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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)

**(1) QUARTERLY UPDATE ON RESUMPTION PROGRESS;
(2) KEY FINDINGS OF THE INDEPENDENT FORENSIC INVESTIGATION;
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 27 June 2025 (the “**Announcements**”) in relation to, among others:

- (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) various matters involving the Company (the “**Matters**”), including (i) the allegations raised by Mr. Yao Guoliang (“**Mr. Yao**”), former chief executive officer and executive director of the Company, and certain other former management of the Company against Mr. Wang Jian Sheng (“**Mr. Wang JS**”), former executive director and chairman of the board of directors of the Company (the “**Board**”) and current non-executive director of the Company, Mr. Wang Pang Paul (“**Mr. Wang P**”), current executive director of the Company, Ms. Kwan Pui Shan (“**Ms. Kwan**”), current chief financial officer and company secretary of the Company and Mr. Zhang He (“**Mr. Zhang**”), current management of two subsidiaries of the Company (namely Zibo Huineng and Hainan Huineng as defined below); (ii) the possible substantial misconduct of the former management of the Company, including but not limited to prior investment and fund management of the Company, and the recently reported stolen items; and (iii) the

* *For identification purposes only*

receipt of a statutory demand (“**Statutory Demand**”) from the liquidators 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**”);

- (3) the establishment of the independent board committee (the “**IBC**”) by the Board to investigate the Matters (the “**Investigation**”) and its engagements of the forensic team from a Big 4 accounting firm as investigator (the “**Forensic Investigator**”) and legal adviser to assist the IBC in the Investigation;
- (4) 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**”); and
- (5) 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.

Unless otherwise defined, capitalized terms used in this announcement have the same meanings as those defined in the Announcements.

SUMMARY OF 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.

1. Progress of the Investigation

As disclosed in the Announcements, the Company has established the IBC to investigate into the Matters, and the IBC has appointed the Forensic Investigator and legal adviser to assist the IBC in the Investigation.

On 4 March 2025, the Company received the Resumption Guidance from the Stock Exchange, pursuant to which, for the purpose of resumption of trading of the Shares, the Company shall, among others, conduct an independent forensic investigation into the Matters, assess the impact on the Company’s business operation and financial position, announce the findings and take appropriate remedial actions.

As of the date of this announcement, the Forensic Investigator has sent the report of the Investigation (the “**Investigation Report**”) to the Independent Board Committee, subject to the review and satisfaction of the Stock Exchange for the purpose of fulfilment of the Resumption Guidance. Please refer to the section headed “**FINDINGS OF THE INVESTIGATION**” of this announcement for details of the key findings of the Investigation and the observations made by the IBC and the Board thereof.

Subject to the satisfaction of the Stock Exchange and to its best knowledge and belief based on the currently available evidence, the Board (including the IBC) is of the view that there’s not any material impact on the Group’s business and financial position based on evidence currently available with respect to all Matters, and there is no

reasonable regulatory concern about the integrity, competence and/or character of the Group's current management and/or any person with substantial influence over the Company's current management and operations, which may pose a risk to investors and damage market confidence. Meanwhile, the Company is seeking legal advice based on the findings of the Investigation and will adopt all effective measures to safeguard the interests of the shareholder and the Group.

2. Progress of the Internal Control Review

As of the date of this announcement, Acclime is now in the final stage of finalizing the Internal Control Review. Once Acclime issues the final internal control review report (which is currently expected to be available around October 2025), the Board will carefully consider Acclime's findings and recommendations (together with any recommendations made by the Forensic Investigator) and, if necessary, formulate enhancement procedures as part of its remedial action plan. Further announcement will be made by the Company as and when appropriate.

3. Progress of the Publication of Outstanding Financial Results

As at the date of this announcement, the Company is still in the progress of discussing the plan of the 2024 Annual Audit with its auditor based on all available documents of the Group, including the Investigation Report of the Forensic Investigator.

