



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

半年度报告2025

RONGSHENG SEMI-ANNUAL REPORT

股票代码:002493



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 confirm that the contents in this semi-annual report are true, accurate, and complete and have no false representations, misleading statements or material omissions, and they shall 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 semi-annual report.

All directors have attended the board meeting to deliberate this semi-annual report.

The Company plans to pay no cash dividend, no bonus shares, and no conversion of capital with provident fund.

The semi-annual report is prepared in both Chinese and English. In the event of any inconsistency or ambiguity, the Chinese version shall prevail.

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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) Written confirmation from directors, senior management and supervisors of the Company on the 2025 Semi-annual Report;
- (3) The originals of all company documents and announcements that are disclosed to the public via media designated by CSRC during the reporting period;
- (4) 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 Holding	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, a shareholder holding over 5% of the Company's shares
ZPC	Refers to	Zhejiang Petroleum & Chemical Co., Ltd., a subsidiary of the Company
Zhongjin Petrochemical	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
Hongkong Shenghui	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 Petrochemical
Yisheng Dahua	Refers to	Yisheng Dahua Petrochemical Co., Ltd., a subsidiary of Yisheng Investment
Hainan Yisheng	Refers to	Hainan Yisheng Petrochemical Co., Ltd., a joint stock subsidiary of Yisheng Investment
The Securities Supervision Commission, CSRC	Refers to	China Securities Regulatory Commission
Stock exchange, SZSE	Refers to	Shenzhen Stock Exchange
Yuan, 10,000 yuan	Refers to	RMB yuan, 10,000 yuan
Reporting period	Refers to	January 1, 2025 to June 30, 2025

Section II Company Profile and Key Financial Indicators

I. Company Profile

Stock abbreviation	Rongsheng Petrochemical	Stock code	002493
Stock abbreviation before change (if any)	None		
Listed on	Shenzhen Stock Exchange		
Company name in Chinese	荣盛石化股份有限公司		
Company abbreviation in Chinese	荣盛石化		
Company name in foreign language (if any)	RONGSHENG PETROCHEMICAL CO., LTD.		
Company abbreviation in the foreign language (if any)	RSPC		
Legal representative of the Company	Li Shuirong		

II. Contact Information

	Secretary of the Board of Directors	Representative of Securities Affairs
Name	Quan Weiyang	Hu Yangyang
Address	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou	Lanjue International Office Building, No. 358 Jincheng Road, Xiaoshan District, Hangzhou
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E-mail	qwy@rong-sheng.com	yangyang@rong-sheng.com

III. Other Information

1. Contact information of the Company

Whether the Company's registered address, office address and postal code, company website and Email address, etc. changed during the reporting period

☐Applicable ☒Non applicable

There were no changes in the Company's registered address, office address and postal code, company website and Email address, etc. during the reporting period. Please refer to the 2024 Annual Report for details.

2. Information disclosure and filing location

Whether the information disclosure and filing location changed during the reporting period

☐Applicable ☒Non applicable

There were no changes in the stock exchange website, media and website for disclosing the semi-annual report by the Company;

and the filing location of the Company's semi-annual report remained unchanged during the reporting period. Please refer to the 2024 Annual Report for details.

3. Other relevant information

Whether other relevant information changed during the reporting period

☐Applicable ☒Not Applicable

IV. Key Accounting Data and Financial Indicators

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

☐Yes ☒No

	In the reporting period	In the same period of the previous year	Increase or decrease in the reporting period over the same period of the previous year
Operating income (RMB)	148,629,350,935.50	161,249,744,277.85	-7.83%
Net profit attributable to shareholders of the listed company (RMB)	602,084,104.39	857,934,883.14	-29.82%
Net profit attributable to shareholders of the listed company net of non-recurring gain and loss (RMB)	754,957,891.58	672,376,557.15	12.28%
Net cash flow from operating activities (RMB)	7,586,625,253.68	8,392,538,351.96	-9.60%
Basic earnings per share (RMB per share)	0.06	0.09	-33.33%
Diluted earnings per share (RMB per share)	0.06	0.09	-33.33%
Weighted average return on net assets	1.37%	1.93%	-0.56%
	At the end of the reporting period	End of previous year	Increase/decrease at the end of this reporting period compared to the end of the previous year
Total assets (RMB)	384,010,729,527.33	377,845,944,183.98	1.63%
Net assets attributable to shareholders of the listed company (RMB)	43,474,177,367.17	43,859,172,287.65	-0.88%

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

1. Differences in net profits and net assets between 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 were no differences 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 between 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 were no differences in the net profits and net assets disclosed in the financial report under foreign accounting standards and China's accounting standards.

VI. Items and Amounts of Non-recurring Gain and Loss

☒Applicable ☐Not applicable

Unit: RMB

Item	Amount
Profits and losses on the disposal of non-current assets (including the write-off part of the provision for asset impairment)	-2,550,977.58
Government grants included in the current profits and losses (except those closely related to the Company's normal business operations, which are in line with national policies, enjoyed according to certain standards, and have a continuous impact on the Company's profits and losses)	56,568,707.90
Except for the effective hedging business related to the Company's normal business, the gains and losses of fair value changes arising from financial assets and financial liabilities held by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	-203,092,609.25
Fund possession cost included in current gain and loss charged to non-financial enterprises	176,094.32
Other non-operating revenues and expenditures except for the aforementioned items	-9,090,941.25
Other profit/loss items falling within the definition of non-recurring gain or loss	-2,804,209.96
Less: Affected amount of income tax	31,611,999.81
Affected amount of minority shareholders' equity (after tax)	-39,532,148.44
Total	-152,873,787.19

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.

Explanation of the circumstances in which the non-recurring gain and loss items listed in the Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring Gains and Losses are defined as recurring gains and losses.

☐Applicable ☒Not applicable

The Company has no explanation of the circumstances in which the non-recurring gain and loss items listed in the Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring Gains and Losses are defined as recurring gains and losses.

Section III Management Discussion and Analysis

I. Main Business of the Company during the Reporting Period

(I). Industry of the Company during the reporting period

Entering the first half of 2025, geopolitical tensions continued to flare up. The United States introduced a new round of trade protectionist measures such as “reciprocal tariffs”, while major central banks around the world successively initiated interest rate cuts. Amid a high and volatile U.S. dollar index and a marginal slowdown in capital repatriation, the RMB exchange rate experienced temporary easing pressure. However, the overall trajectory of global economic growth remained unchanged.

As external tariff barriers intensified and the restructuring of global supply chains accelerated, China, like a colossal ship, forged ahead with the resilience of “meeting challenges head-on”. According to data from the National Bureau of Statistics of China, in the first half of 2025, China’s gross domestic product (GDP) grew by 5.3%, which, by quarter, increased by 5.4% year-on-year in Q1 and 5.2% in Q2, showcasing the “stability” of China’s economy to the world. China’s economy helps calibrate the course amid global “changes” with its own “stability” and injects confidence into worldwide recovery with its own “progress”.

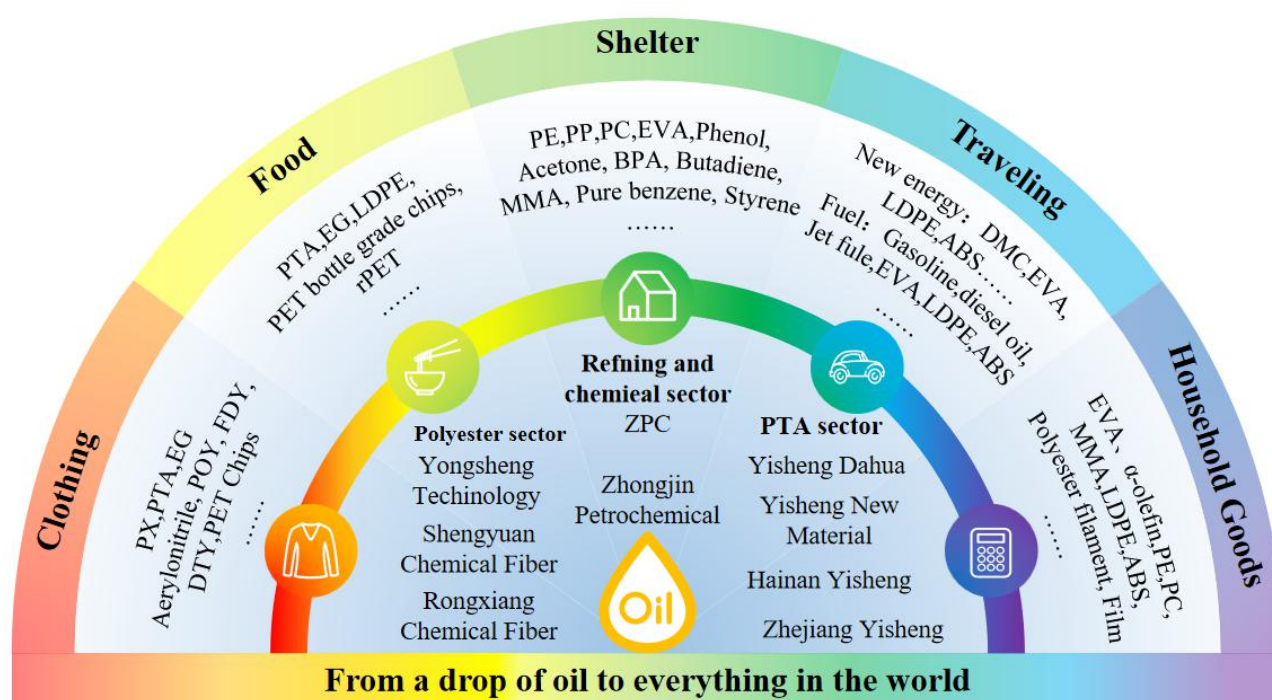
During the reporting period, despite geopolitical disturbances, the overall supply-demand dynamics of crude oil tilted toward looseness, leading to a decline in the average international oil price compared to the same period last year. According to data from the National Bureau of Statistics, China’s processed crude oil volume by industrial enterprises above designated size reached 361.61 million metric tons from January to June 2025, up 1.6% year-on-year. Supported by energy supply policies such as “stabilizing and increasing production” and optimized cost structures, the industry operated smoothly overall, with green and low-carbon transformation significantly accelerating.

(II) The Company’s main products during the reporting period

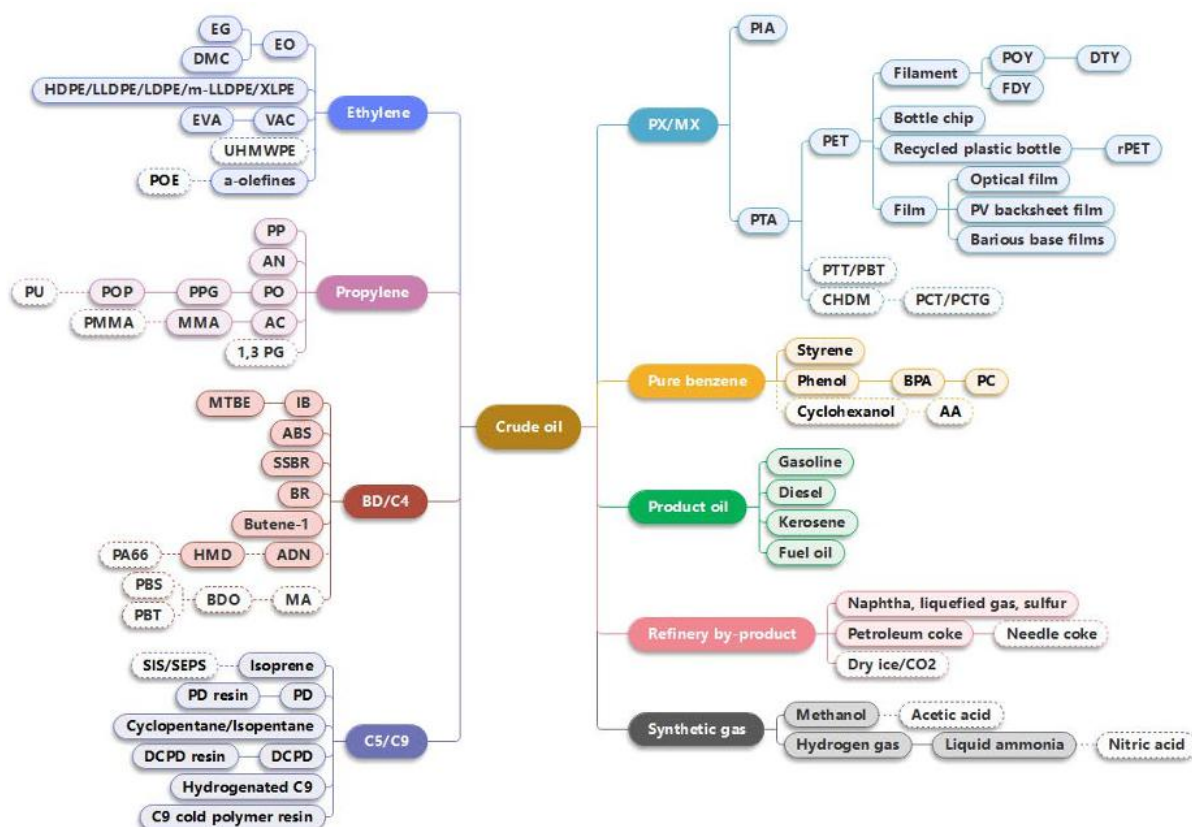
As one of the world’s leading chemical material producers, Rongsheng Petrochemical is a major manufacturer of polyester, new energy materials, engineering plastics, and high-value-added polyolefins in China and Asia. The refining and chemical integration project of ZPC, which was led by the Company, 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 May 2025, Rongsheng Petrochemical ranked 5th in the list of “Global Most Valuable Chemical Brands 2025” released by Brand Finance, a renowned UK-based brand valuation and strategy consultancy. In July 2025, US Chemical & Engineering News (C&EN) ranked Rongsheng Petrochemical 14th in its “Global Top 50 Chemical Companies 2024”, marking the Company’s fifth consecutive year on the list. In 2024, Rongsheng Petrochemical was ranked 8th in the list of “ICIS Top 100 Chemical Companies” published by ICIS and 6th globally in the “Chemical Week Billion-Dollar Club Ranking” by *Chemical Week* (U.S.). 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.

The Company has actively responded to national policy directives through technological innovation, green

transformation, and strategic planning to drive transformation and upgrading. 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.



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



Note: products marked by dotted line or dotted box are products under the plan.

(III) Management measures

Amid a complex and challenging external environment, China's economy has demonstrated strong development resilience and vibrant innovation, with the foundation of "stability" further consolidated and the momentum of "progress" growing more robust. As a pillar industry of the national economy, the petrochemical sector maintained overall stable operations, with technological innovation and green low-carbon transformation rapidly emerging as core drivers of high-quality development. During the reporting period, the Company's Board of Directors made scientific decisions and implemented targeted measures, leading all employees to seize development opportunities. On one hand, the Company refined operations to solidify the "core foundation" of its existing key businesses, ensuring steady performance growth; On the other hand, it adopted a forward-looking approach to actively explore "new growth areas" such as high-end chemical new materials, which offer high added value and strong development potential. With a focused strategy, the Company advanced its "Three Transformations" initiative, which was centered on global expansion, green upgrading, and digital-intelligent empowerment, taking firm and decisive strides on the path to high-quality development.

1. Deepen international collaboration, expand global presence, and build competitive advantages

Rongsheng Petrochemical signed a strategic *Memorandum of Understanding (MoU)* and *Cooperation Framework Agreement* with Saudi Aramco, a global energy giant, with bilateral cooperation steadily progressing. This laid a solid foundation for both parties to achieve long-term strategic objectives and enhance global competitiveness. Meanwhile, the Company actively seized opportunities from domestic industrial upgrading, effectively broadening its business scope and significantly strengthening market influence and resource

integration capabilities, injecting new momentum into its long-term growth.

2. Enhance production efficiency, optimize economic performance, and strengthen development foundations

The Company has consistently adhered to lean operations and cost reduction/efficiency improvement as core management principles. ZPC refining and chemical integration project has maintained safe, stable, long-cycle, and full-capacity operations. Through in-depth optimization of feedstock structures, energy cascade utilization, and production processes, the Company has effectively reduced unit production costs as well as energy and material consumption, demonstrating exceptional operation and management capabilities. Meanwhile, the Company has established an efficient production-supply-sales coordination mechanism to ensure seamless connectivity across procurement, production, and sales while rapidly responding to market changes, which has achieved optimal resource allocation and maximized operational efficiency, providing solid support for the Company's steady development.

3. Drive technological innovation, strengthen core advantages, and lead green transformation

The Company has upheld an innovation-driven development strategy and achieved a series of breakthrough results in core technology. For instance, Zhongjin Petrochemical successfully independently developed and industrially applied a new high-performance disproportionation catalyst. This technology not only significantly improved the plant production efficiency and product yield but, more importantly, broke long-standing foreign technological monopolies, achieving domestic substitution and ensuring industrial and supply chain security.

4. Build talent excellence, energize organizational vitality, and sustain development momentum

The Company has recognized talent as the foremost resource for high-quality development and systematically advanced talent development with high standards. By establishing a multi-tiered, comprehensive training system and regularly organizing on-the-job training, skills competitions, and innovation contests, the Company has effectively enhanced employees' professional competence, practical abilities, and innovative consciousness. Committed to fostering a favorable environment that respects talent, encourages innovation, and enables full realization of individual potential, the Company has successfully cultivated a core talent team characterized by rational structure, exceptional competency, and a unique combination of global vision and profound professional expertise.

(IV) Operation synergy

1. Controlling shareholder

Rongsheng Holding ranks 118th among the top 500 enterprises in the world, 33rd 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; Zhejiang Innovation Center of Green Petrochemical Technology, a holding company, focuses on new green petrochemical processes to implement the national innovation-driven development strategy by adhering to the application and commercialization of scientific and technological achievements; 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.

Additionally, Rongsheng Petrochemical plans to acquire a 50% equity stake in SASREF Refinery, a wholly-owned subsidiary of Saudi Aramco located in Jubail, Saudi Arabia, and participate in its expansion project. 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. ZPC Zhejiang Petrochemical is strategically located in Zhoushan within the Zhejiang Free Trade Zone, benefiting from various preferential policies. It has consistently obtained refined oil export quotas. Moreover, as East China represents the primary consumption hub for end-use chemical products - with the Yangtze River Delta region concentrating approximately 70% of China's plastic and chemical fiber production capacity - the Company enjoys significant regional advantages; It is situated on Yushan Island, an uninhabited island that facilitates development with minimal social impact on surrounding areas, offering substantial room for future expansion; Its proximity to consumer markets and the Ningbo-Zhoushan Port's pivotal role as a land-sea logistics hub enables efficient bulk material and product transportation, substantially reducing logistics 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 Petrochemical, to achieve the value-added and efficiency increase in raw materials. 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.

II. Analysis of Core Competitiveness

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 May 2025, Rongsheng Petrochemical ranked 5th in the list of “Global Top 50 Most Valuable Chemical Brands 2025” released by Brand Finance, a renowned UK-based brand valuation and strategy consultancy. In July 2025, US Chemical & Engineering News (C&EN) ranked Rongsheng Petrochemical 14th in its “Global Top 50 Chemical Companies 2024”, marking the Company's fifth consecutive year on the list. In 2024, Rongsheng Petrochemical was ranked 8th in the list of “ICIS Top 100 Chemical Companies” published by ICIS and 6th globally in the “Chemical Week Billion-Dollar Club Ranking” by *Chemical Week* (U.S.). 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.

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 advantage

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. Building upon the complete polyester industry chains of its controlling shareholder Rongsheng Petrochemical and participating shareholder Tongkun Group, ZPC has successfully bridged the final gap in the full-process integration from “a drop of crude oil to a strand of fiber”, establishing formidable vertical integration advantages across the polyester value chain while developing strong synergistic effects with shareholders in other industrial chains.

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 m³, 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, Zhejiang free Trade Zone has an oil depot capacity of more than 30 million m³, including Cezi Island and Waidiao Island. Most of the oil pipeline networks are interconnected, making local transportation available.

2. Remarkable location advantage

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; and “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

As one of the leading private petrochemical companies, the Company possesses inherent strong market sensitivity and flexible decision-making mechanism. It 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 platform of 40 million tons/year refining and chemical integration project of ZPC, which is the largest single refinery in the world, 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 research and development and innovation advantages

The Company upholds a technological research and development pattern driven by both independent innovation and cooperation. It has established many world-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 acquire 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 innovation ecosystem that is open, healthy, and cooperative, where everyone can benefit. In recent years, the Company has continuously promoted scientific research cooperation with domestic and foreign countries and increased its research and development 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 resource advantages

Focusing on the construction of corporate culture, the Company has formed a good working atmosphere and strong corporate cohesion. The Company has also trained a group of stable core management, research and development, 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 combined the employee examination with performance evaluation and replaced some evaluations with competition to dynamically evaluate employees' comprehensive quality and form a healthy competition 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 exercise their abilities.

In addition, the Company attaches great importance to the management of talents and teams, and adopts both internal incentives and external training. In terms of internal management, it promotes the construction of three teams, namely, senior management, high potential talents and specialized talents. In particular, it attaches importance to talent evaluation and integrity education, strengthens skills training and skills accreditation, and improve the quality of employees in all aspects. In terms of external training, relying on cooperation platforms such as Industry-University-Research, it actively introduces talents with good education and excellent skill, increases the proportion of high-quality employees, and provide new momentum for enterprise development.

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. Meanwhile, through brand and cultural construction, the Company has further enhanced its corporate cohesion and brand influence.

III. Analysis of Main Business

Overview

See related contents in “I. Main Business of the Company during the Reporting Period”.

Year-on-year changes of major financial data

Unit: RMB

	In the reporting period	In the same period of the previous year	Year-on-year increase (decrease)	Reason for change
Operating income	148,629,350,935.50	161,249,744,277.85	-7.83%	
Operating cost	128,878,959,937.59	141,256,133,696.06	-8.76%	
Marketing expenses	84,293,344.16	78,933,484.96	6.79%	
Administrative expenses	466,821,877.01	438,040,873.14	6.57%	
Financial expenses	3,209,956,264.91	3,695,610,943.82	-13.14%	
Income tax expenses	178,317,788.37	257,909,218.53	-30.86%	Mainly due to the recognition of deferred tax expenses
R & D investment	2,369,091,695.16	2,496,929,812.35	-5.12%	
Net cash flow from operating activities	7,586,625,253.68	8,392,538,351.96	-9.60%	
Net cash flow from investment activities	-16,060,371,106.87	-16,703,533,922.77	3.85%	
Net cash flow from financing activities	9,545,184,516.11	14,000,756,664.85	-31.82%	Mainly due to year-on-year changes in corporate borrowings
Net increase in cash and cash equivalents	1,078,135,756.74	5,522,661,291.23	-80.48%	Mainly due to changes in the net cash flow from financing activities

Major changes in profit composition or profit sources during the reporting period

☐Applicable ☒Not applicable

There were no major changes in profit composition or profit sources during the reporting period.

Operating income composition

Unit: RMB

	In the reporting period		In the same period of the previous year		Year-on-year increase (decrease)
	Amount	Proportion in operating income	Amount	Proportion in operating income	
Total operating income	148,629,350,935.50	100%	161,249,744,277.85	100%	-7.83%
By industry					
Petrochemical Industry	128,902,515,568.13	86.73%	143,512,501,519.38	89.00%	-10.18%
Polyester chemical fiber industry	11,125,503,900.41	7.48%	8,458,552,743.59	5.25%	31.53%
Trade and others	8,601,331,466.96	5.79%	9,278,690,014.88	5.75%	-7.30%
By product					
Oil refining products	52,406,252,637.61	35.26%	59,838,932,657.76	37.11%	-12.42%
Chemical products	60,742,136,938.65	40.87%	57,596,453,886.82	35.72%	5.46%
PTA	15,754,125,991.87	10.60%	26,077,114,974.80	16.17%	-39.59%
Polyester chemical fiber film	11,125,503,900.41	7.48%	8,458,552,743.59	5.25%	31.53%
Trade and others	8,601,331,466.96	5.79%	9,278,690,014.88	5.75%	-7.30%
By region					
China	133,658,202,665.65	89.93%	138,850,841,311.88	86.11%	-3.74%
Overseas	14,971,148,269.85	10.07%	22,398,902,965.97	13.89%	-33.16%

Industries, products or regions that account for more than 10% of the company's operating income or profit

☒Applicable ☐Not applicable

Unit: RMB

	Operating income	Operating cost	Gross profit margin	Year-on-year increase (decrease) in operating revenue	Year-on-year increase (decrease) in operating cost	Year-on-year increase (decrease) in gross profit margin
By industry						
Petrochemical Industry	128,902,515,568.13	109,683,484,538.37	14.91%	-10.18%	-11.70%	1.47%
Polyester chemical fiber industry	11,125,503,900.41	10,959,123,038.16	1.50%	31.53%	31.32%	0.16%
Trade and others	8,601,331,466.96	8,236,352,361.06	4.24%	-7.30%	-5.25%	-2.08%
By product						

Oil refining products	52,406,252,637.61	40,569,244,124.05	22.59%	-12.42%	-16.74%	4.02%
Chemical products	60,742,136,938.65	53,407,151,495.43	12.08%	5.46%	8.73%	-2.64%
PTA	15,754,125,991.87	15,707,088,918.89	0.30%	-39.59%	-40.44%	1.44%
Polyester chemical	11,125,503,900.41	10,959,123,038.16	1.50%	31.53%	31.32%	0.16%
Trade and others	8,601,331,466.96	8,236,352,361.06	4.24%	-7.30%	-5.25%	-2.08%
By region						
China	133,658,202,665.65	114,335,639,360.20	14.46%	-3.74%	-4.11%	0.34%
Overseas	14,971,148,269.85	14,543,320,577.39	2.86%	-33.16%	-33.95%	1.16%

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 the latest period are subject to those after the adjustment of the statistical standards at the end of the reporting period

☐Applicable ☒Not applicable

IV. Non-core business analysis

☒Applicable ☐Not applicable

Unit: RMB

	Amount	Proportion in total profit	Cause description	Whether it is sustainable
Investment income	284,046,651.75	15.40%	Mainly due to futures investment and investment income from joint ventures	No
Profit (loss) from fair value change	-299,721,409.22	-16.25%	Mainly due to fluctuations in fair value gains/losses of financial liabilities at fair value through profit or loss (FVTPL)	No
Asset impairment	-152,150,594.56	-8.25%	Mainly the inventory depreciation provision accrued	No
Non-operating income	3,898,849.00	0.21%	Mainly compensation income	No
Non-operating expenses	15,476,643.56	0.84%	Mainly due to sporadic non-recurring losses and donation outlay	No
Income from asset disposal	-64,124.27	-0.003%	Mainly the loss from disposal of fixed assets	No
Credit impairment loss	87,104,774.79	4.72%	Mainly due to the changes in the provision for bad debts of accounts receivable	No
Other income	1,064,837,456.41	57.73%	Mainly due to value-added tax credit policy benefits for advanced manufacturing enterprises	Yes

V. Analysis of assets and liabilities

1. Significant changes in asset composition

Unit: RMB

	At the end of the reporting period		At the end of the previous year		Increase (decrease) of proportion
	Amount	Proportion in total assets	Amount	Proportion in total assets	
Monetary fund	14,892,639,075.65	3.88%	14,833,384,920.45	3.93%	-0.05%
Accounts receivable	3,041,483,593.40	0.79%	6,821,971,706.36	1.81%	-1.02%
Inventory	44,379,253,913.97	11.56%	44,566,934,616.59	11.80%	-0.24%
Investment real estate	9,988,405.60	0.003%	10,124,128.60	0.003%	0.00%
Long-term equity investment	9,715,088,710.27	2.53%	9,516,636,321.17	2.52%	0.01%
Fixed assets	229,147,301,133.74	59.67%	232,497,113,015.70	61.53%	-1.86%
Construction in progress	52,807,597,773.11	13.75%	44,036,132,096.28	11.65%	2.10%
Right-of-use assets	164,400,836.21	0.04%	176,237,821.55	0.05%	-0.01%
Short-term borrowings	46,274,018,691.66	12.05%	44,090,969,803.23	11.67%	0.38%
Contractual liabilities	2,183,602,360.00	0.57%	5,995,580,462.05	1.59%	-1.02%
Long-term borrowings	116,630,942,763.44	30.37%	119,518,340,862.41	31.63%	-1.26%
Lease liabilities	161,307,988.09	0.04%	171,624,458.34	0.05%	-0.01%
Non-current liabilities due within one year	41,925,650,561.52	10.92%	38,322,495,216.94	10.14%	0.78%

2. Major overseas assets

☐Applicable ☒Not applicable

3. Assets and liabilities measured at fair value

☒Applicable ☐Not applicable

Unit: RMB

Item	Amount at the beginning of the period	Profit and loss from changes in fair value for the period	Accumulated fair value changes recognized in equity	Impairment accrued in the current period	Purchase amount in the current period	Sales amount in the current period	Other changes	Amount by the end of the period
Financial assets								
1. Trading financial assets (excluding derivative financial assets)								

2. Derivative financial assets	475,766,685.17							460,333,719.53
Subtotal of financial assets	475,766,685.17							460,333,719.53
Financial liabilities	1,303,911,939.76							1,580,746,582.87

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

☐ Yes ☒ No

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

Item	Original book value at the end of the period	Reasons for restriction
Monetary fund	870,670,983.46	Letter of credit, bank acceptance bill, guarantee and borrowing deposit
Fixed assets	259,481,524,660.93	Borrowing and letters of credit as collateral
Construction in progress	29,756,065,409.14	Borrowing and letters of credit as collateral
Intangible assets	6,229,413,556.02	Borrowing and letters of credit as collateral
Total	296,337,674,609.55	

VI. Analysis of Investment Status

1. Overall situation

☒ Applicable ☐ Not applicable

Investment amount in the reporting period (RMB)	Investment amount in the same period of last year (RMB)	Variations
9,715,088,710.27	9,403,115,007.57	3.32%

2. Significant equity investments acquired during the reporting period

☐ Applicable ☒ Not applicable

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

☐ Applicable ☒ Not applicable

4. Investment in financial assets

(1) Securities investment

☐ Applicable ☒ Not applicable

The Company had no securities investment during the reporting period.

