



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

INTERIM REPORT

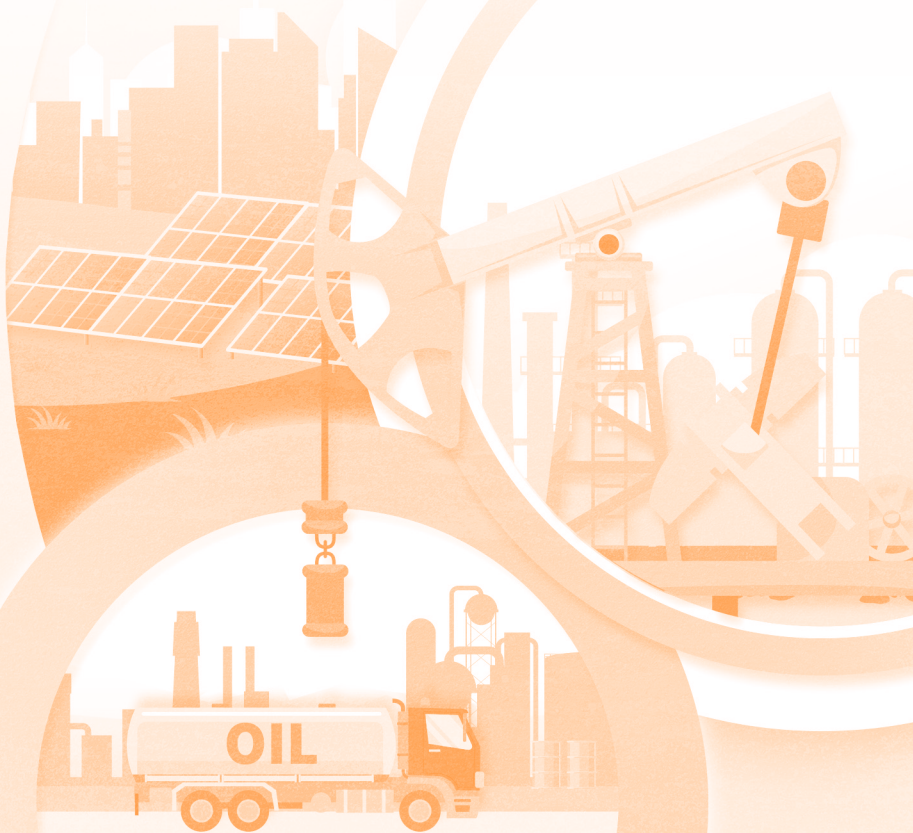
2026



** For identification purposes only*

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Dr. WANG Pang Paul

Mr. CAO Xinzhong

Non-executive Director

Mr. WANG Jian Sheng

Independent Non-executive Directors

Mr. WANG Qihong (*Chairman*)

Dr. LU Guoyang

Ms. TAM Yuk Yu

BOARD COMMITTEES

Audit Committee

Ms. TAM Yuk Yu (*Chairperson*)

Dr. LU Guoyang

Mr. WANG Qihong

Remuneration Committee

Dr. LU Guoyang (*Chairperson*)

Ms. TAM Yuk Yu

Dr. WANG Pang Paul

Nomination Committee

Mr. WANG Qihong (*Chairperson*)

Dr. WANG Pang Paul

Ms. TAM Yuk Yu

COMPANY SECRETARY

Ms. KWAN Pui Shan

AUTHORISED REPRESENTATIVES

Dr. WANG Pang Paul

Ms. KWAN Pui Shan

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

19th Floor, Heng Shan Centre

145 Queen's Road East

Wan Chai

Hong Kong

INDEPENDENT AUDITOR

BDO Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited

Suite 3204, Unit 2A

Block 3, Building D, P.O. Box 1586

Gardenia Court, Camana Bay

Grand Cayman, KY1-1100

Cayman Islands



HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Admiralty
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
China CITIC Bank International Limited
DBS Bank (Hong Kong) Limited

WEBSITE

www.strongpetrochem.com

SHARE INFORMATION

The Stock Exchange of Hong Kong Limited
Stock code: 00852



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

For the six months ended 30 June 2026 (the “Six Month Period”), Strong Petrochemical Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) focused on its principal businesses of trading of commodities, provision of petroleum products and petrochemicals storage services, exploration, exploitation and operation of crude oil, and manufacture of petrochemicals.

Revenue for the Six Month Period was approximately Hong Kong (“HK”) dollar (“HK\$”) 719.5 million. Loss attributable to owners of the Company for the Six Month Period was approximately HK\$145.9 million.

Trading of Commodities

During the Six Month Period, analysts continued to hold divergent views on crude oil prices. Some anticipated weaker demand amid sluggish global growth, while others pointed to heightened geopolitical risks in the Middle East as a source of support. Brent crude oil prices fluctuated between United States dollar (“US\$”) 60 and US\$114 per barrel (“BBL”), compared with a range of US\$63 to US\$82 per BBL in the same period of 2025. The sharp increase reflected the impact of the temporary closure of the Strait of Hormuz in March 2026, supply disruptions among major Middle Eastern producers, and broader geopolitical instability, alongside ongoing uncertainties in demand recovery in the People’s Republic of China (the “PRC”).

In light of this volatility, the Group adopted a disciplined and cautious approach in crude oil trading activities. Efforts were directed towards maintaining strong customer relationships and pursuing selective opportunities in petroleum products and petrochemicals trading, thereby diversifying the revenue base and mitigating exposure to market fluctuations.



MANAGEMENT DISCUSSION AND ANALYSIS

Storage and Other Ancillary Services for Petroleum Products and Petrochemicals and Leases

Strong Petrochemical (Nantong) Logistics Company Ltd. ("Strong Nantong"), an indirect wholly-owned subsidiary of the Company, operates its storage facilities of 21 storage tanks with a capacity of 139,000 cubic meters in Nantong City, Jiangsu Province, the PRC. It is principally engaged in providing storage services for gasoline, diesel fuel and methyl alcohol. Strong Nantong recorded a slight increase in total throughput, rising from approximately 278,000 metric tonnes ("MT") in the six months ended 30 June 2025 ("1H 2025") to approximately 319,000 MT in the Six Month Period. Revenue performance remained under pressure, but the net loss narrowed compared with the prior period. The company continued to maintain stable operations and reliable service delivery. Looking ahead, Strong Nantong will place emphasis on expanding its customer base and evaluating alternative operating models to enhance the utilisation of its storage facilities.

Exploration, Exploitation and Operation of Crude Oil

Pan-China Resources Ltd. ("Pan-China"), an indirect wholly-owned subsidiary of the Company, operates the oil and gas development and production in relation to the three blocks, namely Duannan, West Xiepo and Xiaoji (collectively, "Kongnan Block"), located in Dagang Oilfield in Hebei province of the PRC ("Oil and Gas Operations"). Pursuant to the petroleum contract between China National Petroleum Corporation ("CNPC") and Pan-China for the Oil and Gas Operations (the "Petroleum Contract"), Pan-China holds the entire participating interest in the entitlement. Pan-China conducts the Oil and Gas Operations and shares in the production of crude oil with CNPC after the successful development of oil reserves. Upon full recovery of its development costs, the revenue and operating costs have been allocated to Pan-China at 49%. The Petroleum Contract originally signed in 1997 with a maximum term of 30 years, will expire in September 2027. During the Six Month Period, Pan-China's operations at the Kongnan Block remained steady with no material changes in field activities. The Group continued to advance discussions with CNPC regarding the extension of the Petroleum Contract beyond its expiry. The management of the Group (the "Management") remains confident that the extension process is progressing smoothly and does not anticipate significant hurdles in securing continuity of the Oil and Gas Operations.



