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## **STRONG PETROCHEMICAL HOLDINGS LIMITED**

**海峡石油化工控股有限公司\***

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

**(Stock Code: 852)**

### **SUPPLEMENTAL ANNOUNCEMENT**

Reference is made to the announcement of Strong Petrochemical Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 25 October 2024 (the “**Announcement**”). Capitalised terms used herein shall have the same meaning as defined in the Announcement.

The Company wishes to provide further information in respect of the Announcement as follows:

1. **Prof. Chan’s reason for resignation.** As disclosed in the Announcement, Prof. Chan resigned due to personal reasons. As confirmed by Prof. Chan, he resigned because of his own difficulties in coping with various teaching and administrative duties at the university where he currently serves while acting as an independent non-executive Director of the Company.
2. **The views of Prof. Chan and Ms. Cheung on the Matter.** As disclosed in the Company’s announcement dated 14 October 2024, two members of the IBC have expressed views on the Matter that Mr. Yao Guoliang (“**Mr. Yao**”) is no longer suitable to serve as a Director because he was found to have engaged in an insider dealing by AMF and French courts and he did not make relevant disclosure. As disclosed in the Announcement, Prof. Chan and Ms. Cheung are the two members of the IBC who have expressed such views regarding Mr. Yao’s suitability.
3. **Ms. Cheung’s disagreement on the nomination and appointment of Dr Tan Xiao.** As disclosed in the Announcement, Ms. Cheung disagreed with the Board on the nomination and appointment of Dr Tan Xiao (“**Dr Tan**”) as an executive Director. To the best of knowledge and understanding of the Board, the reasons for her disagreements are summarised as follows: (i) she believed that the Board should have a more balanced composition with each of the two ultimate controlling shareholders, namely Mr. Wang Jian Sheng (“**Mr. Wang**”) and Mr. Yao, proposing a candidate for directorship; and (ii) however, only the nomination and appointment of Dr Tan proposed by Mr. Yao was discussed at the relevant meeting of the Board.

The Board appreciates Ms. Cheung’s advice and would like to respond as follows: (i) the Company has been gradually turning its management team from the one primarily comprising two executive Directors (namely, Mr. Wang and Mr. Yao) who are also the controlling shareholders of the Company into a young and diversified team comprising professional managers who are not related to the controlling shareholders; and (ii) Dr Tan was an ideal candidate because, in addition to his background and experiences, he is unrelated to any of the controlling shareholders, nor does he represent the interest of any of the controlling shareholders; and (iii) a proposal to nominate another candidate (who proposed to replace an existing Director) which had been proposed along with Dr Tan’s nomination proposal, was withdrawn before the relevant meeting. As a result, the only valid nomination proposal received by the Board was the proposal for the nomination of Dr Tan.

4. *Ms. Cheung’s disagreement on the Board’s response to the Stock Exchange’s enquiries regarding Mr. Yao’s suitability.* Subsequent to the publication of the Company’s inside information announcement concerning the Matter on 2 October 2024, the Company received an enquiry letter (the “**Enquiry Letter**”) from the Stock Exchange concerning, among others, Mr. Yao’s suitability. The majority of the Board at that time were of the view that Mr. Yao remained suitable as a Director and submitted such response with reasons (the “**Response**”) to the Stock Exchange. Ms. Cheung disagreed on the Response as she was of the view that Mr. Yao was no longer suitable to serve as a Director for the reasons as mentioned under paragraph 2 above in this announcement.

In addition, Ms. Cheung expressed concerns on the voting process regarding the Response. To the best of knowledge and understanding of the Board, her concerns are summarized as follows: (i) the Enquiry Letter is mainly about Yao’s suitability as a Director, however, the Response was bundled with other matters not thoroughly discussed at the Board meeting; and (ii) the meeting should adopt a more balanced approach including multiple alternatives that take different voting scenarios into account.

The Board is of the view the relevant matters have been thoroughly discussed, although may not in the manner as Ms. Cheung wishes. Nonetheless, the Board appreciates Ms. Cheung’s advice and is committed to further enhancing the discussion process and voting mechanism at the future meetings of the Board.

By Order of the Board  
**Strong Petrochemical Holdings Limited**  
**Deng Heng**  
*Chairman of the Board*

Hong Kong, 4 November 2024

*As at the date of this announcement, the Board comprises four executive Directors and three independent non-executive Directors. The executive Directors are Mr. Wang Jian Sheng, Mr. Yao Guoliang, Dr. Ma Yi and Dr. Tan Xiao. The independent non-executive Directors are Mr. Deng Heng, Ms. Jiao Jie and Mr. Lai Wai Chi.*

\* *For identification purpose only*