

SINOSTAR PEC HOLDINGS LIMITED
(Company Registration No.: 200609833N)

This QR announcement is mandatory made pursuant to the Singapore Exchange's requirements as required under Listing Rule 705(2).

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	The Group			Note	The Group		
	3 months ended		+/-		9 months ended		+/-
	30 September				30 September		
	2021	2020	%	2021	2020	%	
	RMB'000	RMB'000			RMB'000	RMB'000	
Revenue	1,247,384	714,621	74.6	4.2	3,345,784	2,231,466	49.9
Cost of sales	(1,138,938)	(630,350)	79.1		(2,927,586)	(2,067,482)	41.6
Gross profit	118,446	84,271	40.6		418,198	163,984	155.0
Other income	1,296	1,706	(24.0)		7,465	7,842	(4.8)
Distribution costs	(15)	(28)	(46.4)		(45)	(78)	(42.3)
Administrative costs	(6,304)	(8,990)	(29.9)		(18,198)	(26,323)	(30.9)
Other operating expense	(13)	(43)	(69.8)		(378)	(87)	334.5
Finance costs	(13,462)	(8,531)	57.8		(35,827)	(29,589)	21.1
Profit before taxation	99,948	68,385	46.2	5	371,215	115,749	220.7
Income tax expense	(24,809)	(16,395)	51.3	6	(93,320)	(31,093)	200.1
Total comprehensive profit for the period	75,139	51,990	44.5		277,895	84,656	228.3
Attributable to:							
Equity holders of the Company	58,853	46,792			215,703	80,406	
Non-controlling interests	16,286	5,198			62,192	4,250	
	75,139	51,990			277,895	84,656	
Earnings per share attributable to equity holders of the Company (RMB cents per share)							
Basic	9.20	7.31			33.70	12.56	
Diluted	9.20	7.31			33.70	12.56	

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	The Group		The Company	
		30 September 2021 RMB'000	31 December 2020 RMB'000	30 September 2021 RMB'000	31 December 2020 RMB'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment		1,867,624	1,921,658	-	-
Right-of-use assets		4,427	4,427	-	-
Land use rights		90,739	91,285	-	-
Goodwill on consolidation	8	10,345	10,345	-	-
Investment in subsidiary corporations		-	-	250,041	250,041
Financial asset, at fair value through other comprehensive income	9	79,761	79,761	-	-
		<u>2,052,896</u>	<u>2,107,476</u>	<u>250,041</u>	<u>250,041</u>
CURRENT ASSETS					
Land use rights		1,085	1,085	-	-
Inventories	10	186,254	146,717	-	-
Trade and other receivables	11	49,341	40,907	-	-
Amount owing by a subsidiary corporation	11	-	-	7,481	7,612
Amounts owing by affiliated companies	11	131	2,542	-	-
Prepayments	12	6,896	5,020	-	-
Cash and bank balances		576,632	352,035	2,434	1,769
		<u>820,339</u>	<u>548,306</u>	<u>9,915</u>	<u>9,381</u>
TOTAL ASSETS		<u>2,873,235</u>	<u>2,655,782</u>	<u>259,956</u>	<u>259,422</u>
EQUITY					
Equity attributable to equity holders of the parents					
ASSETS					
Share capital	13	316,125	316,125	316,125	316,125
Retained profits/(accumulated losses)		533,891	334,224	(56,984)	(58,684)
Fair value reserves		34,517	34,517	-	-
Capital reserves		250,000	250,000	-	-
Other reserves		92,333	91,806	-	-
		<u>1,226,866</u>	<u>1,026,672</u>	<u>259,141</u>	<u>257,441</u>
Non-controlling interests		260,168	197,976	-	-
TOTAL EQUITY		<u>1,487,034</u>	<u>1,224,648</u>	<u>259,141</u>	<u>257,441</u>
LIABILITIES					
NON-CURRENT LIABILITIES					
Loans from non-controlling interest	14	625,000	625,000	-	-
Bank borrowings	14	480,000	480,000	-	-
Lease liabilities		4,407	4,407	-	-
		<u>1,109,407</u>	<u>1,109,407</u>	<u>-</u>	<u>-</u>
CURRENT LIABILITIES					
Loan from non-controlling interests	14	20,000	80,000	-	-
Bank borrowings	14	10,000	51,250	-	-
Lease liabilities		373	373	-	-
Trade and other payables	15	219,585	142,032	815	1,981
Amounts owing to affiliated companies	15	1,819	6,948	-	-
Current tax payable		25,017	41,124	-	-
		<u>276,794</u>	<u>321,727</u>	<u>815</u>	<u>1,981</u>
TOTAL EQUITY AND LIABILITIES		<u>2,873,235</u>	<u>2,655,782</u>	<u>259,956</u>	<u>259,422</u>

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY - GROUP

	Share capital RMB'000	Retained earnings RMB'000	Fair value reserve RMB'000	Capital reserve RMB'000	Other reserves			Equity attributable to owners RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
					Statutory common reserve RMB'000	Voluntary Common reserve RMB'000	Sub-total RMB'000			
1 January 2021 to 30 September 2021										
Balance as at 1 January 2021	316,125	334,224	34,517	250,000	91,009	797	91,806	1,026,672	197,976	1,224,648
Total comprehensive income for the period	-	215,703	-	-	-	-	-	215,703	62,192	277,895
Dividend paid for the period	-	(15,509)	-	-	-	-	-	(15,509)	-	(15,509)
Transfer to statutory common reserve	-	(527)	-	-	527	-	527	-	-	-
Balance as at 30 September 2021	316,125	533,891	34,517	250,000	91,536	797	92,333	1,226,866	260,168	1,487,034

