RMB 3,101,440,400 in the book balance.

[Note 3] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. Zhejiang Yisheng New Materials Co., Ltd., a subsidiary of the Company, provided mortgage guarantee with machinery and equipment of RMB 4,171,699,100 in the book balance.

[Note 4]: Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed assets of the newly added 1.4 million tons/year ethylene and downstream chemical plant (Phase II project product structure optimization) project (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

[Note 5] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company provide joint liability guarantee for 51% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed asset-refining and chemical integration project with an annual output of 40 million tons (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project)

[Note 6] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company provide joint liability guarantee for 60% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed asset-refining and chemical integration project with an annual output of 40 million tons (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project)

[Note 7] Zhejiang Rongsheng Holding Group Co., Ltd. provides joint liability guarantee for 100% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with the all asset-high-performance resin formed (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

[Note 8] Zhejiang Rongsheng Holding Group Co., Ltd. provides joint liability guarantee for 100% of the guarantee amount. The Company's subsidiary Zhejiang Yisheng New Materials Co., Ltd. provides a mortgage guarantee by machinery and equipment worth RMB 4,759.2430 million in the book balance.

[Note 9] Zhejiang Rongsheng Holding Group Co., Ltd. provides joint liability guarantee for 100% of the guarantee amount, and Zhejiang Yongsheng Technology Co., Ltd., a subsidiary of the Company, pledges with the certificate of deposit of RMB 10 million.

[Note 10]: Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. provides a mortgage guarantee with the all asset-high-performance resin formed (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

[Note 11] Zhejiang Rongsheng Holding Group Co., Ltd. provides joint liability guarantee for 100% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed assets of the newly added 1.4 million tons/year ethylene and downstream chemical plant (Phase II project product structure optimization) project (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

[Note 12] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company provide joint liability guarantee for 60% of the guarantee amount. The Company's subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed asset-refining and chemical integration project with an annual output of 40 million tons (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project)

#### (4) Asset transfer and debt restructuring of related parties

Unit: RMB

Related party	Content of transactions	Current period cumulative	Preceding period comparative
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Transfer of engineering equipment	36,371,681.41	
Hainan Yisheng Petrochemical Co., Ltd.	Transfer of fixed assets		29,203,539.82

#### (5) Remuneration of key management personnel

Unit: RMB 10,000

Items	Current period cumulative	Preceding period comparative
Key management's emoluments	1,237.91	1,259.14

#### (6) Other related party transactions

##### 1. Fund borrowing from/to related parties

(1) At the beginning of the period, the Company had RMB 14,615.7636 million payable to Zhejiang Rongsheng Holding Group Co., Ltd.; in the current period, the Company has borrowed RMB 3,148.5 million from Zhejiang Rongsheng Holding Group Co., Ltd., made RMB 199.3845 million provisions for fund possession cost, and returned RMB 12,415.0125 million of principal and interest on a cumulative basis. As of December 31, 2024, the amount payable by the Company is RMB 5,548.6356 million.

During the current period, the subsidiary Zhejiang Shengyuan Chemical Fiber Co., Ltd. borrowed a cumulative amount of RMB 201.50 million from Zhejiang Rongsheng Holding Group Co., Ltd. and fully repaid RMB 201.50 million. As of December 31, 2024, Zhejiang Shengyuan Chemical Fiber Co., Ltd. had fully settled the aforementioned amounts.

(2) At the beginning of the period, the subsidiary Zhejiang Yisheng New Materials Co., Ltd. had entrusted loan principal payable of RMB 786.00 million and interest payable of RMB 1.1492 million to Zhejiang Yisheng Petrochemical Co., Ltd. During the period, it repaid RMB 786.00 million at maturity, accrued interest of RMB 17.3039 million, and paid interest of RMB 18.4531 million. As of December 31, 2024, the aforementioned amounts had been fully settled.

(3) At the beginning of the period, the amount receivables of subsidiary Zhejiang Petroleum & Chemical Co., Ltd. from ZPC ENN (Zhoushan) Gas Co., Ltd. were RMB 10.8 million, with RMB 416,500 provisions for interest, RMB 416,500 of interest collected. As of December 31, 2024, the amount receivables of Zhejiang Petroleum & Chemical Co., Ltd. were RMB 10.8 million.