MANAGEMENT DISCUSSION AND ANALYSIS

Manufacture of Petrochemicals

Fujian Hong Kong Petrochemical Limited (“Fujian Petrochemical”), an indirect wholly-owned subsidiary of the Company, completed the construction of the Fujian Petrochemical manufacturing plant (the “Fujian Plant”) in Quanzhou City, Fujian Province, the PRC in 1H 2025. Trial operations commenced in March 2025 and have been progressing smoothly with ongoing refinements to ensure operational efficiency and product quality. The Group continues to advance the Styrene Ethylene Butylene Styrene Thermoplastic Elastomer (“SEBS Project”), a two-phase production initiative with a planned annual production capacity of 50,000 metric tonnes (“MT”) upon full implementation. Recognised as a provincial key project, the SEBS Project has received strong support from the local government, reinforcing confidence in its long-term prospects and market potential. The Group continues to focus on stabilising operations at the Fujian Plant, optimising production processes, and strengthening customer development.

Outlook

During the Six Month Period, the Company continued to make steady progress towards resumption of trading of its shares (the “Shares”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including but not limited to the finalisation of the 2024 and 2025 annual audits and the 2025 interim review. Based on the progress achieved, the Management maintained ongoing dialogue with the Stock Exchange on its progress towards resumption. While the storage business remained under pressure, crude oil trading was conducted with caution and discipline, and oil and gas operations through Pan-China continued to advance steadily.

Looking ahead, the Group will continue to liaise with the Stock Exchange to seek approval for the resumption of trading at the earliest practicable date and focus on stabilising operations, strengthening customer engagement in its storage business, and pursuing opportunities in petroleum products, petrochemicals and oil and gas operations. With governance measures reinforced and compliance processes reinstated, the Group remains committed to disciplined execution of its strategic initiatives and to enhancing shareholder value as it works towards the resumption of trading.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Trading of commodities

The revenue from trading business of the Group was approximately HK\$592.8 million for the Six Month Period (1H 2025: approximately HK\$844.4 million). Approximately 73% (1H 2025: 37%) of the Group's revenue from trading business was generated from trading of crude oil for the Six Month Period. Approximately 1% (1H 2025: approximately 5%) of the Group's revenue from trading business was generated from trading of petroleum products for the Six Month Period. The revenue generated from the trading of petrochemicals for the Six Month Period was approximately 26% (1H 2025: approximately 58%).

The trading volume of crude oil was 548,250 BBL for the Six Month Period (1H 2025: 483,442 BBL). The trading volume of petroleum products decreased to 323 MT for the Six Month Period (1H 2025: 6,954 MT). The trading volume of petrochemicals decreased from 88,154 MT for 1H 2025 to 24,859 MT for the Six Month Period.

Products	Unit	Six months ended 30 June					
		2026			2025		
		Number of contracts	Sales quantity	Revenue HK\$ million	Number of contracts	Sales quantity	Revenue HK\$ million
Trading of commodities							
Crude oil	BBL	1	548,250	434.3	1	483,442	314.0
Petroleum products	MT	9	323	1.9	4	6,954	41.3
Petrochemicals	MT	26	24,859	156.6	71	88,154	489.1
Total		36		592.8	76		844.4



MANAGEMENT DISCUSSION AND ANALYSIS

Storage and other ancillary services for petroleum products and petrochemicals and leases

Revenue generated from the provision of general storage and other ancillary services for petroleum products and petrochemicals was approximately HK\$1.3 million for the Six Month Period (1H 2025: approximately HK\$1.2 million). Approximately 54% (1H 2025: approximately 63%) of the Group's revenue from storage business was generated from general storage services, while approximately 46% (1H 2025: approximately 37%) was generated from other ancillary services such as pipeline transmission, waste treatment and vehicle loading. Revenue generated from leases was approximately HK\$3.7 million for the Six Month Period (1H 2025: approximately HK\$0.9 million).

Exploration, Exploitation and Operation of Crude Oil

Revenue generated from exploration, exploitation and operation of crude oil was approximately HK\$58.4 million for the Six Month Period (1H 2025: approximately HK\$65.0 million).

Manufacture of Petrochemicals

Revenue generated from manufacture of petrochemicals was approximately HK\$63.3 million for the Six Month Period (1H 2025: approximately HK\$36.6 million).

Gross Loss

Due to the gross loss incurred from crude oil trading business and petrochemicals manufacturing business under the unfavourable market conditions, the gross loss in the Six Month Period was approximately HK\$82.2 million (1H 2025: gross profit of approximately HK\$4.3 million).

Changes in Fair Value of Derivative Financial Instruments

During 1H 2025, the Group engaged in trading of derivative financial instruments for investment purpose. The Group intended to enhance its profitability with the use of surplus cash through investing in crude oil and oil products related derivative products and securities.

For the Six Month Period, the Group did not report any aggregate gain on changes in fair value of derivative financial instruments (1H 2025: approximately HK\$10.6 million). For 1H 2025, the realised gain and unrealised loss on changes in fair value of derivative financial instruments were approximately HK\$10.7 million and unrealised loss HK\$0.1 million respectively.

Loss for the Period

Loss attributable to owners of the Company for the Six Month Period was approximately HK\$145.9 million (1H 2025: approximately HK\$64.0 million).



MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and Financial Resources

The total of deposits placed with brokers, restricted bank balance, and bank balances and cash as at 30 June 2026 amounted to approximately HK\$205.3 million (31 December 2025: approximately HK\$300.6 million). The decrease in deposits placed with brokers, restricted bank balance, and bank balances and cash was mainly attributable to the increase in prepayment to suppliers.

The Group does not have any trade banking facilities as at 30 June 2026. Save for the Group's bank borrowings of approximately HK\$364.9 million, the Group had no other bank overdraft as at 30 June 2026.

Gearing Ratio

As at 30 June 2026, the gearing ratio was approximately 24% (31 December 2025: approximately 26%). The gearing ratio was calculated as the Group's total borrowings divided by total assets.

Charges of Assets and Contingent Liabilities

As at 30 June 2026, the Group's certain banking facilities, bank and other borrowings were secured by certain property, plant and equipment of approximately HK\$373.9 million (31 December 2025: approximately HK\$4.9 million), right-of-use assets of approximately HK\$34.4 million (31 December 2025: approximately HK\$33.5 million) and trade receivables amounted to nil (31 December 2025: approximately HK\$10.5 million).

Contingent Liabilities

Save as disclosed in the section headed "Ongoing Legal Proceedings" in this report, as at 30 June 2026, the Group did not have any significant contingent liabilities.