As the preparation and the publication of the 2024 Annual Results and 2024 Annual Report is still pending, the Company is unable to publish its interim results announcement (the "**2025 Interim Results**") and interim report (the "**2025 Interim Report**") for the six months ended 30 June 2025 for the same period within the prescribed time in accordance with Rules 13.48 and 13.49 of the Listing Rules.

The expected date of the publication of the abovementioned outstanding financial results will need to be further discussed and determined with the auditor of the Company.

4. Business Operation of the Group

In the third 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 achieved stable expansion of production capacity. It's currently focusing on the product process optimization and equipment technology update, so as to further improve product quality to match or exceed industry standards and hit monthly production at full capacity, while developing strong and long-term relationships with its customers.

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.

FINDINGS OF THE INVESTIGATION

1. Scope of the Investigation

As agreed with the IBC and its legal adviser, the scope of the Investigation into the Matters as set out in the Resumption Guidance covers the followings:

- (i) **Matter 1:** Suspected misappropriation of the Group's assets through unauthorized reimbursements involving Mr. Wang JS, Mr. Wang P and Ms. Kwan.
- (ii) **Matter 2:** Suspected forgery of Mr. Yao's signature on documents related to the Group's financial statements.
- (iii) **Matter 3:** Suspected non-cooperation of two indirect wholly-owned subsidiaries of the Company, 淄博海峽匯能石油化工有限公司 (Zibo Strong Huineng Petrochemical Limited*) ("**Zibo Huineng**") and 海南海峽匯能石油化工有限公司 (Hainan Strong Huineng Petrochemical Limited*) ("**Hainan Huineng**").
- (iv) **Matter 4:** Potential misconduct of Mr. Yao for arranging a wholly-owned subsidiary of the Company, Fujian Hong Kong Petrochemical Limited ("**Fujian Subsidiary**"), to invest RMB50 million in a fund that appeared to be connected to Mr. Deng Heng ("**Mr. Deng**"), former chairman of the Board and former independent non-executive director of the Company.
- (v) **Matter 5:** Potential misconduct of Mr. Yao for unauthorised fund transfer, namely, arranging a wholly-owned subsidiary of the Company, Strong Petrochemical Limited ("**Strong HK**"), to transfer USD8 million from Strong HK's account (the

“**BComm Account**”) at Bank of Communications Co., Ltd. Hong Kong Branch (“**BComm**”) to its account(s) (the “**DBS Account**”) at DBS Bank (Hong Kong) Limited (“**DBS**”), where Mr. Yao was the sole authorised signatory.

- (vi) **Matter 6:** Loss of the Company’s assets, including but not limited to certain accounting records, human resources records, board minutes, contracts, company secretarial records, computer hardware and records, email correspondence, company chops and common seals, bank tokens and furniture belonging to the Group from the Company’s former Hong Kong head office at 28/F, Overseas Trust Bank Building, 160 Gloucester Road, Wan Chai, Hong Kong (the “**Original Office**”) which had been occupied by certain former management of the Company before the extraordinary general meeting (the “**EGM**”) of the Company held on 25 January 2025.
- (vii) **Matter 7:** The Statutory Demand from the liquidators of Santron.

2. Procedures Performed and Limitations

The following procedures have been performed in the Investigation:

- (i) Collecting and reviewing key documentation belonging to the Company and relevant subsidiaries of the Company pertaining to the Matters;
- (ii) Conducting fact-finding interviews with internal personnel (current and former employees, senior management and directors of the Company) and external parties (those identified as relevant to the investigations) to gather information pertaining to the Matters;
- (iii) Performing a site visit to the Original Office to gather information, including identifying what records and documents are still available and enquiring with the Overseas Trust Building Management Office (home to the Original Office) to identify any records from the building’s CCTV which may shed light on the incident around the lost documents and records;
- (iv) Performing e-Discovery to collect electronic data during onsite inspection at the Original Office, extracting and reviewing relevant electronic documents; and
- (v) Conducting background due diligence and public domain research in respect of companies and individuals respectively identified in the Matters.