(2) Investment in derivatives

☒Applicable ☐Not applicable

1) Derivative investments for hedging purposes during the reporting period

☒Applicable ☐ Not applicable

Unit: RMB 10,000

Derivatives investment type	Initial investment amount	Beginning amount	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	Ending amount	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		42,018.03	-1,204.13				40,813.90	0.94%
Paper futures contract		2,093.10	-4,375.47				-4,375.47	-0.10%
Total		44,111.13	-5,579.60				36,438.43	0.84%
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 realized investment gains of RMB 12.4479 million during the reporting period							
Explanation of hedging effect	Not applicable							
Source of funds for derivatives investment	Owned fund							

<p>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>	<p>Futures hedging operations</p> <p>(I) Risk analysis of futures hedging operations</p> <ol style="list-style-type: none"> 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. 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. 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. 4. Credit risk: In the event of significant price fluctuations unfavorable to the counterparty, the 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. <p>(II) Risk control measures to be taken by the Company for the futures hedging business</p> <ol style="list-style-type: none"> 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. <p>Foreign exchange derivative transactions</p> <p>(I) Risk analysis of foreign exchange derivatives trading business</p> <ol style="list-style-type: none"> 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. <p>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.</p> <ol style="list-style-type: none"> 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. <p>(II) Risk control measures to be taken by the Company for foreign exchange derivatives trading business</p> <ol style="list-style-type: none"> 1. The Company shall has 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
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	<p>against and preventing exchange rate or interest rate 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.</p> <p>2. The Treasury Department and the and 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.</p> <p>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.</p>
Changes in the market 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	The Company values its hedging investments at a fair value. Forward foreign exchange is basically 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, 2025
Announcement disclosure date of the shareholders' meeting for derivatives investment approval (if any)	May 17, 2025

The Proposal on 2025 Annual Futures Hedging Business was reviewed and approved at the 23rd Meeting of the 6th Board of Directors held on April 24, 2025, and further approved at the 2024 General Meeting of Shareholders. For details, please refer to the Announcement on Carrying Out 2025 Annual Futures Hedging Business (Announcement No.: 2025-017) published on April 25, 2025 in *Securities Times*, *Securities Daily*, *China Securities Journal*, *Shanghai Securities News*, and on the website of CNINFO (<http://www.cninfo.com.cn>). The Company strictly carries out relevant business in accordance with the proposals approved in the aforementioned meetings.

2) Derivative investment for speculative purposes during the reporting period

☐Applicable ☒Not applicable

The Company did not have derivative 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.

VII. 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. Sales of major equities

☐Applicable ☒Not applicable

VIII. 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 income	Operating profit	Net profit
ZPC	Subsidiary	Production, sales, storage and transportation of petroleum products	5,880,000	29,216,983.74	9,711,343.28	12,079,608.78	238,812.59	213,225.61
Zhongjin Petrochemical	Subsidiary	Production and sales of chemical products and petroleum products	600,000	2,839,128.73	498,758.98	992,016.21	-73,840.48	-63,349.99
Yisheng Investment	Subsidiary	Project investment, domestic trade, import and export of goods	201,800	1,803,399.08	752,703.38	1,133,626.73	551.97	915.21
Yisheng Dahua	Subsidiary	Production and sales of PTA and polyester bottle chips	245,645	1,634,518.18	583,955.33	1,133,626.73	325.25	691.48
Yisheng New Materials	Subsidiary	Production and sales of PTA	300,000	1,073,703.44	181,297.70	1,382,976.54	3,240.41	3,031.30
Zhejiang Yisheng	Joint-stock company	Production and sales of PTA and PIA	USD 514,447,100	2,129,370.54	931,882.67	1,239,824.17	14,361.48	12,652.04
Hainan Yisheng	Joint-stock company	Production and sales of PTA and polyester bottle chips	458,000	2,007,886.87	685,989.03	1,503,199.66	3,330.59	133.35
Shengyuan Chemical Fiber	Subsidiary	Production and sales of polyester chips and polyester filaments	200,000	927,929.45	210,959.93	317,398.66	-1,266.73	-1,412.73

Acquisition and disposal of subsidiaries during the reporting period

☐Applicable ☒Not applicable

Description of major holding companies and joint-stock companies

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

Zhejiang Petroleum & Chemical Co., Ltd. (ZPC) is the implementing body of the Company's 40 million tons/year refining and chemical integration project. Its major business is production, sales, storage and transportation of petroleum products. With Li Shuirong as its legal representative, ZPC, a holding subsidiary of the Company, owns a registered capital of RMB 55,800 million. By June 2025, the company had total assets of RMB 292,169.84 million and net assets of RMB 97,113.43 million; From January to June 2025, the company achieved an operating revenue of RMB 120,796.09 million and a net profit of RMB 2,132.26 million.

(2) Ningbo Zhongjin Petrochemical Co., Ltd.

The business scope of Ningbo Zhongjin Petrochemical Co., Ltd. includes the storage of chemical products; wholesale and retail of chemical products and petroleum products (except hazardous chemicals). 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 June 2025, the company had total assets of RMB 28,391.29 million and net assets of RMB 4,987.59 million; From January to June 2025, the company achieved an operating revenue of RMB 9,920.16 million and a net profit of RMB -633.5 million.

(3) Dalian Yisheng Investment Co., Ltd.

Dalian Yisheng Investment Co., Ltd. is mainly engaged in industrial investment, domestic trade, and import and export of goods. 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 June 2025, the company had total assets of RMB 18,033.99 million and net assets of RMB 7,527.03 million; From January to June 2025, the company achieved an operating revenue of RMB 11,336.27 million and a net profit of RMB 9.15 million.

(4) Yisheng Dahua Petrochemical Co., Ltd.

Yisheng Dahua Petrochemical Co., Ltd. is mainly engaged in the production and sales of PTA and polyester bottle chips, domestic trade, and import and export of goods. With Li Shuirong as its legal representative, Yisheng Dahua Petrochemical owns a registered capital of RMB 2,456.45 million. By June 2025, the company had total assets of RMB 16,345.18 million and net assets of RMB 5,839.55 million; From January to June 2025, the company achieved an operating revenue of RMB 11,336.27 million and a net profit of RMB 6.91 million.

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

Zhejiang Yisheng New Materials Co., Ltd. is mainly engaged in the production and sales of PTA. 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 June 2025, the company had total assets of RMB 10,737.03 million and net assets of RMB 1,812.98 million; From January to June 2025, the company achieved an operating revenue of RMB 13,829.77 million and a net profit of RMB 30.31 million.

(6) Zhejiang Yisheng Petrochemical Co., Ltd.

Zhejiang Yisheng Petrochemical Co., Ltd. is mainly engaged in PTA and PIA production and sales. With Fang Xianshui as its legal representative, Yisheng Petrochemical owns a registered capital of USD 514,447,100. By June 2025, the company had total assets of RMB 21,293.71 million and net assets of RMB 9,318.83 million; From January to June 2025, the company achieved an operating revenue of RMB 12,398.24 million and a net profit of RMB 126.52 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's main business includes the production and sales of PTA and polyester bottle chips, and import and export business. 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 June 2025, the company had total assets of RMB 20,078.87 million and net assets of RMB 6,859.89 million; From January to June 2025, the company achieved an operating revenue of RMB 15,032 million and a net profit of RMB 1.33 million.

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

Zhejiang Shengyuan Chemical Fiber Co., Ltd. is the implementing body of the Company's multi-functional fiber technical transformation project. Its business scope covers the production and sales of polyester chips and polyester filaments. With Li Shuirong as its legal representative, Shengyuan Chemical Fiber, a wholly-owned subsidiary of the Company, owns a registered capital of RMB 2,000 million. By June 2025, the company had total assets of RMB 9,279.29 million and net assets of RMB 2,109.6 million; From January to June 2025, the company achieved an operating revenue of RMB 3,173.99 million and a net profit of RMB -14.13 million.

IX. Structured Entities Controlled by the Company

☐Applicable ☒Not applicable

X. Risks Faced by the Company and Countermeasures

1. Risk from fluctuations of raw materials and products

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. The Company's procurement-production-sales team possesses extensive experience in purchasing, production, sales, hedging, and logistics. With support from the marketing department, the Company will closely monitor market fluctuations, adhering to a dual approach of strategic procurement and opportunistic purchasing; It flexibly adjusts product mix and production capacity based on market demand, dynamically arranges long-term and short-term contracts, and strengthens sales management to mitigate adverse impacts to the Company from raw material price volatility.

2. Risk of foreign currency exchange rate fluctuations

The Company engages in overseas procurement and sales. As business operations continue to expand, the volume of foreign currency-denominated sales and purchases has increased significantly. Meanwhile, given the complexity of factors influencing foreign exchange rate movements and substantial market uncertainties, significant fluctuations in RMB exchange rates may potentially affect the Company's operating performance. In response, the Company will conduct foreign exchange derivative transactions in compliance with legal, prudent, secure, and effective principles based on its foreign business, grounded in actual business needs, to hedge against and mitigate exchange rate risks.

3. Risk of product capacity expansion

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 limited 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, as demand in the downstream sector of the industry is gradually increasing, 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.

XI. 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 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.

XII. 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 ranks among the global leaders in the petrochemical industry. In May 2025, it ranked 5th in the list of “Global Most Valuable Chemical Brands 2025” released by Brand Finance, a renowned UK-based brand valuation and strategy consultancy. In July 2025, US Chemical & Engineering News (C&EN) ranked Rongsheng Petrochemical 14th in its “Global Top 50 Chemical Companies 2024”, marking the Company’s fifth consecutive year on the list. 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 income has increased from RMB 15,795,678,900 in 2010 to RMB 326,475,162,600 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 equity through its wholly-owned subsidiary. In early 2024, the Company entered into a *Memorandum of Understanding* (MoU) with Saudi Aramco. Since the MoU signing, Rongsheng Petrochemical and Saudi Aramco have actively advanced cooperation matters, subsequently executing several agreements including the *Cooperation Framework Agreement*, *Framework Agreement for Joint Development Agreement*, and *Development Framework Agreement*. Currently, both parties are engaged in further negotiations regarding specific terms of the joint investment to facilitate the realization of their strategic objectives.

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 R&D pattern driven by both independent innovation and cooperation. It has 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, it engages in active technology exchanges and discussions and promotes industry-university-research collaboration to acquire 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 15 cash dividends have been paid, with a total cash dividend of nearly RMB 9.4 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 Rongsheng Holding have actively carried 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 initial share repurchase on March 29, 2022, the Company has implemented three phases of share repurchase programs, all of which have been completed. Cumulatively, the Company has repurchased 553,232,858 shares, accounting for 5.4637% of the total shares at the end of the reporting period, with a total transaction value of RMB 6,987,904,924.02 (excluding transaction fees), among which 136,082,746 shares held in the special repurchase securities account were successfully cancelled in July 2025. The detailed breakdown is presented in the table below:

Repurchase	Repurchase period	Number of shares repurchased (shares)	Amount to be repurchased (RMB 100 million)	Repurchased amount (RMB 10,000)
Phase I (completed and cancelled)	March 29, 2022-August 2, 2022	136,082,746	10-20	199,820.39
Phase II (completed)	August 18, 2022-July 27, 2023	147,862,706	10-20	198,998.64
Phase III (completed)	August 28, 2023-August 19, 2024	269,287,406	15-30	299,971.46
Total		553,232,858	-	698,790.49

Rongsheng Holdings, the controlling shareholder, implemented the increase plan twice between January 22, 2024 and February 20, 2025, both of which have been fully executed. The cumulative share increase amounted to 172,422,254 shares, accounting for 1.70% of the Company's total shares at the end of the reporting period, with a total investment of approximately RMB 1,692.9317 million. Rongsheng Holding plans to increase its shareholding with a total amount of no less than RMB 1 billion and no more than RMB 2 billion between April 8, 2025 and the following six months. The plan is currently underway. The details are shown in the table below:

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 (completed)	January 22, 2024-July 18, 2024	115,530,037	10-20	118,805.82
Phase II (completed)	August 21, 2024-February 20, 2025	56,892,217	5-10	50,487.35
Phase III (in progress)	April 15, 2025-	73,695,898 (as of July 8)	10-20	61,695.99 (as of July 8)
Total		246,118,152	-	230,989.16

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 intuitively 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”, 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, Environment, and Social Responsibilities

I. Changes in Directors, Supervisors and Senior Management

☒Applicable ☐Not applicable

Name	Title	Type	Date	Reason
Yao Zheng	Independent Director	Engagement	May 16, 2025	Office term change
Yu Yi	Independent Director	Engagement	May 16, 2025	Office term change
Yan Jianmiao	Independent Director	Dismission upon expiration of term	May 16, 2025	Office term change
Zheng Xiaodong	Independent Director	Dismission upon expiration of term	May 16, 2025	Office term change
Yu Fengdi	Employee representative director	Elected	May 16, 2025	Office term change
Yu Fengdi	Director	Dismission upon expiration of term	May 16, 2025	Office term change

II. Profit Distribution and Conversion of Capital Reserve into Share Capital during the Reporting Period

☐Applicable ☒Not applicable

The Company plans not to distribute cash dividends, issues bonus stocks, or convert capital reserve into share capital in the semi-annual period.

III. Implementation of the Company's Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentives

☐Applicable ☒Not applicable

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

IV. Environmental information disclosure status

Whether the listed company and its major subsidiaries are included in the Environmental Information Disclosure Compliance List

☒Yes ☐No

Number of companies included in the Environmental Information Disclosure Compliance List (unit: companies)		
		9
Number	Company Name	Query index for Environmental Information Disclosure Reports
1	Rongsheng Petrochemical Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330000255693873W&uniqueCode=3c406d8e3223fa92&date=2024&type=true&isSearch=true
2	Zhejiang Petroleum & Chemical Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=913309003440581426&uniqueCode=1056c787e9ef884a&date=2024&type=true&isSearch=true

3	Zhejiang Petroleum & Chemical Co., Ltd. (Mamu Oil Depot)	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=913309003440581426&uniqueCode=0b60a837e866388c&date=2024&type=true&isSearch=true
4	ZPC Zheyong Technology Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330900MA2DMDUK27&uniqueCode=2a12c41d235c882b&date=2024&type=true&isSearch=true
5	Ningbo Zhongjin Petrochemical Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330211764527945N&uniqueCode=3cb00cd1ff3a7624&date=2024&type=true&isSearch=true
6	Ningbo Niluoshan New Energy Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330211MA2CHYTM1K&uniqueCode=947307eeb99e5388&date=2024&type=true&isSearch=true
7	Yisheng Dahua Petrochemical Co., Ltd.	https://sthj.deing.cn:8180/Public/Enter/682078492708869
8	Zhejiang Shengyuan Chemical Fiber Co., Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330109754409144F&uniqueCode=01dd3ddeb8ed1d86&date=2024&type=true&isSearch=true
9	Zhejiang Yongsheng Technology Co. Ltd.	https://mlzj.sthjt.zj.gov.cn/eps/index/enterprise-more?code=91330621MA2887DL53&uniqueCode=e0aae09c993e2f66&date=2024&type=true&isSearch=true

V. Social Responsibilities

Guided by the principle of “Collaborative Win-Win and Social Contribution”, the Company fulfills its CSR commitments through diversified philanthropic initiatives. We have established a comprehensive stakeholder engagement mechanism, collaborating with customers, suppliers, and community members to co-create value.

In customer service, we have established a customer-needs-driven service system that enhances responsiveness through digital solutions while implementing stringent information security safeguards to ensure comprehensive protection of customer data privacy.

In supply chain management, by implementing a “Transparent Procurement” policy, we have established a supplier compliance evaluation system that achieves end-to-end process visibility through digital platforms, while forging strategic partnerships with core suppliers to jointly build a sustainable supply chain ecosystem.

In philanthropy, we have developed a tripartite philanthropic model integrating “Educational Support + Medical Aid + Community Empowerment”, with focused initiatives including funding educational infrastructure, providing medical assistance in impoverished regions, and supporting special needs groups. We have also implemented an employee volunteer service credit system to incentivize all employee participation in charitable activities, fostering a socially conscious culture of collective goodwill.

We have continuously injected positive social energy into community development, advancing social harmony while achieving mutual growth for both the enterprise and society.

Section V Important Matters

I. Commitments Fulfilled by the Company's Actual Controllers, Shareholders, Related Parties, Acquirers, the Company, and Other Relevant Parties During the Reporting Period, and Commitments not Fulfilled by the End of the Reporting Period

Cause of Commitment	Commitment Party	Commitment Type	Content of Commitment	Time of Commitment	Term of Commitment	Fulfillment
Share reform commitment	Not applicable	Not applicable	Not applicable		Not applicable	Not applicable
Commitments stated in the Report of Acquisition or Equity Change Report	Not applicable	Not applicable	Not applicable		Not applicable	Not applicable
Commitments made during assets restructuring	Not applicable	Not applicable	Not applicable		Not applicable	Not applicable
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 tenure, the annual transfer of the issuer's shares (including directly and indirectly held shares) would not exceed 25% of the total issuer's shares (including directly and indirectly held shares) held by them. Within six months after resignation, they would not transfer the issuer's shares directly or indirectly held by them.	November 2, 2010	Share lock-up commitment for a period of 36 months	Commitment honored
Equity incentive commitment	Not applicable	Not applicable	Not applicable		Not applicable	Not applicable
Other commitments to minority shareholders of the Company	Shareholders before issuance	Commitment made during IPO	Zhejiang Rongsheng Holding Group Co., Ltd., 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	November 2, 2010	Long term	Commitments honored

			issued the Letter of Commitment on Avoiding Horizontal Competition and promised not to compete 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 19, 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 fulfilled on time	Yes					
If the commitments have not been fulfilled on time, the specific reasons for the failure to complete the performance and the work plan for the next step should be explained in detail	Not applicable					

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

☐Applicable ☒Not applicable

There was 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 was no illegal external guarantee during the reporting period.

IV. Appointment and Dismissal of Accounting Firm

Whether the semi-annual report has been audited

☐Yes ☒No

The semi-annual report has not been audited.

V. Statement of the Board of Directors and the Board of Supervisors on the “Non-standard Audit Report” Issued by the Accounting Firm During the Reporting Period

☐Applicable ☒Not applicable

VI. Statement of the Board of Directors on the “Non-standard Audit Report” of the Previous Year

☐Applicable ☒Not applicable

VII. Matters Related to Bankruptcy and Reorganization

☐Applicable ☒Not applicable

No matters related to bankruptcy and reorganization of the Company occurred during the reporting period.

VIII. Litigation Matters

Major litigation and arbitration matters

☐Applicable ☒Not applicable

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

Other litigation matters

☐Applicable ☒Not applicable

IX. Penalties and Rectification

☐Applicable ☒Not applicable

No penalties and rectification occurred during the reporting period.

X. Integrity of the Company, Its Controlling Shareholders and Actual Controllers

☐Applicable ☒Not applicable

XI. Major Related Party 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 Holding	Controlling shareholder	Purchase of goods	Coal and other materials	Market price	Market price	536,358.38	94.27%	1,500,000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 25, 2025	http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&announcementId=1223285152&orgId=9900015502&announcementTime=2025-04-25
Saudi Aramco	Minority shareholder	Purchase of goods	Crude oil, fuel oil, ethylene glycol	Market price	Market price	5,092,475.48	58.16%	13,000,000	No	Letter of credit, spot exchange	Market price	April 25, 2025	http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&announcementId=1223285152&orgId=9900015502&announcementTime=2025-04-25
Zhejiang Yisheng	Associated enterprise	Sales of goods	PX, PTA, etc.	Market price	Market price	412,544.31	26.19%	1,000,000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 25, 2025	http://www.cninfo.com.cn/new/disclosure/detail?stockCode=002493&announcementId=1223285152&orgId=9900015502&announcementTime=2025-04-25

Total	--	--	6,041,378.17	--	15,500,000	--	--	--	--	--
Details of return of large sales	Not applicable									
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)	Not applicable									

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

☐Applicable ☒Not applicable

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

3. Related party transactions for joint outward investment

☐Applicable ☒Not applicable

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

4. Related party transactions on credit and debt

☐Applicable ☒Not applicable

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

5. Transactions with financial companies with associated relationships

☐Applicable ☒Not applicable

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

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

☐Applicable ☒Not applicable

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

7. Other major related party transactions

☐Applicable ☒Not applicable

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

XII. Material Contracts and Their Performance

1. Trusteeship, contracting and leasing matters

(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 (excluding guarantees for 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 it's related party guarantee
Guarantees of the Company 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 it's related party guarantee
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 14, 2024	3,680				September 10, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 14, 2024	29,440				March 10, 2026	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	November 27, 2024	10,000				November 26, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	December 11, 2024	20,000				December 10, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	February 12, 2025	125				August 11, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	February 12, 2025	125				February 11, 2026	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	February 12, 2025	2,250				March 11, 2026	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	August 23, 2024	50				August 22, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 5, 2024	750				September 4, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	August 23, 2024	4,900				September 22, 2025	No	Yes

Shengyuan Chemical Fiber	December 17, 2024	5,432,000	September 5, 2024	13,500				October 4, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	October25, 2024	125				October 25, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	October25, 2024	2,250				November 25, 2025	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	March 17, 2025	10,000				March 5, 2026	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	April 25, 2025	10,000				April 24, 2026	No	Yes
Shengyuan Chemical Fiber	December 17, 2024	5,432,000	March 21, 2025	10,000				March 21, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 6, 2024	25,000				June 5, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 19, 2024	18,000				June 19, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	July 19, 2024	4,400				July 4, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	July 24, 2024	8,770				July 14, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	July 26, 2024	8,830				July 16, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	January 9, 2025	10,852.8				December 25, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	January 26, 2025	18,600				January 16, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	February 5, 2025	11,600				January 26, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	May 22, 2025	7,280				May 22, 2028	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	May 22, 2025	910				June 21, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	May 28, 2025	8,720				May 22, 2028	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	May 28, 2025	1,090				June 21, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 10, 2025	11,750				June 9, 2028	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 10, 2025	758				December 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 12, 2025	12,417				June 9, 2028	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 12, 2025	801				December 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 19, 2025	6,833				June 9, 2028	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 19, 2025	441				December 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	June 25, 2025	6,204.09				June 24, 2026	No	Yes

Yisheng Dahua	December 17, 2024	5,432,000	June 26, 2025	10,408.68				June 25, 2026	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	December 5, 2024	12,124.37				November 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	5,432,000	December 11, 2024	10,773				December 4, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	March 2, 2021	5,785.71				December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 16, 2021	1,339				December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 24, 2022	2,370				June 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 24, 2022	2,369				December 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 24, 2022	1,164.5				December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 14, 2022	436.92				June 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 14, 2022	436.89				December 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 14, 2022	214.71				December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 26, 2023	874				June 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 26, 2023	872				December 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 26, 2023	430				December 15, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 5, 2025	10,000				December 2, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	June 15, 2022	1,309.9				November 17, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	August 22, 2022	1,378.55				November 17, 2025	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	August 22, 2022	150.58				May 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	September 6, 2022	2,446.15				May 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	91.72				May 15, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	2,688.45				November 16, 2026	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	2,688.45				May 17, 2027	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 12, 2022	1,726.99				November 15, 2027	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	961.45				November 15, 2027	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	2,688.45				May 15, 2028	No	Yes

Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	2,688.45				November 15, 2028	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	2,688.45				May 15, 2029	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 24, 2022	1,536.29				November 15, 2029	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 9, 2022	1,152.16				November 15, 2029	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 9, 2022	1,228.28				May 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 28, 2022	1,460.17				May 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	November 28, 2022	1,350.23				November 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	December 14, 2022	1,338.22				November 15, 2030	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	December 14, 2022	1,590.02				May 15, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	January 19, 2023	1,098.43				May 15, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	January 19, 2023	2,688.45				November 16, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	January 19, 2023	905.44				May 17, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	February 14, 2023	1,783				May 17, 2031	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	February 14, 2023	1,620.18				November 15, 2032	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	April 25, 2023	1,068.27				November 15, 2032	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	April 25, 2023	751.55				May 16, 20333	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	May 17, 2023	1,529.13				May 16, 20333	No	Yes
Yongsheng Technology	December 17, 2024	5,432,000	October 31, 2023	407.77				May 16, 20333	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 3, 2025	100				July 2, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 3, 2025	100				January 2, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 3, 2025	100				July 2, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 3, 2025	28,200				January 2, 2027	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 23, 2025	20,000				January 14, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 26, 2025	100				July 25, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 26, 2025	100				January 25, 2026	No	Yes

Zhongjin Petrochemical	December 17, 2024	5,432,000	January 26, 2025	100				July 25, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 26, 2025	5,800				January 25, 2027	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 5, 2025	100				August 4, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 5, 2025	100				February 4, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 5, 2025	100				August 4, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 5, 2025	20,100				February 4, 2027	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 8, 2025	20,000				January 28, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 13, 2025	30,000				February 9, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 29, 2024	50,000				November 28, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 25, 2025	36,000				February 25, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	March 4, 2025	38,000				March 4, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	May 9, 2025	34,618.77				November 9, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 24, 2025	35,000				April 24, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	May 14, 2025	41,000				May 14, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 19, 2025	500				August 14, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 19, 2025	500				February 14, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	February 19, 2025	9,000				March 17, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 27, 2024	2,000				November 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 27, 2024	36,000				December 15, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 22, 2025	11,000				January 22, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 23, 2025	9,000				January 23, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	March 13, 2025	3,200				September 9, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	March 14, 2025	27,000				March 14, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	March 20, 2025	18,300				September 16, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	March 25, 2025	18,400				September 19, 2025	No	Yes

