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## **Strong Petrochemical Holdings Limited**

海峽石油化工控股有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 852)**

### **PROFIT WARNING – REDUCTION IN LOSS**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that based on preliminary assessment on the management accounts of the Group by the Company's management, the Group is expected to record loss attributable to owners of the Company in the range between approximately HK\$1.0 million and HK\$10.0 million for the six months ended 30 June 2021, as compared to the unaudited loss of approximately HK\$98.6 million for the six months ended 30 June 2020.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by Strong Petrochemical Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the information currently available from the Group’s management accounts, it is expected that the Group will record loss attributable to owners of the Company in the range between approximately Hong Kong Dollar (“**HK\$**”) 1.0 million and HK\$10.0 million for the six months ended 30 June 2021, as compared to the unaudited loss of approximately HK\$98.6 million for the six months ended 30 June 2020. The reduction in loss attributable to owners of the Company is primarily attributable to the decrease in distribution and selling expenses and the increase in net gain on changes in fair value of derivative financial instruments. Yet, such reduction in loss has been partially offset by the substantial decreases in revenue and gross profit due to the adverse economic environment and the cautious trading approach adopted by the Group during the first half of 2021.

As the Company is still in the process of finalising the unaudited interim results for the six months ended 30 June 2021, the information contained in this announcement is only based on the preliminary assessment by the Company’s management according to the unaudited management accounts of the Group. The financial results of the Group for the six months ended 30 June 2021 will only be ascertained when all the relevant results and accounting treatments are finalised.

The unaudited interim results announcement of the Group for the six months ended 30 June 2021 is expected to be published on 26 August 2021.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board

**STRONG PETROCHEMICAL HOLDINGS LIMITED**

**Wang Jian Sheng**

Chairman

Hong Kong, 16 August 2021

*As at the date of this announcement, the Board comprises two executive directors and three independent non-executive directors. The executive directors are Mr. Wang Jian Sheng and Mr. Yao Guoliang. The independent non-executive directors are Ms. Cheung Siu Wan, Dr. Chan Yee Kwong and Mr. Deng Heng.*

*\* For identification purpose only*