2. Details on payments for the project contracts under execution made by the Company and subsidiaries to related parties are as follows:

Unit: RMB 10,000

Related Parties	Current period cumulative	Preceding period comparative
Suzhou Shenghui Equipment Co., Ltd.	11,667.86	11,612.49
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	42,565.00	1,100.00
Shanghai Shenglanhui Technology Co., Ltd.	3,992.44	
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.		3,728.23
Total	58,225.31	16,440.72

3.As of December 31, 2024, the deposit balance of the Company and its subsidiaries in the related party Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd. was RMB 123,447,248.78, USD 1,348,812.92 and EUR 129.66.

As of December 31, 2023, the Company and its subsidiaries had deposit balances with the related party Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd., amounting to RMB 602,458,616.33, USD 1,066,990.04, and EUR 129.66.

## 6. Accounts receivable and payable of related parties

### (1) Receivables

Unit: RMB

Items	Related parties	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	Zhejiang Yisheng Petrochemical Co., Ltd.	360,195,827.42	120,665,086.62	317,158,242.68	38,391,748.43
	SABIC (SHANGHAI) TRADING CO., LTD.	42,515,409.95	2,125,770.50	71,159,154.19	3,557,957.71
	Zhejiang Derong Chemical Co., Ltd.	76,010,449.61	3,800,522.48	57,463,699.62	2,873,184.98
Subtotal		478,721,686.98	126,591,379.60	445,781,096.49	44,822,891.12
Advances paid	Hangzhou Shengyuan Real Estate Development Co., Ltd.	3,806,092.50		3,567,132.35	
	Ningbo Hengyi Trading Co., Ltd.			6,000,000.00	
Subtotal		3,806,092.50		9,567,132.35	
Other receivables	ZPC ENN (Zhoushan) Gas Co., Ltd.	10,800,000.00	5,400,000.00	10,800,000.00	1,893,309.57
	Rongsheng Energy Co., Ltd.			10,665.06	533.25
Subtotal		10,800,000.00	5,400,000.00	10,810,665.06	1,893,842.82

**(2) Payables**

Unit: RMB

Items	Related parties	Closing book balance	Opening book balance
Accounts payable	Rongsheng Petrochemical (Singapore) Pte Ltd [Note]	30,257,905,558.70	17,500,740,384.58
	Ningbo Zhongjin Petrochemical Co., Ltd. [Note]	1,317,273,481.65	1,004,420,000.00
	Yisheng Dahua Petrochemical Co., Ltd. [Note]	3,437,999,698.00	770,000,000.00
	Zhejiang Yisheng New Materials Co., Ltd. [Note]	2,049,030,000.00	941,459,043.38
	The Company [Note]	1,286,000,000.00	385,000,000.00
	Zhejiang Petroleum & Chemical Co., Ltd. [Note]	1,122,747,553.24	380,248,726.38
	Dalian Rongxincheng Trading Co., Ltd. [Note]	667,864,260.54	494,747,501.53
	Ningbo Rongxincheng Trading Co., Ltd. [Note]	110,000,000.00	
	Zhejiang Shengyuan Chemical Fiber Co., Ltd. [Note]		158,000,000.00
	Zhejiang Rongtong Chemical Fiber New Material Co., Ltd. [Note]		465,060,958.88
	SAUDI ARABIAN OIL COMPANY	4,351,562,189.78	7,482,166,334.12
	Zhejiang Rongtong Logistics Co., Ltd.	128,585,887.48	114,735,427.56
	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	205,429,347.45	320,000.00
	Xin Heng Rong (HK) Limited	29,726,102.82	
	Zhejiang Rongxiang Thermal Power Co., Ltd.	17,675,013.16	
	Ningbo Qingzhi Chemical Terminal Co., Ltd.	4,979,118.97	6,456,923.33
	Suzhou Shenghui Equipment Co., Ltd.	3,296,884.96	19,581,790.48
	Zhejiang Saintyear Textile Co., Ltd.	3,064,391.99	3,196,676.08
	Ningbo Rongxiang Logistics Co., Ltd.	2,222,834.88	1,811,859.97
	Sanyuan Holdings Group Hangzhou Thermal Power Co., Ltd.	974,805.00	
	Shanghai Huanqiu Engineering Co., Ltd.	900,000.00	3,672,000.00
	ARAMCO TRADING SINGAPORE PTE LTD		365,498,003.53
	Dongzhan Shipping Co., Ltd.		2,668,604.42
	Ningbo Haineng Blended Oil Co., Ltd.	5,538,838.28	379,208.29
	Electric Power Branch, Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone		53,941.82
	Ningbo United Group Co., Ltd.		8,058.00
Subtotal		45,002,775,966.90	30,100,225,442.35