	Share capital RMB'000	Retained earnings RMB'000	Fair value reserve RMB'000	Capital reserve RMB'000	Other reserves			Equity attributable to owners RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
					Statutory common reserve RMB'000	Voluntary Common reserve RMB'000	Sub-total RMB'000			
1 January 2020 to 30 September 2020										
Balance as at 1 January 2020	316,125	192,354	-	250,000	74,326	797	75,123	833,602	157,161	990,763
Total comprehensive income for the period	-	80,406	-	-	-	-	-	80,406	4,250	84,656
Balance as at 30 September 2020	316,125	272,760	-	250,000	74,326	797	75,123	914,008	161,411	1,075,419

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)**STATEMENT OF CHANGES IN EQUITY - COMPANY**

1 January 2021 to 30 September 2021	Share capital RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance as at 1 January 2021	316,125	(58,684)	257,441
Total comprehensive income for the period	-	17,209	17,209
Dividend paid	-	(15,509)	(15,509)
Balance as at 30 September 2021	<u>316,125</u>	<u>(56,984)</u>	<u>259,141</u>

1 January 2020 to 30 September 2020	Share capital RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance as at 1 January 2020	316,125	(52,907)	263,218
Total comprehensive loss for the period	-	(3,766)	(3,766)
Balance as at 30 September 2020	<u>316,125</u>	<u>(56,673)</u>	<u>259,452</u>

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group	
	9 months ended 30 September	
	2021	2020
	RMB'000	RMB'000
Cash flows from operating activities		
Profit for the period	371,215	115,749
Adjustments for:-		
Depreciation of property, plant and equipment	106,683	86,520
Amortisation of land use rights	816	810
Loss on disposal of property, plant and equipment	20	124
Interest expense	35,827	29,589
Interest income	(4,157)	(2,009)
Operating profit before working capital changes	510,404	230,783
Changes in working capital:		
Change in inventories	(39,537)	(29,552)
Change in amount owing by/(to) affiliated companies	(2,718)	103,192
Change in operating receivables	(10,310)	12,886
Change in operating payables	77,553	21,133
Cash generated from operations	535,392	338,442
Interest paid	(35,827)	(29,589)
Income tax paid	(109,427)	(40,186)
Net cash generated from operating activities	390,138	268,667
Cash flows from investing activities		
Acquisition of property, plant and equipment	(52,742)	(369,034)
Proceeds from sales of property, plant and equipment	73	-
Acquisition of land use rights	(270)	-
Change in amount owing to non-controlling interest	-	137,757
Interest received	4,157	2,009
Net cash used in investing activities	(48,782)	(229,268)
Cash flows from financing activity		
Dividend paid	(15,509)	-
Repayment of loan to non-controlling interests	(60,000)	(130,000)
Proceeds from bank borrowings	-	468,750
Repayment of bank borrowings	(41,250)	(62,500)
Net cash (used in)/from financing activities	(116,759)	276,250
Net increase in cash and cash equivalents	224,597	315,649
Cash and cash equivalents at beginning of period	352,035	66,247
Cash and cash equivalents at end of period	576,632	381,896
For the purpose of the consolidated statement of cash flows, the cash and cash equivalents comprise the following:		
Cash on hand	68	150
Bank balances	576,564	381,746
	576,632	381,896

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Sinostar PEC Holdings Limited (“the Company”) is incorporated and domiciled in Singapore as a limited liability company. The Company is listed on the Singapore Exchange Mainboard (“SGX-ST”).

The immediate and ultimate holding company of the Company is Intelligent People Holdings Limited (“Intelligent People”), a company which is incorporated in the British Virgin Islands (“BVI”).

The Company’s registered office is located at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

The principal activity of the Company is that of an investment holding company. The principal activities of its subsidiary corporations are:

- (a) Manufacture and sale of propylene, polypropylene and LPG products;
- (b) Provide logistics and transportation related services for petroleum products; and
- (c) Manufacture and sale of propylene, purified isobutylene, methyl tert-butyl ether (commonly known as MTBE), hydrogen and mixed gas.

These condensed interim consolidated financial statements as at and for the nine months ended 30 September 2021 comprise the Company and its subsidiaries (collectively, “the Group”).

2. Basis of Preparation

The condensed interim financial statements for the nine months ended 30 September 2021 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Chinese Renminbi dollar which is the functional currency of the Company and have been rounded to the nearest thousand (“RMB’000”).

2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the period ended 30 June 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is the useful lives of property, plant and equipment. The costs of property, plant and equipment are depreciated using the straight-line to allocate the depreciable amount over the estimated useful life. The useful lives of these assets are estimated by the management using common life expectancies applied in the industry and country of operations. Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, thus affecting the depreciation charges of property, plant and equipment.

