

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

POSITIVE PROFIT ALERT

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 of the management accounts of the Group by the Company's management (which have not been audited by the auditor of the Company), it is expected that the Group will experience a profit for the year ended 31 December 2021 as compared to the loss recorded for the year ended 31 December 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 (which have not been audited by the auditor of the Company), it is expected that the Group will experience a profit attributable to owners of the Company in the range of Hong Kong Dollar (“**HK\$**”) 1.0 million to HK\$10.0 million for the year ended 31 December 2021 as compared to the loss attributable to owners of the Company of HK\$93.0 million for the year ended 31 December 2020, which is primarily attributable to the increase in gain from the trading of crude oil and oil product related derivative financial instruments, the increase in other income, the increase in other operating income, the reversal of impairment loss on interest in an associate, the decrease in impairment loss under expected credit loss model, the decrease in distribution, selling and operating expenses, the decrease in finance costs, together with the decrease in income tax expense. Yet, such profit has been partially offset by the decrease in gross profit, the loss on debt modification in other gains and losses and the impairment loss on investment properties.

As the Company is still in the process of finalizing the results for the year ended 31 December 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, which are subject to finalisation and other potential adjustments, if any, and have not been reviewed or confirmed by the auditors of the Group or the audit committee of the Company. The financial results of the Group for the year ended 31 December 2021 will only be ascertained when all the relevant results and accounting treatments are finalised.

The annual results announcement of the Group for the year ended 31 December 2021 is expected to be published in late March 2022.

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, 18 March 2022

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, Prof. Chan Yee Kwong and Mr. Deng Heng.

** For identification purpose only*