Contract liabilities and other current liabilities	Ningbo Hengyi Trading Co., Ltd.	16,297,590.39	
	Zhoushan ZPC Zhougang Tug Co., Ltd.	782,380.80	254,037.39
	Ningbo Shengmao Trading Co., Ltd.	518,282.64	302,096.62
	Zhejiang Saintyear Textile Co., Ltd.		11,048.15
	Zhejiang Rongtong Logistics Co., Ltd.		2,268,575.00
Subtotal		17,598,253.83	2,835,757.16
Other payables	Zhejiang Rongsheng Holding Group Co., Ltd.	5,548,635,694.24	14,615,763,666.09
	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	2,010,840.00	11,700.00
	Zhejiang Rongtong Logistics Co., Ltd.	1,005,000.00	
	Dongzhan Shipping Co., Ltd.	500,000.00	
	Suzhou Shenghui Equipment Co., Ltd.	500,300.00	
	Zhejiang Yisheng Petrochemical Co., Ltd.		787,149,197.50
	Zhoushan Yushan Petrochemical Engineering Co., Ltd.		160,956,591.37
	Zhejiang Yixin Chemical Fiber Co., Ltd.	1,031,670.22	365,845.33
Subtotal		5,553,683,504.46	15,564,247,000.29

[Note]: It is due to the Letters of Credit (L/Cs) issued by the Company and its subsidiaries. Rongsheng Petrochemical (Singapore) Pte Ltd., Yisheng Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., the Company, Zhejiang Petroleum & Chemical Co., Ltd., Dalian Rongxincheng Trading Co., Ltd., Ningbo Rongxincheng Trading Co., Ltd., Zhejiang Shengyuan Chemical Fiber Co., Ltd. and Zhejiang Rongtong Chemical Fiber New Materials Co., Ltd. have discounted the L/Cs upon receipt

## XV. Commitments and contingencies

### 1. Significant commitments

Significant commitments at the balance sheet date

1. As of December 31, 2024, the number of letters of credit issued but not withdrawn in the financial institutions, including Bank of Communications Hangzhou Xiaoshan Sub-Branch by the Company and its holding subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd., Rongsheng Petrochemical (Singapore) Pte Ltd., Zhejiang Yongsheng technology Co. Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd. and Zhejiang Yongsheng technology Co. Ltd. were RMB 48,870.5520 million, USD 360.2443 million, EUR 56.6516 million, GBP 629,000.

2. As of December 31, 2024, the undue letters of guarantee of the Company and its subsidiaries are as follows:

Unit: RMB 10,000

Opening bank	Issuers	Beneficiaries	Amount
Industrial and Commercial Bank of China Limited Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 100,000.00

Ping An Bank Co., Ltd. Ningbo Zhenhai Sub-branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 32,000.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 50,000.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Standard Chartered (China) Co., Ltd.	RMB 42,000.00
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Standard Chartered (China) Co., Ltd.	RMB 1,000.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Standard Chartered (China) Co., Ltd.	RMB 1,000.00
Postal Saving Bank of China Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Standard Chartered (China) Co., Ltd.	RMB 3,000.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Mitsubishi Corporation RtM China Limited	RMB 4,241.82
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Guiyan Resources (Yimen) Co., Ltd.	RMB 6,684.21
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 15,500.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 14,970.00
Bank of Communications Co., Ltd. Hangzhou Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 7,280.00
Bank of Communications Co., Ltd. Hangzhou Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 6,760.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs District P. R. China	RMB 4,590.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	CCC Water Resources and Hydropower Construction Co., Ltd.	RMB 300.00
Bank of China Limited Ningbo Zhenhai Sub-branch	Ningbo Zhongjin Petrochemical Co., Ltd.	CCC Water Resources and Hydropower Construction Co., Ltd.	RMB 100.00

## 2. Contingencies

### (1) Important contingencies on balance sheet date

As of the balance sheet date, the Company has no significant contingencies to be disclosed.