There were no significant changes in critical judgements, estimates and assumptions as compared to the consolidated financial statements as at and for the year ended 31 December 2020.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

For management purposes, the Group is organised into business units based on their products and services, and has two reportable operating segments as follows:

1. The gas separation segment is the manufacturing and sales of LPG, propylene, polypropylene, MTBE, hydrogen, isobutylene and other gas.
2. The transport and logistic services segment is the provision of logistics and transportation related services for petroleum products.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Segment and revenue information (Cont'd)

4.1. Reportable segments

	The Group 9 months ended 30 September 2021		
	Gas Separation RMB'000	Transport and Logistic Services RMB'000	Total RMB'000
Revenue			
External customers	3,166,404	179,380	3,345,784
Inter-segment sales	950,965	32	950,997
Total revenue	<u>4,117,369</u>	<u>179,412</u>	<u>4,296,781</u>
Segment assets	<u>2,240,009</u>	<u>44,546</u>	<u>2,284,555</u>
Segment liabilities	<u>50,276</u>	<u>3,650</u>	<u>53,926</u>
Results			
Segment results	<u>396,144</u>	<u>20,971</u>	<u>417,115</u>
Unallocated expenses			
Unallocated corporate expenses			(14,230)
Profit from operations			402,885
Finance income			4,157
Finance cost			(35,827)
Profit before tax			371,215
Tax expense			(93,320)
Profit after tax			<u>277,895</u>
Segments assets for reportable segments			
Other assets			2,284,555
Unallocated			
Amounts owing by affiliated companies			131
Cash and cash equivalents			576,632
Other receivables			1,572
Goodwill on consolidation			10,345
			<u>2,873,235</u>
Segments liabilities for reportable segments			
Other liabilities			53,926
Unallocated			
Other payables			170,439
Amounts owing to affiliated companies			1,819
Bank borrowings			490,000
Loan from non-controlling interest			645,000
Current tax payable			25,017
			<u>1,386,201</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Segment and revenue information (Cont'd)

4.1. Reportable segments (Cont'd)

	The Group 9 months ended 30 September 2020		
	Gas Separation RMB'000	Transport and Logistic Services RMB'000	Total RMB'000
Revenue			
External customers	2,083,068	148,398	2,231,466
Inter-segment sales	412,658	6	412,664
Total revenue	<u>2,495,726</u>	<u>148,404</u>	<u>2,644,130</u>
Segment assets	<u>2,192,593</u>	<u>10,150</u>	<u>2,202,743</u>
Segment liabilities	<u>49,446</u>	<u>6,732</u>	<u>56,178</u>
Results			
Segment results	<u>147,016</u>	<u>10,543</u>	<u>157,559</u>
Unallocated expenses			
Unallocated corporate expenses			(14,230)
Profit from operations			143,329
Finance income			2,009
Finance cost			(29,589)
Profit before tax			115,749
Tax expense			(31,093)
Profit after tax			<u>84,656</u>
Segments assets for reportable segments			2,202,743
Other assets			
Unallocated			
Amounts owing by affiliated companies			525
Cash and cash equivalents			381,896
Other receivables			3,435
Goodwill on consolidation			10,345
			<u>2,598,944</u>
Segments liabilities for reportable segments			56,178
Other liabilities			
Unallocated			67,519
Other payables			100,932
Bank borrowings			562,500
Loan from non-controlling interest			720,000
Current tax payable			16,395
			<u>1,523,524</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Segment and revenue information (Cont'd)

4.2. Disaggregation of Revenue

The Group derives revenue from the transfer of goods and services at a point in time for the following types of services.

	The Group 9 months ended 30 September 2021		
	Gas Separation RMB'000	Transport and Logistic Services RMB'000	Total RMB'000
People's Republic of China			
Liquefied petroleum gas	392,852	-	392,852
Propylene	82,883	-	82,883
Polypropylene	226,067	-	226,067
Premium grade polypropylene	756,406	-	756,406
Methyl Tert-Butyl Ether ("MTBE")	1,297,735	-	1,297,735
Propylene II	124,972	-	124,972
Hydrogen	151,807	-	151,807
Isobutylene	115,747	-	115,747
Other Gas	17,935	-	17,935
Transport and logistic services	-	179,380	179,380
	3,166,404	179,380	3,345,784

	The Group 9 months ended 30 September 2020		
	Gas Separation RMB'000	Transport and Logistic Services RMB'000	Total RMB'000
People's Republic of China			
Liquefied petroleum gas	249,885	-	249,885
Propylene	233,379	-	233,379
Polypropylene	199,715	-	199,715
Methyl Tert-Butyl Ether ("MTBE")	755,607	-	755,607
Propylene II	387,571	-	387,571
Hydrogen	132,850	-	132,850
Isobutylene	92,516	-	92,516
Other Gas	11,545	-	11,545
Transport and logistic services	-	148,398	148,398
	2,083,068	148,398	2,231,466

5. Profit before taxation

Significant items

	The Group	
	9 months ended 30 September 2021 RMB'000	9 months ended 30 September 2020 RMB'000
Interest income	4,157	2,009
Expenses:		
Interest on borrowings	35,827	29,589
Depreciation of property, plant and equipment	106,683	86,520
Amortisation of land use rights	816	810
Loss on disposal of property, plant and equipment	20	124
	143,346	117,043

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6. Income tax expense

The Group calculates the financial period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group	
	9 months ended 30 September 2021 RMB'000	9 months ended 30 September 2020 RMB'000
Current income tax expense		
- Profit for the financial period	92,417	31,093
- Under provision in prior financial periods	903	-
	93,320	31,093

7. Property, plant and equipment

During the nine months ended 30 September 2021, the Group acquired assets amounting to RMB52,742,000 (30 September 2020: RMB369,034,000) and disposed of assets with net carrying value amounting to RMB 93,000 (30 September 2020: RMB Nil).