Foreign Exchange Exposure

The functional currency of the Group is denominated in US\$, while the reporting currency is denominated in HK\$. Since the exchange rate of US\$ against HK\$ has been relatively stable during the Six Month Period, the exposure on foreign exchange was insignificant.

The Group has not implemented any foreign currency hedging policy at the moment. Nonetheless, the Management has been continuously monitoring the level of foreign currency receipts and payments, ensuring that their net exposure to foreign exchange risk is kept at an acceptable level from time to time and will consider hedging the foreign exchange exposure if it is significant to the Group.



MANAGEMENT DISCUSSION AND ANALYSIS

Capital Commitment

As at 30 June 2026, the Group had contracted for capital expenditure of approximately Renminbi ("RMB") 3.8 million (equivalent to approximately HK\$4.4 million) (31 December 2025: approximately RMB4.3 million (equivalent to approximately HK\$4.7 million)) in respect of the construction of the Fujian Plant.

Interim Dividends

The board (the "Board") of directors (the "Directors") of the Company does not recommend the payment of any interim dividend for the Six Month Period (1H 2025: Nil). For latest development of the 2024 interim dividends, please refer to the announcement of the Company dated 28 August 2026.

Significant Investment

There were no significant investments held by the Group as at 30 June 2026, which represented over 5% of the Group's total assets.

Material Acquisitions and Disposals, and Future Plans for Material Investments

As at 30 June 2026, there were no plans for material investments of capital assets as at the date of this report, nor were there other material acquisitions and disposals of subsidiaries during the Six Month Period.

Employees and Remuneration Policy

The number of the Group's employees slightly increased to 296 as at 30 June 2026 (31 December 2025: 293). The Group's remuneration packages are maintained at competitive levels and are determined on the basis of performance, qualification and experience of individual employee.

We recognise the importance of maintaining good relationships with our employees by providing our employees with competitive remuneration packages that commensurate with prevailing market practice, including but not limited to provident fund, life and medical insurances, discretionary bonus and trainings for human resources upskilling.



MANAGEMENT DISCUSSION AND ANALYSIS

OTHER SIGNIFICANT EVENTS

(1) Suspension of Trading on the Stock Exchange

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 pending the fulfillment of the guidance for the resumption of trading in the Shares as specified by the Stock Exchange ("Resumption Guidance").

The suspension of trading arose from the various incidents involving the directors and former management of the Company (the "Matters") as disclosed in the announcements of the Company from 26 December 2024 to the date of this report.

(2) Resumption Guidance

As stated in the announcement of the Company dated 11 March 2025, the Stock Exchange has set out the following Resumption Guidance for the Company: (a) 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; (b) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the Management and/or any person with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence; (c) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"); (d) publish all outstanding financial results required under the Listing Rules and address any audit modifications; (e) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules; and (f) inform the market of all material information for the Company's shareholders and other investors to appraise the Company's position.



MANAGEMENT DISCUSSION AND ANALYSIS

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months (the “18-month Period”). In the case of the Company, the 18-month Period expires on 30 June 2026. If the Company fails to remedy the issues causing its trading suspension, fulfil the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange’s satisfaction and resume trading in its Shares by 30 June 2026, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company’s listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period or to cancel the listing of the Company immediately, where appropriate.

(3) Progress of Fulfilment of the Resumption Guidance

Details of the progress of the Company in fulfilment of the Resumption Guidance, please refer to the announcement of the Company published on 28 March 2025, 27 June 2025, 30 September 2025, 31 December 2025, 31 March 2026, 12 June 2026, 30 June 2026 and 31 July 2026 in accordance with Rule 13.24A of the Listing Rules. On the basis of the actions taken, the Company has been liaising with the Stock Exchange to demonstrate the Company’s fulfilment status of the Resumption Guidance and seek approval of the resumption of trading in the Shares from the Stock Exchange. Further announcement(s) will be made by the Company to inform the Shareholders and potential investors of any material development when appropriate and in accordance with the relevant requirements of the Listing Rules.

(4) Ongoing Legal Proceedings

As stated in the announcement of the Company dated 17 October 2025, Strong Petrochemical Limited (“Strong HK”), an indirect wholly-owned subsidiary of the Company, filed a writ of summons with the High Court of Hong Kong against two former directors of Strong HK, Mr. Yao Guoliang and Dr. Tan Xiao. The claim relates to losses of approximately RMB37.0 million arising from a purported crude oil transaction in late 2024. Strong HK alleged that Mr. Yao Guoliang and Dr. Tan Xiao breached their fiduciary, common law and/or statutory duties owed to Strong HK.

MANAGEMENT DISCUSSION AND ANALYSIS

As stated in the announcement of the Company dated 2 March 2026, the Company and Strong HK filed a writ of summons with the High Court of Hong Kong against Mr. Yao Guoliang and Dr. Tan Xiao, both former executive directors of the Company and former directors of Strong HK, and several external entities. The claim relates to a series of unauthorised payments of approximately HK\$8.8 million made from a bank account of Strong HK between December 2024 and January 2025. The Company and Strong HK alleged that Mr. Yao Guoliang and Dr. Tan Xiao breached their fiduciary duties owed to the Company and Strong HK.

As stated in the announcement of the Company dated 27 March 2026, Strong Petroleum Singapore Private Ltd. ("Strong Singapore"), an indirect wholly-owned subsidiary of the Company, received an arbitration award and a statutory demand served by a creditor in the total amount of approximately US\$4.0 million (equivalent to approximately HK\$31.0 million) plus interest, together with costs of approximately 0.28 million Singapore Dollar (equivalent to approximately HK\$1.6 million). Strong Singapore has already discussed with the other party the repayment schedule and reached agreement on the repayment arrangement. Strong Singapore has settled approximately US\$3.1 million (equivalent to approximately HK\$24.2 million) during the Six Month Period and approximately US\$1.1 million (equivalent to approximately HK\$8.6 million) subsequent to the reporting period. As at the date of this report, Strong Singapore has fully settled the outstanding amount, thereby resolving the matter in full.

As stated in the announcement of the Company dated 1 April 2026, the Company received a writ of summons issued by the High Court of Hong Kong. The writ of summons was initiated by EuroAmerican International Energy L.L.C. ("EuroAmerican") against the Company, three directors and/or management of the Company and two wholly-owned subsidiaries of the Company (collectively, the "Defendants"), seeking recovery of approximately US\$34.2 million (equivalent to approximately HK\$266.6 million) plus interest and costs under an arbitral award dated 24 March 2022 against Strong Petrochemical Limited (Macao Commercial Offshore) ("Strong MCO"), the Company's indirect wholly-owned subsidiary which was liquidated in 2021. To the best knowledge of the Company, the claims against the Company and the other defendants are based on the alleged conspiracy, and are not claims arising from any contractual relationship between EuroAmerican and the Defendants. The Company denies the allegations and has engaged legal advisers to defend the claims. The Board will take all necessary steps to protect the Company's position.