### (2) Explanation even if the Company has no significant contingencies to be disclosed

The Company has no important contingencies to be disclosed.

## XVI. Events after the balance sheet date

### Profit distribution after the balance sheet date

<b>Profit or dividend planned to be distributed</b>	Pursuant to the profit distribution plan deliberated and approved by the 23rd meeting of the sixth session of the Board of Directors dated April 24, 2025, the Company plans to distribute cash dividend of RMB 1.00 (tax inclusive) per 10 shares to all shareholders. Cash dividend totaling RMB 957,229,214.20 (tax inclusive) is to be distributed, which is calculated based on the Company's total share less accumulative repurchased shares of 553,232,858 shares as of the date of report, i.e., 9,572,292,142 shares, with remaining undistributed profit carried forward to the following period. Shares in the Company's special securities account for repurchase are not counted in this distribution. If the Company's total share capital changes due to convertible bond conversion, share repurchase, repurchase and cancellation of
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equity incentive shares granted, grant and registration of reserved shares, etc. before the equity registration date of equity distribution, total distribution amount will be adjusted, with distribution proportion unchanged.

## XVII. Other significant events

### 1. Segment information

#### (1) Identification basis and accounting policies for reportable segments

Factors to be considered in determining the reportable segments:

Reportable segments are identified according to the structure of the Company's internal organization, management requirements and internal reporting system, and based on business segments. Assessments are respectively performed on the operation performance of petrochemical production business, polyester fiber manufacturing business and trading business. Assets and liabilities shared by different segments are allocated among segments proportionate to their respective sizes.

#### (2) Financial information of reportable segments

Unit: RMB

Items	Refinery production business	Chemical production business	Polyester fiber manufacturing business	Trading business	Inter-segment offsetting	Total
Revenue from main operations	139,356,476.50 1.59	203,868,230.69 6.63	18,548,477,926.28	194,901,861,988.12	- 231,987,165,940.71	324,687,881,171.91
Costs of main operations	118,793,698.07 6.54	187,938,022.93 2.86	18,236,630,577.49	194,423,251,217.23	- 231,859,037,470.46	287,532,565,333.66
Total assets	355,095,895,569.44		62,858,616,598.10	11,902,473,349.19	- 52,011,041,332.75	377,845,944,183.98
Total liabilities	244,352,482,186.24		41,061,353,445.78	8,192,466,133.05	- 10,584,487,880.76	283,021,813,884.31

## XVIII. Notes to main items in financial statements of the parent company

### 1. Accounts receivable

#### (1) Age analysis

Unit: RMB

Ages	Closing book balance	Opening book balance
Within 1 year (inclusive of 1 year)	2,600,376.23	15,627,737.43
1-2 years	119.32	3,459,098.34
2-3 years	165.94	2,988,301.68
Over 3 years	29,466.76	101,666.96

Total	2,630,128.25	22,176,804.41
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**(2) Classified disclosure by bad debt accrual method**

Unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	Provision proportion		Amount	% to total	Amount	Provision proportion	
Receivables with provision made on a collective basis	2,630,128.25	100.00%	159,547.28	6.07%	2,470,580.97	22,176,804.41	100.00%	2,125,454.16	9.58%	20,051,350.25
Total	2,630,128.25	100.00%	159,547.28	6.07%	2,470,580.97	22,176,804.41	100.00%	2,125,454.16	9.58%	20,051,350.25

Provision for bad debt by combination: 159,547.28

Unit: RMB

Ages	Closing balance		
	Book balance	Provision for bad debts	Provision proportion
Within 1 year	2,600,376.23	130,018.81	5.00%
1-2 year(s)	119.32	11.93	10.00%
2-3 years	165.94	49.78	30.00%
Over 3 years	29,466.76	29,466.76	100.00%
Total	2,630,128.25	159,547.28	6.07%

