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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)**

### **FURTHER INFORMATION ON THE STATUTORY DEMAND AND THE TERMINATION OF EMPLOYMENT OF THE CO-CHIEF EXECUTIVE OFFICER**

Reference is made to the announcements of the Company dated 4 February 2025, 10 February 2025 and 14 February 2025 in relation to, among other things, (i) the receipt of the Statutory Demand from the liquidator of Santron Holdings Limited (in liquidation) (“**Santron**”), demanding the Company to pay US\$83,000,000 plus interest, being unpaid trade debts from Shandong Shengxing Chemical Co., Ltd. (“**Shandong Shengxing**”); (ii) the termination of Dr. Tan Xiao as the Co-Chief Executive Officer of the Company; and (iii) the establishment of an independent board committee to investigate certain allegations against the directors and possible misconduct of certain former management of the Company (the “**Investigations**”). Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the aforesaid announcements.

#### **THE STATUTORY DEMAND**

Based on the records and information available to the Board, Santron was an indirect wholly-owned subsidiary of the Company prior to its disposal to Treasure Mountain Group Ltd. in March 2023. Shandong Shengxing was a customer of the Group. Shandong Shengxing entered into long-term trading cooperation agreements with Strong Petrochemical Limited (Macao Commercial Offshore), an indirect wholly-owned subsidiary of the Company which was closed in 2021 (“**Strong Macao**”), in 2017 and 2019 respectively, pursuant to which Strong Macao supplied crude oil to Shandong Shengxing. Further, in December 2020, Strong Macao obtained court ruling against Shandong Shengxing in relation to unpaid trade debts amounting to approximately US\$83.0 million which were due and payable to Strong Macao. Strong Macao and Shandong Shengxing subsequently entered into settlement agreement, and Shandong Shengxing had paid approximately US\$3.1 million as of April 2024. For details, please refer to the 2023 annual report of the Company published on 22 April 2024.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, Santron and Shandong Shengxing are independent third parties of the Company as at the date of this announcement.

The Company is in the process of requesting particulars of the Statutory Demand and conducting an internal investigation. It will adopt all effective measures to safeguard the interests of the shareholders and the Company. The Company will make further announcement(s) relating to the Statutory Demand as and when appropriate or as required under the Listing Rules.

## **THE TERMINATION OF EMPLOYMENT OF THE CO-CHIEF EXECUTIVE OFFICER**

As disclosed in the announcement dated 10 February 2025, the Company was unable to confirm with Dr. Tan as to whether he has any disagreement with the Board or whether there is any matter that needs to be brought to the attention of the shareholders of the Company and the Stock Exchange. However, since the termination of Dr. Tan's employment as Co-Chief Executive Officer on 10 February 2025, the Company has not received any expressed disagreement claim from Dr. Tan. Therefore, to the best of the Company's knowledge, the Company is not aware of any potential disagreement that Dr. Tan may have with the Board, or any matter that Dr. Tan will bring to the attention of the shareholders of the Company and the Stock Exchange as at the date of this announcement, subject to the results of the Investigations.

The Board is of the view that the termination of Dr. Tan's employment will not have adverse impact on the operations of the Group, which continues to carry out its day-to-day business operations.

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

By order of the board of directors  
**STRONG PETROCHEMICAL HOLDINGS LIMITED**  
**Wang Qihong**  
*Chairman*

Hong Kong, 17 February 2025

*As at the date of this announcement, the board of directors of the Company comprises two executive directors, two non-executive directors and three independent non-executive directors. The executive directors of the Company are Dr. Wang Pang Paul and Mr. Cao Xinzhong. The non-executive directors of the Company are Mr. Guo Yan Jun and Mr. Wang Jian Sheng. The independent non-executive directors of the Company are Mr. Wang Qihong, Dr. Lu Guoyang and Ms. Tam Yuk Yu.*

\* *For identification purpose only*