MANAGEMENT DISCUSSION AND ANALYSIS

(5) Appointment of Joint Liquidators of Controlling Shareholder

As stated in the announcements of the Company dated 23 December 2024, 17 January 2025 and 18 December 2025, on 8 December 2025, upon application by Jin Yao Holdings Ltd. ("Jin Yao"), a company wholly owned by Mr. Yao Guoliang, a former executive Director, Forever Winner International Ltd. ("Forever Winner") is wound up pursuant to an order granted by the Eastern Caribbean Supreme Court in the High Court of Justice in the British Virgin Islands (the "BVI Court") and joint liquidators (the "Liquidators") were appointed to Forever Winner under the provisions of the Insolvency Act 2003 (Revised 2020). As of the date of this report, to the knowledge of the Company, Forever Winner is the controlling shareholder of the Company and holds 1,041,746,000 ordinary Shares accounting for approximately 49.06% of the total issued share capital of the Company. Forever Winner is owned as to 50% by Jin Yao and 50% by Sino Century Holdings Limited ("Sino Century") which is wholly owned by Mr. Wang Jian Sheng who currently serves as a non-executive Director.

(6) Commencement of the Offer Period

As stated in the announcement of the Company dated 25 February 2026, the Company was informed by the Liquidators that the Liquidators have sent out an invitation for expression of interest looking for potential purchasers of the 1,041,746,000 ordinary Shares held by Forever Winner on 16 February 2026. If the above disposal of the shares by Forever Winner (the "Potential Transaction") materialises, it may trigger a mandatory general offer under Rule 26.1 of the Code on Takeovers and Mergers (the "Takeovers Code"). For the purpose of Practice Note 24 of the Takeovers Code and based on the fact that the Liquidators were actively looking a potential purchaser for the controlling stake of the Company as informed by the Liquidators, the offer period commenced on 25 February 2026.

As stated in the announcement of the Company dated 27 March 2026, the Company was informed by the Liquidators that six parties expressed interest in the Potential Transaction and each of them was selected by the Liquidators to enter into the bidding process of the Potential Transaction.

As stated in the announcement of the Company dated 24 April 2026, the Company was informed by the Liquidators that the Liquidators have received five non-binding indicative offers in respect of the Potential Transaction, but have not entered into any agreement with the bidders.



MANAGEMENT DISCUSSION AND ANALYSIS

As stated in the announcements of the Company dated 2 June 2026 and 20 July 2026, the Company was informed by the Liquidators that on 29 May 2026, the Liquidators have entered into a sale and purchase agreement relating to disposal of 1,041,746,000 ordinary Shares with a bidder (namely Speed Success Group Limited). Speed Success Group Limited is wholly owned by Mr. Wang Jian Sheng.

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Potential Transaction will be made until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company and/or the Liquidators as and when appropriate or required in accordance with the Listing Rules or the Takeovers Code (as the case may be).

SUBSEQUENT EVENTS

There have been no other material subsequent events following the end of the Six Month Period up to the date of this report.



OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities during the Six Month Period.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at 30 June 2026, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of the Company's associated corporations (within the meaning of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), as recorded in the register required to be kept under Section 352 of Part XV of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") are set out below:

Long position in the ordinary shares of HK\$0.025 each of the Company

Name of Director	Nature of interest	Approximate percentage of the issued share capital of the Company (%)	
		Number of ordinary Shares held	
Mr. Wang Jian Sheng	Interest of a controlled corporation (note 1)	1,041,746,000	49.06
	Interest of a controlled corporation (note 2)	50,576,000	2.38
	Interest of concert parties (note 3)	124,984,000	5.89

notes:

- Each of Sino Century and Jin Yao holds 50% of the entire issued share capital of Forever Winner. Mr. Wang Jian Sheng holds the entire issued share capital of Sino Century. Mr. Yao Guoliang holds the entire issued share capital of Jin Yao. On 8 December 2025, upon the application of Mr. Yao Guoliang, Forever Winner was wound up pursuant to an order granted by the BVI Court and the Liquidators were appointed to Forever Winner under the provisions of the Insolvency Act 2003 (Revised 2020). On 29 May 2026, the Liquidators have entered into a sale and purchase agreement relating to disposal of 1,041,746,000 ordinary Shares with Speed Success Group Limited; as of the date of this report, the transactions under the above sale and purchase agreement has not been completed.
- Mr. Wang Jian Sheng holds the entire issued share capital of Speed Success Group Limited.
- As of 30 June 2026, since Mr. Wang Jian Sheng and Mr. Yao Guoliang jointly control Forever Winner which in turn holds 1,041,746,000 ordinary Shares, Mr. Wang Jian Sheng and Mr. Yao Guoliang are deemed as parties acting in concert. Therefore, as Mr. Yao Guoliang beneficially owns approximately 5.89% equity interest in the Company as at 30 June 2026, Mr. Wang Jian Sheng shall be deemed to hold the same equity interest in the Company.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at 30 June 2026, the Directors are not aware of any other person (other than the interests of the Directors or the chief executive of the Company) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO:

Long position in the ordinary shares of HK\$0.025 each of the Company

Name of shareholder	Nature of interest	Number of ordinary Shares held	Approximate percentage of the issued share capital of the Company (%)
Forever Winner	Beneficial Owner (note 1)	1,041,746,000	49.06
Hongkong Hengyuan Investment Limited	Beneficial Owner (note 2)	353,603,681	16.65



OTHER INFORMATION

notes:

1. Each of Sino Century and Jin Yao holds 50% of the entire issued share capital of Forever Winner. Mr. Wang Jian Sheng holds the entire issued share capital of Sino Century. Mr. Yao Guoliang holds the entire issued share capital of Jin Yao. On 8 December 2025, upon the application of Mr. Yao Guoliang, Forever Winner was wound up pursuant to an order granted by the BVI Court and the Liquidators were appointed to Forever Winner under the provisions of the Insolvency Act 2003 (Revised 2020). On 29 May 2026, the Liquidators have entered into a sale and purchase agreement relating to disposal of 1,041,746,000 ordinary Shares with Speed Success Group Limited; as of the date of this report, the transactions under the above sale and purchase agreement has not been completed.
2. Mr. Chang Liang holds the entire issued share capital of Hongkong Hengyuan Investment Limited.

SHARE SCHEMES

During the Six Month Period, the Company had no share option scheme or share award scheme.

AUDIT COMMITTEE

An audit committee has been established to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the audit committee of the Company comprises all of the three independent non-executive Directors, namely, Ms. Tam Yuk Yu (Chairman), Mr. Wang Qihong and Dr. Lu Guoyang. The unaudited interim results of the Group for the Six Month Period have been reviewed by the audit committee of the Company.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has fully complied with the code provisions as set out in Part 2 of Appendix C1 to the Listing Rules during the Six Month Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding the Directors' securities transactions. Having made specific enquiries by the Company, all current Directors have confirmed that they had complied with the required standards set out in the Model Code during the Six Month Period.



SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Directors confirm that the Company has maintained a sufficient public float as required under the Listing Rules during the Six Month Period.