Zhongjin Petrochemical	December 17, 2024	5,432,000	March 25, 2025	38,310				March 25, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	August 21, 2024	32,300				August 21, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	October 16, 2024	39,000				October 16, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	October 31, 2024	14,390				October 31, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	December 19, 2024	30,000				December 19, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 14, 2025	19,000				April 14, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 13, 2024	20,000				November 12, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 15, 2024	12,000				November 14, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 21, 2024	28,000				November 20, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 26, 2024	7,000				November 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 23, 2025	4,134.92				July 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 23, 2025	9,153.44				July 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 23, 2025	17,411.64				July 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 22, 2025	29,000				November 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	May 21, 2025	4,000				November 23, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	November 21, 2024	18,292.04				November 20, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	January 24, 2025	30,066.12				January 23, 2026	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	April 25, 2025	17,178.47				October 10, 2025	No	Yes
Zhongjin Petrochemical	December 17, 2024	5,432,000	December 2, 2024	10,000				December 2, 2025	No	Yes
ZPC	December 17, 2024	6,260,000	July 31, 2018	238,515.27				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2018	56,561.04				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 18, 2019	57,375				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 3, 2018	8,516.49				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 9, 2018	13,984.71				July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	August 9, 2018	20,975.79				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2018	3,633.9				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2018	6,991.29				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 13, 2018	2,589.78				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 16, 2018	24,605.46				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 15, 2018	5,181.6				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 31, 2018	25,500				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 23, 2018	42,706.89				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 26, 2018	7,763.22				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 30, 2018	3,625.69				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 31, 2018	15,542.25				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 7, 2018	4,931.73				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 8, 2018	10,098.54				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 8, 2018	7,513.32				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 3, 2018	3,653.13				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 9, 2018	12,324.66				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 1, 2019	18,884.79				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 3, 2019	12,944.31				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	2,071.82				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 9, 2018	5,284.62				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	9,062.7				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	4,813.18				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 8, 2019	4,921.5				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 9, 2019	12,928.5				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 10, 2019	6,473.42				July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	January 14, 2019	3,114.77				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 15, 2019	9,328.92				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 30, 2019	65,790				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 31, 2019	10,363.2				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 30, 2019	1,553.87				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	8,531.79				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 4, 2019	2,074.17				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	5,439.15				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	4,401.93				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 3, 2019	18,134.07				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 11, 2019	2,336.08				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 12, 2019	3,364.47				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 11, 2019	13,829.16				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 27, 2019	46,920				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 1, 2019	5,946.09				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 1, 2019	2,324.07				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 7, 2019	3,624.06				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 7, 2019	9,062.7				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 8, 2019	1,035.91				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 8, 2019	3,107.24				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 12, 2019	2,332.23				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 13, 2019	1,557.39				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 15, 2019	12,695.43				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 29, 2019	18,360				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 8, 2019	2,585.7				July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	April 10, 2019	517.96				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 11, 2019	1,036.07				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 7, 2019	1,549.38				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 11, 2019	1,815.09				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 12, 2019	4,406.91				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 12, 2019	519.13				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 12, 2019	3,624.06				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 15, 2019	1,294.68				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 1, 2019	5,688.54				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 11, 2019	774.69				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	2,899.35				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	17,340				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	5,696.7				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 9, 2019	2,330.43				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 10, 2019	776.93				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 13, 2019	1,297.82				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 13, 2019	1,812.39				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 16, 2019	8,288.52				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 1, 2019	3,106.92				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 4, 2019	9,062.79				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	May 7, 2019	1,239.81				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2019	5,181.6				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2019	6,472				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 6, 2019	3,107.74				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 6, 2019	35,700				July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	June 6, 2019	2,595.65				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 12, 2019	15,542.25				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 20, 2019	259.59				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 1, 2019	51,000				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 5, 2019	2,848.31				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 8, 2019	1,035.91				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 8, 2019	17,850				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	10,363.2				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	3,374.34				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	2,332.23				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2019	1,291.83				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 10, 2019	1,815.09				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 11, 2019	774.69				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 16, 2019	2,585.7				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 16, 2019	4,659.36				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 31, 2019	28,487.07				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 2, 2019	5,178.74				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	2,595.65				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	6,347.46				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	3,881.61				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 23, 2019	2,588.25				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 23, 2019	2,076.72				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 29, 2019	44,370				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	September 30, 2019	7,771.38				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	August 7, 2019	2,723.4				July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	October 9, 2019	2,715.24				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 21, 2019	7,513.32				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 21, 2019	4,911.81				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 29, 2019	26,520				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 15, 2019	6,481.59				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	October 9, 2019	1,165.86				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 18, 2019	2,177.19				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 19, 2019	929.73				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	November 121, 2019	74,970				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	December 18, 2019	2,164.95				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	December 19, 2019	3,624.06				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	December 24, 2019	3,889.77				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	4,921.5				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	2,849.37				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	1,578.45				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	7,513.32				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	January 16, 2020	1,528.47				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 14, 2020	1,808.26				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	February 18, 2020	525.3				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 16, 2020	3,364.47				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 19, 2020	5,181.09				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	March 31, 2020	10,200				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 1, 2020	16,575				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 17, 2020	1,291.83				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	April 17, 2020	1,815.09				July 30, 2030	No	Yes

ZPC	December 17, 2024	6,260,000	May 13, 2020	2,040				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 3, 2020	3,106.92				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	June 5, 2020	3,106.92				July 30, 2030	No	Yes
ZPC	December 17, 2024	6,260,000	July 4, 2023	13,007.16				March 15, 2027	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	72,090				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	21,093				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	80,100				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	267,000				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	116,946				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	23,175.6				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 20, 2021	8,010				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	30,438				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	53,400				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	53,400				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 21, 2021	10,680				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	January 22, 2021	30,438				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 4, 2021	50,730				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	40,050				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	37,380				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	16,020				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	53,400				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	98,790				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 5, 2021	60,876				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	February 7, 2021	30,438				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 18, 2021	11,214				November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	March 18, 2021	19,031.76				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 19, 2021	26,700				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 19, 2021	32,040				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 22, 2021	53,400				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 22, 2021	53,400				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 25, 2021	26,700				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 26, 2021	133,500				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	March 26, 2021	42,720				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	16,020				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	69,420				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	33,108				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	26,700				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 28, 2021	16,554				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 29, 2021	42,720				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 30, 2021	2,670				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	April 30, 2021	2,670				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	June 29, 2021	53,400				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 5, 2021	176,220				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 5, 2021	26,700				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	21,360				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	37,380				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	77,430				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	77,430				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	80,100				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 6, 2021	160,200				November 15, 2032	No	Yes

ZPC	December 17, 2024	6,260,000	July 6, 2021	21,360				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 15, 2021	53,912.64				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	21,360				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	20,826				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	42,720				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 17, 2021	109,470				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 22, 2021	17,622				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	June 13, 2022	8,544				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	July 11, 2022	181.56				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 2, 2022	117.48				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 4, 2022	202.92				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 9, 2022	64.08				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	August 10, 2022	8.01				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	September 5, 2022	275.01				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	October 10, 2022	218.94				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	November 1, 2022	234.96				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	December 16, 2022	37.38				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	December 27, 2022	4,272				November 15, 2032	No	Yes
ZPC	December 17, 2024	6,260,000	November 2, 2021	9.22				July 1, 2025	No	Yes
ZPC	December 17, 2024	6,260,000	November 18, 2021	0.43				July 1, 2025	No	Yes
Total limits of guarantees to subsidiaries approved during the reporting period (B3)		11,692,000		Total amount actually incurred of guarantees to subsidiaries during the reporting period (B4)		5,506,652				

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 it's related party guarantee
Yisheng Dahua	December 17, 2024	209,000	January 3, 2025	89.79				July 3, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	January 24, 2025	33.64				July 24, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	January 24, 2025	28.12				July 24, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	January 24, 2025	78.16				July 24, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	March 21, 2025	78.93				September 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	March 21, 2025	32				September 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	April 21, 2025	34.1				October 21, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	March 27, 2025	3,517.34				September 26, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	March 28, 2025	3,483				September 27, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	May 13, 2025	3,671.65				November 10, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	May 16, 2025	4,250				November 10, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	May 13, 2025	2,557.5				November 28, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	December 4, 2024	13,500				December 3, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	June 13, 2025	2,000				October 15, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	June 13, 2025	2,889.5				October 15, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	June 13, 2025	2,000				December 10, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	June 13, 2025	2,889.5				December 10, 2025	No	Yes
Yisheng Dahua	December 17, 2024	209,000	June 26, 2025	999.23				December 23, 2025	No	Yes
Total limits of guarantees to subsidiaries approved		209,000	Total amount		42,132					

during the reporting period (C3)		actually incurred of guarantees to subsidiaries during the reporting period (C4)	
Total amount of guarantees of the Company (Including the above three mentioned guarantees)			
Total limits of guarantees approved during the reporting period (A3+B3+C3)	11,901,000	Total amount actually incurred of guarantees during the reporting period (A4+B4+C4)	5,548,784
Total actual guarantees (i.e. A4+B4+C4) as a percentage of the Company's net assets		127.63%	

3. Entrusted asset management

☐Applicable ☒Not applicable

The Company had no entrusted asset management during the reporting period.

4. Other major contracts

☐Applicable ☒Not applicable

The Company had no other major contracts during the reporting period.

XIII. Explanation of Other Major Matters

☐Applicable ☒Not applicable

The Company had no other major matters to be explained during the reporting period.

XIV. Major Matters of Subsidiaries

☐Applicable ☒Not applicable

Section VI Changes in Shares and Shareholders

I. Changes in Shares

1. Changes in shares

Unit: share

	Before the change		Increase or decrease (+, -)					After the change	
	Number	Ratio	New shares issued	Bonus shares	Capital conversion	Others	Subtotal	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

Implementation progress of share repurchase

☐Applicable ☒Not applicable

Implementation progress of reducing repurchased shares by centralized bidding

☐Applicable ☒Not applicable

Impact of share changes on financial indicators such as basic EPS, diluted EPS, net assets per share attributable to ordinary shareholders of the Company for the most recent year and the latest period

☐Applicable ☒Not applicable

Other disclosures that the Company deems necessary or required by the securities regulatory authorities to be disclosed

☐Applicable ☒Not applicable

2. Changes in restricted shares

☐Applicable ☒Not applicable

II. Securities Issuance and Listing

☐Applicable ☒Not applicable

III. Number and Shareholding of the Company's Shareholders

Unit: share

Total number of common shareholders at the end of the reporting period		85,871		Total number of preferred shareholders with voting rights restored at the end of the reporting period (if any) (see Note 8)			0	
Shareholdings of shareholders holding over 5% of shares or the top 10 shareholders (excluding shares lent through refinancing)								
Name of shareholders	Nature of shareholders	Shareholding ratio	Number of shares held at the end of the report period	Increase or decrease during the reporting period	Number of shares held with limited sales conditions	Number of non-restricted shares held	Pledge, marking or freezing	
							Share status	Number
Zhejiang Rongsheng Holding Group Co., Ltd.	Domestic non-state-owned legal person	53.81%	5,448,840,432	66,180,698	0	5,448,840,432	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	1.72%	173,837,409	-2,046,720	0	173,837,409	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	0.54%	54,380,051	1,875,300	0	54,380,051	Not applicable	0
Hua’neng Guicheng Trust Co., Ltd. – Hua’neng 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 the sister-in-law of Li Shuirong, forming associated relationships. In addition to the above associated relationships, the Company has no knowledge of whether other shareholders are related to each other or act in concert.							
Explanation of the above shareholders on delegating/receiving/waiving voting rights	Not applicable							
Special explanation on the existence of repurchase accounts among the top 10 shareholders (if any) (see Note 11)	Among the top 10 shareholders, Rongsheng Petrochemical Co., Ltd. repurchased 552,380,458 shares in the special securities account, accounting for 5.46% of the Company's total share capital.							
Shareholding of top 10 common shareholders not subject to sales restrictions (excluding shares lent through refinancing and executive lock-in shares)								
Name of shareholders	Number of shares not subject to sales restrictions held at the end of the reporting period	Class of shares						
		Class of shares	Number					
Zhejiang Rongsheng Holding Group Co., Ltd.	5,448,840,432	RMB ordinary shares	5,448,840,432					
Aramco Overseas Company B.V.	1,012,552,501	RMB ordinary shares	1,012,552,501					
Hong Kong Securities Clearing Company Limited	173,837,409	RMB ordinary shares	173,837,409					
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	54,380,051	RMB ordinary shares	54,380,051
Hua'neng Guicheng Trust Co., Ltd. - Hua'neng 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 Xincan	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 Xincan 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 5,408,840,432 shares through an ordinary account and 40,000,000 shares through a credit account. Dai Deming holds 2,000,000 shares through a regular account and 46,000,000 shares through a margin account.		

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

☐Applicable ☒Not applicable

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

☐Applicable ☒Not applicable

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

IV. Equity Changes of Directors, Supervisors and Senior Management

☐Applicable ☒Not applicable

There were no equity changes of the Company's directors, supervisors and senior management during the reporting period; see 2024 Annual Report for details.

V. Changes in Controlling Shareholder or Actual Controller

Change of the controlling shareholder during the reporting period

☐Applicable ☒Not applicable

The controlling shareholder of the Company remained unchanged during the reporting period.

Change of the actual controller during the reporting period

☐Applicable ☒Not applicable

The actual controller of the Company remained the same during the reporting period.

VI. Preferred Shares

☐Applicable ☒Not applicable

The Company had no preferred shares during the reporting period.

Section VII Bonds

☐Applicable ☒Not applicable

Section VIII Financial Reports

I. Audit Report

Whether the semi-annual report is audited

☐Yes ☒No

The Company's semi-annual financial report is unaudited.

II. Financial Statements

The financial statement notes are represented in RMB.

1. Consolidated Balance Sheet

Prepared by: Rongsheng Petrochemical Co., Ltd.

June 30, 2025

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Monetary fund	14,892,639,075.65	14,833,384,920.45
Settlement provision		
Lending funds		
Trading financial assets		
Derivative financial assets	460,333,719.53	475,766,685.17
Notes receivable		
Accounts receivable	3,041,483,593.40	6,821,971,706.36
Accounts receivable financing	51,665,853.52	103,225,654.46
Advance payment	3,658,866,282.93	1,354,519,708.48
Premium receivables		
Reinsurance receivables		
Reinsurance contract reserves receivables		
Other receivables	4,973,940,872.85	4,345,964,007.66
Including: Interest receivables		
Dividends receivable		
Redemptory monetary capital for sale		
Stock	44,379,253,913.97	44,566,934,616.59
Where: data resources		
Contract assets		
Held-for-sale assets		

Non-current assets due within one year		
Other current assets	6,251,484,089.13	5,801,152,355.65
Total current assets	77,709,667,400.98	78,302,919,654.82
Non-current assets:		
Loans and advances		
Creditors investment		
Other creditors investment		
Long-term receivables		
Long-term equity investment	9,715,088,710.27	9,516,636,321.17
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	9,988,405.60	10,124,128.60
Fixed assets	229,147,301,133.74	232,497,113,015.70
Construction in progress	52,807,597,773.11	44,036,132,096.28
Productive biological assets		
Oil & gas assets		
Right-of-use assets	164,400,836.21	176,237,821.55
Intangible assets	8,653,524,036.05	8,142,781,094.80
Where: data resources		
Development expenses		
Where: data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	1,340,655,426.01	1,237,176,277.28
Other non-current assets	4,462,505,805.36	3,926,823,773.78
Total non-current assets	306,301,062,126.35	299,543,024,529.16
Total assets	384,010,729,527.33	377,845,944,183.98
Current liabilities:		
Short-term borrowings	46,274,018,691.66	44,090,969,803.23
Borrowings from the central bank		
Borrowing funds		
Trading financial liabilities	1,484,797,113.33	1,269,256,561.53
Derivative financial liabilities	95,949,469.54	34,655,378.23
Notes payable	2,356,024,860.95	3,204,293,497.95
Accounts payable	63,885,655,674.61	59,032,829,819.11
Advance collections		
Contractual liabilities	2,183,602,360.00	5,995,580,462.05

Financial assets sold for repurchase		
Deposits from customers and interbank		
Funds from securities trading agency		
Funds from securities underwriting agency		
Payroll payable	679,364,470.29	996,809,278.49
Taxes payable	1,502,151,750.96	1,277,862,468.64
Other payables	9,068,973,579.80	6,588,756,879.48
Including: Interests payable		
Dividends payable		
Handling charges and commissions payable		
Reinsurance payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	41,925,650,561.52	38,322,495,216.94
Other current liabilities	270,153,302.03	742,351,889.84
Total current liabilities	169,726,341,834.69	161,555,861,255.49
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings	116,630,942,763.44	119,518,340,862.41
Bonds payable		
Including: Preferred share		
Perpetual bond		
Lease liabilities	161,307,988.09	171,624,458.34
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	243,137,926.91	198,629,966.29
Deferred income tax liabilities	1,716,430,776.81	1,577,357,341.78
Other non-current liabilities		
Total non-current liabilities	118,751,819,455.25	121,465,952,628.82
Total liabilities	288,478,161,289.94	283,021,813,884.31
Owner's equity:		
Share capital	10,125,525,000.00	10,125,525,000.00
Other equity instruments		
Including: Preferred share		
Perpetual bond		
Capital reserve	10,820,205,249.02	10,819,566,635.04
Less: treasury stock	6,987,008,823.24	6,987,008,823.24

Other comprehensive income	217,273,429.03	280,892,216.98
Special reserves	52,187,550.73	19,057,187.43
Surplus reserves	1,270,743,066.03	1,270,743,066.03
Generic risk reserves		
Undistributed profits	27,975,251,895.60	28,330,397,005.41
Total owner's equity attributable to the parent company	43,474,177,367.17	43,859,172,287.65
Minority equity	52,058,390,870.22	50,964,958,012.02
Total owners' equity	95,532,568,237.39	94,824,130,299.67
Total liabilities and owner's equity	384,010,729,527.33	377,845,944,183.98

Legal representative: Li Shuirong
Shaoying

Head of accounting: Wang Yafang

Head of accounting body: Zhang

2. Balance Sheet of the Parent Company

Unit: RMB

Item	Ending balance	Beginning balance
Current assets:		
Monetary fund	1,683,898,192.86	682,038,492.96
Trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	9,721,994.62	2,470,580.97
Accounts receivable financing	6,057,875.14	7,377,152.89
Advance payment	176,497,143.37	153,158,590.35
Other receivables	3,544,187,248.36	2,378,142,849.26
Including: Interest receivables		
Dividends receivable	550,000,000.00	550,000,000.00
Stock	296,356,444.72	169,343,856.05
Where: data resources		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	85,959,467.50	
Total current assets	5,802,678,366.57	3,392,531,522.48
Non-current assets:		
Creditors investment		
Other creditors investment		

Long-term receivables		
Long-term equity investment	49,754,365,861.80	48,129,034,147.12
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	9,988,405.60	10,124,128.60
Fixed assets	339,168,807.32	274,806,084.66
Construction in progress		
Productive biological assets		
Oil & gas assets		
Right-of-use assets		
Intangible assets	12,228,658.66	13,461,355.78
Where: data resources		
Development expenses		
Where: data resources		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		2,271,130.13
Total non-current assets	50,115,751,733.38	48,429,696,846.29
Total assets	55,918,430,099.95	51,822,228,368.77
Current liabilities:		
Short-term borrowings	6,626,088,468.06	7,055,037,415.98
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	22,000,000.00	575,194,158.34
Accounts payable	5,368,238,642.13	5,205,888,310.81
Advance collections		
Contractual liabilities	2,624,883,372.82	710,551,453.29
Payroll payable	24,058,674.39	53,751,135.30
Taxes payable	2,412,247.85	13,850,759.94
Other payables	10,497,184,752.26	8,264,563,912.00
Including: Interests payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	3,908,509,800.00	2,788,700,063.61
Other current liabilities	341,234,838.47	92,371,688.93

Total current liabilities	29,414,610,795.98	24,759,908,898.20
Non-current liabilities:		
Long-term borrowings	8,758,163,686.11	8,399,186,264.02
Bonds payable		
Including: Preferred share		
Perpetual bond		
Lease liabilities		
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	6,805,735.64	7,309,864.22
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	8,764,969,421.75	8,406,496,128.24
Total liabilities	38,179,580,217.73	33,166,405,026.44
Owner's equity:		
Share capital	10,125,525,000.00	10,125,525,000.00
Other equity instruments		
Including: Preferred share		
Perpetual bond		
Capital reserve	11,243,374,721.45	11,243,374,721.45
Less: treasury stock	6,987,008,823.24	6,987,008,823.24
Other comprehensive income	171,990,142.20	217,617,723.95
Special reserves		
Surplus reserves	1,270,743,066.03	1,270,743,066.03
Undistributed profits	1,914,225,775.78	2,785,571,654.14
Total owners' equity	17,738,849,882.22	18,655,823,342.33
Total liabilities and owner's equity	55,918,430,099.95	51,822,228,368.77

3. Consolidated Income Statement

Unit: RMB

Item	2025 semi-annual	2024 semi-annual
I. Gross operating income	148,629,350,935.50	161,249,744,277.85
Including: operating revenue	148,629,350,935.50	161,249,744,277.85
Interest income		
Earned premium		
Handling charge and commission income		

II. Gross operating costs	147,757,254,574.45	160,462,598,482.36
Including: operating costs	128,878,959,937.59	141,256,133,696.06
Interest expense		
Handling charge and commission expenses		
Surrender value		
Net payments for insurance claims		
Net reserve fund extracted for insurance liability		
Policy dividend payment		
Reinsurance costs		
Taxes and surcharges	12,748,131,455.62	12,496,949,672.03
Marketing expenses	84,293,344.16	78,933,484.96
Administrative expenses	466,821,877.01	438,040,873.14
R&D expenses	2,369,091,695.16	2,496,929,812.35
Financial expenses	3,209,956,264.91	3,695,610,943.82
Including: interest expenses	3,280,153,933.32	3,544,593,781.09
Interest income	222,591,881.35	240,894,876.38
Add: Other income	1,064,837,456.41	1,253,751,467.78
Investment income (losses are presented in “-”)	284,046,651.75	-52,174,957.84
Including: Return on investment in associated enterprises and joint ventures	190,297,833.77	187,861,798.54
Gains on derecognition of financial assets measured at amortized cost		
Exchange gain (loss expressed with “-”)		
Net exposure hedging gain (loss expressed with “-”)		
Income from changes in fair value (losses are presented in “-”)	-299,721,409.22	115,037,218.53
Credit impairment losses (loss expressed with “-”)	87,104,774.79	-138,884,225.38
Asset impairment loss (losses are presented in “-”)	-152,150,594.56	-12,655,239.18
Income from asset disposal (losses are presented in “-”)	-64,124.27	5,269,441.94
III. Operating profit (losses expressed with “-”)	1,856,149,115.95	1,957,489,501.34
Add: Non-operating income	3,898,849.00	7,827,844.76
Less: Non-operating expenses	15,476,643.56	35,436,773.14
IV. Income before tax (losses expressed with “-”)	1,844,571,321.39	1,929,880,572.96
Less: Income tax expenses	178,317,788.37	257,909,218.53
V. Net income (net losses expressed with “-”)	1,666,253,533.02	1,671,971,354.43
(I) By business continuity		
1. Net profit from going concern (net losses expressed with “-”)	1,666,253,533.02	1,671,971,354.43
2. Net profit from discontinued operations (net losses expressed with “-”)		
(II) By ownership		

1. Net profit attributable to shareholders of the parent company (net loss filled in with “-”)	602,084,104.39	857,934,883.14
2. Profit or loss of minority shareholders (net loss filled in with “-”)	1,064,169,428.63	814,036,471.29
VI. Other comprehensive income, net of tax	-67,422,232.10	63,725,659.14
After-tax net of other comprehensive income attributable to the owners of parent company	-63,618,787.95	68,146,399.25
(I) Other comprehensive income which may not be reclassified to gain and loss		-590,642.24
1. Re-measurement of changes in defined benefit plans		
2. Other comprehensive income which may not be transferred to gain and loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		-590,642.24
(II) Other comprehensive income which may be reclassified to gain and loss	-63,618,787.95	68,737,041.49
1. Other comprehensive income which may be transferred to gain and loss under the equity method	-50,041,026.62	49,009,488.62
2. Changes in fair value of other creditors investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other creditors investments		
5. Cash flow hedging reserves		
6. Difference in translation of foreign currency financial statements	-13,577,761.33	19,727,552.87
7. Others		
Other comprehensive income attributable to minority shareholders, net of tax	-3,803,444.15	-4,420,740.11
VII. Total comprehensive income	1,598,831,300.92	1,735,697,013.57
Total comprehensive income attributable to owners of the parent company	538,465,316.44	926,081,282.39
Total comprehensive income attributable to minority shareholders	1,060,365,984.48	809,615,731.18
VIII. Earnings per share:		
(I) Basic earnings per share	0.06	0.09
(II) Diluted earnings per share	0.06	0.09

Legal representative: Li Shuirong
Shaoying

Head of accounting: Wang Yafang

Head of accounting body: Zhang

4. Income Statement of the Parent Company

Unit: RMB

Item	2025 semi-annual	2024 semi-annual
I. Operating income	874,759,022.69	1,667,089,209.61

Less: Operating costs	783,915,236.41	1,622,817,980.64
Taxes and surcharges	3,803,080.38	5,912,334.69
Marketing expenses	16,171,150.67	23,221,188.84
Administrative expenses	53,041,620.29	38,757,438.94
R&D expenses	51,520,823.00	40,769,492.32
Financial expenses	390,501,070.87	350,680,352.26
Including: interest expenses	389,284,382.25	392,165,659.03
Interest income	6,362,975.74	45,265,589.17
Add: Other income	347,023,654.77	338,665,781.84
Investment income (losses are presented in "-")	169,273,572.94	123,163,894.95
Including: Return on investment in associated enterprises and joint ventures	155,613,807.08	142,718,593.27
Income from derecognition of financial assets measured at amortized cost (loss expressed with "-")		
Net exposure hedging gain (loss expressed with "-")		
Income from changes in fair value (losses are presented in "-")		
Credit impairment losses (loss expressed with "-")	-462,148.98	-4,422,822.78
Asset impairment loss (losses are presented in "-")		
Income from asset disposal (losses are presented in "-")	0.18	-157,689.80
II. Operating profit (loss to be filled out with the minus sign "-")	91,641,119.98	42,179,586.13
Add: Non-operating income	2.15	1,102.15
Less: Non-operating expenses	5,757,786.29	3,760,517.66
III. Total profit (total loss to be filled out with the minus sign "-")	85,883,335.84	38,420,170.62
Less: Income tax expenses		
IV. Net profit (net loss to be filled out with the minus sign "-")	85,883,335.84	38,420,170.62
(I) Net profits from continuing operation (net loss expressed with "-")	85,883,335.84	38,420,170.62
(II) Net profits from discontinuing operation (net loss expressed with "-")		
V. Other comprehensive incomes, net of tax	-45,627,581.75	62,860,285.67
(I) Other comprehensive income which may not be reclassified to gain and loss		-590,642.24
1. Re-measurement of changes in defined benefit plans		
2. Other comprehensive income which may not be transferred to gain and loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		-590,642.24
(II) Other comprehensive income which may be reclassified to gain and loss	-45,627,581.75	63,450,927.91
1. Other comprehensive income which may be transferred to gain and loss under the equity method	-45,627,581.75	63,450,927.91

2. Changes in fair value of other creditors investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other creditors investments		
5. Cash flow hedging reserves		
6. Difference in translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive incomes	40,255,754.09	101,280,456.29
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated Cash Flow Statement

Unit: RMB

Item	2025 semi-annual	2024 semi-annual
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	166,127,081,795.62	174,417,692,257.97
Net increase in deposits from customers and other banks		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Cash received from receiving insurance premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits and investment of the insured		
Cash received from interests, handling charges and commissions		
Net increase in borrowing funds		
Net increase in repurchase business capital		
Net cash received from securities trading agency		
Refunds of taxes and levies	2,764,625,616.17	2,602,039,750.26
Cash received relating to other operating activities	2,915,095,527.88	2,920,163,105.87
Subtotal of cash inflow from operating activities	171,806,802,939.67	179,939,895,114.10
Cash paid for goods purchased and services received	145,101,204,904.23	156,652,864,492.85
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and other banks		
Cash paid for claims under original insurance contracts		
Net increase in lending funds		
Cash paid for interests, handling charges and commissions		
Cash paid for policy dividends		