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

Items	Opening balance	Increase/Decrease				Closing balance
		Accrual	Recovery or reversal	Write-off	Others	
Receivables with provision made on a collective basis	2,125,454.16	-1,965,906.88				159,547.28
Total	2,125,454.16	-1,965,906.88				159,547.28

**(4) Details of the top 5 debtors with largest balances of accounts receivable**

Unit: RMB

Debtors	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the total balance of accounts receivable	Provision for bad debts of accounts receivable
Zhejiang Qiangqiang Industry Co., Ltd.	870,452.75	0.00	870,452.75	33.10%	43,522.64
INDUSTRIA TECNOLOGICA MM	656,772.33	0.00	656,772.33	24.97%	32,838.62
SEVENO'CLOCKRES OURCESLIMITED	386,345.58	0.00	386,345.58	14.69%	19,317.28
Alpine,S.A.THRUKAP AKTEXTILECO.,LTD.	258,917.54	0.00	258,917.54	9.84%	12,945.88
PPH LEGS Sp.zo.o.	195,049.40	0.00	195,049.40	7.42%	9,752.47
Subtotal	2,367,537.60	0.00	2,367,537.60	90.02%	118,376.88

**2. Other receivables**

Unit: RMB

Items	Closing balance	Opening balance
Dividend receivable	550,000,000.00	1,230,000,000.00
Other receivables	1,828,142,849.26	2,049,228,160.71
Total	2,378,142,849.26	3,279,228,160.71

**(1) Dividend receivable**

## 1) Classification of dividend receivable

Unit: RMB

Items (or investees)	Closing balance	Opening balance
Hong Kong Sheng Hui Limited	550,000,000.00	550,000,000.00
Ningbo Zhongjin Petrochemical Co., Ltd.		300,000,000.00
Zhejiang Yongsheng Technology Co. Ltd.		280,000,000.00
Zhejiang Shengyuan Chemical Fiber Co., Ltd.		100,000,000.00
Subtotal	550,000,000.00	1,230,000,000.00

## 2) Significant dividends receivable aged over 1 year

Unit: RMB

Items (or investees)	Closing balance	Ages	Reasons for balance	Whether impaired and judgment basis
Hong Kong Sheng Hui Limited	550,000,000.00	1-2 years, over 3 years	Not yet arranged	It is expected that there will be no risk of collection as the

				subsidiary operates normally.
Subtotal	550,000,000.00			

3) Classified disclosure by bad debt accrual method

Applicable  Not applicable

(2) Other receivables

1) Other receivables categorized by nature

Unit: RMB

Nature of receivables	Closing book balance	Opening book balance
Balances due from related parties within the consolidation scope	1,133,655,809.38	1,299,250,326.32
Subsidies receivable	694,020,000.00	744,000,000.00
Petty cash receivable	2,646,204.77	2,169,706.59
Intercompany balances	34,193.30	
Security deposits	799.78	6,312,327.58
Total	1,830,357,007.23	2,051,732,360.49

2) Age analysis

Unit: RMB

Ages	Closing book balance	Opening book balance
Within 1 year (inclusive of 1 year)	811,917,103.99	1,676,042,783.57
1-2 years	642,750,326.32	
2-3 years		373,500,000.00
Over 3 years	375,689,576.92	2,189,576.92
Total	1,830,357,007.23	2,051,732,360.49

3) Classified disclosure by bad debt accrual method

Unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	Provision proportion		Amount	% to total	Amount	Provision proportion	
Receivables with provision made on a collective basis	1,830,357,007.23	100.00%	2,214,157.97	0.12%	1,828,142,849.26	2,051,732,360.49	100.00%	2,504,199.78	0.12%	2,049,228,160.71
Subtotal	1,830,357,007.23	100.00%	2,214,157.97	0.12%	1,828,142,849.26	2,051,732,360.49	100.00%	2,504,199.78	0.12%	2,049,228,160.71