By order of the Board

Wang Qihong

Chairman

Hong Kong, 28 August 2026



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	NOTES	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Revenue	3		
Goods and services		715,845	947,224
Leases		3,671	938
		<u>719,516</u>	<u>948,162</u>
Cost of sales		<u>(801,705)</u>	<u>(943,826)</u>
Gross (loss)/profit		(82,189)	4,336
Other income	4	1,467	4,940
Other gains and losses	4	8,657	10,983
(Loss)/gain on financial assets at fair value through profit or loss, net	12	(74)	24
Gain on changes in fair value of derivative financial instruments, net		—	10,568
Distribution, selling and operating expenses		(4,422)	(5,767)
Administrative expenses		(54,421)	(80,577)
Finance costs	5	(8,295)	(4,596)
Share of results of associates		(4,772)	84
Loss before taxation	7	<u>(144,049)</u>	<u>(60,005)</u>
Income tax expense	6	<u>(2,453)</u>	<u>(4,390)</u>
Loss for the period		<u>(146,502)</u>	<u>(64,395)</u>
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		6,519	4,493
Total comprehensive expense for the period		<u>(139,983)</u>	<u>(59,902)</u>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	NOTE	Six months ended 30 June	
		2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Loss for the period attributable to:			
Owners of the Company		(145,923)	(63,981)
Non-controlling interests		(579)	(414)
		<u>(146,502)</u>	<u>(64,395)</u>
Total comprehensive expense for the period attributable to:			
Owners of the Company		(139,404)	(59,488)
Non-controlling interests		(579)	(414)
		<u>(139,983)</u>	<u>(59,902)</u>
Loss per share	9		
— basic (HK cents)		<u>(6.87)</u>	<u>(3.01)</u>
— diluted (HK cents)		<u>(6.87)</u>	<u>(3.01)</u>



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	NOTES	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	10	450,468	545,717
Investment properties	11	77,456	–
Right-of-use assets		35,947	34,580
Other receivables and deposits		109	1,272
Intangible assets		392	436
Interests in associates		24,925	28,600
Deferred tax assets		34,976	37,428
		624,273	648,033
Current assets			
Inventories		70,621	58,064
Trade receivables	13	448,270	11,585
Other receivables, deposits and prepayments	13	223,831	149,785
Income tax recoverables		319	318
Derivative financial instruments		–	31,128
Financial assets at fair value through profit or loss	12	137	211
Deposits placed with brokers		1,879	72,772
Restricted bank deposits		70,177	60,358
Bank balances and cash		133,213	167,503
		948,447	551,724

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	NOTES	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Current liabilities			
Trade payables	14	405,971	3,474
Other payables and accrued charges	14	143,697	72,346
Provisions		5,851	3,352
Contract liabilities		8,177	15,826
Lease liabilities		1,196	987
Bank and other borrowings	15	21,419	35,598
Income tax payables		60	–
Derivative financial instruments		–	32,644
		586,371	164,227
Net current assets		362,076	387,497
Total assets less current liabilities		986,349	1,035,530
Non-current liabilities			
Lease liabilities		431	255
Bank and other borrowings	15	356,044	271,876
Provisions		40,291	33,833
		396,766	305,964
Net assets		589,583	729,566
Capital and reserves			
Share capital	16	53,084	53,084
Reserves		542,757	682,161
Equity attributable to owners of the Company		595,841	735,245
Non-controlling interests		(6,258)	(5,679)
Total equity		589,583	729,566



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000 (note (ii))	Statutory reserve HK\$'000 (note (iii))	Share-based payments reserve HK\$'000	Translation reserve HK\$'000	Other reserve HK\$'000 (note (iii))	Retained profits/ (accumulated losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2025	53,084	566,111	(2,000)	7,106	50,391	(39,996)	12,295	313,382	960,373	(3,934)	956,439
Loss for the period	-	-	-	-	-	-	-	(63,981)	(63,981)	(414)	(64,395)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	4,493	-	-	4,493	-	4,493
Total comprehensive income/(expense) for the period	-	-	-	-	-	4,493	-	(63,981)	(59,488)	(414)	(59,902)
At 30 June 2025 (unaudited)	53,084	566,111	(2,000)	7,106	50,391	(35,503)	12,295	249,401	900,885	(4,348)	896,537
At 1 January 2026	53,084	566,111	(2,000)	7,106	50,391	(33,099)	25,524	68,128	735,245	(5,679)	729,566
Loss for the period	-	-	-	-	-	-	-	(145,923)	(145,923)	(579)	(146,502)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	6,519	-	-	6,519	-	6,519
Total comprehensive income/(expense) for the period	-	-	-	-	-	6,519	-	(145,923)	(139,404)	(579)	(139,983)
At 30 June 2026 (unaudited)	53,084	566,111	(2,000)	7,106	50,391	(26,580)	25,524	(77,795)	595,841	(6,258)	589,583

notes:

- (i) The special reserve represents the difference between the nominal value of shares of the acquired subsidiaries and the nominal value of the Shares issued for the acquisition at the time of the corporate reorganisation to rationalise the structure of the Group prior to the listing of the Shares on the Stock Exchange.
- (ii) The PRC laws and regulations require companies registered in the PRC to provide for certain statutory reserves, which are to be appropriated from the profit after income tax (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before profit distributions to equity holders. All statutory reserves are created for specific purposes. A PRC company is required to appropriate an amount of not less than 10% of statutory profits after income tax to statutory surplus reserve, prior to distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory reserve is more than 50% of its registered capital. The statutory reserve shall only be used to make up losses of the company, to expand the company's operations, or to increase the capital of the company. In addition, a company may make further contribution to the discretionary reserve using its post-tax profits in accordance with resolutions of the board of directors.
- (iii) Other reserve was resulted from (a) the deemed disposal of partial interests in subsidiaries without losing the Group's control over the subsidiaries, and (b) the difference between the fair value of ordinary shares issued by the Company and the carrying amount of the additional interests in a subsidiary acquired by the Group.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Net cash used in operating activities	(132,705)	(764,991)
Net cash from investing activities		
Decrease in deposits placed with brokers	70,893	79,969
Payments for construction and purchase of property, plant and equipment (Placement)/withdrawal of restricted bank deposits	(6,304)	(32,819)
Interest received	(9,819)	47,692
Dividend income from financial assets at fair value through profit or loss	208	1,171
	—	117
	54,978	96,130
Net cash from financing activities		
Proceeds from bank and other borrowings	363,200	10,966
Repayments of bank and other borrowings	(305,691)	—
Proceeds from shareholder loans	—	10,000
Repayments of shareholder loans	—	(10,000)
Repayments of lease liabilities	(529)	(474)
Interest paid	(8,212)	(7,709)
	48,768	2,783
Net decrease in cash and cash equivalents	(28,959)	(666,078)
Cash and cash equivalents at 1 January	167,503	878,551
Effect of foreign exchange rate changes	(5,331)	2,367
Cash and cash equivalents at 30 June, representing bank balances and cash	133,213	214,840



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Listing Rules and with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). It was authorised for issue on 28 August 2026.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from adoption of new and amended Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the “HKFRS Accounting Standards”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the Six Month Period are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2025.