Key limitations of the Investigation are set out as below:

- (i) Loss of a significant amount of key documentation from the Company;
- (ii) Departure of former employees and/or senior management who have knowledge of and/or involvement in the Matters; and
- (iii) Unable to conduct interviews with certain key personnel.

With respect to the above limitations, the Forensic Investigator has attempted to, on a best effort basis, exploit other practicable means to adopt alternative investigation methodologies and/or rely on alternative sources of information and data, such as obtaining and reviewing relevant bank statements from October 2024 to January 2025 to analyze the Group's fund flows, interviewing with third parties and/or the Group's current/former employees who have knowledge and/or involvement in the Matters to corroborate with the Forensic Investigator's findings, and analyzing the digital evidence collected.

3. Key Findings of the Investigation

The key findings of the Investigation on each of the Matters as mentioned above by the Forensic Investigator are summarized as follows:

Matter 1 — Suspected misappropriation of the Group's assets

Background

The Company (represented by the then Board) announced on 26 December 2024 and 12 January 2025 that Mr. Wang JS, Mr. Wang P and Ms. Kwan were involved in misappropriation of the Group's assets. Based on the investigation report issued by Mr. Anoop Gidwani and Prosmart Consultancy Services Limited, the external investigator engaged by the Company (represented by the then Board), it found that between 2020 to 2024:

- (i) Mr. Wang JS and Mr. Wang P claimed personal expenses of approximately HKD1.5 million from the Company without proper approval;
- (ii) Mr. Wang JS made double claim of hotel and entertainment expenses of up to HKD1.86 million; and
- (iii) Ms. Kwan failed to ensure compliance with internal control and did not report the above unauthorised expense claims.

Findings

No deliberate act to misappropriate the Group's assets by Mr. Wang JS, Mr. Wang P and Ms. Kwan was found in the expense claims from 2020 to 2024, and the allegation of double claims of expenses by Mr. Wang JS cannot be substantiated. Several evidence for Mr. Wang P's legitimacy to claim and approve expenses was identified.

Based on the available evidence, although there were some self-approved or cross-approved expense claims involving Mr. Wang JS and Mr. Wang P, those expense claims appear to be primarily resulted from a lack of clear procedures in managing approvals during approver absences and preventing conflicts, rather than a deliberate act to misappropriate the Group's assets, considering (i) the number of self-approved/cross-approved expense claims were limited (based on available vouchers) and primarily due to the absence of Mr. Yao especially during COVID pandemic in 2022; (ii) no apparent

patterns or anomalies from Mr. Wang JS and Mr. Wang P's expense claims indicative of potential misappropriation; and (iii) the alleged personal expense claims appear to be business-related.

The allegation of double claims of expenses by Mr. Wang JS through hotel and entertainment expenses could not be substantiated as Mr. Wang JS only claimed for reimbursements from the Company. Mr. Wang JS neither submitted expense claims to the third party from which Mr. Wang JS had allegedly double-claimed those reimbursements nor obtained any economic benefit from the third party as alleged. The third party confirmed that it had not paid for nor reimbursed the relevant expenses to Mr. Wang JS as alleged.

With respect to Mr. Wang P's legitimacy to claim and approve expenses, Mr. Wang P was engaged as a consultant since 1 April 2017 through a consultancy agreement dated 1 March 2017 between Mr. Wang P and Strong HK (a wholly-owned subsidiary of the Company). Mr. Wang P explained that both Mr. Wang JS and Mr. Yao had authorized him to approve expense claims on their behalf, which was confirmed by Mr. Wang JS and corroborated by evidence including but not limited to approval record of Mr. Yao's several expense claims by Mr. Wang P without objection from Mr. Yao.

The Forensic Investigator recommends formalising internal control procedures for the Group's expense claims and implement mechanisms to prevent conflicts of interest, such as self-approvals or cross-approvals, particularly during periods of approver absence, and establishing specific limits on claim amounts and define the nature of reimbursable expenses to mitigate risks of misuse or abuse of the Group's expense reimbursement system (the "**Recommendations**").

