

Stock code: 000301 Stock abbreviation: Eastern Shenghong Announcement number: 2023-061
Bond code: 127030 Bond abbreviation: Shenghong Convertible Bond

Jiangsu Eastern Shenghong Co., Ltd.

Announcement of shareholding increase plan of some directors, supervisors and senior management of the company

The Company and all members of the Board of Directors warrant that the information disclosed is truthful, accurate and complete without any false records, misleading statements, or material omissions.

Special Note:

Mr. Ji Gaoxiong, vice chairman and executive vice president of the company, Mr. Qiu Hairong, director, vice president and financial officer of the company, Mr. Ni Genyuan, chairman of the Supervisory Committee, and Mr. Wang Jun, vice president and secretary of the board of directors, plan to use their own funds to increase their shareholding in the company through the Shenzhen Stock Exchange system by means of centralized bidding, block trading and other trading methods within 6 months from May 22, 2023. The total amount of shares to be increased shall not be less than RMB 40 million and not more than RMB 60 million. There is no price range for this shareholding plan, which will be implemented according to the fluctuation of the company's stock price and the overall trend of the capital market.

Jiangsu Eastern Shenghong Co., Ltd. (hereinafter referred to as "the Company") received a notice from some directors, supervisors and senior management on May 19, 2023 that they intend to increase their shareholding in the Company. The relevant information is hereby announced as follows:

I. Basic Information of the about the Subjects of the Planned Increase

1. Subjects of the increase: Mr. Ji Gaoxiong, vice chairman and executive vice president of the company, Mr. Qiu Hairong, director, vice president and financial officer of the company, Mr. Ni Genyuan, chairman of the board of supervisors, and Mr. Wang Jun, vice president and secretary of the board of directors.
2. Shareholding of the subjects of the increase: As of the date of disclosure of this announcement, none of the shareholding entities directly holds any shares of the Company.
3. The subjects of the increase have no disclosed shareholding plan in the 12 months prior to this announcement; and has no reduction in shareholding in the 6 months prior to this announcement.

II. Main Contents of the Shareholding Increase Plan

1. The purpose of this proposed share increase: Based on confidence in the future development prospects of the Company and recognition of its value, it was decided to implement a share increase for the Company.

2. The number or amount of shares to be increased in this proposal: The above-mentioned shareholding subjects plan to increase their shareholding by a total amount of not less than RMB 40 million and not more than RMB 60 million. There is no price range for this shareholding increase plan, which will be implemented according to the fluctuation of the company's stock price and the overall trend of the capital market.
3. The implementation period of this shareholding increase plan: within 6 months from May 22, 2023.
4. The method of increasing shares in this proposal: The above-mentioned shareholding increase subjects will increase their holding of unlimited circulation A shares of the Company through centralized bidding, block trading and other trading methods through the Shenzhen Stock Exchange system.
5. The arrangement of funds for this planned share increase: self-raised funds.

The commitment made by the shareholding subjects in this increase: not to reduce their holdings of shares held by the Company during the implementation of this increase and within the statutory period .**III. Uncertainty Risks in Implementing Shareholding Increase Plan**

The implementation of this share increase plan may involve risks such as changes in market conditions, failure to timely raise funds for share increase, etc., which may result in delay or failure to implement the shareholding increase plan.

IV. Other Relevant Explanations

1. This shareholding increase plan complies with relevant laws and regulations such as Securities Law, Measures for Administration of Acquisition of Listed Companies, Rules for Listing Stocks on Shenzhen Stock Exchange, etc., as well as relevant rules and regulations of Shenzhen Stock Exchange.
2. This shareholding increase will not cause the company's equity distribution to fail to meet listing requirements, nor will it cause changes in control rights.
3. The Company will continue to pay attention to the relevant situation of increasing its shareholding by its shareholders and fulfill its obligation of information disclosure in a timely manner according to regulations.

V. Documents for Reference

1. Notice on Planned Increase in Shareholding in Jiangsu Eastern Shenghong Co., Ltd.

Announcement is hereby given.

Jiangsu Eastern Shenghong Co., Ltd.

Board of Directors

May 19, 2023