Adoption of new and amended HKFRS Accounting Standards

In the Six Month Period, the Group has adopted the following amended HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s financial year beginning on 1 January 2026 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 7 and HKFRS 9	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 7 and HKFRS 9	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11

The adoption of the amended HKFRS Accounting Standards in the Six Month Period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

The Group has not adopted the new and amended HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and amended HKFRS Accounting Standards but is not yet in a position to state whether these new and amended HKFRS Accounting Standards would have a material impact on its results of operations and financial position.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION

Revenue

(i) Disaggregation of revenue from contracts with customers

For the six months ended 30 June 2026

Segments	Trading business HK\$'000 (unaudited)	Storage business HK\$'000 (unaudited)	Exploration, exploitation and operation of crude oil business HK\$'000 (unaudited)	Petrochemicals manufacture business HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Types of goods or services in respect of contracts with customers					
Trading of commodities					
Crude oil	434,357	-	-	-	434,357
Petroleum products	1,886	-	-	-	1,886
Petrochemicals	156,583	-	-	-	156,583
	<u>592,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>592,826</u>
Storage and other ancillary services for petroleum products and petrochemicals					
General storage services	-	718	-	-	718
Other ancillary services	-	601	-	-	601
	<u>-</u>	<u>1,319</u>	<u>-</u>	<u>-</u>	<u>1,319</u>
Exploration, exploitation and operation of crude oil					
Sales of crude oil	-	-	58,387	-	58,387
Petrochemicals manufacture business					
Petrochemicals	-	-	-	63,313	63,313
	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,313</u>	<u>63,313</u>
Total	<u>592,826</u>	<u>1,319</u>	<u>58,387</u>	<u>63,313</u>	<u>715,845</u>
Geographical markets					
The PRC	158,469	1,319	58,387	63,169	281,344
Other regions	434,357	-	-	144	434,501
	<u>592,826</u>	<u>1,319</u>	<u>58,387</u>	<u>63,313</u>	<u>715,845</u>
Timing of revenue recognition					
A point in time	592,826	-	58,387	63,313	714,526
Over time	-	1,319	-	-	1,319
	<u>592,826</u>	<u>1,319</u>	<u>58,387</u>	<u>63,313</u>	<u>715,845</u>
Total	<u>592,826</u>	<u>1,319</u>	<u>58,387</u>	<u>63,313</u>	<u>715,845</u>



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION – continued

Revenue – continued

(i) Disaggregation of revenue from contracts with customers – continued

For the six months ended 30 June 2025

Segments	Trading business HK\$'000 (unaudited)	Storage business HK\$'000 (unaudited)	Exploration, exploitation and operation of crude oil business HK\$'000 (unaudited)	Petrochemicals manufacture business HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Types of goods or services in respect of contracts with customers					
Trading of commodities					
Crude oil	313,960	–	–	–	313,960
Petroleum products	41,299	–	–	–	41,299
Petrochemicals	489,165	–	–	–	489,165
	<u>844,424</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>844,424</u>
Storage and other ancillary services for petroleum products and petrochemicals					
General storage services	–	756	–	–	756
Other ancillary services	–	442	–	–	442
	<u>–</u>	<u>1,198</u>	<u>–</u>	<u>–</u>	<u>1,198</u>
Exploration, exploitation and operation of crude oil					
Sales of crude oil	–	–	65,042	–	65,042
Petrochemicals manufacture business					
Petrochemicals	–	–	–	36,560	36,560
Total	<u>844,424</u>	<u>1,198</u>	<u>65,042</u>	<u>36,560</u>	<u>947,224</u>
Geographical markets					
The PRC	844,424	1,198	65,042	36,560	947,224
Other regions	–	–	–	–	–
Total	<u>844,424</u>	<u>1,198</u>	<u>65,042</u>	<u>36,560</u>	<u>947,224</u>
Timing of revenue recognition					
A point in time	844,424	–	65,042	36,560	946,026
Over time	–	1,198	–	–	1,198
Total	<u>844,424</u>	<u>1,198</u>	<u>65,042</u>	<u>36,560</u>	<u>947,224</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION – continued

Revenue – continued

(ii) Leases

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
For operating leases:		
Lease income that is fixed or depends on a rate	3,671	938

(iii) Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Trading business	592,826	844,424
Storage business	1,319	1,198
Exploration, exploitation and operation of crude oil business	58,387	65,042
Petrochemicals manufacture business	63,313	36,560
Revenue from contracts with customers	715,845	947,224
Leases	3,671	938
Total revenue	719,516	948,162



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION – *continued*

Segment information

Operating segments and the amounts of each segment item reported in the condensed consolidated financial statements are identified from the financial information provided regularly to the executive Directors for the purposes of allocating resources to and assessing the performance of the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of business activities. No operating segments have been aggregated to form the reporting segments.

Segment revenue, expenses, and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment, but exclude exceptional items. Segment assets excluding income tax recoverables are managed on a group basis. Segment liabilities excluding income tax payables are managed on a group basis. The Group's operating and reportable segments are therefore as follows:

- (i) Trading business (trading of commodities including crude oil, petroleum products and petrochemicals);
- (ii) Storage business (provision of general storage and other ancillary services in respect of petroleum products and petrochemicals);
- (iii) Exploration, exploitation and operation of crude oil business (participation in and operation of crude oil production activities under the Petroleum Contract); and
- (iv) Petrochemicals manufacture business (comprising the production and sale of petrochemicals manufactured by the Group).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION – continued

Segment information – continued

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

For the six months ended 30 June 2026

	Trading business HK\$'000 (unaudited)	Storage business HK\$'000 (unaudited)	Exploration, exploitation and operation of crude oil business HK\$'000 (unaudited)	Petrochemicals manufacture business HK\$'000 (unaudited)	Eliminations HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Revenue from contracts with customers	592,826	1,319	58,387	63,313	-	715,845
Leases	-	3,671	-	-	-	3,671
Inter-segment lease (note (i))	-	84	-	-	(84)	-
Total revenue	592,826	5,074	58,387	63,313	(84)	719,516
Segment results	(97,634)	480	9,284	(38,076)		(125,946)
Share of results of associates						(4,772)
Loss on financial assets at fair value through profit or loss ("FVTPL"), net						(74)
Unallocated finance costs						(457)
Unallocated income and gains						10,754
Unallocated expenses and losses (note (ii))						(23,554)
Loss before taxation						(144,049)



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION – continued

Segment information – continued

Segment revenue and results – continued

For the six months ended 30 June 2025

	Trading business HK\$'000 (unaudited)	Storage business HK\$'000 (unaudited)	Exploration, exploitation and operation of crude oil business HK\$'000 (unaudited)	Petrochemicals manufacture business HK\$'000 (unaudited)	Eliminations HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Revenue from contracts with customers	844,424	1,198	65,042	36,560	-	947,224
Leases	-	938	-	-	-	938
Inter-segment other ancillary services (note (i))	-	47	-	-	(47)	-
Inter-segment lease (note (i))	-	974	-	-	(974)	-
Total revenue	844,424	3,157	65,042	36,560	(1,021)	948,162
Segment results	2,413	(1,075)	10,491	(28,722)		(16,893)
Share of results of associates						84
Gain on financial assets at FVTPL, net						24
Unallocated finance costs						(999)
Unallocated income and gains						1,206
Unallocated expenses and losses (note (ii))						(43,427)
Loss before taxation						(60,005)

notes:

- (i) Inter-segment other ancillary services and inter-segment lease were charged at agreed terms set out in the service contracts and the lease contracts entered into between group companies.
- (ii) Unallocated expenses and losses mainly comprised of auditor's remuneration, legal and professional fee, depreciation of investment properties, certain depreciation of property, plant and equipment and administrative costs of the headquarter (1H 2025: auditor's remuneration, legal and professional fee, certain depreciation of property, plant and equipment and administrative costs of the headquarter).

