SINOSTAR PEC HOLDINGS LIMITED
(Company Registration Number: 200609833N)
(Incorporated in the Republic of Singapore)

DISPOSAL OF RETIRED 50,000 TON POLYPROPYLENE INSTALLATION

The Board of Directors (the "**Board**") of Sinostar PEC Holdings Limited (the "**Company**") wishes to announce that Dongming Hengchang Petrochemical Co., Ltd. ("**Hengchang**"), a subsidiary of the Company, has entered into an agreement for the disposal of the assets of its 50,000 ton polypropylene installation which was announced to be retired on 18 August 2025 (the "**Transaction**").

Hengchang has entered into an agreement with Dongming Zhongyou Fuel & Petrochemical Co., Ltd. (the "**Purchaser**") to dispose of the retired installation assets at a consideration of RMB16,146,310.00 (approximately S$2.97 million), as an Interested Party Transaction.

Dongming Zhongyou Fuel and Petrochemical Co., Ltd, a wholly owned subsidiary of Dongming Petrochem, in which the Company's Executive Chairman and CEO Mr Li Xiang Ping has shareholding interests.

The consideration was determined based on a valuation report by Heze Jiangtian Assets Valuation Office, an independent professional valuation firm. The appraised value of RMB16,146,310.00 represents a valuation gain of RMB306,113.63 over the book value of RMB15,840,196.37. The Transaction is expected to be completed in the fourth quarter of 2025.

The disposal will optimise the Group's asset allocation and improve asset utilisation efficiency. The proceeds will be used for the Group's general working capital requirements.

The transaction represents 1.32% of the Group's audited tangible net assets for FY2024. Pursuant to Chapter 9 of the SGX-ST Listing Manual, the Transaction constitutes a non-material, non-recurrent interested person transaction which does not require shareholders' approval.

The Audit Committee has reviewed the Transaction and is of the opinion that it is on normal commercial terms, the consideration is fair and reasonable, and it is not prejudicial to the interests of the Company and its minority shareholders.

The Transaction is not expected to have a material impact on the Group's overall financial position or operating performance for Financial year ending 31 December 2025.

Save as disclosed, none of the Directors or substantial shareholders of the Company or their respective associates has any direct or indirect interest in the Transaction.

BY ORDER OF THE BOARD
SINOSTAR PEC HOLDINGS LIMITED

Li Xiangping
Executive Chairman and Chief Executive Officer

10 December 2025