Cash paid to and on behalf of employees	2,179,536,574.50	2,295,802,786.75
Payments of all types of taxes	15,388,171,037.48	11,009,232,043.73
Cash paid relating to other operating activities	1,551,265,169.78	1,589,457,438.81
Subtotal of cash outflow from operating activities	164,220,177,685.99	171,547,356,762.14
Net cash flow from operating activities	7,586,625,253.68	8,392,538,351.96
II. Cash flows from investing activities:		
Cash received from investment recovery	1,659,568,485.19	1,473,616,505.29
Cash received from the return on investment	48,654,510.65	13,228,639.60
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	3,651,539.93	259,399,359.92
Net cash received from the disposal of subsidiaries and other business units		
Cash received relating to other investing activities	33,463,822.77	59,352,298.76
Subtotal of cash inflow from investment activities	1,745,338,358.54	1,805,596,803.57
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	15,577,226,702.86	17,344,328,757.83
Cash paid for investments	2,191,197,289.79	1,056,298,128.11
Net increase in pledge loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	37,285,472.76	108,503,840.40
Subtotal of cash outflow from investment activities	17,805,709,465.41	18,509,130,726.34
Net cash flow from investment activities	-16,060,371,106.87	-16,703,533,922.77
III. Cash flow from financing activities:		
Cash received from absorption of investment		228,000,000.00
Including: Cash received by subsidiaries from investments of minority shareholders		228,000,000.00
Cash received from borrowings	64,601,920,548.88	74,713,977,878.21
Cash received relating to other financing activities	12,429,276,412.04	18,799,408,866.65
Subtotal of cash inflow from financing activities	77,031,196,960.92	93,741,386,744.86
Cash paid for repayment of debts	61,676,972,719.77	69,885,306,739.83
Cash paid for distribution of dividends and profits or payment of interests	4,716,590,091.88	5,175,591,739.74
Including: Dividends or profits paid by subsidiaries to minority shareholders		228,000,000.00
Cash paid relating to other financing activities	1,092,449,633.16	4,679,731,600.44
Subtotal of cash outflow from financing activities	67,486,012,444.81	79,740,630,080.01
Net cash flow from financing activities	9,545,184,516.11	14,000,756,664.85
IV. Effect of change in exchange rate on cash and cash equivalents	6,697,093.82	-167,099,802.81
V. Net increase in cash and cash equivalents	1,078,135,756.74	5,522,661,291.23
Add: Opening balance of cash and cash equivalents	12,943,832,335.45	11,486,855,097.52
VI. Ending balance of cash and cash equivalents	14,021,968,092.19	17,009,516,388.75

6. Cash Flow Statement of the Parent Company

Unit: RMB

Item	2025 semi-annual	2024 semi-annual
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	8,368,331,142.55	8,485,308,901.03
Refunds of taxes and levies	1,975,629.38	5,512,767.96
Cash received relating to other operating activities	670,727,289.01	909,261,207.63
Subtotal of cash inflow from operating activities	9,041,034,060.94	9,400,082,876.62
Cash paid for goods purchased and services received	6,715,246,018.52	7,126,809,713.06
Cash paid to and on behalf of employees	130,826,793.13	177,602,399.78
Payments of all types of taxes	88,121,460.17	66,226,432.61
Cash paid relating to other operating activities	84,132,591.60	167,863,198.19
Subtotal of cash outflow from operating activities	7,018,326,863.42	7,538,501,743.64
Net cash flow from operating activities	2,022,707,197.52	1,861,581,132.98
II. Cash flows from investing activities:		
Cash received from investment recovery		
Cash received from the return on investment	43,654,510.65	393,228,639.60
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	3,620,231.11	
Net cash received from the disposal of subsidiaries and other business units		
Cash received relating to other investing activities	463,029,809.36	504,638,350.00
Subtotal of cash inflow from investment activities	510,304,551.12	897,866,989.60
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	74,273,902.46	584,457.58
Cash paid for investments	1,559,000,000.00	542,000,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	1,860,300,000.00	634,100,000.00
Subtotal of cash outflow from investment activities	3,493,573,902.46	1,176,684,457.58
Net cash flow from investment activities	-2,983,269,351.34	-278,817,467.98
III. Cash flow from financing activities:		
Cash received from absorption of investment		
Cash received from borrowings	9,959,500,000.00	10,530,190,000.00
Cash received relating to other financing activities	4,500,000,000.00	1,148,500,000.00
Subtotal of cash inflow from financing activities	14,459,500,000.00	11,678,690,000.00
Cash paid for repayment of debts	8,903,650,000.00	8,779,925,337.17
Cash paid for distribution of dividends and profits or payment of interests	1,222,453,084.65	1,245,925,277.56
Cash paid relating to other financing activities	2,368,601,946.63	4,402,960,578.42

Subtotal of cash outflow from financing activities	12,494,705,031.28	14,428,811,193.15
Net cash flow from financing activities	1,964,794,968.72	-2,750,121,193.15
IV. Effect of change in exchange rate on cash and cash equivalents	-2,373,115.00	377,460.89
V. Net increase in cash and cash equivalents	1,001,859,699.90	-1,166,980,067.26
Add: Opening balance of cash and cash equivalents	682,038,492.96	3,154,529,147.56
VI. Ending balance of cash and cash equivalents	1,683,898,192.86	1,987,549,080.30

7. Consolidated Statement of Changes in Owner's Equity

Amount of the current period

Unit: RMB

Item	2025 semi-annual														
	Owner’s equity attributable to the parent company													Minority equity	Total owners’ equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Other	Subtotal		
		Preferred shares	Perpetual bond	Other											
I. Ending balance of the previous year	10,125,525,000.00				10,819,566,635.04	6,987,008,823.24	280,892,216.98	19,057,187.43	1,270,743,066.03		28,330,397,005.41		43,859,172,287.65	50,964,958,012.02	94,824,130,299.67
Add: Changes in accounting policies															
Correction of errors in the previous period															
Other															
II. Opening balance of the year	10,125,525,000.00				10,819,566,635.04	6,987,008,823.24	280,892,216.98	19,057,187.43	1,270,743,066.03		28,330,397,005.41		43,859,172,287.65	50,964,958,012.02	94,824,130,299.67
III. Increase or decrease in the current period (decrease is presented in “-”)					638,613.98		-63,618,787.95	33,130,363.30			-355,145,109.81		-384,994,920.48	1,093,432,858.20	708,437,937.72
(I) Total comprehensive income							-63,618,787.95				602,084,104.39		538,465,316.44	1,060,365,984.48	1,598,831,300.92

(II) Capital contributed and reduced by owners															
1. Ordinary shares invested by the owners															
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment recognized in owners' equity															
4. Others															
(III) Profit distribution										957,229,214.20	-	957,229,214.20	-	957,229,214.20	-
1. Withdrawal of surplus reserve															
2. Withdrawal of generic risk reserves															
3. Distribution to owners (or shareholders)										957,229,214.20	-	957,229,214.20	-	957,229,214.20	-
4. Others															
(IV) Internal carry-forward of owner's equity															
1. Capital reserve transferred into capital (or share capital)															
2. Surplus reserve transferred into capital (or share capital)															
3. Surplus reserves for making up loss															

4. Changes in defined benefit plans carried forward to retained earnings														
5. Other comprehensive incomes carried forward to retained earnings														
6. Others														
(V) Special reserve							33,130,363.30					33,130,363.30	32,453,303.43	65,583,666.73
1. Amount appropriated in the current period							203,467,546.03					203,467,546.03	167,868,944.57	371,336,490.60
2. Use in the current period							170,337,182.73					170,337,182.73	135,415,641.14	305,752,823.87
(VI) Others					638,613.98							638,613.98	613,570.29	1,252,184.27
IV. Ending balance of the current period	10,125,525,000.00				10,820,205,249.02	6,987,008,823.24	217,273,429.03	52,187,550.73	1,270,743,066.03		27,975,251,895.60	43,474,177,367.17	52,058,390,870.22	95,532,568,237.39

Amount of previous year

Unit: RMB

Item	2024 semi-annual															
	Owner’s equity attributable to the parent company													Minority equity		Total owners’ equity
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Other	Subtotal			
		Preferred shares	Perpetual bond	Other												
I. Ending balance of the	10,125,525				10,825,322,259.3	6,619,80	110,203,	60,677,2	974,151,		28,859,818,194.5		44,335,891,0	50,332,930	94,668,821,	

previous year	,000.00				6	7,176.02	866.35	96.91	644.68		1		85.79	,555.50	641.29
Add: Changes in accounting policies															
Correction of errors in the previous period															
Other															
II. Opening balance of the year	10,125,525,000.00				10,825,322,259.36	6,619,807,176.02	110,203,866.35	60,677,296.91	974,151,644.68		28,859,818,194.51		44,335,891,085.79	50,332,930,555.50	94,668,821,641.29
III. Increase or decrease in the current period (decrease is presented in “-”)					967,902.96	359,711,459.00	68,146,399.25	-11,394,495.09			-99,379,571.06		-401,371,222.94	1,028,153,697.43	626,782,474.49
(I) Total comprehensive income							68,146,399.25				857,934,883.14		926,081,282.39	809,615,731.18	1,735,697,013.57
(II) Capital contributed and reduced by owners						359,711,459.00							-359,711,459.00	228,000,000.00	-131,711,459.00
1. Ordinary shares invested by the owners						359,711,459.00							-359,711,459.00	228,000,000.00	-131,711,459.00
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment recognized in owners' equity															
4. Others															
(III) Profit distribution											-957,314,454.20		-957,314,454.20		-957,314,454.20

1. Withdrawal of surplus reserve															
2. Withdrawal of generic risk reserves															
3. Distribution to owners (or shareholders)											- 957,314,454.20		- 957,314,454.20		- 957,314,454.20
4. Others															
(IV) Internal carry-forward of owner’s equity															
1. Capital reserve transferred into capital (or share capital)															
2. Surplus reserve transferred into capital (or share capital)															
3. Surplus reserves for making up loss															
4. Changes in defined benefit plans carried forward to retained earnings															
5. Other comprehensive incomes carried forward to retained earnings															
6. Others															
(V) Special reserve								- 11,394,495.09					- 11,394,495.09	- 10,391,979.73	- 21,786,474.82
1. Amount appropriated in the current period								195,246,416.80					195,246,416.80	159,810,169.50	355,056,586.30
2. Use in the current period								206,640,					206,640,911.	170,202,14	376,843,06

							911.89					89	9.23	1.12
(VI) Others				967,902.96								967,902.96	929,945.98	1,897,848.94
IV. Ending balance of the current period	10,125,525,000.00			10,826,290,162.32	6,979,518,635.02	178,350,265.60	49,282,801.82	974,151,644.68		28,760,438,623.45		43,934,519,862.85	51,361,084,252.93	95,295,604,115.78

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

Amount of the current period

Unit: RMB

Item	2025 semi-annual											
	Share capital	Other equity instruments			Capital reserve	Less: treasure stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total owners' equity
		Preferred shares	Perpetual bond	Other								
I. Ending balance of the previous year	10,125,525,000.00				11,243,374,721.45	6,987,008,823.24	217,617,723.95		1,270,743,066.03	2,785,571,654.14		18,655,823,342.33
Add: Changes in accounting policies												
Correction of errors in the previous period												
Other												
II. Opening balance of the year	10,125,525,000.00				11,243,374,721.45	6,987,008,823.24	217,617,723.95		1,270,743,066.03	2,785,571,654.14		18,655,823,342.33
III. Increase or decrease in the current period (decrease is presented in “-”)							-45,627,581.75			-871,345,878.36		-916,973,460.11
(I) Total comprehensive income							-45,627,581.75			85,883,335.84		40,255,754.09
(II) Capital contributed and reduced by												

owners												
1. Ordinary shares invested by the owners												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment recognized in owners' equity												
4. Others												
(III) Profit distribution										- 957,229,214.20	- 957,229,214.20	- 957,229,214.20
1. Withdrawal of surplus reserve												
2. Distribution to owners (or shareholders)										- 957,229,214.20	- 957,229,214.20	- 957,229,214.20
3. Others												
(IV) Internal carry-forward of owner's equity												
1. Capital reserve transferred into capital (or share capital)												
2. Surplus reserve transferred into capital (or share capital)												
3. Surplus reserves for making up loss												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Amount appropriated in the current period												

2. Use in the current period												
(VI) Others												
IV. Ending balance of the current period	10,125,525,000.00				11,243,374,721.45	6,987,008,823.24	171,990,142.20		1,270,743,066.03	1,914,225,775.78		17,738,849,882.22

Amount of previous year

Unit: RMB

Item	2024 semi-annual											
	Share capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total owners' equity
		Preferred shares	Perpetual bond	Other								
I. Ending balance of the previous year	10,125,525,000.00				11,243,374,721.45	6,619,807,176.02	80,110,211.22		974,151,644.68	1,073,563,316.15		16,876,917,717.48
Add: Changes in accounting policies												
Correction of errors in the previous period												
Other												
II. Opening balance of the year	10,125,525,000.00				11,243,374,721.45	6,619,807,176.02	80,110,211.22		974,151,644.68	1,073,563,316.15		16,876,917,717.48
III. Increase or decrease in the current period (decrease is presented in "-")						359,711,459.00	62,860,285.67			-918,894,283.58		-1,215,745,456.91
(I) Total comprehensive income							62,860,285.67			38,420,170.62		101,280,456.29
(II) Capital contributed and reduced by owners						359,711,459.00						-359,711,459.00
1. Ordinary shares invested by the owners						359,711,459.00						-359,711,459.00

2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment recognized in owners' equity												
4. Others												
(III) Profit distribution										- 957,314,454.20	- 957,314,454.20	
1. Withdrawal of surplus reserve												
2. Distribution to owners (or shareholders)										- 957,314,454.20	- 957,314,454.20	
3. Others												
(IV) Internal carry-forward of owner's equity												
1. Capital reserve transferred into capital (or share capital)												
2. Surplus reserve transferred into capital (or share capital)												
3. Surplus reserves for making up loss												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Amount appropriated in the current period												
2. Use in the current period												
(VI) Others												

IV. Ending balance of the current period	10,125,525,000.00				11,243,374,721.45	6,979,518,635.02	142,970,496.89		974,151,644.68	154,669,032.57		15,661,172,260.57
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III. Company Profile

Rongsheng Petrochemical operates in the petrochemical industry. The operating activities mainly are the production and sales of refined oil products, chemical products, PTA, polyester chips, polyester filaments and films. Rongsheng Petrochemical 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. Shares of the Company were listed for trading at Shenzhen Stock Exchange on November 2, 2010. As of June 30, 2025, the Company 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.

These financial statements were approved for issuance by the Company's Seventh Board of Directors at its 2nd meeting on August 21, 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 tips: 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 Enterprise

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. Recording currency

The Company and its domestic subsidiaries adopt RMB as the recording 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 recording currency.

5. Determination method and selection basis of importance standard

☒Applicable ☐Not applicable

Item	Importance standard
Important advance payments aged more than 1 year	A single prepayment amount exceeding 0.5% of total assets
Significant dividends receivable aged over 1 year	A single prepayment amount exceeding 0.5% of total assets
Important construction in progress	A single prepayment amount exceeding 0.5% of total assets
Important accounts payable aged more than 1 year	A single prepayment amount exceeding 0.5% of total assets
Important other payable aged more than 1 year	A single prepayment amount exceeding 0.5% of total assets
Important contractual liabilities aged more than 1 year	A single prepayment amount exceeding 0.5% of total assets
Important overseas operating entity	15% of total income
Important cash flows from investing activities	A single prepayment amount exceeding 0.5% of total assets
Important non-wholly owned subsidiary	Subsidiaries with total single assets exceeding 3% of total assets
Important joint ventures	Joint ventures with single investment book value exceeding 0.5% of the Company's total assets
Important contingencies	A single amount exceeding 3% of total assets or other matters that have a significant impact on investors' decisions
Important post-balance sheet events	Profit distributions after the balance sheet date and other matters that have a significant impact on investors' decisions

6. Accounting methods for business combinations under the same control and not under the same control

1. Accounting methods for business combinations under the same control

The assets and liabilities acquired by the Company in business combination shall be measured according to the book value 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 book value share of the owner's equity of the combined party in the consolidated financial statements of the final controlling party and the book value 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 the amortized cost

Financial assets measured at the amortized cost are subsequently measured with the amortized cost by means of 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 measured with fair value and with the changes included in current profit and loss

Financial liabilities measured with fair value and with the changes included in current profit and loss, including the trading financial liabilities (including derivative instruments belonging to financial liabilities) and the financial liabilities measured with fair value and with the changes included in current profit 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 assets do 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 that do not fall under 1) or 2) above, and loan commitments that do not fall under 1) above and are loaned at a rate below the market interest rate

They are subsequently measured after initial recognition according to the higher one of the following: ① the amount of loss reserve determined in accordance with the impairment provisions of financial instruments; ② the remaining amount after the determined accumulative amortization amount is deducted from the initially recognized amount in accordance with relevant provisions of the Accounting Standards for Business Enterprises No.14—Revenue.

4) Financial liabilities at amortized cost

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

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

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

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

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

(1) 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 book value of the financial asset as given in the balance sheet; For debt investment measured at fair value through other comprehensive income, the loss allowances are recognized in other comprehensive income by the Company instead of offsetting the book value of the financial assets.

6. Offset of financial assets and financial liabilities

Financial assets and financial liabilities are listed separately on the balance sheet and 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 and receivables

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

Portfolio category	Basis for determining portfolios	Method for measuring expected credit loss
Banker's acceptance receivables	Type of notes	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration
Commercial acceptance bill receivables		
Accounts receivable - aging portfolio	Aging	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the comparison table between the aging of accounts receivable and the expected credit loss rate is compiled to calculate the expected credit loss
Accounts receivable - trade accounts portfolio of overseas subsidiaries	Nature of account	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration
Accounts receivable - Related party dealings portfolio within the scope of consolidation	Related parties within the scope of consolidation [note]	
Other receivables - Related party dealings portfolio within the scope of consolidation	Related parties within the scope of consolidation [note]	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the next 12 months or the whole duration.
Other receivables - borrowing margin portfolio	Nature of account	
Other receivables - government receivables portfolio		
Other receivables - futures margin portfolio		
Other receivables - paper goods transaction settlement portfolio		
Other receivables - deposit and margin receivables portfolio		
Other receivables - reserve fund receivables portfolio		
Other receivables - current account portfolio		

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

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

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

The age of accounts receivable is calculated from the month in which the payment is actually made.

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

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

13. Stock

1. Classification of inventories

Inventories include 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) Packages

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

5. Recognition standard 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 the same control, where the combining party uses cash payment, transfer of non-cash assets, assumption of debts or issuing of equity securities as combination consideration, the share of owner's equity of the combined party acquired in the book value of total owner's equity in consolidated financial statements of the ultimate controller on the combination date shall be identified as the initial investment cost of long term equity investment. The difference between the initial investment cost of long-term equity investment and the book value of the combination consideration paid or the par value of the issued shares is adjusted against the capital reserve. If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

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

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

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

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

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

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

3. Methods for subsequent measurement and 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 associated enterprises and joint ventures is accounted for under the equity method.

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

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

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

- 1) These transactions were concluded at the same time or under the consideration of mutual impact;
- 2) These transactions as a whole can achieve a complete business result;
- 3) The occurrence of a transaction depends on the occurrence of at least one other transaction;
- 4) A transaction is uneconomical when viewed alone, but it is economical when considered together with other transactions.

(2) Accounting treatment for non-“package deals”

1) Individual financial statements

For disposal of equity, the difference between book value 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 book value 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

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

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.

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

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) Capitalization of borrowing costs should be stopped when assets eligible for capitalization are purchased, built or produced to the intended usable or saleable state.

3. Capitalization rate and capitalization 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, sea area use right, know-how, patented technology and management software, and so on, which are initially measured according to cost.

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

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

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

(1) Personnel labor expenses

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

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

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

(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 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, 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 product ion 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, 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 expenses for the internal R&D projects at the research stage are accounted into the current profits and losses in occurrence. The expenses for the internal R&D projects at the development stage can be recognized as intangible assets only when meeting the following conditions: (1) Technically feasible to complete the intangible assets, so that they can be used or sold; (2) With the intention to complete, use or sell the intangible assets; (3) Ways of intangible assets to generate economic benefits, including those can prove that the products generated by the intangible assets can be sold or the intangible assets themselves can be sold and prove that the intangible assets to be used internally are useful; (4) With the support of adequate technical and financial and other resources to complete the development of the intangible assets and with the ability to use or sell the intangible assets; (5) The expenses attributable to the development stage of the intangible assets can be measured reliably.

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 book value, the Company shall recognize the provision for asset impairment based on the difference and recognize such loss into the current gains and losses.

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, 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) Recognize the amount payable calculated according to the defined contribution plan in the accounting period when the employees provide services for the Company as the liabilities and include in current profits and losses or related asset costs.

(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. Estimated liabilities

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 estimated liabilities.

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

25. Income

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 cost and contract performance cost

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

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 that are required by government documents to be used for the acquisition or other formation of long-term assets are classified as asset-related government grants. If the government documents are not clear, judgment shall be made on the basis of the basic conditions that must be met to obtain the grants, and those that are based on the acquisition, construction or other formation of long-term assets are treated as asset-related government grants. Government grants relating to the assets are either written off against the book value of the relevant assets or recognized as deferred income. The government grants recognized as deferred income shall be recorded in the 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 incomes 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 income tax assets/deferred income tax liabilities

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

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

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

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

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

29. Lease

(1) Accounting treatment method of lease as the lessee

1. The Company as the lessee

On the commencement date of the lease term, the Company, as the lessee, 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 book value of the right-of-use asset accordingly in case of changes in the actual fixed payment amount, the expected payable amount of the guarantee residual value, the index or ratio used to determine the lease payment amount, the purchase option, and evaluation result or the actual exercise situation of the lease renewal option or the termination option. Where the book value of the right-of-use asset has been reduced to zero, but a further reduction is required for the lease liabilities, the remaining amount shall be included in the current 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 book value of the original assets related to the right-of-use obtained by leaseback, and only recognize the relevant gains or losses for the right transferred to the lessor.

If the asset transfer in the after-sale leaseback transaction does not belong to sales, the Company will

continue to recognize the transferred assets, and at the same time recognize a financial liability equal to the transferred income, and conduct accounting treatment for the financial liability according to the *Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments*.

(2) Accounting treatment method of lease as the lessor

1. The Company as the 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 as the as lessor. 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

(2) Changes in significant accounting estimate

☐Applicable ☒Not applicable

(3) The first implementation of the new accounting standards since 2025, 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 safety production costs, if they belong to cost expenditure, they shall directly offset the special reserves. Where a fixed asset is formed, the expenditures incurred shall be collected under the item “Construction in Progress” and shall be recognized as a fixed asset when the completed security project reaches the intended usable state. Moreover, the special reserves shall be written down upon the cost of the formed fixed assets, and the accumulated depreciation of the same amount shall be confirmed, and such fixed assets will not be depreciated in any following period.

(2) Segment report

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

1. It engages in business activities from which it may earn revenues and incur expenses;
2. The management can evaluate the operating results of such components on a regular basis, so as to decide to allocate resources to them and evaluate their performance;
3. It has access to accounting information of the component, such as its financial condition, operation result and cash flow.

VI. Taxes

1. Main tax categories and tax rates

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

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

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

[Note 3] Explanation for enterprise income tax rate of taxpayers at different tax rates.

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

2. Tax preference

1. According to requirements in the Notice on the Continuation of the Policy of Partial Consumption Tax on 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 enterprises that use naphtha and fuel oil to produce ethylene and aromatics, the consumption tax contained in the naphtha and fuel oil purchased and used for the production of ethylene and aromatic chemical products shall be refunded based on 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 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 97.3468 million.

3. According to the *Announcement on Filing High-Tech Enterprises Recognized by Zhejiang Certification Authorities in 2022* issued by the Office of the National Leading Group for High-Tech Enterprise Certification Management, subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd. (Certificate No.: GR202233004307) and Zhejiang Petroleum & Chemical Co., Ltd. (Certificate No.: GR202233003797) were certified as National High-Tech Enterprises (NHTEs), valid from December 2022 to November 2025. Both companies submitted NHTE renewal applications in July 2025 and provisionally adopted a 15% preferential corporate income tax rate during this reporting period.

According to the *Announcement on Filing the First Batch of High-Tech Enterprises Recognized by Ningbo Certification Authorities in 2022* issued by the same office, subsidiary Ningbo Zhongjin Petrochemical Co., Ltd. obtained NHTE certification (Certificate No.: GR202233101251) valid from December 2022 to November 2025. The company submitted its renewal application in June 2025 and provisionally adopted the 15% tax rate for this 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 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 Materials 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 Materials 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 offsetting 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.

VII. Notes to Items in the Consolidated Financial Statements

1. Monetary fund

Unit: RMB

Item	Ending balance	Beginning balance
Cash on hand	1,389,486.56	1,580,800.25
Bank deposit	13,468,459,512.05	12,624,073,263.80
Other monetary funds	1,422,790,077.04	2,207,730,856.40
Total	14,892,639,075.65	14,833,384,920.45
Including: Total amount of overseas deposits	5,289,220,194.53	2,835,618,399.02

2. Derivative financial assets

Unit: RMB

Item	Ending balance	Beginning balance
Paper futures contract	49,514,874.08	55,586,387.34
Foreign exchange derivatives	410,818,845.45	420,180,297.83
Total	460,333,719.53	475,766,685.17

3. Accounts receivable

(1) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	2,855,763,467.26	6,823,012,066.63
1-2 years	94,869,670.37	1,366.19
2-3 years	268,410,218.88	283,780,636.85
Above 3 years	48,802,014.40	33,453,923.37
Total	3,267,845,370.91	7,140,247,993.04

(2) Classified disclosure by bad debt accrual method

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Accounts receivable with provision for bad debt reserves based on aging portfolio	3,267,845,370.91	100.00%	226,361,777.51	6.93%	3,041,483,593.40	7,140,247,993.04	100.00%	318,276,286.68	4.46%	6,821,971,706.36
Total	3,267,845,370.91	100.00%	226,361,777.51	6.93%	3,041,483,593.40	7,140,247,993.04	100.00%	318,276,286.68	4.46%	6,821,971,706.36

Provision for bad debt by combination: RMB 226,361,777.51

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Trade fund portfolio of overseas subsidiaries	1,104,768,859.05		

Aging portfolio	2,163,076,511.86	226,361,777.51	10.46%
Total	3,267,845,370.91	226,361,777.51	6.93%

Accounts receivable of provision for bad debt by aging combination

Unit: RMB

Aging	Amount by the end of the period		
	Book balance	Bad-debt provision	Accrual ratio (%)
Within 1 year	1,750,994,608.21	87,549,730.41	5.00
1-2 year(s)	94,869,670.37	9,486,967.04	10.00
2-3 years	268,410,218.88	80,523,065.66	30.00
Above 3 years	48,802,014.40	48,802,014.40	100.00
Subtotal	2,163,076,511.86	226,361,777.51	10.46

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

☐Applicable ☒Not applicable

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

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Other	
Provision made for bad debt reserves based on aging portfolio	318,276,286.68	-91,914,509.17				226,361,777.51
Total	318,276,286.68	-91,914,509.17				226,361,777.51

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

Unit: RMB

Company name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion of accounts receivable and total ending balance of contract assets	Ending balance of bad debt provision for accounts receivable and impairment provision of contract assets
Customer 1	479,271,195.41		479,271,195.41	14.67%	23,963,559.77
Customer 2	366,703,727.67		366,703,727.67	11.22%	131,749,877.81
Customer 3	268,831,228.38		268,831,228.38	8.23%	
Customer 4	263,234,667.81		263,234,667.81	8.06%	13,161,733.39
Customer 5	219,529,725.21		219,529,725.21	6.72%	10,976,486.26
Total	1,597,570,544.48		1,597,570,544.48	48.90%	179,851,657.23

4. Receivables financing

(1) Classified presentation of receivables financing

Unit: RMB

Item	Ending balance	Beginning balance
Banker's acceptance	51,665,853.52	103,225,654.46
Total	51,665,853.52	103,225,654.46

(2) 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

Item	Amount with recognition terminated at the end of the period	Amount with recognition not terminated at the end of the period
Banker's acceptance	2,031,796,035.40	
Total	2,031,796,035.40	

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

5. Other receivables

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	4,973,940,872.85	4,345,964,007.66
Total	4,973,940,872.85	4,345,964,007.66

1) Classification of other receivables by nature

Unit: RMB

Nature of account	Ending book balance	Beginning book balance
Government receivables	4,566,020,651.93	3,675,348,932.89
Futures margin	309,288,459.37	313,138,787.88
Deposit receivable margin	30,562,769.90	285,638,372.22
Paper goods transaction settlement	55,658,838.02	75,500,340.27
Reserve fund receivables and others	66,811,684.55	30,929,370.92
Current accounts	10,800,000.00	10,800,000.00
Loan deposit		15,000,000.00
Total	5,039,142,403.77	4,406,355,804.18

2) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	4,408,240,796.70	3,154,663,061.38
1-2 years	8,629,366.49	165,271,254.66
2-3 years	604,704,043.24	1,063,871,496.61
Above 3 years	17,568,197.34	22,549,991.53
Total	5,039,142,403.77	4,406,355,804.18

3) Classified disclosure by bad debt accrual method

☒Applicable ☐Not applicable

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Provision made for bad debt reserves based on aging portfolio	5,039,142,403.77	100.00 %	65,201,530.92	1.29%	4,973,940,872.85	4,406,355,804.18	100.00 %	60,391,796.52	1.37%	4,345,964,007.66
Total	5,039,142,403.77	100.00 %	65,201,530.92	1.29%	4,973,940,872.85	4,406,355,804.18	100.00 %	60,391,796.52	1.37%	4,345,964,007.66

Provision for bad debts based on portfolio: RMB 65,201,530.92

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Government receivables portfolio	4,566,020,651.93	42,270,374.53	0.93%
Paper goods transaction settlement portfolio	55,658,838.02		
Futures margin portfolio	309,288,459.37		
Deposit receivable margin portfolio	30,562,769.90	13,238,716.27	43.32%
Portfolio of petty cash receivable, etc.	66,811,684.55	4,292,440.12	6.42%
Current account portfolio	10,800,000.00	5,400,000.00	50.00%
Total	5,039,142,403.77	65,201,530.92	1.29%

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

Unit: RMB

Bad-debt provision	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next	Expected credit loss over the entire	Expected credit loss for the entire duration (credit	

	12 months	duration (without credit impairment)	impairment has occurred)	
The balance as of January 1, 2025	2,857,644.85	2,858,135.80	54,676,015.87	60,391,796.52
The balance as of January 1, 2025 in the current period				
--Transferred into Stage II	-170,498.62	170,498.62		
--Transferred into Stage III		-190,000.00	190,000.00	
Provision in current period	1,312,588.00	-1,975,697.77	5,472,844.17	4,809,734.40
Balance as of June 30, 2025	3,999,734.23	862,936.65	60,338,860.04	65,201,530.92

Changes in the carrying amount of the provision for losses that are significant in amount during the current period

☐Applicable ☒Not applicable

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

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Other	
Provision made for bad debt reserves based on aging portfolio	60,391,796.52	4,809,734.40				65,201,530.92
Total	60,391,796.52	4,809,734.40				65,201,530.92

No significant recovery or reversal of bad debt provisions occurred during the current period.