Matter 2 — Suspected forgery of Mr. Yao's signature

Background

The Company (represented by the then Board) announced on 24 January 2025 that the Company had found out evidence of forgery of Mr. Yao's signature which gave rise to concern on the accuracy of the Company's previous financial statements.

In this regard, Mr. Yao alleged that his signature was forged on the audited financial statements of the Group and certain of its subsidiaries, letters of representation issued by the Company and certain Group's subsidiaries and letters of financial support issued by the Company in favour of certain Group's subsidiaries (the "**Financial Reporting Documents**") for the financial years ended 31 December 2021 ("**FY2021**") and 2022 ("**FY2022**").

Findings

The Forensic Investigator notes that Mr. Yao, as a long-standing executive director and chief executive officer of the Company since 1 February 2008, had signed the Financial Reporting Documents for over 15 years. Mr. Yao's extensive experience meant that any omission of his signature would have been immediately apparent to him. It would also be clear to Mr. Yao that the FY2021 and FY2022 Financial Reporting Documents would be "defective" without his signature as an executive director. In view of this, if

Mr. Yao had not signed on the relevant documents as alleged by him, Mr. Yao would have known that his signature on those documents were either signed by someone on his behalf/forged at the time. However, Mr. Yao only alleged forgery in late 2024 — over two years after FY2021’s conclusion and one year after endorsing FY2022 results. Mr. Yao’s prolonged inaction raises doubts about the validity of his claims, and suggests implicit acceptance of a long-standing practice of delegating document-signing authority during the absences of Mr. Wang JS and Mr. Yao which Mr. Yao himself had acknowledged in emails in 2019, which directly contradicts Mr. Yao’s assertion of unauthorized signature. The above seriously undermines the credibility of Mr. Yao’s forgery allegations.

Matter 3 — Suspected non-cooperation of Zibo Huineng and Hainan Huineng

Background

The Company (represented by the then Board) announced on 12 January 2025 that (i) Zibo Huineng and Hainan Huineng had improperly transferred over USD11 million to external entities (the “**Suspected Improper Transfer**”), and (ii) the chops, U-keys and bank tokens of Zibo Huineng were in the possession by Mr. Zhang who refused to return them to the Company and the financial personnel of Zibo Huineng refused to provide Zibo Huineng’s financial statements to the Company following the issuance of notice on 16 October 2024 by certain former management of the Company for termination of their positions with immediate effect (the “**Suspected Non-Cooperation in Handover**”).

Findings

The Suspected Improper Transfer cannot be substantiated. There was a transfer of RMB84.3 million (equivalent to approximately USD11 million) from Zibo Huineng to Haineng Huineng in December 2023, and Hainan Huineng transferred RMB98.775 million to an independent petrochemical products supplier in January 2024 for ordinary business purpose (i.e. the funds were used for purchases of petrochemical products, which were subsequently sold to several customers, under sales and purchase contracts), and no improprieties in relation to the transfer and payments were found based on the available evidence. Save for the above, no other transfer exceeding RMB1 million to external third parties from Hainan Huineng and Zibo Huineng during the period from December 2023 to January 2025 was found by the Forensic Investigator.

The Suspected Non-Cooperation in Handover cannot be substantiated because, amongst others, while there were miscommunications during the handover process, the handover was ultimately completed after access to Zibo Huineng’s office was gained at the end of October 2024 and items were subsequently retrieved, with no report of missing asset and without any material operational impact on Zibo Huineng. Financial reporting and operations resumed smoothly following the reinstatement of relevant personnel in February 2025.

Matter 4 — Potential misconduct of Mr. Yao for arranging the Fujian Subsidiary to invest in a fund

Background

The Company (represented by the current Board) announced on 14 and 28 February 2025 that the Investigation covers potential misconduct of the former management of the Company. This includes potential misconduct of Mr. Yao for arranging the Fujian Subsidiary to invest RMB50 million (“**Fund Investment**”) in a fund (“**Fund**”) that appeared to be connected to Mr. Deng in January 2025, which triggers concerns on potential misconduct of the former management of the Company.