Provision for bad debt by combination: RMB 2,214,157.97

Unit: RMB

Portfolios	Closing balance		
	Book balance	Provision for bad debts	Provision proportion
Balances due from related parties within the consolidation scope	1,133,655,809.38		
Subsidies receivable	694,020,000.00		
Petty cash receivable	2,646,204.77	2,212,408.31	83.61%
Intercompany balances	34,193.30	1,709.67	5.00%
Security deposits	799.78	39.99	5.00%
Subtotal	1,830,357,007.23	2,214,157.97	0.12%

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

Unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Subtotal
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Opening balance	314,622.86		2,189,576.92	2,504,199.78
Opening balance in the current period	--	--	--	
--Transferred to stage 2				
--Transferred to stage 3				
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	-290,041.81			-290,041.81
Provision recovered or reversed in the current period				
Provision written off in the current period				
Other changes				
Closing balance	24,581.05		2,189,576.92	2,214,157.97
Provision proportion (%)	0.01		0.58	0.12

Changes in the carrying amount of the provision for losses that are significant in amount during the current period

 Applicable  Not applicable

4) Details of the top 5 debtors with largest balances

Unit: RMB

Debtors	Nature of receivables	Closing book balance	Ages	Proportion to the total balance of other receivables	Provision for bad debts at the balance sheet date
Rongsheng New Materials	Balances due from related parties	634,734,348.66	Within 1 year, 1-2 years	34.68%	

(Taizhou) Co., Ltd.	within the consolidation scope				
Yinong Town People's Government of Xiaoshan District, Hangzhou City	Government funds receivable	594,020,000.00	Within 1 year	32.45%	
Dalian Yisheng Investment Co., Ltd.	Current account of related parties within the scope of consolidation	373,500,000.00	Over 3 years	20.41%	
Zhejiang Petroleum & Chemical Co., Ltd.	Current account of related parties within the scope of consolidation	114,182,597.36	Within 1 year, 1-2 years	6.24%	
Hangzhou Xiaoshan District Investment Promotion Bureau	Government receivables	100,000,000.00	Within 1 year	5.46%	
Total		1,816,436,946.02		99.24%	

### 3. Long-term equity investments

Unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Investments in subsidiaries	43,843,102,808.47		43,843,102,808.47	40,951,102,808.47		40,951,102,808.47
Investments in associates and joint ventures	4,285,931,338.65		4,285,931,338.65	3,916,960,592.70		3,916,960,592.70
Total	48,129,034,147.12		48,129,034,147.12	44,868,063,401.17		44,868,063,401.17

#### (1) Investments in subsidiaries

Unit: RMB

Investees	Opening balance (carrying amount)	Opening balance of provision for impairment	Increase and decrease in the current period				Closing balance (carrying amount)	Closing balance of provision for impairment
			Investments increased	Investments decreased	Provision for impairment	Other		
Zhejiang Petroleum & Chemical Co., Ltd.	28,457,242,115.34		1,530,000,000.00				29,987,242,115.34	
Ningbo Zhongjin Petrochemical Co.,	5,990,201,140.04						5,990,201,140.04	

Ltd.								
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.	1,000,000,000.00		750,000,000.00				1,750,000,000.00	
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.	198,306,537.70		602,000,000.00				800,306,537.70	
Hong Kong Sheng Hui Limited	141,419,910.00						141,419,910.00	
Rongsheng International Trading Co., Ltd.	100,000,000.00						100,000,000.00	
Rongsheng Chemical (Shanghai) Co., Ltd.	40,000,000.00		10,000,000.00				50,000,000.00	
Rongxiang Chemical Fiber Co., Ltd.	3,000,000.00						3,000,000.00	
Hainan Rongsheng International Trade Co., Ltd.	1,000,000.00						1,000,000.00	
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	699,087.91						699,087.91	
Subtotal	40,951,102,808.47		2,892,000,000.00				43,843,102,808.47	