5) Top five debtors with the biggest ending balances of other accounts receivable

Unit: RMB

Company name	Nature of payment	Ending balance	Aging	Proportion in a total ending balance of other receivables	Ending balance of provision for bad debts
Company 1	Tax refund receivables	3,523,964,235.93	Within 1 year	69.93%	
Company 2	Government receivables portfolio	603,036,416.00	2-3 years	11.97%	42,270,374.53
Company 3	Government receivables portfolio	439,020,000.00	Within 1 year	8.71%	
Company 4	Futures margin portfolio	84,819,772.80	Within 1 year	1.68%	
Company 5	Paper goods transaction settlement portfolio	55,658,838.02	Within 1 year	1.10%	
Total		4,706,499,262.75		93.39%	42,270,374.53

6. Advance payments

(1) Advance payments presented by age

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	3,618,997,151.43	98.91%	1,335,495,318.36	98.60%
1-2 years	32,494,569.55	0.89%	7,472,652.90	0.55%
2-3 years	3,975,560.29	0.11%	11,361,398.90	0.84%
Over 3 years	3,399,001.66	0.09%	190,338.32	0.01%
Total	3,658,866,282.93	100.00%	1,354,519,708.48	100.00%

Explanation for significant advance payments with an aging of over one year that have not been settled in a timely manner:

As of the end of the reporting period, there were no significant advance payments outstanding for more than one year.

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

Unit: RMB

Company name	Book balance	Proportion in balance of advance payments (%)
Supplier 1	1,214,208,087.16	33.19%
Supplier 2	369,877,432.95	10.11%
Supplier 3	203,244,113.32	5.55%
Supplier 4	162,039,283.70	4.43%
Supplier 5	161,007,825.00	4.40%
Subtotal	2,110,376,742.13	57.68%

7. Inventories

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

No

(1) Classification of inventories

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Inventory depreciation reserves or provision for impairment of contract performance cost	Book value	Book value	Inventory depreciation reserves or provision for impairment of contract performance cost	Book value

Raw material	23,159,244,658.16		23,159,244,658.16	24,248,974,369.50		24,248,974,369.50
Products in process	12,966,402,806.95	11,146,019.89	12,955,256,787.06	14,299,190,002.95	75,164,691.08	14,224,025,311.87
Commodity stocks	8,169,783,913.54	56,961,748.59	8,112,822,164.95	5,642,813,644.18	68,717,646.29	5,574,095,997.89
Semi-finished products shipped in transit				353,746,058.32	19,945,065.67	333,800,992.65
Work in process - outsourced	931,965.45		931,965.45	2,162,886.07		2,162,886.07
Low-value consumables	150,998,338.35		150,998,338.35	183,875,058.61		183,875,058.61
Total	44,447,361,682.45	68,107,768.48	44,379,253,913.97	44,730,762,019.63	163,827,403.04	44,566,934,616.59

(2) Provision for obsolete inventory or for impairment of the cost of contract performance

Unit: RMB

Item	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision	Other	Reversal or write-off	Other	
Raw material						
Products in process	75,164,691.08	11,146,019.89		75,164,691.08		11,146,019.89
Commodity stocks	68,717,646.29	141,004,574.67		152,760,472.37		56,961,748.59
Semi-finished products shipped in transit	19,945,065.67			19,945,065.67		
Total	163,827,403.04	152,150,594.56		247,870,229.12		68,107,768.48

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

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

8. Other current assets

Unit: RMB

Item	Ending balance	Beginning balance
VAT input tax to be deducted	4,680,818,658.48	5,238,332,408.47
Business income tax pre-paid	1,425,828,278.95	562,819,947.18
Prepaid urban maintenance and construction tax	84,488,338.50	
Prepaid education surcharge	36,209,287.91	
Prepaid surcharge for local education	24,139,525.29	
Total	6,251,484,089.13	5,801,152,355.65

9. Long-term equity investment

Unit: RMB

Investee	Beginning balance (book value)	Opening balance of impairment provision	Increase and decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Other comprehensive income adjustments	Other equity changes	Declared distribution of cash dividends or profits	Provision for impairment	Other		
I. Joint ventures												
II. Associated enterprise												
Zhejiang Yisheng Petrochemical Co., Ltd.	2,768,912,144.61				37,956,112.86	53,343.26					2,806,921,600.73	
Ningbo Hengyi Trading Co., Ltd.	77,873,401.26				-37,306,159.32	-1,902,091.68					38,665,150.26	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,690,000,655.85				172,588,141.95	-43,754,064.28		43,654,510.65			2,775,180,222.87	
Hainan Yisheng Petrochemical Co., Ltd.	3,529,633,126.07				1,696,073.85	-6,340,305.60					3,524,988,894.32	
ZPC-ENN (Zhoushan) Gas Co., Ltd.	14,209,724.51				2,913,084.74						17,122,809.25	
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	61,056,825.71				10,667,191.51						71,724,017.22	
Zhejiang Derong Chemicals Co., Ltd.	168,969,228.97		100,000,000.00		-9,537,904.30		1,265,407.57				260,696,732.24	
Zhoushan ZPC Zhougang Tugboat Co., Ltd.	74,980,969.45				6,589,361.37		-13,223.29				81,557,107.53	
Zhejiang Dongjiang Green Petrochemical Technology	98,800,803.30				1,819,562.91						100,620,366.21	

Innovation Center Co., Ltd.											
Ningbo Coastal Public Pipe Gallery Co., Ltd.	4,671,038.06		7,500.00		-363,408.29					11,807,629.77	
Zhejiang Zhenshi Port Service Co., Ltd.	27,528,403.38				3,275,776.49			5,000,000.00		25,804,179.87	
Subtotal	9,516,636,321.17		107,500,000.00		190,297,833.77	-51,943,118.30	1,252,184.28	48,654,510.65		9,715,088,710.27	
Total	9,516,636,321.17		107,500,000.00		190,297,833.77	-51,943,118.30	1,252,184.28	48,654,510.65		9,715,088,710.27	

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 real estates

(1) Investment real estate under the cost measurement mode

☒Applicable ☐Not applicable

Unit: RMB

Item	Houses and buildings	Land-use right	Construction in progress	Total
I. Original book value				
1. Initial balance	14,286,632.00			14,286,632.00
2. Increase in the current period				
(1) Outsourcing				
(2) Transfers from inventories/fixed assets/construction in progress				
(3) Increase due to business merger				
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance	14,286,632.00			14,286,632.00
II. Accumulated depreciation and accumulated amortization				

1. Initial balance	4,162,503.40			4,162,503.40
2. Increase in the current period	135,723.00			135,723.00
(1) Accrual or amortization	135,723.00			135,723.00
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance	4,298,226.40			4,298,226.40
III. Provision for impairment				
1. Initial balance				
2. Increase in the current period				
(1) Accrual				
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance				
IV. Book value				
1. Closing book value	9,988,405.60			9,988,405.60
2. Beginning book value	10,124,128.60			10,124,128.60

The recoverable amount is determined according to the net amount of fair value minus disposal expenses

☐Applicable ☒Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

☐Applicable ☒Not applicable

(2) Investment real estate under the fair value method

☐Applicable ☒Not applicable

11. Fixed assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	229,147,301,133.74	232,497,113,015.70
Total	229,147,301,133.74	232,497,113,015.70

(1) Fixed assets

Unit: RMB

Item	Housing and buildings	Machinery and equipment	Transportation	Other equipment	Total
I. Original book value:					
1. Initial balance	72,152,201,585.44	221,774,319,419.61	256,493,419.04	392,686,132.39	294,575,700,556.48
2. Increase in the current period	5,692,276.99	5,452,463,800.46	26,217,353.86	2,398,804.03	5,486,772,235.34
(1) Acquisition	2,761,168.73	533,323,610.91	26,217,353.86	2,398,804.03	564,700,937.53
(2) Transfer-in from construction in progress	2,931,108.26	4,919,140,189.55			4,922,071,297.81
(3) Increase due to business merger					
3. Decrease in the current period		87,897,008.84	1,647,526.22	981,666.03	90,526,201.09
(1) Disposal or scrapping		87,897,008.84	1,647,526.22	981,666.03	90,526,201.09
4. Ending balance	72,157,893,862.43	227,138,886,211.23	281,063,246.68	394,103,270.39	299,971,946,590.73
II. Accumulated depreciation					
1. Initial balance	12,146,723,044.18	49,402,962,051.82	211,991,349.15	305,371,423.41	62,067,047,868.56
2. Increase in the current period	1,593,917,903.87	7,210,616,317.55	8,597,474.88	16,700,301.35	8,829,831,997.65
(1) Accrual	1,593,917,903.87	7,210,616,317.55	8,597,474.88	16,700,301.35	8,829,831,997.65
3. Decrease in the current period		70,327,035.27	1,004,927.20	902,446.75	72,234,409.22
(1) Disposal or scrapping		70,327,035.27	1,004,927.20	902,446.75	72,234,409.22
4. Ending balance	13,740,640,948.05	56,543,251,334.10	219,583,896.83	321,169,278.01	70,824,645,456.99
III. Provision for impairment					
1. Initial balance		11,539,672.22			11,539,672.22
2. Increase in the current period					
(1) Accrual					
3. Decrease in the current period		11,539,672.22			11,539,672.22
(1) Disposal or scrapping		11,539,672.22			11,539,672.22
4. Ending balance					
IV. Book value					
1. Closing book value	58,417,252,914.38	170,595,634,877.13	61,479,349.85	72,933,992.38	229,147,301,133.74

2. Beginning book value	60,005,478,541.26	172,359,817,695.57	44,502,069.89	87,314,708.98	232,497,113,015.70
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(2) Fixed assets with the certificate of title not transacted

Unit: RMB

Item	Book value	Reasons for incomplete certificates of title
Houses and buildings - tank farm, supporting buildings and others of ZPC	5,232,308,679.16	Still being processed
Houses and buildings - dormitories of ZPC	563,752,962.44	Still being processed
Houses and buildings - office buildings and others of Yisheng Dahua Petrochemical Co., Ltd.	429,957,744.80	Still being processed
Houses and buildings - polymerization building and others of Zhejiang Shengyuan Chemical Fiber Co., Ltd.	357,891,656.48	Still being processed
Houses and buildings - buildings of Zheyong Technology Co. Ltd.	82,559,405.56	Still being processed
Houses and buildings -film warehouse and others of Zhejiang Yongsheng Technology Co. Ltd.	40,817,496.58	Still being processed
Subtotal	6,707,287,945.02	

(3) Impairment test of fixed assets

☐Applicable ☒Not applicable

12. Projects under construction

Unit: RMB

Item	Ending balance	Beginning balance
Construction in progress	49,283,767,532.48	42,746,526,646.14
Engineering materials	3,523,830,240.63	1,289,605,450.14
Total	52,807,597,773.11	44,036,132,096.28

(1) Construction in progress

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
1.4 million tons ethylene and downstream chemical plant (optimization of product structure of	14,795,185,785.75		14,795,185,785.75	15,446,802,951.63		15,446,802,951.63

Phase II project)						
Utilities and supporting facilities	5,037,015,877.41		5,037,015,877.41	899,607,272.74		899,607,272.74
Functional polyester film expansion project with an annual output of 250,000 tons per year	1,030,455,357.48		1,030,455,357.48	964,148,483.95		964,148,483.95
High performance resin project	9,967,623,196.88		9,967,623,196.88	12,950,188,181.48		12,950,188,181.48
High-end new material project	5,462,807,649.92		5,462,807,649.92	3,140,188,910.32		3,140,188,910.32
Jintang New Material Project	7,211,201,339.23		7,211,201,339.23	4,335,769,983.60		4,335,769,983.60
Sporadic projects	5,779,478,325.81		5,779,478,325.81	5,009,820,862.42		5,009,820,862.42
Total	49,283,767,532.48		49,283,767,532.48	42,746,526,646.14		42,746,526,646.14

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

Unit: RMB

Project	Budget number	Beginning balance	Increase in the current period	Amount of fixed assets carried over in the current period	Other decreases in the current period	Ending balance	Proportion of total project input to the budget	Project progress	Accumulated capitalized amount of interest	Including: Capitalized amount of interest in the current period	Interest capitalization rate in the current period	Source of funds
1.4 million tons ethylene and downstream chemical plant (optimization of product structure of Phase II project)	34,485,170,000.00	15,446,802,951.63	137,056,625.02	788,673,790.90		14,795,185,785.75	99.77%	97.00%	798,120,474.43	135,238,824.77	3.29%	Bank loan, other source
Utilities and supporting facilities		899,607,272.74	4,622,081,529.73	484,672,925.06		5,037,015,877.41			271,241,212.59	28,065,471.18	2.65%	Bank loan, other source

High performance resin project	19,23 5,380, 000.0 0	12,95 0,188, 181.4 8	526,5 57,42 5.05	3,509, 122,4 09.65		9,967, 623,1 96.88	77.0 7%	75.00 %	268,89 9,488. 05	115,50 7,790. 17	2.68%	Bank loan, other source
High-end new material project	64,14 6,910, 000.0 0	3,140, 188,9 10.32	2,322, 618,7 39.60			5,462, 807,6 49.92	9.37 %	9.00%	69,662 ,910.2 6	37,600 ,999.7 4	2.68%	Bank loan, other source
Jintang New Material Project	79,53 8,570, 000.0 0	4,335, 769,9 83.60	2,875, 431,3 55.63			7,211, 201,3 39.23	9.07 %	19.00 %	179,27 8,896. 18	97,775 ,926.2 6	2.80%	Bank loan, other source
Total	197,4 06,03 0,000. 00	36,77 2,557, 299.7 7	10,48 3,745, 675.0 3	4,782, 469,1 25.61		42,47 3,833, 849.1 9			1,587, 202,98 1.51	414,18 9,012. 12		

(3) Impairment test of construction in progress

☐Applicable ☒Not applicable

(4) Engineering materials

Unit: RMB

Item	Ending balance			Beginning balance		
	Book value	Provision for impairment	Book value	Book value	Provision for impairment	Book value
Special material	3,335,894,610.76		3,335,894,610.76	1,019,693,874.99		1,019,693,874.99
Special equipment	187,935,629.87		187,935,629.87	269,911,575.15		269,911,575.15
Total	3,523,830,240.63		3,523,830,240.63	1,289,605,450.14		1,289,605,450.14

13. Right-of-use assets

(1) Details of right-of-use assets

Unit: RMB

Item	Housing and buildings	Total
I. Original book value		
1. Initial balance	280,851,790.98	280,851,790.98
2. Increase in the current period		
3. Decrease in the current period		

4. Ending balance	280,851,790.98	280,851,790.98
II. Accumulated depreciation		
1. Initial balance	104,613,969.43	104,613,969.43
2. Increase in the current period	11,836,985.34	11,836,985.34
(1) Accrual	11,836,985.34	11,836,985.34
3. Decrease in the current period		
(1) Disposal		
4. Ending balance	116,450,954.77	116,450,954.77
III. Provision for impairment		
1. Initial balance		
2. Increase in the current period		
(1) Accrual		
3. Decrease in the current period		
(1) Disposal		
4. Ending balance		
IV. Book value		
1. Closing book value	164,400,836.21	164,400,836.21
2. Beginning book value	176,237,821.55	176,237,821.55

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

☐Applicable ☒Not applicable

14. Intangible assets

(1) Intangible assets

Unit: RMB

Item	Land-use right	Proprietary technology	Management software	Pollution dumping right	Sea area use right	Total
I. Original book value						
1. Initial balance	9,094,956,244.42	5,879,510.85	63,139,236.32	138,676,630.67	32,334,333.26	9,334,985,955.52
2. Increase in the current period	606,728,802.38		200,616.97	51,269.27	27,465,670.20	634,446,358.82
(1)	595,482,792.00		200,616.97	51,269.27	27,465,670.20	623,200,348.44

Acquisition						
(2) Other	11,246,010.38					11,246,010.38
3. Decrease in the current period					11,246,010.38	11,246,010.38
(1) Other					11,246,010.38	11,246,010.38
4. Ending balance	9,701,685,046.80	5,879,510.85	63,339,853.29	138,727,899.94	48,553,993.08	9,958,186,303.96
II. Accumulated amortization						
1. Initial balance	1,034,947,065.36	4,731,712.14	35,888,850.92	112,071,849.07	4,565,383.23	1,192,204,860.72
2. Increase in the current period	96,620,897.20	94,339.62	3,195,166.66	7,619,831.52	5,208,322.44	112,738,557.44
(1) Accrual	96,339,746.95	94,339.62	3,195,166.66	7,619,831.52	5,208,322.44	112,457,407.19
(2) Other	281,150.25					281,150.25
3. Decrease in the current period					281,150.25	281,150.25
(1) Other					281,150.25	281,150.25
4. Ending balance	1,131,567,962.56	4,826,051.76	39,084,017.58	119,691,680.59	9,492,555.42	1,304,662,267.91
III. Provision for impairment						
1. Initial balance						
2. Increase in the current period						
(1) Accrual						
3. Decrease in the current period						
(1) Disposal						
4. Ending balance						
IV. Book value						
1. Closing book value	8,570,117,084.24	1,053,459.09	24,255,835.71	19,036,219.35	39,061,437.66	8,653,524,036.05
2. Beginning book value	8,060,009,179.06	1,147,798.71	27,250,385.40	26,604,781.60	27,768,950.03	8,142,781,094.80

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

Unit: RMB

Item	Book value	Reasons for incomplete certificates of title
Land-use right	1,080,668,152.16	Still being processed
Subtotal	1,080,668,152.16	

(3) Impairment test of intangible assets

☐Applicable ☒Not applicable

15. Deferred tax assets/deferred tax liabilities

(1) Deferred income tax assets before offset

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for impairment of assets	283,257,890.92	46,795,208.81	436,276,327.17	74,249,543.63
Unrealized profits from internal transactions	140,295,802.44	25,138,935.55	99,854,988.15	18,235,948.62
Deductible loss	7,937,194,033.06	1,435,835,892.76	8,534,688,742.74	1,550,960,099.21
Changes in fair value of trading financial instruments and derivative financial instruments	136,033,398.79	20,405,009.82	331,739,047.49	49,815,680.12
Deferred income	236,242,191.27	36,247,439.77	191,230,102.07	29,528,959.74
Lease liabilities	175,391,811.15	26,308,771.67	182,212,003.42	27,331,800.51
Total	8,908,415,127.63	1,590,731,258.38	9,776,001,211.04	1,750,122,031.83

(2) Deferred income tax liabilities before offset

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary difference	Deferred income tax liabilities	Taxable temporary difference	Deferred income tax liabilities
One-time pre-tax deduction of long-term assets	9,643,260,840.55	1,445,430,951.00	10,046,188,810.96	1,506,928,321.65
The parent company, reflected at the level of consolidated statements, invests the borrowing as paid-in capital into the subsidiary company, which serves as the borrowing interest for the capitalization of long-term asset construction.	2,032,973,050.71	318,318,245.76	2,066,452,064.88	319,599,270.81
Changes in fair value of trading financial instruments and derivative financial instruments	453,467,665.45	68,894,901.82	432,807,147.83	64,977,475.17
Right-of-use assets	160,716,737.32	24,107,510.60	168,620,191.32	25,293,028.70
Government grants	439,020,000.00	109,755,000.00	694,020,000.00	173,505,000.00
Total	12,729,438,294.03	1,966,506,609.18	13,408,088,214.99	2,090,303,096.33

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

Unit: RMB

Item	Ending offset amount of deferred income tax assets and liabilities	Ending balance of deferred income tax assets and liabilities after offset	Beginning offset amount of deferred income tax assets and liabilities	Beginning balance of deferred income tax assets and liabilities after offset
Deferred income tax assets	250,075,832.37	1,340,655,426.01	512,945,754.55	1,237,176,277.28
Deferred income tax liabilities	250,075,832.37	1,716,430,776.81	512,945,754.55	1,577,357,341.78

(4) Details of unrecognized deferred income tax assets

Unit: RMB

Item	Ending balance	Beginning balance
Deductible loss	2,814,198,895.32	3,061,760,213.17
Changes in fair value of trading financial instruments and derivative financial instruments	93,269,592.68	468,838.23
Deferred income	6,895,735.64	7,399,864.22
Provision for impairment of assets	11,211,655.07	45,827,362.55
Lease liabilities	6,641,219.34	10,610,567.21
Total	2,932,217,098.05	3,126,066,845.38

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

Unit: RMB

Year	Ending amount	Beginning amount	Remarks
2025	771,997,972.23	869,483,144.03	
2026	614,091,618.09	852,118,955.75	
2027	1,093,391,667.93	1,094,476,141.77	
2028	102,001,146.58	104,227,489.45	
2029	172,783,801.19	141,454,482.17	
2030	59,932,689.30		
Total	2,814,198,895.32	3,061,760,213.17	

16. Other non-current assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value

Prepayment for purchase of long-term assets	3,472,038,619.54		3,472,038,619.54	2,936,356,587.96		2,936,356,587.96
Rental value of silver leased in	990,467,185.82		990,467,185.82	990,467,185.82		990,467,185.82
Total	4,462,505,805.36		4,462,505,805.36	3,926,823,773.78		3,926,823,773.78

17. Assets with ownership or use rights restricted

Unit: RMB

Item	Period end				Period beginning			
	Book balance	Book value	Restriction type	Restriction situation	Book balance	Book value	Restriction type	Restriction situation
Monetary fund	870,670,983.46	870,670,983.46	Deposit occupation	Letter of credit, bank acceptance bill, guarantee and borrowing deposit	1,889,552,585.00	1,889,552,585.00	Deposit occupation	Letter of credit, bank acceptance bill, silver lease margin, guarantee and borrowing deposit
Fixed assets	259,481,524,660.93	205,609,506,193.28	Mortgage	Borrowings and letters of credit as collateral	254,645,778,826.31	208,346,971,958.41	Mortgage	Borrowings and letters of credit as collateral
Intangible assets	6,229,413,556.02	5,567,692,378.63	Mortgage	Borrowings and letters of credit as collateral	6,229,413,556.02	5,629,806,156.03	Mortgage	Borrowings and letters of credit as collateral
Construction in progress	29,756,065,409.14	29,756,065,409.14	Mortgage	Borrowings and letters of credit as collateral	29,474,930,368.68	29,474,930,368.68	Mortgage	Borrowings and letters of credit as collateral
Accounts receivable financing					57,470,000.00	57,470,000.00	Pledge	Bank acceptance bills as collateral
Total	296,337,674,609.55	241,803,934,964.51			292,297,145,336.01	245,398,731,068.12		

18 Short-term borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Guarantee borrowings	42,769,389,677.36	40,887,276,581.01
Credit borrowings	3,504,629,014.30	3,203,693,222.22

Total	46,274,018,691.66	44,090,969,803.23
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19. Trading financial liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Trading financial liabilities	1,484,797,113.33	1,269,256,561.53
Where: Fair value of leased silver	1,484,797,113.33	1,269,256,561.53
Total	1,484,797,113.33	1,269,256,561.53

20. Derivative financial liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Paper futures contract	93,269,592.68	34,655,378.23
Foreign exchange derivatives	2,679,876.86	
Total	95,949,469.54	34,655,378.23

21. Notes payable

Unit: RMB

Category	Ending balance	Beginning balance
Banker's acceptance	2,356,024,860.95	3,204,293,497.95
Total	2,356,024,860.95	3,204,293,497.95

22. Accounts payable

Unit: RMB

Item	Ending balance	Beginning balance
Payable for material procurement and operation	57,365,805,904.72	50,482,691,896.90
Payable for purchase of long-term assets	6,519,849,769.89	8,550,137,922.21
Total	63,885,655,674.61	59,032,829,819.11

23. Other payables

Unit: RMB

Item	Ending balance	Beginning balance
Other payables	9,068,973,579.80	6,588,756,879.48
Total	9,068,973,579.80	6,588,756,879.48

1) Other payables listed by the nature of payment

Unit: RMB

Item	Ending balance	Beginning balance
Current accounts	7,839,408,651.53	5,548,635,694.24
Deposit and security	1,002,094,010.55	916,055,524.03
Settled but unpaid operating expenses	163,590,846.64	110,443,622.88
Other	63,880,071.08	13,622,038.33
Total	9,068,973,579.80	6,588,756,879.48

As of the end of the period, there were no significant other payables aged over 1 year.

24. Contractual liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Loans	2,183,602,360.00	5,995,580,462.05
Total	2,183,602,360.00	5,995,580,462.05

As of the end of the reporting period, there were no significant contract liabilities outstanding for more than one year.

25. Payroll payable
(1) Presentation of employee benefits

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term compensation	984,064,165.64	1,868,896,217.74	2,204,806,148.55	648,154,234.83
II. Post-employment benefits - defined contribution plan	12,745,112.85	88,454,428.37	69,989,305.76	31,210,235.46
III. Dismissal welfare		220,281.63	220,281.63	
Total	996,809,278.49	1,957,570,927.74	2,275,015,735.94	679,364,470.29

(2) Short-term remuneration

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Wage, bonus, allowance and subsidy	975,036,853.98	1,773,770,162.08	2,110,442,079.74	638,364,936.32
2. Employee welfare expenses		8,759,658.27	8,759,658.27	
3. Social insurance premium	7,846,287.59	51,257,189.72	50,501,220.92	8,602,256.39
Including: Medical insurance premium	7,046,508.11	45,777,863.48	46,105,889.51	6,718,482.08
Work-related injury insurance	799,779.48	5,297,852.22	4,213,857.39	1,883,774.31

premium				
Birth insurance premium		181,474.02	181,474.02	
4. Housing provident fund	333,852.68	23,273,773.03	23,440,841.82	166,783.89
5. Labor union and personnel education expenses	847,171.39	11,835,434.64	11,662,347.80	1,020,258.23
Total	984,064,165.64	1,868,896,217.74	2,204,806,148.55	648,154,234.83

(3) Presentation of defined contribution plan

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	12,326,595.56	85,770,309.73	67,842,481.34	30,254,423.95
2. Unemployment insurance premium	418,517.29	2,684,118.64	2,146,824.42	955,811.51
Total	12,745,112.85	88,454,428.37	69,989,305.76	31,210,235.46

26. Taxes payable

Unit: RMB

Item	Ending balance	Beginning balance
Value-added tax	526,046,975.53	13,254,307.86
Consumption tax	579,604,716.66	747,606,263.37
Enterprise income tax	91,802,918.29	89,950,544.34
Individual income tax	8,913,597.00	15,562,859.71
Urban maintenance and construction tax	89,951,281.99	98,714,225.59
Property tax	13,583,047.09	34,022,887.00
Land use tax	60,640,533.02	116,305,831.44
Education surcharge	37,154,277.47	42,653,919.65
Local education surcharge	24,770,818.26	28,437,246.39
Environmental protection tax	3,427,536.98	3,145,855.20
Stamp duty	46,505,836.67	67,254,962.09
Deed tax	19,750,212.00	20,953,566.00
Total	1,502,151,750.96	1,277,862,468.64

27. Non-current liabilities due within one year

Unit: RMB

Item	Ending balance	Beginning balance
Long-term borrowings due within one year	41,904,925,519.12	38,301,297,104.65
Lease liabilities due within one year	20,725,042.40	21,198,112.29

Total	41,925,650,561.52	38,322,495,216.94
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28. Other current liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Output tax to be transferred	270,153,302.03	742,351,889.84
Total	270,153,302.03	742,351,889.84

29. Long-term borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Mortgage borrowings	62,547,589.60	187,683,275.31
Guaranteed borrowings	25,773,435,825.69	25,309,274,718.75
Credit borrowings	1,136,864,988.56	874,673,819.84
Pledge borrowings	89,658,094,359.59	93,146,709,048.51
Total	116,630,942,763.44	119,518,340,862.41

[Note] The long-term borrowings of the Company and its subsidiaries include contractual conditions, including debt-to-asset ratio, current ratio, and interest coverage ratio. Failure to comply with these contractual conditions may result in the loans becoming repayable on demand by the bank. The Company and its subsidiaries expect to comply with the aforementioned contractual conditions.