Findings

The commercial rationale for making the Fund Investment is questionable as (i) the intended investment sum of RMB50 million constituted more than 10% of the Group’s cash balance as of 30 June 2024; (ii) the Fund Investment relates to Chinese medicine-related ventures, being a business area which is not within the Group’s ordinary course of business; (iii) the Fund Investment is subject to a 7-year lock-up period with uncertain returns; (iv) the core members of the fund manager were connected with Mr. Deng; and (v) the fund manager and its historical investments had a poor track record (negative returns). Further, it is questionable why the Fund Investment (i) was decided in a relatively short period of time; (ii) carried out immediately after Mr. Wang JS was suspended of his duties as an executive director of the Company (iii) amount changed from RMB50 million to RMB16.5 million under which obligations arising from the Listing Rules under discloseable transactions would no longer apply; and (iv) would be made using the Fujian Subsidiary which had insufficient funds and had never made any fund investments.

Mr. Yao, who was directly involved in the Fund Investment, the communication and liaison with personnel in relation to the Fund Investment for the Fujian Subsidiary, and the approval of the transfers of funds for the Fund Investment, did not act in good faith nor with diligence in overseeing the Fund Investment as the evidence reflected that either he knowingly concealed the true focus of the Fund and the risks identified in the legal due diligence report, or he misunderstood the investment objective of the Fund.

The proposed Fund Investment did not eventually proceed as Mr. Yao undertook to the court on 17 January 2025 that he would not procure the Fujian Subsidiary to make any investment in the Fund, following Mr. Wang JS’s commencement of legal proceedings in the High Court of Hong Kong in January 2025 seeking an injunction to prevent Mr. Yao from proceeding with the Fund Investment.

Matter 5 — Potential misconduct of Mr. Yao for unauthorised fund transfer

Background

The Company (represented by the current Board) announced on 14 and 28 February 2025 that the Investigation covers potential misconduct of the former management of the Company. This includes potential misconduct of Mr. Yao for unauthorised fund transfer, namely, arranging Strong HK to transfer USD8 million from its one bank account to another on 10 January 2025.

Findings

The Forensic Investigator identifies that the USD8 million transfer was made from Strong HK's USD account (“**BComm USD Account**”) at Bank of Communications (“**BComm**”) to Strong HK's USD account (“**DBS USD Account**”) at DBS Bank (Hong Kong) Limited (“**DBS**”). The circumstances of the USD8 million transfer were as follows:

- (i) In early November 2024, due to the dispute between Mr. Wang JS and Mr. Yao, Mr. Wang JS's legal adviser issued letters to BComm and DBS to halt fund transfers for bank accounts maintained by the Group's companies, to the effect that both Mr. Yao and Mr. Wang JS could no longer transfer funds out of the BComm USD Account and DBS USD Account.
- (ii) On 10 January 2025, after Mr. Yao signed a personal indemnity letter to unfreeze the Strong HK's DBS accounts, Mr. Yao further requested BComm to transfer USD8 million from the BComm USD Account to the DBS USD Account and described the purpose of the transfer as “cash sweeping”, and BComm granted Mr. Yao's transfer request on the same day.

The USD8 million concerned had subsequently been maintained at the DBS USD Account as Mr. Yao undertook to the court on 17 January 2025 that he would not deal with funds up to USD8 million in the DBS Account, following Mr. Wang JS's commencement of legal proceedings in the High Court of Hong Kong in January 2025 seeking an injunction to prevent Mr. Yao from dealing with the funds in the DBS Account up to USD8 million to secure the fund safety of the Group.

Matter 6 — Loss of books, records and assets of the Company

Background

The Company (represented by the current Board) announced on 14 February 2025 that representatives of the Company entered the Original Office following the EGM and discovered that items belonging to the Group that should be in the Original Office are stolen, including but not limited to certain accounting records, human resources records, board minutes, contracts, company secretarial records, computer hardware and records, email correspondence, company chops and common seals, bank tokens and furniture. In response to the situation, the representatives of the Company have made a report to the

Hong Kong Police and taken immediate steps to recover these items to the extent possible, including communications with relevant stakeholders such as former employees and third-party service providers, to locate and retrieve the stolen items.

