



HENGYANG PETROCHEMICAL LOGISTICS LIMITED

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

**PROFIT GUIDANCE FOR THE SIX MONTHS AND
THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

The Board of Directors of Hengyang Petrochemical Logistics Limited wishes to issue a profit guidance with respect to the unaudited results of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 December (“**2H**”) and the financial year ended 31 December (“**FY**”) 2021.

Based on preliminary figures, the Group expects to report a loss for 2H2021 and FY2021 due mainly to lower revenue and higher operational expenses registered by Jiangyin Foreversun Chemical Logistics Co., Ltd. and its subsidiaries (the “**China Holdco Group**”).

The China Holdco Group registered a slowdown in its operational activities (in particular, its storage service segment) in 2H2021 due to mainly to (a) reduction in port activities as the Chinese government implemented tighter measures in view of the resurgence of COVID-19 in the fourth quarter of FY2021 and (b) a reduction in petrochemical trading activities as the Chinese government increased the tax levied on imported fuel in 2H2021. The China Holdco Group also incurred higher operational costs in 2H2021 arising from tighter COVID-19 prevention measures as well as to comply with the carbon emission guidance issued by the Chinese government in September 2021.

Further details of the Group’s financial performance will be disclosed when the Group announces its FY2021 results.

By Order of the Board

GU WEN LONG
Chairman and Chief Executive Officer

18 February 2022

*This announcement has been reviewed by the Company's Sponsor, Xandar Capital Pte Ltd (“**Sponsor**”) for compliance with the relevant rules of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). 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. The contact person for the Sponsor is Ms Pauline Sim, Head of Corporate Finance, at 3 Shenton Way, #24-02 Shenton House, Singapore 068805, telephone (65) 6319 4954.*