8. Goodwill arising on consolidation

	The Group	
	30 September 2021 RMB'000	31 December 2020 RMB'000
Cost and carrying amount		
Beginning and end of financial period	10,345	10,345

8.1. Goodwill impairment

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows:

	The Group	
	30 September 2021 RMB'000	31 December 2020 RMB'000
Dongming Changshun Transport Company Limited (东明县昌顺运输有限公司)	2,501	2,501
Dongming Qianhai Petrochemical Co., Ltd. (东明前海化工有限公司)	7,844	7,844
	10,345	10,345

The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period were extrapolated using terminal growth rate of 3% (2020: 3%). These cash flows were discounted using a pre-tax discount rate of 10% (2020: 10%) that reflected current market assessment of the time value of money and the risks specific to the CGUs. The growth rate is based on past performance and expectations on market development.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

8. Goodwill arising on consolidation (Cont'd)

8.1. Goodwill impairment (Cont'd)

Management determines that the recoverable amount is higher than the carrying amount. Accordingly, no impairment for allowance is provided. The Group believes that any reasonable possible changes on the above key assumptions are not likely to cause the recoverable amount to be materiality lower than the related carrying amount.

Under the fair value hierarchy, level 3 inputs were used.

9. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise the following:

	The Group	
	30 September 2021 RMB'000	31 December 2020 RMB'000
Equity security (unquoted) - Dongming Qianhai Reli Co., Ltd. (东明前海热力有限公司)		
Beginning of financial period	79,761	30,450
Fair value gains recognised in other comprehensive income	-	49,311
End of financial year	<u>79,761</u>	<u>79,761</u>

Represents 18% of equity interest in Dongming Qianhai Reli Co., Ltd. The Group has elected to measure these equity security at FVOCI due to the Group's intention not to hold these equity instruments for trading but for long-term appreciation.

9.1. Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presents the assets measured at fair value at each reporting date:

	Level 3 RMB'000
30 September 2021 Financial assets, at FVOCI	<u>79,761</u>
31 December 2020 Financial assets, at FVOCI	<u>79,761</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

10. Inventories

	The Group		The Company	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	RMB'000	RMB'000	RMB'000	RMB'000
At cost				
Raw materials	90,977	78,938	-	-
Finished goods	95,277	67,779	-	-
	<u>186,254</u>	<u>146,717</u>	-	-

11. Trade and other receivables

	The Group		The Company	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables				
– Non-related parties	14,848	1,787	-	-
Other receivables				
– Non-related parties	32,921	10,266	-	-
Accrued revenue	-	5,970	-	-
VAT receivable	-	21,885	-	-
Advances made to staff	1,481	858	-	-
Refundable deposits	91	141	-	-
	<u>49,341</u>	<u>40,907</u>	-	-

	The Group		The Company	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	RMB'000	RMB'000	RMB'000	RMB'000
Amount owing by a subsidiary corporation				
Loans to a subsidiary corporation	-	-	7,481	7,612

	The Group		The Company	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	RMB'000	RMB'000	RMB'000	RMB'000
Amount owing by affiliated companies				
	131	2,542	-	-

12. Prepayments

	The Group		The Company	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments				
Raw materials	4,012	-	-	-
Others	2,884	5,020	-	-
	<u>6,896</u>	<u>5,020</u>	-	-

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

13. Share capital

	The Group and the Company			
	30 September 2021		31 December 2020	
	Number of shares '000	Amount RMB'000	Number of shares '000	Amount RMB'000
Issued and fully paid, with no par value				
Balance at beginning and at end of interim period	640,000	316,125	640,000	316,125

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings of the Company. All shares rank equally with regard to the Company's residual assets.

14. Borrowings

	The Group		The Company	
	30 September 2021 RMB'000	31 December 2020 RMB'000	30 September 2021 RMB'000	31 December 2020 RMB'000
Amount repayable within one year or on demand				
- Secured	10,000 ^(a)	51,250 ^{(a),(b)}	-	-
- Unsecured	20,000 ^(c)	-	-	-
Amount repayable after one year				
- Secured	480,000 ^(a)	480,000 ^(a)	-	-
- Unsecured	625,000 ^(c)	-	-	-

- (a) Bank borrowings of the subsidiary Dongming Hengchang is secured by a corporate guarantee from an affiliated company, Dongming Zhongyou Fuel and Petrochemical Co., Ltd (东明中油燃料石化有限公司). Full settlement is scheduled by 2 January 2027;
- (b) Bank borrowings of the subsidiary Dongming Qianhai is secured by a mortgage over the property, plant and equipment of an affiliated company, Dongming Runze Petrochemical Co.,Ltd (东明润泽化工有限公司). This loan has been fully discharged in 1Q21;
- (c) Unsecured loan from non-controlling interest("NCI"), Shandong Dongming Petrochem Group Co., Ltd (山东东明石化集团有限公司).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

15. Trade and other payables

	The Group		The Company	
	30 September 2021 RMB'000	31 December 2020 RMB'000	30 September 2021 RMB'000	31 December 2020 RMB'000
Trade payables				
– Non-related parties	49,145	55,335	-	-
Other payables				
– Non-related parties	57,813	45,152	815	123
Other payables – staff	379	347	-	-
Accruals	6,050	9,272	-	1,858
VAT payables	13,887	16,832	-	-
Other governmental tax payables	2,068	2,695	-	-
Contract liabilities – advance collection from customers	90,243	12,399	-	-
	<u>219,585</u>	<u>142,032</u>	<u>815</u>	<u>1,981</u>