30. Lease liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease payments	203,156,443.18	212,198,297.79
Unacknowledged financial charges	-41,848,455.09	-40,573,839.45
Total	161,307,988.09	171,624,458.34

31. Deferred income

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reasons for incurrence
Government grants	198,629,966.29	58,145,100.00	13,637,139.38	243,137,926.91	Government grants related to assets
Total	198,629,966.29	58,145,100.00	13,637,139.38	243,137,926.91	

32. Share capital

Unit: RMB

	Beginning balance	Increase and decrease of this change (+, -)					Ending balance
		New issue of shares	Issue of bonus shares	Conversion of provident fund into shares	Other	Subtotal	
Total number of shares	10,125,525,000.00						10,125,525,000.00

33. Capital reserves

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Capital premium (capital stock premium)	10,779,726,139.51			10,779,726,139.51
Other capital reserves	39,840,495.53	638,613.98		40,479,109.51
Total	10,819,566,635.04	638,613.98		10,820,205,249.02

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

As a result of other changes in owners' equity of associates other than net profit or loss, other comprehensive income and profit appropriation, the Company's share, calculated on the basis of the proportion of shareholding, was credited to capital surplus (other capital surplus) in the amount of RMB 638,613.98.

34. Treasury stock

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Repurchase of public shares	6,987,008,823.24			6,987,008,823.24
Total	6,987,008,823.24			6,987,008,823.24

35. Other comprehensive income

Unit: RMB

Item	Beginning balance	Amount incurred in the current period						Ending balance
		Amount incurred before current income tax	Less: amount included in other comprehensive income previously and then transferred into current gain and loss	Less: Amount included in other comprehensive incomes previously and then transferred into current retained earnings	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to the minority shareholders after tax	
I. Other comprehensive income that cannot be reclassified into profit or loss								
II. Other comprehensive income to be reclassified into profit or loss	280,892,216.98	-67,422,232.10				-63,618,787.95	-3,803,444.15	217,273,429.03
Including: other comprehensive income convertible into profit or loss by the equity method	225,977,453.58	-51,943,118.30				-50,041,026.62	-1,902,091.68	175,936,426.96
Translation difference of financial statements in foreign currency	54,914,763.40	-15,479,113.80				-13,577,761.33	-1,901,352.47	41,337,002.07
Total other comprehensive income	280,892,216.98	-67,422,232.10				-63,618,787.95	-3,803,444.15	217,273,429.03

36. Special reserve

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Work safety expenses	19,057,187.43	203,467,546.03	170,337,182.73	52,187,550.73

Total	19,057,187.43	203,467,546.03	170,337,182.73	52,187,550.73
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Other notes, including notes to increase and decrease in the current period and its reasons:

Changes in special reserve during the period were all attributable to safety production fees provided for and expended by subsidiaries Yisheng Dahua Petrochemical Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd. and ZPC Zheyong Technology Co., Ltd.

37. Surplus reserve

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserve	1,270,743,066.03			1,270,743,066.03
Total	1,270,743,066.03			1,270,743,066.03

38. Undistributed profits

Unit: RMB

Item	Current period	Previous year
Undistributed profits at the end of the prior period before the adjustment	28,330,397,005.41	28,859,818,194.51
Total amount of undistributed profit at the beginning of adjustment (“+” for increase, “-” for decrease)		
Undistributed profit at the beginning of the period after adjustment	28,330,397,005.41	28,859,818,194.51
Add: Net profit attributable to the owner of the parent company in the current period	602,084,104.39	724,484,686.45
Less: Appropriation of statutory surplus reserve		296,591,421.35
Common stock dividends payable	957,229,214.20	957,314,454.20
Undistributed profit at the end of the period	27,975,251,895.60	28,330,397,005.41

39. Operating income and operating costs

(1) Detailed breakdown

Unit: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	148,009,181,013.17	128,437,128,123.01	160,079,424,414.28	140,556,935,637.10
Other businesses	620,169,922.33	441,831,814.58	1,170,319,863.57	699,198,058.96
Total	148,629,350,935.50	128,878,959,937.59	161,249,744,277.85	141,256,133,696.06

(2) Breakdown of Operating Revenue and Operating Costs

1) Revenue from contracts with customers, broken down by type of goods or services

Unit: RMB

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Oil refining	52,406,252,637.61	40,569,244,124.05	59,838,932,657.76	48,726,246,424.89
Chemical	60,742,136,938.65	53,407,151,495.43	57,596,453,886.82	49,118,458,197.00
PTA	15,754,125,991.87	15,707,088,918.89	26,077,114,974.80	26,373,338,285.23
Polyester chemical fiber film	11,125,503,900.41	10,959,123,038.16	8,458,552,743.59	8,345,372,567.39
Trade and others	8,601,331,466.96	8,236,352,361.06	9,278,690,014.88	8,692,718,221.55
Total	148,629,350,935.50	128,878,959,937.59	161,249,744,277.85	141,256,133,696.06

2) Revenue from contracts with customers, broken down by transfer time of goods or services

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Revenue recognized at a certain point of time	148,625,506,295.70	161,249,318,488.86
Revenue recognized at a certain period of time	3,844,639.80	425,788.99
Total	148,629,350,935.50	161,249,744,277.85

(3) Information on performance obligations

Item	Time to fulfill performance obligations	Important payment terms	The nature of the goods that the Company promises to transfer	Whether it is the main responsible person	The amount expected to be refunded to customers undertaken by the Company	Types of quality assurance provided by the Company and related obligations
Sales of goods	Upon delivery of goods	Advance receipts; Accounts receivable are generally due within 30 to 90 days after product delivery	Products complying with national standards	Yes	None	Warranty-type quality assurance

(4) The revenue recognized in the current period included in the opening book value of contract liabilities is RMB 5,995,580,462.05.

40. Taxes and surcharges

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Consumption tax	11,175,699,023.28	10,978,246,370.38
Urban maintenance and construction tax	782,709,884.37	764,424,581.48
Education surcharge	337,116,153.80	332,817,591.84
Property tax	23,445,599.03	14,133,561.40
Land use tax	58,116,054.62	72,200,604.38
Vehicle and vessel use tax	43,838.21	44,985.46
Stamp duty	113,549,108.55	107,573,102.77
Local education surcharge	224,744,102.49	221,878,394.54
Environmental protection tax	6,381,089.55	5,630,479.78
Other	26,326,601.72	
Total	12,748,131,455.62	12,496,949,672.03

41. Management expenses

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	191,387,950.72	208,789,083.98

Office expenses	41,443,666.62	54,249,360.40
Depreciation and amortization expense	133,685,404.20	106,087,038.33
Insurance premium	56,591,532.93	30,511,570.43
Business entertainment expenses	9,292,968.52	6,882,681.56
Other	34,420,354.02	31,521,138.44
Total	466,821,877.01	438,040,873.14

42. Marketing expenses

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Employee compensation	57,339,546.73	56,136,825.51
Sales business expenses	2,095,862.18	2,193,116.70
Other	24,857,935.25	20,603,542.75
Total	84,293,344.16	78,933,484.96

43. R&D expenses

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Direct input	1,705,509,902.92	1,665,062,813.44
Depreciation and amortization	347,075,587.62	454,966,340.52
Employee compensation	275,138,926.71	362,187,152.24
Equipment commissioning fee	6,088,072.49	8,550,243.78
Outsourcing R&D and others	35,279,205.42	6,163,262.37
Total	2,369,091,695.16	2,496,929,812.35

44. Financial expenses

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Interest expense	3,280,153,933.32	3,544,593,781.09
Interest income	222,591,881.34	240,894,876.38
Exchange gain or loss	1,363,537.16	186,839,681.50
Other	151,030,675.77	205,072,357.61
Total	3,209,956,264.91	3,695,610,943.82

45. Other income

Unit: RMB

Sources generating other incomes	Amount incurred in the current period	Amount incurred in the previous period
Government grants related to assets	13,637,139.38	12,759,033.44
Government grants related to income	401,568,707.90	354,442,587.20
Return of fees for withheld taxes	4,155,049.74	3,889,552.53
Value-added tax with deduction	644,538,133.02	881,642,794.60
Other	938,426.37	1,017,500.00
Total	1,064,837,456.41	1,253,751,467.78

46. Income from changes in fair value

Unit: RMB

Sources of income from changes in fair value	Amount incurred in the current period	Amount incurred in the previous period
Derivative financial assets	37,473,544.84	326,380,708.78
Derivative financial liabilities	-93,269,592.68	-1,011,440.00
Trading financial liabilities	-243,925,361.38	-210,332,050.25
Where: income from changes in fair value arising from leasing silver	-243,925,361.38	-210,332,050.25
Total	-299,721,409.22	115,037,218.53

47. Investment income

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income calculated by equity method	190,297,833.77	187,861,798.54
Investment income from disposal of trading financial liabilities	28,384,808.76	
Financing discount loss of receivables	-3,056,076.31	-346,723,053.25
Investment income from disposal of derivative financial assets	68,243,991.21	106,473,045.31
Interest income from related party lending	176,094.32	213,251.56
Total	284,046,651.75	-52,174,957.84

48. Credit impairment loss

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Bad debt losses	87,104,774.79	-138,884,225.38
Total	87,104,774.79	-138,884,225.38

49. Asset impairment loss

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Inventory depreciation loss	-152,150,594.56	-12,655,239.18
Total	-152,150,594.56	-12,655,239.18

50. Income from asset disposal

Unit: RMB

Sources of asset disposal income	Amount incurred in the current period	Amount incurred in the previous period
Income from disposal of assets	-64,124.27	5,269,441.94

51. Non-operating income

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring gain and loss of the current period
Income from indemnity and fines	3,232,472.57	7,023,731.21	3,232,472.57
Other	666,376.43	804,113.55	666,376.43
Total	3,898,849.00	7,827,844.76	3,898,849.00

52. Non-operating expenses

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period	Amount included in non-recurring gain and loss of the current period
External donations	4,000,000.00	3,750,000.00	4,000,000.00
Impairment and disposal losses of non-current assets	2,486,853.31		2,486,853.31
Indemnity, fines and late fee	8,747,499.44	31,084,001.90	8,747,499.44
Other	242,290.81	602,771.24	242,290.81
Total	15,476,643.56	35,436,773.14	15,476,643.56

53. Income tax expenses

(1) Presentation of income tax expenses

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Income tax expenses in the current period	142,723,502.07	292,771,993.36
Deferred income tax expenses	35,594,286.30	-34,862,774.83
Total	178,317,788.37	257,909,218.53

(2) Adjustment of accounting profit and income tax expense

Unit: RMB

Item	Amount incurred in the current period
Total profits	1,844,571,321.39
Income tax expenses calculated at the appropriate/applicable tax rate	461,142,830.35
Impact of different tax rates applied on subsidiaries	-137,489,871.39
Influence of income tax during periods prior to adjustment	-2,481,117.17
Influence of non-taxable income	-47,574,458.44
Impact of non-deductible costs, expenses and losses	25,269,834.08
Impact of using deductible loss on deferred income tax assets unrecognized in prior periods	-567,388.46
Impact of temporary deductible difference or deductible loss on deferred income tax assets unrecognized in the current period	35,455,233.64
Impact of R&D cost plus deduction	-155,437,274.24
Income tax expenses	178,317,788.37

54. Other comprehensive incomes

See the Notes VII 35 for details.

55. Cash flow statement items

(1) Cash related to operating activities

Other cash received related to operating activities

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
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Recovery of bills, letters of credit and other deposits	946,130,946.82	1,274,732,571.30
Interest income received from bank deposits	222,591,881.35	240,894,876.38
Recovery of operating deposit and security deposit	500,536,662.41	77,717,964.04
Government grants received	1,168,356,849.18	1,277,709,639.73
Other	77,479,188.12	49,108,054.42
Total	2,915,095,527.88	2,920,163,105.87

Other cash paid related to operating activities

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Payment of bills, letters of credit and other deposits	718,529,832.90	1,039,940,396.18
Cash disbursements from administrative expenses, R&D expenses and sales expenses	324,385,018.05	200,274,385.44
Payment of bank charges	140,468,419.35	184,101,320.45
Payment of operating deposit and security deposit	152,596,821.33	77,799,264.13
Other	215,285,078.15	87,342,072.61
Total	1,551,265,169.78	1,589,457,438.81

(2) Cash related to investment activities

Other cash received related to investment activities

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Recovery of bills, letters of credit and other deposits	20,810,762.77	58,439,047.20
Received deposit for project and land auction	12,466,400.00	700,000.00
Recovery of temporary borrowings and interest from ZPC-ENN (Zhoushan) Gas Co., Ltd.	186,660.00	213,251.56
Total	33,463,822.77	59,352,298.76

Other cash paid related to investment activities

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Paid deposit related to project and land auction	17,692,600.00	29,960,000.00
Payment of bills, letters of credit and other deposits	19,592,872.76	78,543,840.40
Total	37,285,472.76	108,503,840.40

(3) Cash related to financing activities

Other cash received related to financing activities

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Temporary borrowings received from Zhejiang Rongsheng Holding Group Co., Lt d.	3,030,000,000.00	898,500,000.00
Recovery of silver lease deposits	949,022,591.65	
Recovery of borrowing deposit	132,500,000.00	250,000,000.00
Payment received for discounted but unexpired L/Cs and notes	8,317,753,820.39	17,650,908,866.65
Total	12,429,276,412.04	18,799,408,866.65

Other cash paid related to financing activities

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Repayment of temporary borrowings to Zhejiang Rongsheng Holding Group Co., Ltd.	793,685,359.55	2,638,841,925.73
Repayment of entrusted loan and interest to Zhejiang Yisheng Petrochemical Co., Ltd.		561,272,792.49
Payment of financing fees	6,495,620.57	10,641,996.38
Payments for right-of-use assets	15,826,686.80	14,493,187.65
Payment of borrowing deposit		250,000,000.00
Payment for stock repurchase		359,901,072.78
Payment of silver lease deposit	276,441,966.24	844,580,625.41
Total	1,092,449,633.16	4,679,731,600.44

Changes in all liabilities arising from financing activities

☒Applicable ☐Not applicable

Unit: RMB 10,000

Item	Opening balance	Increase in the current period		Decrease in the current period		Ending balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Bank borrowings	20,191,060.78	6,460,192.05	373,369.23	6,543,633.36		20,480,988.70
Other payables – temporary borrowings of Zhejiang Rongsheng Holding Group	554,863.57	303,000.00	5,432.06	79,368.54		783,927.10
Other accounts payable - dividends payable			95,722.92	95,722.92		
Lease liabilities (including those due within one year)	19,282.26		503.71	1,582.67		18,203.30
Total	20,765,206.61	6,763,192.05	475,027.92	6,720,307.49		21,283,119.10

56. Supplementary information of Cash Flow Statement

(1) Supplementary information of Cash Flow Statement

Unit: RMB

Supplementary information	Current amount	Amount of prior period
1. Reconciliation from net profits to cash flows from operating activities:		
Net profit	1,666,253,533.02	1,671,971,354.43
Add: Provision for impairment of assets	65,045,819.77	151,539,464.56
Fixed assets depreciation, oil and gas assets depletion, productive biological assets depreciation	8,303,913,517.72	7,353,832,931.65
Depreciation of assets with right of use	11,836,985.34	12,075,356.96
Amortization of intangible assets	98,211,783.04	90,278,218.65
Amortization of long-term deferred expenses		45,701.13
Loss on disposing fixed assets, in tangible assets and other long-term assets (gains expressed with "-")	64,124.27	-5,269,441.94
Loss from scrapping of fixed assets (income is presented with "-")	2,486,853.31	
Loss from fair value changes (gains expressed with "-")	299,721,409.22	-115,037,218.53
Financial expenses (gains expressed with "-")	3,200,618,546.85	3,750,706,175.81
Investment loss (gains expressed with "-")	-284,046,651.75	52,174,957.84
Decrease in deferred income tax assets (increase expressed with "-")	-103,479,148.73	-34,449,732.26
Increase in deferred income tax liabilities (decrease expressed with "-")	139,073,435.03	69,312,507.09
Decrease in inventories (increase expressed with "-")	-5,047,811.25	6,466,710,786.77
Decrease in operating receivables (increase expressed with "-")	-1,269,368,564.74	-6,339,774,806.89
Increase in operating payables (decrease expressed with "-")	-4,604,242,244.15	-4,709,791,428.51
Other	65,583,666.73	-21,786,474.80
Net cash flow from operating activities	7,586,625,253.68	8,392,538,351.96
2. Significant investment and financing activities not involving cash deposit and withdrawal:		
Debt into capital		
Convertible corporate bonds due within one year		
Fixed assets leased under finance leases		
3. Net change in cash and cash equivalents:		
Ending balance of cash	14,021,968,092.19	17,009,516,388.75
Less: Beginning balance of cash	12,943,832,335.45	11,486,855,097.52
Add: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	1,078,135,756.74	5,522,661,291.23

(2) Composition of cash and cash equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	14,021,968,092.19	12,943,832,335.45
Including: cash on hand	1,389,486.56	1,580,800.25
Bank deposits available for payment at any time	13,468,459,512.05	12,624,073,263.80
Other monetary funds available on demand	552,119,093.58	318,178,271.40
II. Ending balance of cash and cash equivalents	14,021,968,092.19	12,943,832,335.45

(3) Monetary funds that are not cash and cash equivalents

Unit: RMB

Item	Current amount	Amount of prior period	Reasons for not cash and cash equivalents
Bank acceptance bill deposit	460,942,350.55	471,306,867.33	These are all deposits for related businesses and are subject to restrictions on use.
L/C deposit	275,710,042.40	475,632,655.05	
Loan deposit	132,500,000.00	250,000,000.00	
Guarantee deposit	1,470,312.71	20,001,187.21	
Silver lease deposit		672,580,625.41	
Accrued interest on deposits	48,277.80	30,250.00	The accrued interest on the deposit
ETC deposit		1,000.00	ETC frozen funds
Total	870,670,983.46	1,889,552,585.00	

57. Foreign currency monetary items

(1) Monetary items in foreign currency

Unit: RMB

Item	Ending balance in foreign currencies	Conversion exchange rate	Ending balance in RMB
Monetary fund			
Including: USD	746,259,108.71	7.1586	5,342,170,455.59
EUR	4,505,592.36	8.4024	37,857,789.27
HKD	671,487.91	0.9120	612,363.40
Pound	2.70	9.8300	26.54
Singapore dollar	1,566,637.71	5.6179	8,801,214.02
Accounts receivable			
Including: USD	510,377,633.83	7.1586	3,653,589,329.59

Other receivables			
Including: USD	15,928,130.56	7.1586	114,023,115.42
Other payables			
Including: USD	14,648,353.51	7.1586	104,861,703.44
Short-term borrowings			
Including: USD	67,552,540.68	7.1586	483,581,617.71
Accounts payable			
Including: USD	728,259,932.29	7.1586	5,213,321,551.33
EUR	6,694,997.04	8.4024	56,254,043.13
Pounds	678,025.00	9.8300	6,664,985.75
Long-term borrowings			
Including: EUR	44,794,643.66	8.4024	376,382,513.89
Non-current liabilities due within one year			
Including: EUR	6,399,234.82	8.4024	53,768,930.65

(2) Description of the overseas operating entity, including important overseas operating entity, shall disclose its main overseas business place, recording currency and the basis for selection, and shall also disclose reasons in the case of changes in recording currency.

☒Applicable ☐Not applicable

Company name	Place of registration	Recording currency	Selection basis
Hong Kong Sheng Hui Co., Ltd.	Hong Kong, China	USD	General settlement currency for company operation
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	Hong Kong, China		
Yisheng New Materials Trading Co., Ltd.	Hong Kong, China		
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	Hong Kong, China		
Rongsheng Petrochemical (Singapore) Pte. Ltd.	Singapore		
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd	Singapore		
Rongtong Logistics (Singapore) Pte. Ltd.	Singapore		

58. Leasing

(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 to these financial statements for information about the right-of-use assets.

2) The Company's accounting policies for short-term leases and leases of low-value assets are described in the notes to the financial statements in Note V (29). The amounts of short-term lease charges and low-value asset lease charges recognized in profit or loss are as follows:

Unit: RMB

Item	Amount in the current period	Amount of the same period last year
Short-term lease expense	14,257,090.92	11,182,468.20
Lease expense of low value assets (exclude short-term lease)		
Total	14,257,090.92	11,182,468.20

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

Unit: RMB

Item	Amount in the current period	Amount of the same period last year
Interest expense on lease liabilities	3,863,755.25	4,148,066.09
Total cash outflow related to leasing	15,936,527.01	14,128,824.16

4) The maturity analysis of lease liabilities and the corresponding liquidity risk management are detailed in Note XII 1 (II) to these financial statements.

(2) The Company as the lessor

Operating lease as lessor

☒Applicable ☐Not applicable

Unit: RMB

Item	Amount in the current period	Amount of the same period last year
Leasing revenue	3,844,639.80	425,788.99
Total	3,844,639.80	425,788.99

Financial lease as lessor

☐Applicable ☒Not applicable

Undiscounted lease receipts for each of the next five years

☒Applicable ☐Not applicable

Unit: RMB

Item	Undiscounted annual lease receivables	
	Ending amount	Beginning amount
Year 1	2,137,089.00	2,137,089.00
Year 2	2,137,089.00	2,137,089.00
Year 3	2,137,089.00	2,137,089.00
Year 4	2,137,089.00	2,137,089.00
Year 5	2,137,089.00	2,137,089.00

Total undiscounted lease payments beyond 5 years	12,644,441.00	12,644,441.00
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(3) Recognition of the profit and loss of financial leasing sales as a manufacturer or distributor

☐Applicable ☒Not applicable

59. Other

Supplier financing arrangements

(1) Terms and conditions of supplier financing arrangements

Unit: RMB

Bank	Loan amount	Borrowing date	Payment due date	Guarantor
Ningbo Xiepu Sub-branch of Agricultural Bank of China Co., Ltd.	17,000,000.00	September 25, 2024	September 16, 2025	Rongsheng Holding
Ningbo Xiepu Sub-branch of Agricultural Bank of China Co., Ltd.	70,000,000.00	February 12, 2025	February 6, 2026	Rongsheng Holding
Ningbo Xiepu Sub-branch of Agricultural Bank of China Co., Ltd.	80,000,000.00	February 12, 2025	February 6, 2026	Rongsheng Holding
Ningbo Xiepu Sub-branch of Agricultural Bank of China Co., Ltd.	47,400,000.00	May 22, 2025	May 15, 2026	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	45,000,000.00	January 6, 2025	January 5, 2026	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	45,000,000.00	January 6, 2025	January 5, 2026	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	198,000,000.00	February 7, 2025	December 23, 2025	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	102,000,000.00	February 10, 2025	December 25, 2025	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	48,000,000.00	January 6, 2025	January 5, 2026	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	49,803,975.00	March 24, 2025	March 23, 2026	Rongsheng Holding
Xiaoshan Sub-branch of China Construction Bank Corporation	10,000,000.00	March 17, 2025	March 16, 2026	Rongsheng Holding

(2) Liability details related to supplier financing arrangements

1) Book value of related liabilities

Unit: RMB

Item	Amount by the end of the period	Amount at the beginning of the period
Short-term borrowings	712,203,975.00	502,000,000.00
Including: Amounts already received by suppliers	712,203,975.00	502,000,000.00
Subtotal	712,203,975.00	502,000,000.00

2) Payment due date ranges for related liabilities

Item	Due date range of payment at the end of the period	Due date range of payment at the beginning of the period
Liabilities classified under financing arrangements	September 16, 2025-May 15, 2026	March 17, 2025-September 16, 2025

3) Non-cash changes in related liabilities

Unit: RMB

Non-cash change type	Amount by the end of the period	Amount at the beginning of the period
Reclassification from accounts payable to short-term borrowings	712,203,975.00	502,000,000.00

VIII. R&D expenditure

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Direct input	1,705,509,902.92	1,665,062,813.44
Depreciation and amortization	347,075,587.62	454,966,340.52
Employee compensation	275,138,926.71	362,187,152.24
Equipment commissioning fee	6,088,072.49	8,550,243.78
Outsourcing R&D and others	35,279,205.42	6,163,262.37
Total	2,369,091,695.16	2,496,929,812.35
Including: expensed R&D expenditure	2,369,091,695.16	2,496,929,812.35

IX. Consolidation scope changes

Changes in consolidation scope for other reasons

Decrease in consolidation scope

Company name	Method of equity disposal	Date of disposal	Net assets on the disposal date	Profit from beginning of the period to disposal date
Zhejiang Rongshen New Materials Co., Ltd.	Industrial and commercial deregistration	March 24, 2025		
Zhejiang Shengcheng New Materials Co., Ltd	Industrial and commercial deregistration	March 24, 2025		
Zhejiang Huiyu New Materials Co., Ltd.	Industrial and commercial deregistration	March 24, 2025		

X. Interests in other entities

1. Rights and interests in subsidiaries

(1) Group composition

Unit: RMB 10,000

Name of subsidiary	Registered capital	Principal place of business	Place of registration	Business nature	Shareholding ratio		Shareholding ratio
					Direct	Indirect	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	200,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Setup
Hong Kong Sheng Hui Co., Ltd.	USD1,970.00	Hong Kong, China	Hong Kong, China	Commercial	100.00%		Business combinations under the same control
Ningbo Yisheng Chemical Co., Ltd.	USD10,526.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		95.00%	Setup
Dalian Yisheng Investment Co., Ltd.	201,800.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing	70.00%		Setup
Yisheng Dahua Petrochemical Co., Ltd.	245,645.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		84.60%	Setup
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	USD10.00	Hong Kong, China	Hong Kong, China	Commercial		100.00%	Setup
Dalian Rongxincheng Trading Co., Ltd.	1,000.00	Dalian, Liaoning	Dalian, Liaoning	Commercial		100.00%	Setup
Zhejiang Rongtong Chemical Fiber New Material Co., Ltd.	5,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial		100.00%	Setup
Zhejiang Rongyi Chemical Fiber Co., Ltd.	1,000.00	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Commercial		100.00%	Setup
Dalian Yisheng New Materials Co., Ltd.	2,000.00	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		100.00%	Setup
Ningbo Zhongjin Petrochemical Co., Ltd.	600,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing	100.00%		Business combinations under the same control
Ningbo Niluoshan New Energy Co., Ltd.	36,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		100.00%	Setup
Zhejiang Yisheng New Materials Co., Ltd.	300,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		51.00%	Business combination not

							involving enterprises under common control
Ningbo Rongxincheng Trading Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Setup
Yisheng New Materials Trading Co., Ltd.	HKD100.00	Hong Kong, China	Hong Kong, China	Commercial		100.00%	Setup
Zhejiang Rongyi Trading Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Setup
Rongsheng Petrochemical (Singapore) Pte. Ltd.	USD10,100.00	Singapore	Singapore	Commercial	100.00%		Setup
Rongtong Logistics (Singapore) Pte. Ltd.	USD0.0001	Singapore	Singapore	Commercial		100.00%	Setup
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	USD10.00	Hong Kong	Hong Kong	Commercial	100.00%		Setup
Rongsheng International Trading Co., Ltd.	10,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial	100.00%		Setup
Zhejiang Petroleum & Chemical Co., Ltd.	5,880,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	51.00%		Business combinations under the same control
ZPC Zheyong Technology Co., Ltd.	41,220.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		70.00%	Setup
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	USD10.00	Singapore	Singapore	Commercial		100.00%	Setup
ZPC Jintang Logistics Co., Ltd.	200,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Zhejiang ZPC Sales Co., Ltd.	10,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial		100.00%	Setup
Zhoushan ZPC Sales Co., Ltd.	6,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Zhoushan ZPC Trading Co., Ltd.	6,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Ningbo ZPC Sales Co., Ltd.	1,000.00	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Setup
Taizhou ZPC Sales Co., Ltd.	1,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang	Commercial		100.00%	Setup
ZPC (Zhejiang Free Trade Zone) Green Petrochemical Research Institute Co., Ltd.	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Setup
Zhejiang ZPC Power Generation Co., Ltd.	10,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		100.00%	Setup
Zhoushan ZPC Logistics Co., Ltd.	1,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Road transport		100.00%	Setup
Rongxiang Chemical Fiber Co., Ltd.	20,000.00	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Setup
Zhejiang Yongsheng Technology Co. Ltd.	102,000.00	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Manufacturing	70.00%		Business

							combinations under the same control
Hainan Rongsheng International Trade Co., Ltd.	10,000.00	Danzhou, Hainan	Danzhou, Hainan	Commercial	100.00%		Setup
Rongsheng Chemical (Shanghai) Co., Ltd.	5,000.00	Shanghai, China	Shanghai, China	Commercial	100.00%		Setup
Rongsheng New Materials (Zhoushan) Co., Ltd.	500,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	100.00%		Setup
Rongsheng Energy (Zhoushan) Co., Ltd.	100,000.00	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		100.00%	Setup
Rongsheng New Materials (Taizhou) Co., Ltd.	100,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang	Manufacturing	90.00%		Setup

