HENGYANG PETROCHEMICAL LOGISTICS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200807923K)

UPDATE ANNOUNCEMENT

The board of directors (the "**Board**") of Hengyang Petrochemical Logistics Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to provide an update to the market on the Company's announcement dated 16 October 2025 regarding the placement of the Company, Jiangyin Foreversun Chemical Logistics Co., Ltd. ("**Jiangyin Foreversun**", a 41.64%-owned joint venture entity of the Company), and Mr Gu Wenlong (the Executive Director and Chief Executive Officer of the Company) to the Specially Designated Nationals List ("**SDN List**") by the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**").

(1) Value of transactions

Based on the information available to the Company, Nanrong Petrochemical Co., Ltd.("**Nanrong Huaxue**", a subsidiary of Jiangyin Foreversun) had provided butadiene storage services to possible Iranian-connected vessels for the period from August 2023 and February 2025. Based on the Company's checks, Jiangyin Foreversun did not identify the connections of these vessels and their cargoes on arrival as these vessels were already in China when they called on the port of Nanrong Huaxue. Further, the designated vessel "Sunrise" identified in the sanction was known as "ELIN" and was docked and operated under the flag of Cameroon when it engaged the services of Nanrong Huaxue. The total revenue generated by Nanrong Huaxue from such possible Iranian-connected vessels amounted to approximately RMB1.7 million, RMB4.9 million and RMB3.7 million, which represented approximately 0.36%, 0.84% and 0.92% of the total revenue of Jiangyin Foreversun and its subsidiaries (the "**China Holdco Group**") for the financial year ended 31 December 2023, financial year ended 31 December 2024 and the nine months ended 30 September 2025 respectively.

(2) Financial impact of the sanction

The China Holdco Group has approached its key customers to discuss their concern with the sanction on Jiangyin Foreversun. Some of the China Holdco Group's customers, in particular foreign customers from the United States and Europe have informed that they are unable to continue to engage the services of the China Holdco Group for as long as the sanction is effective.

Based on the unaudited management accounts of the China Holdco Group for the month of October 2025 and November 2025, the China Holdco Group's Tianjin operations (which has more customers dealing with import and export business as compared to the other companies in the China Holdco Group) recorded more than 50% decrease in revenue for the month of October and November 2025 as compared to September 2025. .

Revenue from the storage service segment of China Holdco Group also decreased by 29% and 32% in October 2025 and November 2025 as compared to September 2025.

Accordingly, the Company expects the China Holdco Group to report a loss for FY2025 as compared to the profit of RMB5.4 million for FY2024.

The China Holdco Group will continue to reach out to its key customers to allay any of their concerns.

(3) Continued suspension of the trading of the Company's Shares

In accordance with the Regulator's Column titled "What SGX expects of issuers in respect of sanctions-related risks, subject or activity" published by the Singapore Exchange Regulation (the "**SGX RegCo**") on 7 March 2022, "the issuer should remain suspended until it has demonstrated to SGX that it is no longer a Sanctioned Subject or it has ceased the Sanctioned Activity".

The Company has been in consultation with legal advisers and sanction experts in China and the United States, and intends to petition to the OFAC for the removal of the Company, Jiangyin Foreversun and Mr Gu from the SDN List. However, there is no clear indication on the timeline for such removal.

Given the uncertainty of the timeline to petition for the removal of the Company, Jiangyin Foreversun and Mr Gu from the SDN List, the trading of the Company's Shares will remain suspended.

The Company will provide Shareholders with a further update as and when there are material developments.

By Order of the Board

GU WENLONG
Chief Executive Officer and Executive Director

10 December 2025

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*This announcement has been reviewed by the Company's Sponsor, Xandar Capital Pte Ltd ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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.*