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the Six Month Period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4. OTHER INCOME AND OTHER GAINS AND LOSSES

A. Other income

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Bank interest income	145	839
Interest income from deposits placed with brokers	63	332
Rental income	239	–
Government grants	188	574
Service income	–	2,593
Others	832	602
	<u>1,467</u>	<u>4,940</u>

B. Other gains and losses

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Losses on disposal of property, plant and equipment	–	(38)
Net foreign exchange gains	10,155	10,289
Others	(1,498)	732
	<u>8,657</u>	<u>10,983</u>



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. FINANCE COSTS

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Bank charges on letter of credit facilities	186	–
Interest on bank and other borrowings	8,082	7,501
Interest on lease liabilities	27	25
Interest on shareholder loans	–	74
Less: capitalised finance costs (<i>note</i>)	–	(3,004)
	8,295	4,596

note: Fujian Petrochemical obtained bank borrowings to support the construction of the Fujian Plant. For the Six Month Period, interest on bank borrowings amounted to nil (2025: approximately HK\$3,004,000) was capitalised under property, plant and equipment.

6. INCOME TAX EXPENSE

Income tax expense in the condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Current tax		
Enterprise Income Tax ("EIT") in the PRC (<i>note (i)</i>)	–	2,109
Deferred tax		
Origination of temporary differences	2,452	2,008
Underprovision of taxation in prior year		
EIT in the PRC	1	273
	2,453	4,390

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

6. INCOME TAX EXPENSE – *continued*

notes:

- (i) Under the Law of the PRC on EIT (the "EIT Law") and Implementation Rules of the EIT Law in the PRC, the tax rate of the PRC subsidiaries is 25% for both periods.
- (ii) No provision for Singapore Corporate Income Tax has been made for both periods since loss was incurred for the subsidiary operating in Singapore.
- (iii) On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of a qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be taxed at 16.5%. The assessable profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime is insignificant to the condensed consolidated financial statements. Accordingly, Hong Kong Profits Tax for subsidiaries operating in Hong Kong is calculated at 16.5% of the estimated assessable profit for both periods. No provision for Hong Kong Profits Tax has been made for both periods since tax losses are incurred for the subsidiaries operating in Hong Kong or the assessable profit is wholly absorbed by tax losses brought forward from previous years.
- (iv) No provision for Macao Profit Tax has been made for both periods since loss was incurred for the subsidiary operating in Macao Special Administrative Region of the PRC.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

7. LOSS BEFORE TAXATION

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Loss before taxation is arrived after charging (crediting):		
Auditor's remuneration	3,219	3,019
Depreciation of property, plant and equipment		
Included in cost of sales	33,684	31,912
Others	3,849	4,527
	37,533	36,439
Depreciation of investment properties	456	–
Depreciation of right-of-use assets	891	651
Amortisation of intangible assets	61	68
Net foreign exchange gains	(10,155)	(10,289)
Share of results of associates	4,772	(84)
Directors' emoluments	1,269	1,715
Other staff costs		
Salaries, bonus and other allowances		
Include in cost of sales	9,350	6,423
Others	14,663	16,418
Retirement benefit schemes contributions		
Include in cost of sales	1,090	1,119
Others	1,144	1,104
	27,516	26,779
Cost of inventories recognised as an expense (included in cost of sales)	798,635	936,789
Provision for write down of inventories	–	4,398

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

8. DIVIDENDS

The Board does not recommend the payment of any interim dividend for the Six Month Period (1H 2025: Nil).

9. LOSS PER SHARE

The calculations of the basic and diluted loss per share attributable to owners of the Company are based on the following data:

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss		
Loss for the purposes of calculating basic and diluted loss per share		
Loss for the period attributable to owners of the Company	(145,923)	(63,981)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	2,123,364,090	2,123,364,090

For the Six Month Period and 1H 2025, no diluted loss per share has been presented as there were no potential dilutive ordinary shares outstanding.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

10. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

	For the six months ended 30 June 2026 HK\$'000 (unaudited)	For the year ended 31 December 2025 HK\$'000 (audited)
At the beginning of the period/year	545,717	651,332
Exchange realignment	14,917	10,619
Additions	5,279	37,240
Disposals	—	(56)
Transfer to investment properties	(77,912)	—
Depreciation charge	(37,533)	(80,148)
Impairment loss recognised	—	(73,270)
At the end of the period/year	450,468	545,717

11. INVESTMENT PROPERTIES

The Group's investment properties comprise of a commercial property and car park spaces with estimated useful lives of 20 years situated in Hong Kong.

12. FINANCIAL ASSETS AT FVTPL

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Current assets		
— Listed securities held for trading	137	211
	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
(Loss)/gain on financial assets at FVTPL, net:		
(Loss)/gain on fair value change in listed securities held for trading	(74)	24

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

12. FINANCIAL ASSETS AT FVTPL – *continued*

Listed securities held for trading

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Listed securities held for trading:		
— Equity securities listed in Hong Kong	85	172
— Equity securities listed outside Hong Kong	52	39
	137	211

Fair value measurement of the Group's investment in listed securities is classified as Level 1 of the fair value hierarchy (Note 19), as the fair value is based on quoted bid prices in active markets. For the Six Month Period, a fair value loss of approximately HK\$74,000 (1H 2025: a fair value gain of approximately HK\$24,000) was recognised.

13. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

A. Trade receivables

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Trade receivables		
— contracts with customers	448,270	10,954
— lease receivables	—	631
	448,270	11,585

At 30 June 2026 and 31 December 2025, all trade receivables were at amortised cost.

The Group allows credit periods of 30 to 90 days to its customers from the trading business and petrochemicals manufacture business, 5 to 30 days to its customers from the storage business and 30 days to its customer from the exploration, exploitation and operation of crude oil business.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

13. TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS – *continued*

A. Trade receivables – *continued*

The following is an ageing analysis of trade receivables based on the invoice dates or goods delivery dates which approximated the revenue recognition dates at the end of the reporting period:

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
0 to 30 days	448,242	11,585
31 to 60 days	28	–
	448,270	11,585

B. Other receivables, deposits and prepayments

As at 30 June 2026, other receivables, deposits and prepayments mainly comprise prepayment to suppliers of approximately HK\$199,623,000 (31 December 2025: approximately HK\$133,916,000).

14. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED CHARGES

A. Trade payables

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Trade payables at amortised cost	405,971	3,474

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

14. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED CHARGES – continued

A. Trade payables – continued

The following is an ageing analysis of trade payables based on the invoice dates or goods receipt dates at the end of the reporting period:

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
0 to 30 days	403,424	3,474
31 to 60 days	2,547	–
	405,971	3,474

The credit period granted by suppliers on purchases of goods is normally 30 to 90 days.