(2) Major non-wholly owned subsidiaries

Unit: RMB 10,000

Name of subsidiary	Shareholding ratio of minority shareholders	Gain and loss attributable to minority shareholders in the current period	Dividend announced to be distributed to minority shareholders in the current period	Ending balance of minority equity
Dalian Yisheng Investment Co., Ltd.	30.00%	242.61		200,882.06
Yisheng Dahua Petrochemical Co., Ltd.	15.40%	106.51		101,426.69
Zhejiang Yisheng New Materials Co., Ltd.	49.00%	1,423.38		88,644.72
Zhejiang Petroleum & Chemical Co., Ltd.	49.00%	105,783.03		4,782,593.12

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

Unit: RMB

Name of subsidiary	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities

Dalian Yisheng Investment Co., Ltd.	7,687,708,607.04	10,346,282,155.21	18,033,990,762.25	8,465,596,890.52	2,041,360,083.43	10,506,956,973.95	7,147,381,977.77	10,529,906,295.30	17,677,288,273.07	8,836,810,317.71	1,312,253,421.18	10,149,063,738.89
Yisheng Dahua Petrochemical Co., Ltd.	9,523,089,850.24	6,822,091,944.50	16,345,181,794.74	8,464,268,392.65	2,041,360,083.43	10,505,628,476.08	8,982,897,616.49	7,001,071,852.84	15,983,969,469.33	8,835,075,077.46	1,312,253,421.18	10,147,328,498.64
Zhejiang Yisheng New Materials Co., Ltd.	2,566,311,212.82	8,170,723,186.68	10,737,034,399.50	6,911,322,028.39	2,012,735,348.97	8,924,057,377.36	2,274,146,496.09	8,460,719,914.06	10,734,866,410.15	6,801,500,656.59	2,150,149,494.40	8,951,650,150.99
Zhejiang Petroleum & Chemical Co., Ltd.	44,496,081,381.44	247,673,756,049.09	292,169,837,430.53	97,520,551,200.08	97,535,853,464.97	195,056,404,665.05	49,531,707,967.86	244,769,329,281.62	294,301,037,249.48	95,805,922,176.62	103,580,777,338.89	199,386,699,515.51

Unit: RMB

Name of subsidiary	Amount incurred in the current period				Amount incurred in the previous period			
	Operating income	Net profit	Total comprehensive income	Cash flow from financing activities	Operating income	Net profit	Total comprehensive income	Cash flow from financing activities
Dalian Yisheng Investment Co., Ltd.	11,336,267,268.64	9,152,059.05	-1,190,745.88	-713,331,972.64	15,791,532,876.12	-42,904,950.43	-59,754,894.51	-782,651,340.65
Yisheng Dahua Petrochemical Co., Ltd.	11,336,267,268.64	6,914,847.30	2,912,347.97	-713,283,182.32	15,791,532,876.12	-101,596,648.56	-97,990,146.36	-783,529,106.29
Zhejiang Yisheng New Materials Co., Ltd.	13,829,765,424.89	30,312,959.89	29,760,762.98	279,302,052.37	16,773,628,679.50	-240,030,619.95	-239,524,382.63	284,377,430.35
Zhejiang Petroleum & Chemical Co., Ltd.	120,796,087,799.23	2,132,256,063.54	2,132,259,180.50	17,437,463,986.32	132,218,458,401.42	2,029,903,422.19	2,029,897,973.59	25,118,624,052.19

2. Equity in joint ventures or associated enterprises

(1) Important joint ventures or associated enterprises

Name of the joint venture or associated enterprise	Principal place of business	Place of registration	Business nature	Shareholding ratio		Accounting method for investments in joint ventures and
				Direct	Indirect	

						associated enterprises
Zhejiang Yisheng Petrochemical Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing	16.07%	13.93%	Accounting by the equity method
Hainan Yisheng Petrochemical Co., Ltd.	Yangpu, Hainan	Yangpu, Hainan	Manufacturing		50.00%	Accounting by the equity method
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Finance	9.712%		Accounting by the equity method

Basis for one having voting rights of below 20% and significant influences or one having voting rights of 20% or above but no significant influence:

The company holds 9.712% of the shares of Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd. and has a representative on the board of directors of the company, who has the substantive right to participate in decision-making. The representative can participate in the formulation of financial and operating policies of Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd., so as to exert significant influence on it.

(2) Main financial information of important associated enterprises

Unit: RMB

	Ending balance/amount incurred in the current period			Beginning balance/amount incurred in the prior period		
	Zhejiang Yisheng Petrochemical Co., Ltd.	Hainan Yisheng Petrochemical Co., Ltd.	Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Zhejiang Yisheng Petrochemical Co., Ltd.	Hainan Yisheng Petrochemical Co., Ltd.	Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.
Current assets	18,746,547,975.18	8,848,625,803.12	278,228,537,997.46	18,007,943,478.45	8,131,053,257.49	260,652,281,183.67
Non-current assets	2,547,157,403.10	11,230,242,895.62	124,356,159,876.67	2,741,961,606.23	11,585,208,302.00	131,191,013,484.36
Total assets	21,293,705,378.28	20,078,868,698.74	402,584,697,874.13	20,749,905,084.68	19,716,261,559.49	391,843,294,668.03
Current liabilities	10,582,296,551.42	8,127,427,787.47	352,165,320,020.88	10,573,546,592.33	8,089,815,969.61	335,547,942,251.55
Non-current liabilities	1,392,582,147.50	5,091,550,626.40	21,596,760,509.77	984,230,000.00	4,755,208,149.68	28,342,070,574.28
Total liabilities	11,974,878,698.92	13,218,978,413.87	373,762,080,530.65	11,557,776,592.33	12,845,024,119.29	363,890,012,825.83

Minority equity			304,277,227.89			313,277,227.89
Shareholders' equity attributable to the parent company	9,318,826,679.36	6,859,890,284.87	28,518,340,115.59	9,192,128,492.35	6,871,237,440.20	27,640,173,446.18
Share of net assets calculated by the shareholding ratio	2,795,648,003.81	3,429,945,142.43	2,769,644,155.35	2,757,638,547.71	3,435,618,720.10	2,684,413,645.09
Adjustments						
- Goodwill		102,420,730.97	4,040,414.35		102,420,730.97	4,040,414.35
- Unrealized profits from internal transactions		-7,376,979.08			-8,406,325.00	
- Others	11,273,596.92		1,495,653.17	11,273,596.90		1,546,596.41
Book value of equity investment in associated enterprise	2,806,921,600.73	3,524,988,894.32	2,775,180,222.87	2,768,912,144.61	3,529,633,126.07	2,690,000,655.85
Fair value of equity investment in associated enterprise with the public offer						
Operating income	12,398,241,720.04	15,031,996,594.13	3,581,957,831.75	12,104,143,062.27	16,355,492,690.18	4,145,047,089.21
Net profit	126,520,376.17	1,333,455.86	1,795,647,866.84	72,216,785.54	112,481,708.13	1,611,200,043.73
Net profit from termination of operation						
Other comprehensive income	177,810.84	-12,680,611.20	-450,524,766.61	-875,282.76	-40,912,892.55	717,977,303.36
Total comprehensive income	126,698,187.01	-11,347,155.34	1,345,123,100.23	71,341,502.78	71,568,815.58	2,329,177,347.09
Dividends received from associated enterprises in the current year			43,654,510.65			13,228,639.60

(3) Summary of the financial information of minor joint ventures and associated enterprises

Unit: RMB

	Ending balance/amount incurred in the current period	Beginning balance/amount incurred in the prior period
Associated enterprise:		
Total of the following items calculated as per the respective shareholding proportion		
Joint venture:		
Total book value of investments	607,997,992.35	528,090,394.64
Total of the following items calculated as per the respective shareholding proportion		
- Net profit	-21,942,494.89	-45,694,583.93
- Other comprehensive income	-1,902,091.68	-6,136,933.88
- Total comprehensive income	-23,844,586.58	-51,831,517.81

XI. Government subsidies

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

☒Applicable ☐ Not applicable

The ending balance of accounts receivable: RMB 1,042,056,416.00.

2. Reasons for Failure to Receive Government Grants at the Expected Time

☒Applicable ☐ Not applicable

As of the date of approval for issuance of this financial report, the Company still had government grants receivable of RMB 1,012,056,416.00 pending payment by finance authorities.

3. Liability items involving government subsidies

☒Applicable ☐ Not applicable

Unit: RMB

Accounting subject	Beginning balance	Amount of additional subsidy in current period	Amount included in current non-operating income	Amount carried forward to other income in current period	Other change in current period	Ending balance	Related to assets/income
Deferred income	198,629,966.29	58,145,100.00		13,637,139.38		243,137,926.91	Related to assets

4. Government subsidies included in current profits and losses

☒ Applicable ☐ Not applicable

Unit: RMB

Accounting subject	Amount incurred in the current period	Amount incurred in the previous period
Amount of government subsidies included in other income	415,205,847.28	367,201,620.64
Total	415,205,847.28	367,201,620.64

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. A reconciliation of the opening and closing balances of financial instrument loss provisions is detailed in Notes VII 3 and VII 5 to these financial statements.

4. Credit risk exposure and credit risk concentration

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

(1) Monetary fund

The Company deposits bank deposits and other monetary funds in financial institutions with high credit rating, so its credit risk is low.

(2) Receivables

The Company regularly evaluates the credit of customers who trade by credit. According to the credit evaluation results, the Company chooses to trade with recognized customers with good credit and monitors their accounts receivable balance to ensure that the Company will not face significant bad debt risk.

Since the Company only conducts transactions with recognized third parties with good credit, no collateral is required. Credit risk concentration is managed according to customers. As of June 30, 2025, the Company has a certain credit concentration risk, because 48.90% (December 31, 2024: 49.37%) of the Company's accounts receivable are from the top five customers ranking in terms of balance. The Company holds no collateral or other credit enhancement for the balance of accounts receivable.

The maximum credit risk exposure of the Company is the book value of each financial asset on the balance sheet.

(II) Liquidity risk

Liquidity risk refers to the risk of occurrence of capital shortage when the Company fulfills its obligations settled by delivering cash or other financial assets. Liquidity risk may result from the inability to sell financial assets at fair value as soon as possible; or because the other party is unable to repay its contractual debts; or from debts due in advance; or from the inability to generate expected cash flow.

In order to control this risk, the Company comprehensively uses various financing means, such as bill settlement and bank loan, and adopts the method of the appropriate combination of long-term and short-term financing methods to optimize the financing structure, so as to maintain the balance between financing sustainability and flexibility. The Company has obtained bank credit lines from a number of commercial banks to meet working capital needs and capital expenditure.

Financial liabilities are classified by remaining maturity date

Unit: RMB

Item	Ending balance				
	Book value	Undiscounted contract price	Within 1 year	1-3 years	Above 3 years
Bank loans	204,809,886,974.22	213,739,469,190.12	89,336,135,597.12	61,695,446,460.44	62,707,887,132.56
Trading financial liabilities	1,484,797,113.33	1,484,797,113.33	1,484,797,113.33		
Derivative financial liabilities	95,949,469.54	95,949,469.54	95,949,469.54		
Notes payable	2,356,024,860.95	2,356,024,860.95	2,356,024,860.95		
Accounts payable	63,885,655,674.61	63,885,655,674.61	63,885,655,674.61		
Other payables	9,068,973,579.80	9,068,973,579.80	9,068,973,579.80		
Lease liabilities	182,033,030.49	223,875,209.38	28,009,114.38	42,735,790.08	153,130,304.92
Subtotal	281,883,320,702.94	290,854,745,097.73	166,255,545,409.73	61,738,182,250.52	62,861,017,437.48

(Cont.)

Item	Amount at the end of last year				
	Book value	Undiscounted contract price	Within 1 year	1-3 years	Above 3 years
Bank loans	201,910,607,770.29	220,409,646,422.41	85,781,763,934.67	65,369,822,673.33	69,258,059,814.41
Trading financial liabilities	1,269,256,561.53	1,269,256,561.53	1,269,256,561.53		
Derivative financial 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

(III) Market risk management

Market risk means a risk that the fair value or future cash flow of the financial instrument fluctuates due to changes in market price. Market risk mainly includes interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or cash flow in the future may fluctuate due to changes in the market interest rate. The interest-bearing financial instruments with fixed interest rates expose the Company to fair value interest rate risk, and the interest-bearing financial instruments with floating interest rates expose the Company to cash flow interest rate risk. The Company determines the ratio of fixed interest rate and floating interest rate financial instruments according to the market environment and maintains an appropriate combination of financial instruments through regular review and monitoring. The cash flow interest rate risk faced by the Company is mainly related to the bank borrowings with floating interest rates.

As of June 30, 2025, the bank borrowings with a floating interest rate of the Company are RMB 138,939.8444 million, and EUR 51.19 million (December 31, 2024: RMB 155,681.1217 million, and EUR 54.3935 million). Under the assumption that other variables remain unchanged, assuming that the interest rate changes by 50 benchmark points, we believe that it will not have a significant impact on the total profits and shareholders' equity.

2. Foreign exchange risk

Foreign exchange risk means a risk that the fair value or future cash flow of a financial instrument fluctuates due to a change in the foreign exchange rate. The risk of exchange rate changes faced by the Company is mainly related to the Company's foreign currency monetary assets and liabilities. For foreign currency assets and liabilities, in case of short-term imbalance, the Company will buy and sell foreign currencies at the market exchange rate when necessary to ensure that the net risk exposure is maintained at an acceptable level.

The Company's monetary assets and liabilities in foreign currencies at the end of the period are detailed in Notes to the Financial Statements VII 57 (1) to the financial statements.

2. Financial assets

(1) Classification by transfer method

☒ Applicable ☐ Not applicable

Unit: RMB

Transfer method	Nature of transferred financial assets	Amount of transferred financial assets	Derecognition status	Judgment basis for derecognition
Bill discounting	Accounts receivable financing	1,945,849,491.31	De-recognition	Substantially all risks and rewards have been transferred
Bill endorsement	Accounts receivable financing	85,946,544.09	De-recognition	Substantially all risks and rewards have been transferred
Total		2,031,796,035.40		

(2) Financial assets derecognized due to transfer

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Method of financial asset transfer	Amount of derecognized financial assets	Gains or losses related to derecognition
Accounts receivable financing	Discounting	1,945,849,491.31	2,663,067.98
Accounts receivable financing	Endorsement	85,946,544.09	
Total		2,031,796,035.40	2,663,067.98

(3) Financial assets transferred with continuing involved assets

☐ Applicable ☒ Not applicable

XIII. Disclosure of fair value

1. Fair value at the end of the period of assets and liabilities measured at fair value

Unit: RMB

Item	Ending fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total

I. Sustained measurement of fair value	--	--	--	--
1. Derivative financial assets	49,514,874.08	410,818,845.45		460,333,719.53
2. Receivables financing			51,665,853.52	51,665,853.52
Total assets continuously measured at fair value	49,514,874.08	410,818,845.45	51,665,853.52	511,999,573.05
3. Trading financial liabilities				
(1) Fair value of leased silver	1,484,797,113.33			1,484,797,113.33
4. Derivative financial liabilities	93,269,592.68	2,679,876.86		95,949,469.54
Total liabilities continuously measured at fair value	1,578,066,706.01	2,679,876.86		1,580,746,582.87
II. Non-sustainable measurement of fair value	--	--	--	--

2. Basis for determination of the market prices of sustained and unsustained Level 1 fair value measurement items

The Company's Level 1 fair value measured derivative financial assets/liabilities consist of futures or paper contracts held at the end of the reporting period. Trading financial liabilities represent obligations to repay leased silver upon maturity. Their unrealized gains or losses are determined based on the market fair value.

3. Valuation techniques adopted and the qualitative and quantitative information of important parameters for continuous and non-continuous second-level 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 third-level fair value measurement items

The Company's receivables financing measured at Level 3 fair value consist of bank acceptance bills, with less credit risk and short remaining maturities, whose fair value is determined by the Company based on their face value.

XIV. Related parties and related-party transactions

1. The Company's parent company

Name of parent company	Place of registration	Business nature	Registered capital	Proportion of the Company's shares held by the parent company	Proportion of the Company's voting rights held by the parent company
Zhejiang Rongsheng	Xiaoshan,	Industrial investment	RMB	53.81%	53.81%

Holding Group Co., Ltd.	Zhejiang		834,664,000		
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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 53.81% of the shares of the Company, and Li Shuirong holds 63.523% of the shares of Zhejiang Rongsheng Holding Group Co., Ltd., thus indirectly holding 34.18% of the shares of the Company, so he holds a total of 40.53% of the shares of the Company.

2. Information on subsidiaries of the Company

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

3. The Company's joint ventures and associated enterprises

See Note X for details of important joint ventures or associated enterprises of the Company.

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

Name of joint venture or associated enterprise	Relation with the Company
Ningbo Hengyi Trading Co., Ltd.	Associated enterprise
ZPC-ENN (Zhoushan) Gas Co., Ltd.	Associated enterprise
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Associated enterprise
Ningbo Coastal Public Pipe Gallery Co., Ltd.	Associated enterprise
Zhejiang Zhenshi Port Service Co., Ltd.	Associated enterprise
Zhejiang Derong Chemicals Co., Ltd.	Associated enterprise
Zhoushan ZPC Zhongang Tugboat Co., Ltd.	Associated enterprise
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Associated enterprise

4. Other related parties

Name of other related parties	Relationship between other related parties and the Company
Li Jumei	Close family member of the actual controller
Sanyuan Holding Group Co., Ltd.	Controlled by a family member close to the actual controller
Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Controlled by a family member close to the actual controller
Zhejiang Saintyear Textile Co., Ltd.	Controlled by a family member close to the actual controller
Zhejiang Rongxiang Thermal Power Co., Ltd.	The same ultimate actual controller
Zhejiang Rongtong Logistics Co., Ltd.	The same ultimate actual controller
Ningbo Rongxiang Logistics Co., Ltd.	The same ultimate actual controller
Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	The same ultimate actual controller

Ningbo United Group Co., Ltd.	The same ultimate actual controller
Qijiashan Hotel of Ningbo United Group Co., Ltd.	The same ultimate actual controller
Suzhou Shenghui Equipment Co., Ltd.	The same ultimate actual controller
Hangzhou Shengyuan Real Estate Development Co., Ltd.	The same ultimate actual controller
Hangzhou Shengyuan Property Service Co., Ltd.	The same ultimate actual controller
Daishan Chenyu Real Estate Co., Ltd.	The same ultimate actual controller
Rongsheng Coal Co., Ltd.	The same ultimate actual controller
Rongsheng Energy Co., Ltd.	The same ultimate actual controller
Ningbo Qingzhi Chemical Terminal Co., Ltd.	The same ultimate actual controller
Ningbo Qijiashan Chemical Terminal Co., Ltd.	The same ultimate actual controller
Ningbo Haineng Blend Oil Co., Ltd.	The same ultimate actual controller
Hainan Shenggu Petrochemical Equipment Investment Co., Ltd.	The same ultimate actual controller
Hong Kong New Hengrong Co., Ltd.	Subsidiary of Hainan Yisheng Petrochemical Co., Ltd.
Shanghai Shenglanhui Technology Co., Ltd	Affiliate of Hainan Shenggu Petrochemical Equipment Investment Co., Ltd.
Hong Kong Yisheng Co., Ltd.	Subsidiary of Hong Kong Yisheng Co., Ltd.
Ningbo Shengmao Trading Co., Ltd.	Subsidiary of Hong Kong Yisheng Co., Ltd.
Zhejiang Yixin Chemical Fiber Co., Ltd.	Subsidiary of Hong Kong Yisheng Co., Ltd.
Dongzhan Shipping Co., Ltd.	Associated enterprise of Zhejiang Rongtong Logistics Co., Ltd.
Aramco Overseas Company B.V.	Shareholders
Saudi Arabian Oil Company	Parent company of Aramco Overseas Company B.V.
Aramco Trading Singapore Pte.Ltd.	Subsidiary of Saudi Arabian Oil Company
Saudi Basic Industries Corporation	Subsidiary of Saudi Arabian Oil Company
Aramco Trading Company	Subsidiary of Saudi Arabian Oil Company
Aramco Trading Fujairah Fze	Subsidiary of Aramco Trading Company
Saudi Basic Industries Corporation	Subsidiary of Saudi Arabian Oil Company
Shanghai Huanqiu Engineering Co., Ltd.	Company where the actual controller serves as the director

5. Related party transactions

(1) Related party transactions regarding purchase and sales of goods as well as provision and acceptance of labor services

Table of the purchasing of goods and receiving of labor services

Unit: RMB

Related party	Contents of related party transaction	The amount incurred in the current	Trading limit approved	Whether it exceeds the approved	Amount incurred in the previous
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		period		limit or not (Y/N)	period
Zhejiang Rongsheng Holding Group Co., Ltd.	Coal and other materials	5,363,583,841.91	15,000,000,000.00	N	6,422,702,073.67
Zhejiang Rongtong Logistics Co., Ltd.	Freight	269,187,462.04	800,000,000.00	N	368,890,405.94
Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Steam	1,608,839.45	30,000,000.00	N	6,641,229.37
Zhejiang Saintyear Textile Co., Ltd.	Work clothes and other materials	2,884,576.99	10,000,000.00	N	3,111,060.18
Ningbo Hengyi Trading Co., Ltd.	PTA	227,721,681.41	1,200,000,000.00	N	222,176,663.79
Ningbo Qingzhi Chemical Terminal Co., Ltd.	Lump sum fee for port operation	32,566,684.62	100,000,000.00	N	33,305,366.08
Ningbo Rongxiang Logistics Co., Ltd.	Freight	25,462,670.38	100,000,000.00	N	23,856,257.17
Hainan Yisheng Petrochemical Co., Ltd.	PTA, etc.		20,000,000.00	N	19,644,839.29
Suzhou Shenghui Equipment Co., Ltd.	Equipment and materials	97,690,451.00	600,000,000.00	N	137,229,365.82
Zhejiang Yisheng Petrochemical Co., Ltd.	Isophthalic acid	155,427,700.41	350,000,000.00	N	114,492,123.90
Ningbo Haineng Blend Oil Co., Ltd.	Warehousing service	16,028,152.63	50,000,000.00	N	15,388,953.94
Zhejiang Derong Chemicals Co., Ltd.	Auxiliary materials, processing services, etc.	192,962,427.91	400,000,000.00	N	203,148,866.10
Dongzhan Shipping Co., Ltd.	Freight		30,000,000.00	N	2,946,816.61
Shanghai Huanqiu Engineering Co., Ltd.	Engineering design service	10,616,814.16	30,000,000.00	N	12,126,124.78
Shanghai Shenglanhui Technology Co., Ltd.	Process package	33,356,666.62	40,000,000.00	N	
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Device guarantee service and maintenance service	554,834,939.32	1,500,000,000.00	N	375,827,719.22
Zhejiang Rongxiang Thermal Power Co., Ltd.	Steam, etc.	139,884,731.11	500,000,000.00	N	
Saudi Basic Industries Corporation	Ethylene glycol	245,616,299.31	130,000,000,000.00	N	327,762,663.24
Aramco Trading Singapore Pte.Ltd.	Fuel oil, gasoline	3,864,871,275.70	130,000,000,000.00	N	1,385,419,356.55

Saudi Arabian Oil Company	Crude oil	46,814,267,178.19	130,000,000,000.00	N	43,795,053,498.36
Qijiashan Hotel of Ningbo United Group Co., Ltd.	Hotel service	61,251.88			186,352.04
Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	Electricity	58,911.23			48,325.56
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	Technical and engineering design services, etc.	66,886,792.45	500,000,000.00	N	
Total		58,115,579,348.72			53,469,958,061.61

Selling commodities/offering labor

Unit: RMB

Related party	Contents of related party transaction	The amount incurred in the current period	Amount incurred in the previous period
Zhejiang Rongtong Logistics Co., Ltd.	Automotive diesel, hardware spare parts, PTA	12,522,879.89	10,909,855.73
Ningbo Shengmao Trading Co., Ltd.	PX	84,896,025.76	60,823,639.63
Zhejiang Yixin Chemical Fiber Co., Ltd.	PTA		331,991,150.43
Zhejiang Yisheng Petrochemical Co., Ltd.	PTA, PX, etc.	4,125,443,141.84	4,027,827,808.20
Zhejiang Derong Chemicals Co., Ltd.	Power energy, industrial pyrolysis C5, etc.	277,850,733.43	387,441,764.35
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Vehicle diesel	756,637.15	1,246,017.71
Suzhou Shenghui Equipment Co., Ltd.	Vehicle diesel	10,619.47	7,079.64
Ningbo Rongxiang Logistics Co., Ltd.	Vehicle diesel	48,707.96	613,522.13
Zhejiang Rongxiang Thermal Power Co., Ltd.	Coal, electricity fees, diesel	7,784,451.12	
Zhoushan ZPC Zhongang Tugboat Co., Ltd.	Vehicle diesel	5,190,827.52	3,810,923.47
Ningbo Coastal Public Pipe Gallery Co., Ltd.	Service charge	368,415.00	
Aramco Trading Singapore Pte.Ltd.	Diesel	290,242,079.46	224,887,450.44
Saudi Basic Industries Corporation	PTA	246,114,941.05	377,713,617.48
Ningbo Hengyi Trading Co., Ltd.	PX	649,618,462.03	1,103,276,006.05
Total		5,700,847,921.67	6,530,548,835.26

(2) Related leasing

The Company acts as the Lessor:

Unit: RMB

Name of lessee	Type of leased asset	Lease income recognized in the current period	Lease income recognized in the previous period
Rongtong Logistics Co., Ltd.	House lease		425,788.99
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	House lease	25,729.89	
Total		25,729.89	425,788.99

The Company acts as the Lessee:

Unit: RMB

Name of lessor	Type of leased asset	Rental expenses for short-term leases and leases of low-value assets on a simplified basis, if applicable		Rent paid	
		Amount incurred in the current period	Amount incurred in the previous period	Amount incurred in the current period	Amount incurred in the previous period
Hangzhou Shengyuan Property Service Co., Ltd.	Parking space	28,000.00			
Hangzhou Shengyuan Real Estate Development Co., Ltd.	House leasing	2,593,407.34	3,418,149.57		
Zhejiang Rongsheng Holding Group Co., Ltd.	House leasing	550,458.72	275,229.36		

(3) Affiliated guarantees

The Company as guarantor

Unit: RMB

Secured party	Guarantee amount	Starting date of the guarantee	Ending date of the guarantee	If the guarantee has been performed (Y/N)
Sanyuan Holding Group Co., Ltd.	80,000,000.00	January 1, 2024	December 28, 2026	N
Zhejiang Rongsheng Holding Group Co., Ltd.	80,763,394,094.60	January 29, 2021	May 15, 2028	N
Zhejiang Rongsheng Holding Group Co., Ltd., the Company	4,776,387,697.45	August 21, 2024	May 14, 2026	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 1]	379,231,939.80	April 28, 2020	April 1, 2029	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 2]	541,666,666.63	January 13, 2023	December 20, 2027	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 3]	2,613,057,225.96	October 21, 2022	September 24, 2028	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 4]	16,415,165,188.76	November 14, 2022	October 30, 2030	N
Zhejiang Rongsheng Holding Group	14,751,515,841.33	July 31, 2018	July 30, 2030	N

Co., Ltd., the Company, Li Shuirong, Li Jumei [Note 5]				
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 6]	27,746,693,400.00	January 20, 2021	November 15, 2032	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 7]	6,577,000,000.00	April 22, 2024	February 15, 2033	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 8]	3,095,000,000.03	January 13, 2023	March 30, 2028	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 9]	600,000,000.00	October 12, 2022	October 12, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd.	1,891,451,075.04	January 3, 2025	December 26, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd.	477,057,578.03	January 23, 2024	January 31, 2027	N
Zhejiang Rongsheng Holding Group Co., Ltd.	56,859,169,141.55	July 8, 2024	June 18, 2026	N
Zhejiang Rongsheng Holding Group Co., Ltd.	5,714,076,063.61	March 13, 2025	September 22, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 10]	348,606,692.65	June 27, 2024	October 30, 2026	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 10]	19,775,804.31	April 29, 2025	September 30, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 11]	61,943,164.99	August 31, 2023	August 26, 2026	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 11]	144,472,001.76	March 25, 2023	January 31, 2026	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 12]	922,170.85	November 2, 2021	July 1, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 12]	7,846,497.22	November 18, 2021	July 1, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd., the Company	100,000,000.00	December 2, 2024	December 2, 2025	N
Zhejiang Rongsheng Holding Group Co., Ltd.	3,450,181,271.67	January 8, 2025	February 13, 2027	N

Description of related guarantee

[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 31,384,500.

