



HENGYANG PETROCHEMICAL LOGISTICS LIMITED

(Incorporated in Singapore on 23 April 2008)
(Company Registration Number: 200807923K)

ADDENDUM TO ANNOUNCEMENT ON 11 JANUARY 2021 - THE PROPOSED DISPOSAL OF THE 85% EQUITY INTEREST IN JIANGSU XINHENG SUPPLY CHAIN MANAGEMENT SERVICES CO., LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Hengyang Petrochemical Logistics Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 11 January 2021 (the “**Previous Announcement**”) in respect of the disposal by Jiangyin Foreversun Chemical Logistics Co., Ltd. (a 51% owned joint venture of the Group) of its entire equity interest in Jiangsu Xinheng Supply Chain Management Services Co., Ltd. (“**Jiangsu Xinheng**”) which represents 85% of the total equity interest in Jiangsu Xinheng (the “**Sale Equity**”) (the “**Proposed Disposal**”).

Unless otherwise defined, capitalised terms used herein shall bear the same meanings ascribed to them in the Previous Announcement.

2. ADDENDUM ON THE RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES FOR THE PROPOSED DISPOSAL

With respect to the Proposed Disposal, the Board wishes to clarify that as the relative figure computed on the base as set out under Rule 1006 (b) of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited is negative (a relative figure of negative 5.7%; see section 7 of the Previous Announcement for details), Chapter 10 of the Catalist Rules may still be applicable to the Proposed Disposal in accordance with the applicable circumstances in Practice Note 10A pursuant to Rule 1007(1) of the Catalist Rules.

The Board wishes to clarify further that as:

- (1) the Proposed Disposal involves the disposal of a profitable asset by a loss-making issuer (i.e. the Group is loss-making);
- (2) there is expected gain from the Proposed Disposal (see section 8 of the Previous Announcement for details);
- (3) the absolute relative figure computed on the basis of each of Rule 1006(a) and Rule 1006(c) does not exceed 50%; and
- (4) the net profit attributable to the asset to be disposed of (i.e. the Sale Equity) exceeds 5% but does not exceed 10% of the consolidated net loss of the Group (taking into account only the absolute value),

the Proposed Disposal falls under paragraph 4.4(d) of Practice Note 10A of the Catalist Rules. Accordingly, the Proposed Disposal constitutes a “discloseable transaction” as defined under Chapter 10 of the Catalist Rules.

By Order of the Board

GU WEN LONG
Chairman and Chief Executive Officer

15 January 2021

This announcement has been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch ("Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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