B. Other payables and accrued charges

As at 30 June 2026, other payables and accrued charges mainly comprise accrued freight charges of approximately HK\$75,660,000 and accrued demurrage charges of approximately HK\$15,601,000 respectively (31 December 2025: nil and approximately HK\$3,534,000 respectively).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

15. BANK AND OTHER BORROWINGS

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Bank borrowings — secured	364,943	294,954
Other borrowings — unsecured	12,520	12,520
Total	377,463	307,474
The carrying amount of the above borrowings are repayable (<i>note</i>):		
Within one year	21,419	35,598
Within a period of more than one year but not exceeding two years	19,765	61,025
Within a period of more than two years but not exceeding five years	116,462	188,160
More than five years	219,817	22,691
	377,463	307,474
Less: Amount shown under current liabilities	(21,419)	(35,598)
Amount shown under non-current liabilities	356,044	271,876

note: The amounts due are based on scheduled repayment dates set out in the borrowing agreements.

As at 30 June 2026, the bank borrowings carried interest at floating rate of 3.5% (Loan Prime Rate announced by the National Interbank Funding Centre of the PRC plus 0.2%) and 2.4% (Loan Prime Rate announced by the National Interbank Funding Centre of the PRC minus 0.6%) respectively. The bank borrowings were secured by certain right-of-use assets and property, plant and equipment.

The unsecured other borrowings carried interest at a fixed rate of 7.0% and 7.5% per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

15. BANK AND OTHER BORROWINGS – continued

The bank borrowings were denominated in RMB, which was functional currency of the relevant group entities.

The unsecured other borrowings were denominated in HK\$, which was functional currency of the relevant group entity. The unsecured other borrowings were borrowed from Mr. Hou Zhiyu, a related person of the Company. For details of the related party transaction, please refer to Note 18.

16. SHARE CAPITAL

	Number of Shares	Amount HK\$'000
Ordinary Shares of HK\$0.025 each		
Authorised:		
At 31 December 2025 (audited) and 30 June 2026 (unaudited)	4,000,000,000	100,000
Issued and fully paid:		
At 31 December 2025 (audited) and 30 June 2026 (unaudited)	2,123,364,090	53,084

17. CAPITAL COMMITMENTS

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of the acquisition of property, plant and equipment	4,409	4,741



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

18. RELATED PARTY TRANSACTION

(a) Loans from the related parties

During 1H 2025, the Group entered into two loan agreements (the “Shareholder Loan Agreements”) with Speed Success Group Limited, a company holding 50,576,000 Shares. Mr. Wang Jian Sheng, a non-executive Director, holds the entire issued share capital of Speed Success Group Limited. Pursuant to the Shareholder Loan Agreements, Speed Success Group Limited agreed to provide two unsecured term loans of HK\$5,000,000 each, in aggregate of HK\$10,000,000 (the “Shareholder Loans”) to the Group in order to support its operating activities. The Group shall repay the Shareholder Loans on 31 May 2025 and 31 July 2025 respectively, or upon demand. Each of the Shareholder Loans bore an interest of 1-month Hong Kong Interbank Offered Rate per annum. During 1H 2025, the Shareholder Loans were fully settled.

The Group also entered into two loan arrangements with Mr. Hou Zhiyu (*note (iv)*), pursuant to which, Mr. Hou Zhiyu agreed to provide the Group with two unsecured term loans in the amounts of HK\$20,000,000 (with an interest rate of 7.5% per annum, the “First Loan”) and HK\$5,000,000 (with an interest rate of 7.0% per annum), with principal repayments due on 30 April 2034 and 30 August 2034 respectively and interest payable on a quarterly basis. In September 2025, Mr. Hou Zhiyu subscribed for 1,600 new shares of Strong New Energy Global Limited (“Strong New Energy Global”), an indirect non wholly-owned subsidiary of the Company, at a total subscription amount of US\$1,600,000 (equivalent to approximately HK\$12,480,000). The total subscription amount was settled by way of reducing HK\$12,480,000 from the First Loan. Therefore, the amount of the First Loan became HK\$7,520,000 after the subscription.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

18. RELATED PARTY TRANSACTION – continued

(b) Transaction

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group has the following transaction with its related party during the period:

Name of related party	Nature of transaction	Six months ended 30 June	
		2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Beijing Wanhua Real Estate Co., Ltd. (note (i))	Rental expenses	473	452
Speed Success Group Limited (note (ii))	Interest expenses	–	74
Precious Consulting Limited (note (iii))	Company secretarial support service expenses	55	55
Sino Century Limited (note (iii))	Rental expenses	70	–
Jadefill Limited (note (ii))	Rental expenses	90	–
Mr. Hou Zhiyu (note (iv))	Interest expenses	457	925

notes:

- (i) Mr. Wang Jian Sheng, a non-executive Director, is a minority shareholder of Beijing Wanhua Real Estate Co., Ltd..
- (ii) Mr. Wang Jian Sheng, a non-executive Director, holds the entire issued share capital of Speed Success Group Limited, Sino Century Limited and Jadefill Limited.
- (iii) The spouse of Dr. Wang Pang Paul, an executive Director, holds the entire issued share capital of Precious Consulting Limited.
- (iv) Mr. Hou Zhiyu was a director of Strong New Energy Limited, an indirect non wholly-owned subsidiary of the Company, from 25 January 2025 to 2 December 2025. Mr. Hou Zhiyu was appointed as a director of Strong New Energy Global, on 13 October 2025. As at 30 June 2026, Mr. Hou Zhiyu holds approximately 6.02% issued share capital of Strong New Energy Global.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and key input(s) used).

Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

Fair value hierarchy at 30 June 2026 and 31 December 2025

	At 30 June 2026			Total HK\$'000
	Level 1 HK\$'000 (note (i))	Level 2 HK\$'000	Level 3 HK\$'000	
Financial assets				
Financial assets at FVTPL				
Listed securities held for trading	137	-	-	137

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

– continued

(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis – continued

Fair value hierarchy at 30 June 2026 and 31 December 2025 – continued

	At 31 December 2025			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(note (ii))			
Financial assets				
Financial assets at FVTPL				
Derivative financial instruments (note (iii))	–	31,128	–	31,128
Listed securities held for trading	211	–	–	211

Financial liabilities

Financial liabilities at FVTPL				
Derivative financial instruments (note (ii))	–	32,644	–	32,644

notes:

- (i) Quoted bid prices in active markets.
- (ii) Difference between the contracted strike prices and prevailing futures and options prices or published indexes. Such prevailing futures, options prices or published indexes are derived from the relevant futures exchanges or prices publication as specified in the contracts.

There were no transfers among Level 1, 2 and 3 during the Six Month Period.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

– continued

(ii) **Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The Management considered that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the condensed consolidated financial statements approximate their fair values.

20. EVENTS AFTER THE END OF THE REPORTING PERIOD

Saved as disclosed above, the Directors are not aware of any significant event which had material effect on the Group subsequent to 30 June 2026 and up to the date of this report.