[Note 2] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The subsidiary Ningbo Zhongjin Petrochemical Co., Ltd. provided mortgage guarantee with fixed assets of RMB 1,738,339,500

[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, provided mortgage guarantee with machinery and equipment of RMB 3,672,356,000

[Note 4]: Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The 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 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 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 subsidiary Zhejiang Yisheng New Materials Co., Ltd. has provided a mortgage guarantee by machinery and equipment worth RMB 6,487.4826 million.

[Note 9] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company provide joint liability guarantee for 60% of the guarantee amount.

[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 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 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) Remuneration of key management personnel

Unit: RMB 10,000

Item	Amount incurred in the current period	Amount incurred in the previous period
Remuneration of key management personnel	723.29	765.03

(5) Other related transactions

1. Fund borrowing from/to related parties

(1) At the beginning of the period, the Company had RMB 5,548.6356 million payable to Zhejiang Rongsheng Holding Group Co., Ltd.; in the current period, the Company has borrowed RMB 3,030 million from Zhejiang Rongsheng Holding Group Co., Ltd., made RMB 54.3206 million provisions for fund possession cost,

and returned RMB 793.6854 million of principal and interest on a cumulative basis. As of June 30, 2025, the amount payable by the Company is RMB 7,839.2710 million.

(2) 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 186,700 provisions for interest, RMB 186,700 of interest collected. As of June 30, 2025, the amount receivables of Zhejiang Petroleum & Chemical Co., Ltd. were RMB 10.8 million.

2. Payments made by the Company and its subsidiaries to related parties in connection with the project contracts in progress are as follows:

Unit: RMB 10,000

Related party	Amount in the current period	Amount in the previous period
Suzhou Shenghui Equipment Co., Ltd.	16,134.84	21,681.63
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.	46,092.87	35,000.00
Shanghai Shenglanhui Technology Co., Ltd.	3,972.48	1,700.00
Total	66,200.18	58,381.63

3. As of June 30, 2025, the Company and its subsidiaries had deposit balances of RMB 162,288,026.67, USD 1,191,912.78, and EUR 129.66 with related party Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.; There were no outstanding bank acceptance bills issued but not yet matured at the period end.

6. Accounts receivable and payable of related parties

(1) Receivables

Unit: RMB

Project	Related party	Ending balance		Beginning balance	
		Book balance	Bad-debt provision	Book balance	Bad-debt provision
Accounts receivable	Zhejiang Yisheng Petrochemical Co., Ltd.	366,703,727.67	131,749,877.81	360,195,827.42	120,665,086.62
	Saudi Basic Industries Corporation	45,716,108.00	2,285,805.40	42,515,409.95	2,125,770.50
	Zhejiang Derong Chemicals Co., Ltd.	50,025,876.80	2,501,293.84	76,010,449.61	3,800,522.48
Subtotal		462,445,712.47	136,536,977.05	478,721,686.98	126,591,379.60
Advance payment	Hangzhou Shengyuan Real Estate Development Co., Ltd.	1,212,685.16		3,806,092.50	
	Saudi Basic Industries Corporation	33,025,787.07			
	Aramco Trading Singapore Pte.Ltd.	369,877,432.95			
Subtotal		404,115,905.18		3,806,092.50	
Other receivables	ZPC-ENN (Zhoushan) Gas Co., Ltd.	10,800,000.00	5,400,000.00	10,800,000.00	5,400,000.00

Subtotal		10,800,000.00	5,400,000.00	10,800,000.00	5,400,000.00
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2) Payables

Unit: RMB

Project	Related party	Ending book balance	Beginning book balance
Accounts payable	Rongsheng Petrochemical (Singapore) Pte. Ltd. [Note]	39,189,114,105.79	30,257,905,558.70
	Ningbo Zhongjin Petrochemical Co., Ltd. [Note]	1,141,530,000.00	1,317,273,481.65
	Yisheng Dahua Petrochemical Co., Ltd. [Note]	3,289,999,698.00	3,437,999,698.00
	Zhejiang Yisheng New Materials Co., Ltd. [Note]	2,205,030,000.00	2,049,030,000.00
	The Company [Note]	1,379,000,000.00	1,286,000,000.00
	Zhejiang Petroleum & Chemical Co., Ltd. [Note]	378,958,431.42	1,122,747,553.24
	Dalian Rongxincheng Trading Co., Ltd. [Note]	877,776,366.82	667,864,260.54
	Ningbo Rongxincheng Trading Co., Ltd. [Note]	10,000,000.00	110,000,000.00
	Saudi Arabian Oil Company	1,896,605,137.15	4,351,562,189.78
	Zhejiang Rongtong Logistics Co., Ltd.	24,386,510.15	128,585,887.48
	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	142,010,441.65	205,429,347.45
	Zhejiang Rongxiang Thermal Power Co., Ltd.	62,932,488.98	17,675,013.16
	Ningbo Qingzhi Chemical Terminal Co., Ltd.	8,219,950.05	4,979,118.97
	Suzhou Shenghui Equipment Co., Ltd.	341,000.00	3,296,884.96
	Zhejiang Saintyear Textile Co., Ltd.	1,535,806.67	3,064,391.99
	Ningbo Rongxiang Logistics Co., Ltd.	12,775,433.51	2,222,834.88
	Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.		974,805.00
	Shanghai Huanqiu Engineering Co., Ltd.	900,000.00	900,000.00
	Hong Kong New Hengrong Co., Ltd.		29,726,102.82
	Ningbo Haineng Blend Oil Co., Ltd.	6,968,999.24	5,538,838.28
Subtotal		50,628,084,369.43	45,002,775,966.90
Contract liabilities and other current liabilities	Ningbo Hengyi Trading Co., Ltd.		16,297,590.39
	Zhoushan ZPC Zhougang Tugboat Co., Ltd.	1,416,745.70	782,380.80
	Ningbo Shengmao Trading Co., Ltd.		518,282.64
Subtotal		1,416,745.70	17,598,253.83
Other payables	Zhejiang Rongsheng Holding Group Co., Ltd.	7,839,270,959.69	5,548,635,694.24
	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	1,356,550.00	2,010,840.00
	Zhejiang Rongtong Logistics Co., Ltd.	1,005,000.00	1,005,000.00

	Dongzhan Shipping Co., Ltd.		500,000.00
	Suzhou Shenghui Equipment Co., Ltd.	500,300.00	500,300.00
	Zhejiang Yixin Chemical Fiber Co., Ltd.		1,031,670.22
Subtotal		7,842,132,809.69	5,553,683,504.46

[Note] These are letters of credit issued by the Company and its subsidiaries. After receiving the letters of credit, Rongsheng Petrochemical (Singapore) Pte. Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd., the Company, Zhejiang Petroleum & Chemical Co., Ltd., Dalian Rongxincheng Trading Co., Ltd., and Ningbo Rongxincheng Trading Co., Ltd. have discounted them.

XV. Commitments and contingencies

1. Major commitments

Significant commitments at the balance sheet date

1. As of June 30, 2025, 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 55,910.3177 million, USD 345.3426 million, EUR 74.9242 million, GBP 5.68 million.

2. As of June 30, 2025, the unexpired letters of guarantee of the Company and its subsidiaries are as follows:

Unit: RMB 10,000

Issuing bank	Name of issuing company	Beneficiary	Guarantee amount
Dalian Jinpu New Area Branch of Bank of China Limited	Yisheng Dahua Petrochemical Co., Ltd.	Zhengzhou Commodity Exchange	19,000.00
Agricultural Bank of China Limited, Banking Department of Dalian Branch	Yisheng Dahua Petrochemical Co., Ltd.	Zhengzhou Commodity Exchange	6,000.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Mitsubishi Commercial Metal Trading (China) Co., Ltd.	4,241.82
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	50,000.00
Zhoushan Branch, Industrial and Commercial Bank of China Limited	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	33,000.00
Zhoushan Branch, Industrial and Commercial Bank of China Limited	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	33,000.00
Zhoushan Branch, Industrial and Commercial Bank of China Limited	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	34,000.00
Zhoushan Branch of Huaxia Bank	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	14,000.00
Zhoushan Branch of Huaxia Bank	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	15,435.00
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	13,090.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	14,240.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	3,880.00
Zhoushan Branch of Huaxia Bank	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	3,140.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	3,340.00
Ping An Bank Co., Ltd., Zhenhai Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	36,000.00
Zhoushan Branch of Huaxia Bank	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	5,760.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	5,760.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	3,190.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	3,150.00
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	6,480.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Yitong New Materials Co., Ltd.	29,700.64
Hangzhou Xiaoshan Sub-branch of Bank of Communications Co., Ltd.	Zhejiang Petroleum & Chemical Co., Ltd.	Guiyan Resources (Yimen) Co., Ltd.	8,610.67

2. Contingencies

(1) Important contingencies on balance sheet date

As of the balance sheet date, the Company has no important contingencies that need to be disclosed.

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

The Company has no important contingencies to be disclosed.

XVI. Events After the Reporting Period

For the Company, at the 23rd Meeting of the Sixth Board of Directors held on April 24, 2025, and the 2024 Annual General Meeting of Shareholders held on May 16, 2025, the Proposal on Canceling Part of the Repurchased Shares, Reducing Registered Capital, and Amending the Articles of Association was reviewed and approved. The company resolved to cancel 136,082,746 shares held in the special repurchase securities account and accordingly reduce its registered capital.

The Company completed the cancellation procedures for the aforementioned shares with CSDC (Shenzhen Branch) on July 18, 2025.

XVII. Other important issues

1. Segment information

(1) Determination basis and accounting policies for reporting segments

The Company establishes its reporting segment based on the internal organizational structure, management requirements and internal reporting system, and determines reporting segments on the basis of the industry segment. The business performance of the petrochemical production business, polyester fiber manufacturing business, and wholesale and retail business have been evaluated, respectively. The assets and liabilities jointly used with each segment are distributed among different segments according to the scale ratio.

(2) Financial information of the reporting segments

Unit: RMB

Item	Oil refining production business	Chemical production business	Polyester fiber manufacturin g business	Trade business	Inter-segment offset	Total
Revenue from main businesses	53,668,398,33 5.36	90,677,829,15 8.27	11,171,479,36 4.65	96,644,135,70 0.98	- 104,152,661,5 46.09	148,009,181,0 13.17
Main business costs	41,886,650,10 2.04	83,306,448,82 2.22	10,998,692,05 7.28	96,335,302,19 6.66	- 104,089,965,0 55.19	128,437,128,1 23.01

Total assets	361,827,040,024.78	68,144,217,953.84	13,292,688,069.86	59,253,216,521.15	384,010,729,527.33
Total liabilities	247,984,851,524.49	47,316,008,304.10	9,366,440,027.68	16,189,138,566.33	288,478,161,289.94

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

1. Accounts receivable

(1) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	8,898,014.52	2,600,376.23
1-2 years	1,409,738.52	119.32
2-3 years	165.94	165.94
Above 3 years	29,466.76	29,466.76
Total	10,337,385.74	2,630,128.25

(2) Classified disclosure by bad debt accrual method

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Accounts receivable with provision for bad debt reserves based on aging portfolio	10,337,385.74	100.00 %	615,391.12	5.95%	9,721,994.62	2,630,128.25	100.00 %	159,547.28	6.07%	2,470,580.97
Total	10,337,385.74	100.00 %	615,391.12	5.95%	9,721,994.62	2,630,128.25	100.00 %	159,547.28	6.07%	2,470,580.97

Provision for bad debts by portfolio: RMB 615,391.12

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Within 1 year	8,898,014.52	444,900.73	5.00%

1-2 year(s)	1,409,738.52	140,973.85	10.00%
2-3 years	165.94	49.78	30.00%
Above 3 years	29,466.76	29,466.76	100.00%
Total	10,337,385.74	615,391.12	

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

☐ Applicable ☒ Not applicable

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

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Other	
Provision made for bad debt reserves based on aging portfolio	159,547.28	455,843.84				615,391.12
Total	159,547.28	455,843.84				615,391.12

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

Unit: RMB

Company name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balance of accounts receivable and contract assets	Proportion of accounts receivable and total ending balance of contract assets	Ending balance of bad debt provision for accounts receivable and impairment provision of contract assets
Customer 1	4,230,318.78		4,230,318.78	40.92%	211,515.94
Customer 2	1,574,282.40		1,574,282.40	15.23%	78,714.12
Customer 3	1,123,128.00		1,123,128.00	10.86%	56,156.40
Customer 4	884,723.92		884,723.92	8.56%	44,236.20
Customer 5	378,680.64		378,680.64	3.66%	18,934.03
Total	8,191,133.74		8,191,133.74	79.23%	409,556.69

2. Other receivables

Unit: RMB

Item	Ending balance	Beginning balance
Dividends receivable	550,000,000.00	550,000,000.00
Other receivables	2,994,187,248.36	1,828,142,849.26

Total	3,544,187,248.36	2,378,142,849.26
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(1) Dividends receivable

1) Classification of dividends receivable

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
Hong Kong Sheng Hui Co., Ltd.	550,000,000.00	550,000,000.00
Total	550,000,000.00	550,000,000.00

2) Significant dividends receivable aged over 1 year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason for the unrecovered amount	Whether impairment occurs and its judgment basis
Hong Kong Sheng Hui Co., Ltd.	550,000,000.00	1-2 year(s), above 3 years	Unrecovered	The subsidiary operates normally, and there is no expected risk in the recovery of the payment.
Total	550,000,000.00			

3) Classified disclosure by bad debt accrual method

☐ Applicable ☒ Not applicable

(2) Other receivables

1) Classification of other receivables by nature

Unit: RMB

Nature of account	Ending book balance	Beginning book balance
Current account of related parties within the scope of consolidation	2,554,546,217.50	1,133,655,809.38
Grants receivable	439,020,000.00	694,020,000.00
Reserve fund receivables	2,796,226.39	2,646,204.77
Current accounts	44,468.10	34,193.30
Deposit receivable margin	799.48	799.78
Total	2,996,407,711.47	1,830,357,007.23

2) Disclosure by aging

Unit: RMB

Aging	Ending book balance	Beginning book balance
Within 1 year (inclusive of 1 year)	1,963,605,206.73	811,917,103.99
1-2 years	657,114,727.46	642,750,326.32
2-3 years		
Above 3 years	375,687,777.28	375,689,576.92
Total	2,996,407,711.47	1,830,357,007.23

3) Classified disclosure by bad debt accrual method

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Percentage of provision		Amount	Proportion	Amount	Percentage of provision	
Provision made for bad debt reserves based on aging portfolio	2,996,407,711.47	100.00 %	2,220,463.11	0.07%	2,994,187,248.36	1,830,357,007.23	100.00 %	2,214,157.97	0.12%	1,828,142,849.26
Total	2,996,407,711.47	100.00 %	2,220,463.11	0.07%	2,994,187,248.36	1,830,357,007.23	100.00 %	2,214,157.97	0.12%	1,828,142,849.26

Provision for bad debts by portfolio: RMB 2,220,463.11

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Percentage of provision
Portfolio of transactions between related parties within the consolidation scope	2,554,546,217.50		
Grants receivable	439,020,000.00		
Deposit receivable margin portfolio	799.48	39.97	5.00%
Current accounts	44,468.10	2,223.41	5.00%
Portfolio of petty cash receivable, etc.	2,796,226.39	2,218,199.73	79.33%
Total	2,996,407,711.47	2,220,463.11	

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

Unit: RMB

Bad-debt provision	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire duration (without	Expected credit loss for the entire duration (credit impairment has occurred)	

		credit impairment)		
Balance as of January 1, 2025	24,581.05		2,189,576.92	2,214,157.97
The balance on January 1, 2025 is in the current period				
Provision in current period	8,104.78		-1,799.64	6,305.14
Balance as of June 30, 2025	32,685.83		2,187,777.28	2,220,463.11

Significant changes in the carrying amounts of loss provisions during the current period

☐ Applicable ☒ Not applicable

4) Top five debtors with the biggest ending balances of other accounts receivable

Unit: RMB

Company name	Nature of payment	Ending balance	Aging	Proportion in a total ending balance of other receivables	Ending balance of provision for bad debts
Unit 1	Current account of related parties within the scope of consolidation	1,411,514,285.31	Within 1 year	47.11%	
Unit 2	Current account of related parties within the scope of consolidation	645,179,829.21	Within 1 year, 1-2 year(s)	21.53%	
Unit 3	Government receivables	439,020,000.00	Within 1 year	14.65%	
Unit 4	Current account of related parties within the scope of consolidation	373,500,000.00	Above 3 years	12.46%	
Unit 5	Current account of related parties within the scope of consolidation	122,449,260.28	Within 1 year, 1-2 year(s)	4.09%	
Total		2,991,663,374.80		99.84%	

3. Long-term equity investment

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	45,402,102,808.47		45,402,102,808.47	43,843,102,808.47		43,843,102,808.47
Investment in joint ventures and associated enterprises	4,352,263,053.33		4,352,263,053.33	4,285,931,338.65		4,285,931,338.65
Total	49,754,365,861.80		49,754,365,861.80	48,129,034,147.12		48,129,034,147.12

(1) Investment in subsidiaries

Unit: RMB

Investee	Beginning balance (book value)	Opening balance of impairment provision	Increase and decrease in the current period				Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Provision for impairment	Other		
Zhejiang Petroleum & Chemical Co., Ltd.	29,987,242,115.34						29,987,242,115.34	
Ningbo Zhongjin Petrochemical Co., Ltd.	5,990,201,140.04						5,990,201,140.04	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	2,030,140,000.00						2,030,140,000.00	
Dalian Yisheng Investment Co., Ltd.	1,468,204,457.48						1,468,204,457.48	
Rongsheng New Materials (Zhoushan) Co., Ltd.	1,750,000,000.00		1,559,000,000.00				3,309,000,000.00	
Rongsheng New Materials (Taizhou) Co., Ltd.	900,000,000.00						900,000,000.00	
Rongsheng Petrochemical (Singapore) Pte. Ltd.	620,889,560.00						620,889,560.00	
Zhejiang Yongsheng Technology Co. Ltd.	800,306,537.70						800,306,537.70	
Hong Kong Sheng Hui Co., Ltd.	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.	50,000,000.00						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	
Total	43,843,102,808.47		1,559,000,000.00				45,402,102,808.47	

(2) Investment in joint ventures and associated companies

Unit: RMB

Investor	Beginning balance (book value)	Opening balance of impairment provision	Increase and decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
			Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Other comprehensive income adjustments	Other equity changes	Declared distribution of cash dividends or profits	Provision for impairment	Other		
I. Joint ventures												
II. Associated enterprise												
Zhejiang Yisheng Petrochemical Co., Ltd.	1,518,057,281.54				20,331,824.45	28,574.21					1,538,417,680.20	
Ningbo Hengyi Trading Co., Ltd.	77,873,401.26				- 37,306,159.32	-1,902,091.68					38,665,150.26	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,690,000,655.85				172,588,141.95	- 43,754,064.28		43,654,510.65			2,775,180,222.87	
Subtotal	4,285,931,338.65				155,613,807.08	- 45,627,581.75		43,654,510.65			4,352,263,053.33	
Total	4,285,931,338.65				155,613,807.08	- 45,627,581.75		43,654,510.65			4,352,263,053.33	

The recoverable amount is determined according to the net amount of fair value minus disposal expenses

☐ Applicable ☒ Not applicable

The recoverable amount is determined according to the present value of the expected future cash flow

☐ Applicable ☒ Not applicable

4. Operating income and operating cost

Unit: RMB

Item	Amount incurred in the current period		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	743,494,859.25	714,589,038.03	1,645,278,941.17	1,604,951,175.69
Other businesses	131,264,163.44	69,326,198.38	21,810,268.44	17,866,804.95
Total	874,759,022.69	783,915,236.41	1,667,089,209.61	1,622,817,980.64

Breakdown of operating revenue and operating costs:

1) Revenue from contracts with customers, broken down by type of goods or services

Unit: RMB

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Polyester chemical fiber film	743,494,859.25	714,589,038.03	1,645,278,941.17	1,604,951,175.69
Trade and others	131,264,163.44	69,326,198.38	21,810,268.44	17,866,804.95
Subtotal	874,759,022.69	783,915,236.41	1,667,089,209.61	1,622,817,980.64

2) Revenue from contracts with customers, broken down by transfer time of goods or services

Unit: RMB

Item	Amount in the current period	Amount in the previous period
Revenue recognized at a certain point of time	874,388,725.90	1,666,663,420.62
Revenue recognized in a period of time	370,296.79	425,788.99
Subtotal	874,759,022.69	1,667,089,209.61

3) Information about performance obligations

Item	Timing of satisfying performance obligations	Significant payment terms	Nature of goods transferred by the Company	Principal or not	Expected refunds to customers	Type of quality assurance provided and related obligations
Sales of goods	Upon delivery of goods	Advance payments: accounts receivable are generally due 30–90 days after product delivery	Products compliant with national standards	Yes	None	Warranty quality assurance

4) The revenue recognized in the current period included in the opening book value of contract liabilities is RMB 710,551,453.29.

5. Investment income

Unit: RMB

Item	Amount incurred in the current period	Amount incurred in the previous period
Long-term equity investment income calculated by equity method	155,613,807.08	142,718,593.27
Financing discount loss of receivables		-38,617,554.90
Interest income from the inter-bank loan of related party	13,659,765.86	19,062,856.58
Total	169,273,572.94	123,163,894.95

XIX. Supplementary information

1. Breakdown of non-recurring gains and losses in the current period

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Amount
Profits and losses on disposal of non-current assets	-2,550,977.58
Government subsidies included in the current profits and losses (except those closely related to the Company's normal business operations, which are in line with national policies, enjoyed according to certain standards, and have a continuous impact on the Company's profits and losses)	56,568,707.90
Except for the effective hedging business related to the Company's normal business, the gains and losses of the fair value changes arising from financial assets and financial liabilities held by non-financial enterprises and the gains and losses arising from the disposal of financial assets and financial liabilities	-203,092,609.25
Fund possession cost included in current gain and loss charged to non-financial enterprises	176,094.32
Other non-operating revenues and expenditures except for the aforementioned items	-9,090,941.25
Other profit/loss items falling within the definition of non-recurring gain or loss	-2,804,209.96
Less: Affected amount of income tax	31,611,999.81
Affected amount of minority shareholders' equity (after tax)	-39,532,148.44
Total	-152,873,787.19

Situation of other profit/loss items falling within the definition of non-recurring gain or loss:

☐ Applicable ☒ Not applicable

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

Statement of defining non-recurring profit and loss items listed in the Explanatory Announcement No.1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profits and Losses as recurring profits and losses

☐ Applicable ☒ Not applicable

2. Return on equity and earnings per share (EPS)

Profit within the reporting period	Weighted	Earnings per share (EPS)
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	average return on net assets	Basic earnings per share (RMB per share)	Diluted earnings per share (RMB per share)
Net profit attributable to ordinary shareholders of the Company	1.37%	0.06	0.06
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	1.72%	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

Section IX Other Submitted Data

1. Other significant social security issues

Whether the listed company or its subsidiaries have other significant social security issues

☐ Yes ☐ No ☒ Not applicable

Whether subject to administrative penalties during the reporting period

☐ Yes ☐ No ☒ Not applicable

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

☒ Applicable ☐ Not applicable

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

III. Fund transactions between the listed company and its controlling shareholder and other related parties

☒ Applicable ☐ Not applicable

Unit: RMB 10,000

Counterparty name	Nature of transactions	Beginning balance	Amount incurred during the reporting period	Amount repaid during the reporting period	Ending balance	Interest income	Interest expense
Hangzhou Shengyuan Real Estate Development Co., Ltd.	Operating transactions	380.61		259.34	121.27		
Dalian Yisheng Investment Co.,	Non-operating	37,350			37,350		

Ltd.	transactions						
Zhejiang Petroleum & Chemical Co., Ltd.	Non-operating transactions	11,418.26	826.67		12,244.93		
Zhejiang ZPC Sales Co., Ltd.	Non-operating transactions	20.91	155.11		176.02		
Rongsheng New Materials (Zhoushan) Co., Ltd.	Non-operating transactions	1,102.98	45,200	46,302.98			
Rongsheng Energy (Zhoushan) Co., Ltd.	Non-operating transactions		140,800		141,151.43	351.43	
Rongsheng New Materials (Taizhou) Co., Ltd.	Non-operating transactions	63,473.44	30		64,517.99	1,014.55	
Zhejiang Yongsheng Technology Co. Ltd.	Non-operating transactions		14.27		14.27		
Hong Kong Sheng Hui Co., Ltd.	Operating transactions	55,000			55,000		
ZPC-ENN (Zhoushan) Gas Co., Ltd.	Non-operating transactions	1,080		18.67	1,080	18.67	
Zhejiang Derong Chemicals Co., Ltd.	Operating transactions	7,601.04	31,397.13	33,995.58	5,002.59		
Zhejiang Yisheng Petrochemical Co., Ltd.	Operating transactions	36,019.58	466,175.08	465,524.29	36,670.37		
Saudi Basic Industries Corporation	Operating transactions		31,057.22	27,754.64	3,302.58		
Aramco Trading Singapore Pte.Ltd.	Operating transactions		423,474.87	386,487.13	36,987.74		
Saudi Basic Industries Corporation	Operating transactions	4,251.54	24,611.49	24,291.42	4,571.61		
Total	--	217,698.36	1,163,741.84	984,634.05	398,190.80	1,384.65	
Relevant decision-making procedures	The Proposal on Confirming the Actual Occurrence of Daily Related-Party Transactions in 2024 and Estimating Daily Related Party Transactions for 2025 was reviewed and approved at the 23rd meeting of the 6th Board of Directors held on April 24, 2025, and subsequently passed at the 2024 General Meeting of Shareholders. For details, please refer to the Announcement on Confirming the Actual Occurrence of Daily Related Party Transactions in 2024 and Estimating Daily Related-Party Transactions for 2025 (Announcement No.: 2025-016), published on April 25, 2025, in <i>Securities Times</i> , <i>Securities Daily</i> , <i>China Securities Journal</i> , <i>Shanghai Securities News</i> , and on the website of Juchao Information (http://www.cninfo.com.cn). The company strictly conducts relevant business in accordance with the resolution approved in the aforementioned meetings.						
Fund security safeguard measures	The company is capable of implementing effective business control, fund management, and risk mitigation. Should any unfavorable factors be identified or assessed, timely measures will be taken to manage or reduce risks, ensuring the security of funds.						

Rongsheng Petrochemical Co., Ltd.
Chairman: Li Shuirong
August 21, 2025