	The Group		The Company	
	30 September 2021 RMB'000	31 December 2020 RMB'000	30 September 2021 RMB'000	31 December 2020 RMB'000
Amount owing to affiliated companies				
– Trade	1,819	6,018	-	-
– Non-trade	-	930	-	-
	<u>1,819</u>	<u>6,948</u>	<u>-</u>	<u>-</u>

16. Dividends

	The Group	
	9 months ended 30 September 2021 RMB'000	9 months ended 30 September 2020 RMB'000
Ordinary dividend paid:		
- Final tax-exempt (one-tier) dividend paid in respect of previous financial year of S\$ 0.005 (equivalent to RMB 0.0242) [2020: S\$ Nil (equivalent to RMB Nil)] per share		
	<u>15,509</u>	<u>-</u>

17. Net Asset Value

	The Group		The Company	
	30 September 2021 RMB'000	31 December 2020 RMB'000	30 September 2021 RMB'000	31 December 2020 RMB'000
Net asset value per ordinary share	<u>1.92</u>	<u>1.60</u>	<u>0.40</u>	<u>0.40</u>

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

18. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2021 and 31 December 2020.

	Note	The Group		The Company	
		30 September 2021 RMB'000	31 December 2020 RMB'000	30 September 2021 RMB'000	31 December 2020 RMB'000
Financial Assets					
- At FVOCI	9	79,761	79,761	-	-
- At amortised cost		624,624	372,741	9,914	9,381
		<u>704,385</u>	<u>452,502</u>	<u>9,914</u>	<u>9,381</u>
Financial Liabilities					
- At amortised cost		1,254,987	1,358,084	815	1,981

19. Affiliated companies transactions

As an additional disclosure, the Group disclosed the following significant affiliated companies transactions entered into between the Group and its affiliated companies at terms agreed between the companies:

	The Group	
	9 months ended 30 September 2021 RMB'000	9 months ended 30 September 2020 RMB'000
Sales to affiliated companies		
- 山东东明石化集团有限公司	27,380	44,922
- 东明石油经销有限公司	41,033	54,919
- 山东东明梨树化学有限公司	272,796	172,789
- 东明中油燃料石化有限公司	27,449	-
- 山东润泽化工有限公司	177,329	149,796
- 东明万海氯碱化工有限公司	11,195	-
Purchases from affiliated companies		
- 东明石油经销有限公司	-	855
- 山东润泽化工有限公司	39,333	140,111
- 东明中油燃料石化有限公司	1,641,065	1,201,585
- 山东东明石化集团有限公司	32,160	8,265
- 山东东明梨树化学有限公司	152,203	111,896
- 山东炼化能源集团有限公司	9,546	-
- 东明润明油品销售有限公司	7,332	-
Interest expenses on loan charged by affiliated company		
- 山东东明石化集团有限公司	24,665	25,383
Other individually immaterial transactions	12,921	7,564

Affiliated companies refer to companies in which a director of the Company has an indirect equity interest.

20. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

OTHER INFORMATION

1. Review

The consolidated statement of financial position of Sinostar PEC Holdings Limited and its subsidiaries as at 30 September 2021 and the related consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine-month period then ended and certain explanatory notes have not been audited or reviewed.

3. Review of Performance of the Group

The consolidated statement of financial position of Sinostar PEC Holdings Limited and its subsidiaries as at 30 September 2021 and the related consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the nine-month period then ended and certain explanatory notes have not been audited or reviewed.

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income

Highlights on changes in Condensed Interim Statements of Profit or Loss and Other Comprehensive Income items of the Group are as follow; -

Revenue

3Q21	3 months ended		3 months ended		+/(-)
	30 September 2021		30 September 2020		
Analysis of Revenue	RMB'000	%	RMB'000	%	%
Processed LPG - Total	373,257	29.9%	203,635	28.5%	63.3%
- Inter-company*	(225,976)	-18.1%	(130,708)	-18.3%	72.9%
Propylene	-	-	94,074	13.2%	-100.0%
Polypropylene	69,948	5.6%	67,529	9.4%	3.6%
Premium grade polypropylene #	428,279	34.3%	-	-	NM
MTBE	451,794	36.2%	244,047	34.2%	85.1%
Propylene II - Total	160,133	12.8%	126,349	17.7%	26.7%
- Inter-company**	(160,133)	-12.8%	-	-	NM
Hydrogen	50,603	4.1%	36,033	5.0%	40.4%
Isobutylene	36,403	2.9%	22,337	3.1%	63.0%
Other Gas	7,292	0.6%	4,437	0.6%	64.3%
Logistic & transport related services	55,784	4.5%	46,888	6.6%	19.0%
TOTAL	1,247,384	100.0%	714,621	100.0%	74.6%

