

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

海峡石油化工控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 852)

(1) QUARTERLY UPDATE ON RESUMPTION PROGRESS
(2) FURTHER DELAY IN PAYMENT OF 2024 INTERIM DIVIDEND
AND
(3) CONTINUED SUSPENSION OF TRADING

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

References are made to various announcements of the Company between 2 October 2024 and 31 March 2025 in relation to: (1) the suspension of trading (the “**Suspension**”) of the shares of the Company (the “**Shares**”) from 9:00 a.m. on 31 December 2024 and the Stock Exchange’s guidance for the resumption of trading in the Shares issued to the Company on 4 March 2025 (the “**Resumption Guidance**”); (2) the various incidents involving the directors and former management of the Company (the “**Matters**”), the establishment of the independent board committee (the “**IBC**”) by the board of directors of the Company (the “**Board**”) to investigate the Matters (the “**Investigation**”) and the engagements of a forensic auditor and a legal adviser by the IBC; (3) the engagement of Acclime Consulting (Hong Kong) Limited (“**Acclime**”) as internal control adviser to conduct an internal control review of the Group (the “**Internal Control Review**”); (4) the delay in publication of the final results (the “**2024 Annual Results**”) and annual report (the “**2024 Annual Report**”) for the year ended 31 December 2024; (5) the declaration of the interim dividend for the six months ended 30 June 2024 (the “**Interim Dividend**”) and the postponement of payment thereof; and (6) the quarterly update on resumption progress. Unless otherwise defined, capitalized terms used in this announcement have the same meanings as those defined in the aforesaid announcements.

UPDATE ON PROGRESS OF RESUMPTION

Pursuant to Rules 13.24 and 13.24A of the Listing Rules, the Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the progress of actions recently taken by the Company to fulfil the Resumption Guidance, and the latest development of the Group’s business operations.

Progress of the Investigation

As of the date of this announcement, the Investigation is still ongoing due to the complexity and number of allegations involved, as well as the significant loss of the Company’s books and records. This has resulted in additional time being required for the Forensic Investigator to identify and analyze corroborating evidence. The Company, together with the IBC and the Forensic Investigator, has taken proactive steps to expedite the investigation process. These include prioritizing the retrieval and reconstruction of lost records, facilitating timely access to internal documents, and coordinating with relevant personnel for interviews. The Company has also maintained regular communication with the Forensic Investigator and other professional advisers to ensure that all necessary resources are allocated efficiently to support the investigation timeline. According to the IBC and the Forensic Investigator, the finalization of the investigation report is pending several steps, including, among others, interviews with key individuals and parties involved in the Matters, which have been scheduled for July 2025, obtains and reviews relevant evidence from key individuals and/or parties to corroborate with the Forensic Investigator’s findings.

In addition, the Company had been actively cooperating with the Hong Kong Police in relation to the stolen items of the Company, by providing evidence and responding to inquiries over the past three months. As of the date of this announcement, the investigation by the Hong Kong Police remains ongoing.

Based on the estimated workload of the Investigation, and subject to the progress of the investigation of the stolen items by the Hong Kong Police, if all stakeholders and relevant parties will cooperate with the Investigation, the Company is advised by the IBC and the Forensic Investigator that the Investigation is expected to be completed around July or August 2025.

As the Investigation is still in progress, and the Company does not have sufficient information at this stage to assess the impact the Investigation on the Company’s business operation and financial position, or to conclude whether there are any issues relating to the integrity, competence and/or character of the Group’s management and/or any person with substantial influence over the Company’s management and operations. The IBC will report to the Board on its findings on the Matters and make recommendations on the steps forward after it receives the report from the Forensic Investigator, and the Company will formulate a detailed remedial action plan based on the IBC’s findings and recommendations.

Progress of the Internal Control Review

As at the date of this announcement, Acclime has commenced the Internal Control Review, including but not limited to reviewing internal policies, inspecting the internal control system and interviewing and discussing with the responsible staff. Based on the information currently available and barring any unforeseen circumstances, Acclime is expecting to

provide a preliminary draft report to the Company around July or August 2025. The Board will carefully consider Acclime's findings and recommendations and, if necessary, formulate enhancement procedures as part of its remedial action plan.

Business Operation of the Group

In the second quarter of 2025, the Group continued to focus on its principal businesses, including (i) trading of commodities, including crude oil, petroleum products, petrochemicals and coal, (ii) storage and other ancillary services for petroleum products and petrochemicals and leases, (iii) manufacturing of petrochemicals, and (iv) oil and gas operations.

The Group's trading team continues to seek business opportunities, maintain relationships with key customers, and develop opportunities in trading petroleum products, petrochemicals, and coal. Amid the recent volatility of the oil market, the Group has remained prudent in conducting its trading activities.

The Group provides petroleum products and petrochemicals storage services through Strong Nantong, a PRC subsidiary operating 21 storage tanks for gas oil and diesel fuel storage services with a capacity of 139,000 cubic meters in Nantong, Jiangsu Province, the PRC. It is principally engaged in providing storage services for gasoline, diesel fuel and methyl alcohol. It continues to develop relationships with different customers and enhance its solutions to increase the utilisation rate of the storage tanks.

The Group manufactures styrene thermoplastic elastomer, a petrochemical product, through its subsidiary Fujian Petrochemical. Fujian Petrochemical has commenced its trial operations since March 2025, and is currently focusing on expanding its production capacity while developing strong and long-term relationships with its customers. It is expected to reach its full production capacity by October 2025.

Regarding the Group's oil and gas operations, Pan China's business operations remain stable. While negotiation between the Group and with China National Petroleum Corporation regarding the extension of Pan China's petroleum contract is ongoing, the Group's management does not anticipate any obstacles in securing the extension.

As of the date of this announcement, the business operations of the Group are continuing as usual in all material aspects notwithstanding the Suspension. The Board will continue to assess and monitor the operational and financial impact of the Suspension.

DELAY IN PUBLICATION OF 2024 ANNUAL RESULTS AND 2024 ANNUAL REPORT

As additional time is needed to finalize the Investigation, the 2024 Annual Results and 2024 Annual Report are expected to be published around October 2025.

FURTHER DELAY IN 2024 INTERIM DIVIDEND PAYMENT

References are made to the Company's announcements dated 2 October 2024, 25 November 2024, 30 December 2024, 28 March 2025 and 31 March 2025 regarding the declaration of the Interim Dividend and the postponement of payment to on or about 29 August 2025.

Due to the ongoing Investigation, the Company is unable to ascertain the impact of the Matters on the financial position of the Company. The Board has decided to further postpone the payment of the Interim Dividend until the conclusion of the Investigation and the 2024 Annual Audit. In view of the current timeline for the Investigation and the 2024 Annual Audit and subject to the Investigation results, the Company aims to make payment of the Interim Dividend on or about 28 November 2025.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 31 December 2024 and will remain suspended until fulfilment of the Resumption Guidance.

The Company will make further announcements on the findings of the Investigation and the Internal Control Review, the progress of the 2024 Annual Audit and the payment arrangements for the Interim Dividend as and when appropriate, in accordance with the Listing Rules and the SFO, to inform the market of all material information for the Shareholders and other investors to appraise the Company's position. In addition, the Company will provide updates on its resumption progress on a quarterly basis according to Rule 13.24A of the Listing Rules.

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

By order of the Board
STRONG PETROCHEMICAL HOLDINGS LIMITED
Wang Qihong
Chairman

Hong Kong, 27 June 2025

As at the date of this announcement, the Board 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 purposes only*