Findings

The Forensic Investigator sought to verify employee access to the Original Office by reviewing facial recognition lock logs and CCTV footage, but historical access records were inaccessible and CCTV recorder, which stored footage from cameras covering the office interior, was unavailable. The Forensic Investigator recovered emails of certain deleted corporate email accounts, but substantive communications in those email accounts were largely erased. Forensic analysis of computers at the Original Office also failed to yield evidence. Although no direct evidence that could conclusively link the suspects to the theft of the Group's assets could be identified, the Forensic Investigator identifies evidence linking two former staff of the Company, to the deletion of over 100 corporate email accounts bearing the Company's and its subsidiaries' domain names during the period from 21 to 24 January 2025, being days before the EGM.

Matter 7 — The Statutory Demand from the liquidators of Santron

Background

The Company (represented by the current Board) announced on 4 and 17 February 2025 the receipt of the Statutory Demand from the liquidators of Santron, an indirect wholly-owned subsidiary of the Company prior to its disposal in March 2023, demanding the Company to pay US\$83,000,000 plus interest, being unpaid trade debts from Shandong Shengxing.

Findings

The Statutory Demand was without legal or factual merit:

- (i) The Statutory Demand does not satisfy the legal requirements and is defective because it failed to explain how the Company's alleged debt of USD83 million arises between the Company and Santron. The Statutory Demand simply asserts the liability without providing any supporting evidence or legal basis to justify the alleged debt.
- (ii) No evidence was identified of the alleged debt owed by the Company to Santron based on the Forensic Investigator's review of the Company's bank statements, general ledgers and management accounts, and public domain research on court judgments. Further, despite formal requests, the liquidators of Santron failed to provide any documentation to support the existence of the alleged debt and notably did not file a winding-up petition after the 21-day statutory deadline had passed, which supports the findings that there is not a genuine and enforceable claim.

4. Opinion of the Board and IBC

The Board (including the IBC) has reviewed the Investigation Report and takes the view that the content in the Investigation Report are reasonable and acceptable, and the findings are adequate with respect to the investigation into the Matters as set out in the Resumption Guidance.

Based on the findings of the Investigation, subject to the satisfaction of the Stock Exchange and to its best knowledge and belief based on evidence currently available, the Board is of the view that:

- (i) With respect to the suspected misappropriation of the Group's assets (i.e. Matter 1), the suspected forgery of Mr. Yao's signatures (i.e. Matter 2) and the suspected non-cooperation of Zibo Huineng and Hainan Huineng (i.e. Matter 3), there is no evidence concluding the existence of such misconduct and/or irregularities as alleged by Mr. Yao and/or the former management of the Company. Therefore, there is no reasonable regulatory concern about the integrity, competence and/or character of the Group's current management and/or any person with substantial influence over the Company's current management and operations, which may pose a risk to investors and damage market confidence;
- (ii) The Board will adopt all effective measures to safeguard the interests of the shareholder and the Group. With respect to the loss of books, records and assets of the Company (i.e. Matter 6), the Company is still in the process of cooperating with the Hong Kong Police in their on-going investigation. The Company will also consider the Recommendations together with the results of the on-going Internal Control Review and further announce the progress; and
- (iii) While there does not expect to be any material impact on the Group's business and financial position with respect to all Matters, the Company has provided the Investigation Report to its auditor and is in the process of discussing the audit plan based on the current investigation findings and all available documents of the Group.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in its 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 further notice.

The Company will continue to keep the Shareholders and potential investors abreast of any relevant material developments by making further announcement(s) as and when appropriate in accordance with the requirements under the Listing Rules and the SFO, as well as announce quarterly updates pursuant to Rule 13.24A of the Listing Rules. The Company will continue to work closely with its professional advisers and proactively take all necessary and appropriate steps to comply with the Resumption Guidance, with the aim to resuming trading in its shares on the Stock Exchange as soon as practicable.

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, 30 September 2025

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