9M21	9 months ended		9 months ended		+/(-)
	30 September 2021		30 September 2020		
Analysis of Revenue	RMB'000	%	RMB'000	%	%
Processed LPG - Total	981,041	29.3%	662,570	29.7%	48.1%
- Inter-company*	(588,189)	-17.6%	(412,685)	-18.5%	42.5%
Propylene	82,883	2.5%	233,379	10.5%	-64.5%
Polypropylene	226,067	6.8%	199,715	8.9%	13.2%
Premium grade polypropylene #	756,406	22.6%	-	-	NM
MTBE	1,297,736	38.8%	775,607	34.8%	67.3%
Propylene II - Total	487,748	14.6%	387,571	17.4%	25.8%
- Inter-company**	(362,777)	-10.8%	-	-	NM
Hydrogen	151,807	4.5%	132,850	6.0%	14.3%
Isobutylene	115,747	3.5%	92,516	4.1%	25.1%
Other Gas	17,935	0.5%	11,545	0.5%	55.3%
Logistic & transport related services	179,380	5.4%	148,398	6.7%	20.9%
TOTAL	3,345,784	100.0%	2,231,466	100.0%	49.9%

* supplied of LPG to subsidiary Dongming Qianhai

** supplied of Propylene II to immediate holding company Dongming Hengchang

production from new polypropylene plant starting 1Q21

NM - Not Meaningful

OTHER INFORMATION (CONT'D)

2. Review of Performance of the Group (Cont'd)

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

Revenue (Cont'd)

Highlights on changes in Condensed Interim Statements of Profit or Loss and Other Comprehensive Income items of the Group are as follow; - (Cont'd)

(a) Processed LPG

LPG increases by 83.3% from RMB 203.6 million in 3Q20 to RMB 373.3 million in 3Q21, included the inter-company transactions. A total of 87,143 tonne produced and sold during the periods, an increase of 17.9% as compared to 3Q20. Average selling prices ("ASP") and average cost of production ("ACP") during the period increase by 55.5% and 60.8% respectively as compared to 23Q20.

LPG increases by 48.1% from RMB 662.6 million in 9M20 to RMB 981.0 million in 9M21 (included inter-company transactions). Total of 246,125 tonne produced and sold during 9M21, an increase of 9.6% as compared to 9M20. Both the ASP and ACP during the periods increase by 35.1% and 34.0% respectively, as compared to 9M20.

(b) Propylene

Propylene is used to further process into polypropylene due to higher margin and only excess output will be sold to markets. During the 3Q21 reporting period, all propylene output were used to process to polypropylene and premier grade polypropylene.

Due to the reason mentioned in 3Q21, the sale of propylene decreases by 64.5% from RMB 233.4 million in 9M20 to RMB 82.9 million in 9M21.

(c) Polypropylene

Polypropylene increases by 3.6% from RMB 67.5 million in 3Q20 to RMB 69.9 million in 3Q21. Though the production output decrease by 5.5% to 9,503 tonnes, both the ASP and ACP during the reporting period increase by 12.5% and 13.3% respectively as compared to 3Q20.

Polypropylene increases by 13.2% from RMB 199.7 million in 9M20 to RMB 226.1 million in 9M21. Total output decrease by 2.9% to 30,525 tonnes, both the ASP and ACP during the 9M21 increase by 18.9% and 18.9% respectively as compared to 9M20.

(d) Premier grade polypropylene

Premier grade polypropylene is produced by the newly commercialised polypropylene production plant from March 2021. A total of 57,267 tonnes were produced and sold during the reporting periods. Total revenue of RMB 428.3 million was generated for 3Q21 and a total of RMB 766.8 million for 9M21. .

(e) MTBE

MTBE increases by 85.1% from RMB 244.0 million in 3Q20 to approximately RMB 451.8 million in 3Q21. Production output by increases by 18.5% to 88,221 tonnes whereas both ASP and ACP during the period increase by 56.2% and 60.5% respectively as compared to 3Q20.

Total MTBE increases by 67.3% from RMB 775.6 million in 9M20 to RMB 1,297.7 million in 9M21. Output increases by 17.3% to 265,509 tonnes whereas both ASP and ACP during the periods increase by 42.6% and 28.8% respectively as compared to 9M20.

OTHER INFORMATION (CONT'D)

2. Review of Performance of the Group (Cont'd)

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

Revenue (Cont'd)

Highlights on changes in Condensed Interim Statements of Profit or Loss and Other Comprehensive Income items of the Group are as follow; - (Cont'd)

(f) Propylene II

Propylene II increases by 26.7% from RMB 126.3 million in 3Q20 to RMB 160.1 million in 3Q21, (included the inter-company transactions, sold to Dongming hengchang for further process into premier grade polypropylene). Production output increase by 19.8% to 24,051 tonnes and ASP increase by 5.8%, whereas ACP decreases during the period by 16.3% as compared to 3Q20.

Total revenue increases by 25.8% from RMB 387.6 million in 9M20 to RMB 487.7 million in 9M21, (included the inter-company transactions). During the 9M21, output increases by 8.4% to 72,445 tonnes, ASP increases by 16.1%, whereas ACP decreases by 3.6% as compared to 9M20.

(g) Hydrogen

Hydrogen is mainly transacted with an affiliate party for its production utilities consumption. During the period, production output increases by 40.1% to 3,443 tonnes resulted the revenue to increase from RMB 36.0 million in 3Q20 to RMB 50.6 million in 3Q21.

For 9M21, a total output of 10,335 tonnes was transacted with a revenue value of RMB 151.8 million.

(h) Isobutylene

Isobutylene increases by 63.0% from RMB 22.3 million in 3Q20 to RMB 36.4 million in 3Q21. Total production output increases by 7.1% to 4,577 tonnes, both the ASP and ACP during the reporting period increase by 52.1% and 51.3% respectively as compared to 3Q20.