(2) Investments in associates and joint ventures

Unit: RMB

Investees	Opening balance (carrying amount)	Opening balance of provision for impairment	Increase and decrease in the current period							Closing balance (carrying amount)	Closing balance of provision for impairment	
			Investments increased	Investments decreased	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
<b>I. Joint ventures</b>												
<b>II. Associate</b>												
Zhejiang Yisheng Petrochemical Co., Ltd.	1,483,798.418.85				34,484,280.93	-225,418.24					1,518,057.281.54	
Ningbo Hengyi Trading Co., Ltd.	167,563,505.10				-81,450,853.13	8,239,250.71					77,873,401.26	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,265,598.668.75				291,067,802.78	146,562.823.92		13,228,639.60			2,690,000.655.85	
Subtotal	3,916,960.592.70				244,101,230.58	138,098.154.97		13,228,639.60			4,285,931.338.65	
Total	3,916,960.592.70				244,101,230.58	138,098.154.97		13,228,639.60			4,285,931.338.65	

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

Reasons for the difference between the above information and the information used in impairment test or external information in the previous years

#### 4. Operating revenue and operating cost

Unit: RMB

Items	Current period cumulative		Preceding period comparative	
	Revenue	Cost	Revenue	Cost
Main operations	2,363,829,411.86	2,333,799,484.08	3,749,052,513.75	3,674,697,564.89
Other operations	80,517,987.35	35,829,527.43	52,411,684.97	48,284,096.24
Total	2,444,347,399.21	2,369,629,011.51	3,801,464,198.72	3,722,981,661.13

Breakdown information of operating revenue and operating cost:

1) Breakdown of revenue from contracts with customers by goods or services

Items	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Polyester chemical fiber film	2,363,829,411.86	2,333,799,484.08	3,749,052,513.75	3,674,697,564.89
Trade and others	78,470,936.15	35,558,081.43	51,127,281.30	48,012,650.24
Subtotal	2,442,300,348.01	2,369,357,565.51	3,800,179,795.05	3,722,710,215.13

2) Breakdown of revenue from contracts with customers by time of transferring goods or rendering services

Items	Current period cumulative	Preceding period comparative
Recognized at a point in time	2,442,300,348.01	3,800,179,795.05
Subtotal	2,442,300,348.01	3,800,179,795.05

3) Information related to performance obligations

Items	Time of fulfilling performance obligations	Significant payment terms	Nature of goods or services that the Company has promised to transfer	Whether the Company is a principal	Amount expected to be returned to the customer	Type of warranties and related obligations
Sale of Goods	Upon delivery of goods	Prepayments; the payment period of accounts receivable is generally 30 to 90 days after product delivery.	Products in line with national standards	Yes	No	Warranty-type quality guarantee

4) Contract liabilities with opening balance of RMB 132,034,985.73 were carried over to revenue in the current period.

#### 5. Investment income

Unit: RMB

Items	Current period cumulative	Preceding period comparative
Investment income from long-term equity investments under equity method	2,550,000,000.00	930,000,000.00
Investment income from long-term equity investments under cost method	244,101,230.58	213,559,806.48

Investment income from disposal of long-term equity investments		136,583.66
Losses on discounting of receivables financing	-88,514.74	-69,752,714.18
Interest income from call loans between related parties	33,787,302.90	15,535,855.12
<b>Total</b>	<b>2,827,800,018.74</b>	<b>1,089,479,531.08</b>

## XIX. Supplementary information

### 1. Breakdown of non-recurring gains and losses in the current period

Applicable  Not applicable

Unit: RMB

Items	Amount	Remarks
Gains on disposal of non-current assets, including write-off of provision for impairment	28,037,854.60	
Government grants included in profit or loss (excluding those closely related to operating activities of the Company, satisfying government policies and regulations, enjoyed based on certain standards, and continuously affecting gains or losses of the Company)	42,372,438.06	
Gains on changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains from disposal of financial assets and financial liabilities, excluding those arising from hedging business related to operating activities	51,474,393.47	
Fund possession charge from non-financial entities and included in profit or loss	392,911.94	
Other non-operating revenue or expenditures	-98,193,645.95	
Other profit or loss satisfying the definition of non-recurring profit or loss	35,269,367.80	
Less: Enterprise income tax affected	45,497,452.62	
Non-controlling interest affected (after tax)	51,525,226.38	
<b>Total</b>	<b>-37,669,359.08</b>	<b>--</b>