For 9M21, although the total output decreases by 4.1% to 15,415 tonnes, revenue increases by 25.1% from RMB 92.5 million to RMB 115.7 million mainly due to higher increase in ASP by 30.5% as compared to 16.4% in ACP.

(i) Logistics & transport related service

Revenue from this business increases by 19.0% from RMB 46.9 million in 3Q20 to RMB 55.8 million in 3Q21, mainly contributed by Dongming Changshun.

Total revenue for 9M21 increases 20.9% from RMB 148.4 million to RMB 179.4 million, mainly due to increase in transportation demand.

Gross profit

Gross profit increase from RMB 84.3 million in 3Q20 to approximately RMB 118.4 million in 3Q21, and from RMB 164.0 million to RMB 418.2 million for 9M21, mainly due increase in production volume and average selling price, couple with increase in revenue generated from logistics and transport related services.

OTHER INFORMATION (CONT'D)

2. Review of Performance of the Group (Cont'd)

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

Other income and expenses

(a) **Other income**

Comprise mainly of bank interest earned on short-term deposits placed with financial institution amounted to approximately RMB 1.2 million and balances on other non-trade receivables in 3Q21. For 9M21, a total of RMB 4.2 million earned from bank interest and balances on non-trade receivables.

(b) **Administrative costs**

Decreased from RMB 9.0 million in 3Q20 to RMB 6.3 million in 3Q21 mainly due to the decrease in the operating expenses in subsidiary Hengchang, the allocation of labour costs from administrative costs to cost of production in amounted to approximately RMB 2.2 million.

(c) **Finance costs**

Interests incurred on the loan from non-controlling interest amounted to RMB 8.1 million and RMB 5.4 million on external bank borrowing in 3Q21. For 9M21, total of RMB 24.9 million interest paid to non-controlling interest and balance on bank loan.

(d) **Taxation**

Increase is in tandem to increase in the sale transaction activities.

Net Profit

The Group made a profit of RMB 58.9 million in 3Q21 attributed to the equity holders of the company, as compared to profit of RMB 46.8 million in 3Q20.

For 9M21, a total profit of RMB 215.7 million attributed to the equity holders of the company as compared to RMB 80.4 million in 9M20.

Condensed Interim Consolidated Statements of Financial Positions

Highlights on changes in Condensed Interim Consolidated Statements of Financial Positions items of the Group are as follow; -

(a) **Property, plant and equipment**

Decrease is mainly due to depreciation charge during the financial period.

(b) **Inventories**

Inventories comprise of approximately RMB 91.0 million of raw materials and equivalent value of RMB 95.3 million on finished petrochemical products, recorded at cost.

(c) **Prepayment**

Increase is mainly due to amount paid to suppliers for raw materials.

(d) **Non-controlling interest**

Represent 30% controlling stake in subsidiary Dongming Qianhai by Dongming Petrochem Group.

OTHER INFORMATION (CONT'D)

2. Review of Performance of the Group (Cont'd)

Condensed Interim Consolidated Statements of Financial Positions (Cont'd)

Highlights on changes in Condensed Interim Consolidated Statements of Financial Positions items of the Group are as follow; - (Cont'd)

(e) Bank Borrowings

Comprise of two bank borrowing as follow;-

- i. Bank borrowing relates to a long-term capital loan obtained from the bank by subsidiary Dongming Qianhai. The loan was carrying an interest rate of 4.75% per annum with a fixed repayment term of RMB 31.25 million in each quarterly. Last and final loan repayment has been settled in February 2021;
- ii. Capital loan from bank to finance Dongming Hengchang's new polypropylene construction. The loan is carrying at interest rate of 4.41% per annum and repayment commences from June of 2021. A repayment of RMB 10.0 million has been made during the reporting period.

(f) Loan from non-controlling interests

This is from non-controlling interest Dongming Petrochem Group (represent 30% minority stake in subsidiary Dongming Qianhai) to finance the working capital use in Dongming Qianhai since acquisition. Loan is unsecured, bearing interest at 4.75% per annum with scheduled quarterly repayments till April 2025. There was a repayment of RMB 20.0 million made in 3Q21.

Condensed Interim Consolidated Statement of Cash Flow

As of 30 September 2021, the group generated RMB 390.1 million net cash from operating, offset RMB 48.8 and RMB 116.7 million net cash used in both investing and financing activities, respectively. As a result, the Group's cash and cash equivalent amounted to RMB 576.6 million.

- 3.(i) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes in the Company's share capital since the end of the previous period reported on. There were no outstanding convertibles issued or treasury shares held by the Company as at 30 September 2021.

- 3.(ii) **Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30 September 2021	31 December 2020
Number of issued shares (excluding treasury shares)	640,000,000	640,000,000
Number of treasury shares held	NIL	NIL

- 3.(iii) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

OTHER INFORMATION (CONT'D)

4. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	3 months ended 30 September	
	2021	2020
Profit/(loss) per share for the period based on net profit attributable to owners of the parent company		
(a) Based on basic number of ordinary shares on issue	9.20	7.31
No. of shares in issue (weighted average)	640,000,000	640,000,000
(b) On a fully diluted basis	9.20	7.31
No. of shares in issue (weighted average)	640,000,000	640,000,000

	9 months ended 30 September	
	2021	2020
Profit/(loss) per share for the period based on net profit attributable to owners of the parent company		
(a) Based on basic number of ordinary shares on issue	33.70	12.56
No. of shares in issue (weighted average)	640,000,000	640,000,000
(b) On a fully diluted basis	33.70	12.56
No. of shares in issue (weighted average)	640,000,000	640,000,000

5. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

None.

6. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group is trading cautiously as Covid-19 cases are increasing and China government is implementing more lockdowns to control the spread of the virus. However, the Group is still positive on the long-term demand of its petrochemical products which are used across a wide range of industries.

In particular, the Group's new polypropylene plant, which was completed at the end of 2020, has been in stable production and produces high-quality polypropylene which are used in the production of food packaging and other consumer products, and also can be apply to automotive accessories. Growth in the Polypropylene segment is readjusted to a revised 11.4% CAGR for the next 7-year period. This segment currently accounts for a 25.1% share of the global Disposable Protective Clothing market. The U.S. Market is estimated at \$1.8 Billion in 2021, while China is Forecast to Reach \$1.2 Billion by 2026¹. China's overall GDP grew 4.9% in 3Q2021, which was the slowest pace in a year, as the world's second largest economy was hurt by power shortages and supply chain bottlenecks, amongst other factors. China's GDP is still expected to grow 8.1%² and 5.3% in 2021 and 2022 respectively according to the median estimate in the latest quarterly survey by Bloomberg.

The Group is will continue to be prudent and manage its cash flow carefully while optimizing production.

OTHER INFORMATION (CONT'D)

7. Dividend information

- (a) Current Financial Period Reported On
Any dividend recommended for the current financial period reported on?
No.
- (b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?
None.
- (c) Date payable
NA.
- (d) Book Closure Date
NA.

8. Interested person transactions

Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate (if any) for interested person transactions for the financial period which it is required to report on pursuant to rule 705.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
<p>For period from July 2021 to September 2021;-</p> <p>Dongming Zhongyou Fuel and Petrochemical Company Limited (东明中油燃料石化有限公司)</p> <ul style="list-style-type: none"> - Purchase of raw LPG - Purchase of utilities - Logistics & transport related services provided to <p>Shandong Dongming Petrochem Group Co., Ltd. (山东东明石化集团有限公司)</p> <ul style="list-style-type: none"> - Purchase of utilities, part & components - Logistics & transport related services provided to - Accrued Interest on loan from non-controlling interest 		<p>RMB 614,503,682</p> <p>RMB 4,371,428</p> <p>RMB 16,273,348</p> <p>RMB 14,486,245</p> <p>RMB 25,583</p> <p>RMB 8,069,722</p>

OTHER INFORMATION (CONT'D)

8. Interested person transactions (Cont'd)

Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate (if any) for interested person transactions for the financial period which it is required to report on pursuant to rule 705. (Cont'd)

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
<p>For period from July 2021 to September 2021;-</p> <p>Dongming Runze Petrochemical Co., Ltd (东明润泽化工有限公司)</p> <ul style="list-style-type: none"> - Purchase of utilities, part & components - Sale of Hydrogen gas - Sale of utilities - Sale of processed LPG # - Logistics & transport related services provided to <p>Dongming Crude Oil Distribution Co., Ltd (东明石油经销有限公司)</p> <ul style="list-style-type: none"> - Logistics & transport related services provided to - Consignment fee <p>Shandong Dongming Lishu Petroluem Co., Ltd (山东东明梨树化学有限公司)</p> <ul style="list-style-type: none"> - Sales of processed LPG - Purchase of LPG - Purchase of utilities - Logistics & transport related services provide to <p>Dongming Runming Oil Products Distribution Co., Limited (东明润明油品销售有限公司)</p> <ul style="list-style-type: none"> - Logistics & transport related services provide to 	<p>RMB 804,937</p>	<p>RMB 13,502,377</p> <p>RMB 50,187,447</p> <p>RMB 5,714,625</p> <p>RMB 19,773,606</p> <p>RMB 171,416</p> <p>RMB 12,180,419</p> <p>RMB 102,237,237</p> <p>RMB 43,949,377</p> <p>RMB 4,270</p> <p>RMB 1,246,125</p> <p>RMB 26,502</p>

OTHER INFORMATION (CONT'D)

8. Interested person transactions (Cont'd)

Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate (if any) for interested person transactions for the financial period which it is required to report on pursuant to rule 705. (Cont'd)

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
<p>For period from July 2021 to September 2021;-</p> <p>Dongming WanHaiLuiJiang Petrochemical Co., Ltd (东明万海氯碱化工有限公司) *</p> <p>- Logistics & transport related services provided to</p>		<p>RMB 11,194,613</p>

transaction transferred from Shandong Dongming Petrochem Group Co., Ltd. (山东东明石化集团有限公司) from June 2021 onwards, with all terms remain;

9. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Li Xiangping	60	Father of Li Zhi, non-executive Director of the Company.	Non-Executive Chairman Since 2006, Substantial shareholder of the Company.	From non-executive Chairman to Executive Chairman from April 2021.
Li Zhi	35	Son of Mr Li Xiangping, the Non-Executive Chairman of the Company.	Non-Executive Director of the Company Since 2019	Appointed in year 2019.

10. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) that the Issuer has procured undertaking from all its directors and executive

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)
OF THE SGX-ST LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the nine-month period ended 30 September 2021 to be false or misleading in any material aspect.

Li Xiang Ping

William Tan Yew Chee

Executive Chairman

Chief Financial Officer

On behalf of the Board of Directors
Sinostar PEC Holdings Limited

Singapore

12 November 2021