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. ROE and EPS

Profit of the reporting period	Weighted average ROE (%)	EPS	
		Basic EPS (RMB per share)	Diluted EPS (RMB per share)
Net profit attributable to shareholders of ordinary shares	1.65%	0.08	0.08
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	1.74%	0.08	0.08

## 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

## 4. Others

### 1. Calculation process of weighted average ROE

Items	Symbols	Current period cumulative
Net profit attributable to shareholders of ordinary shares	A	724,484,686.45
Non-recurring profit or loss	B	-37,669,359.08
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	C=A-B	762,154,045.53
Opening balance of net assets attributable to shareholders of ordinary shares	D	44,335,891,085.79
Newly added net assets attributable to ordinary shareholders of the Company resulting from new shares issued or debt-to-equity swap	E	
Number of months from the following month of increased net assets to the end of the reporting period	F	
Net assets attributable to shareholders of ordinary shares decreased due to share repurchase or cash dividends appropriation	G1	957,314,454.20
Number of months counting from the next month when the net assets were decreased to the end of the reporting period	H1	7
Net assets attributable to shareholders of ordinary shares decreased due to share repurchase or cash dividends appropriation	G2	356,717,606.78
Number of months counting from the next month when the net assets were decreased to the end of the reporting period	H2	11

Net assets attributable to shareholders of ordinary shares decreased due to share repurchase or cash dividends appropriation		G3	3,183,466.00
Number of months counting from the next month when the net assets were decreased to the end of the reporting period		H3	10
Net assets attributable to shareholders of ordinary shares decreased due to share repurchase or cash dividends appropriation		G4	7,490,988.00
Number of months counting from the next month when the net assets were decreased to the end of the reporting period		H4	3
Other	Translation reserve	G5	51,071,825.30
	Number of months counting from the next month when the net assets were increased or decreased to the end of the reporting period	H5	6
	Changes in other equity under the equity method	I1	114,451,543.25
	Number of months counting from the next month when the net assets were increased or decreased to the end of the reporting period	J1	6
	Effect of share repurchase using OTC derivatives	I2	-400,228.68
	Number of months counting from the next month when the net assets were increased or decreased to the end of the reporting period	J2	11/10/9
	Unuse of work safety fund	I3	-41,620,109.48
	Number of months counting from the next month when the net assets were decreased to the end of the reporting period	J3	6
Number of months of the reporting period		K	12
Weighted average net assets		$L = D + A/2 + E \times F/K - G \times H/K \pm I \times J/K$	43,869,899,714.48
Weighted average ROE		$M = A/L$	1.65%
Weighted average ROE after deducting non-recurring gain and loss		$N = C/L$	1.74%

## 2. Calculation process of basic EPS and diluted EPS

### (1) Calculation process of basic EPS

Items	Symbols	Current period cumulative
Net profit attributable to shareholders of ordinary shares	A	724,484,686.45
Non-recurring profit or loss	B	-37,669,359.08
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	$C = A - B$	762,154,045.53
Opening balance of total shares	D	9,609,091,878.00
Number of shares increased due to conversion of reserve to share capital or share dividend appropriation	E	
Number of shares increased due to offering of new shares or conversion of debts into shares	F	
Number of months counting from the next month when the shares were increased to the end of the reporting period	G	

Number of shares decreased due to share repurchase	H1	35,635,036.00
Number of months counting from the next month when the shares were decreased to the end of the reporting period	I1	11
Number of shares decreased due to share repurchase	H2	312,300.00
Number of months counting from the next month when the shares were decreased to the end of the reporting period	I2	10
Number of shares decreased due to share repurchase	H3	852,400.00
Number of months counting from the next month when the shares were decreased to the end of the reporting period	I3	3
Number of shares decreased in the reporting period	J	
Number of months in the reporting period	K	12
Weighted average of outstanding ordinary shares	$L=D+E+F \times G / K - H \times I / K - J$	9,575,953,078.33
Basic EPS	$M=A / L$	0.08
Basic EPS after deducting non-recurring profit or loss	$N=C / L$	0.08

## (2) Calculation process of diluted EPS

Calculation process of diluted EPS is the same as that of basic EPS.

Rongsheng Petrochemical Co., Ltd.

Chairman: Li Shuirong

April 24, 2025