

23<sup>rd</sup> December 2008

### **Everbright Announces IPO for Strong Petrochemical**

Everbright subsidiaries, China Everbright Capital Limited and China Everbright Securities (HK) Limited, act as sponsor, bookrunner and lead manager of Strong Petrochemical Holdings Limited (Stock code 852). The global offering of Strong Petrochemical comprises 100,000,000 shares at an offer price of HK\$2.5 per share. The total issue size is around HK\$250 million. The Public Offer begins on 23 December 2008 (Tuesday) and will be closed on 2 January 2009 (Friday) noon. Strong Petrochemical will commence trading on 12th January 2009.

**Strong Petrochemical** is engaged in the trading of crude oil, petroleum products and petrochemical products. During the track record period, the Group traded 25 types of crude oil, 7 types of petroleum products and 2 types of petrochemical products. Through the operating subsidiaries in Hong Kong and Macao, the Group procures the trading products from Oil Majors and other international oil trading companies, and mainly sold crude oil and petroleum products to the Five State-owned Licensed Import Agents. Taking into account the large amount transacted per shipment and the fluctuating market prices of oil products, the Group developed its trading business with prudent financial and risk management policies, with an aim of minimizing its financial and operational risks. Leveraging on their niche trading strategy and experienced management and traders who has built up their business network, the group position themselves as a niche player focusing on satisfying the immediate and unplanned purchase demands from the Five State-owned Licensed Import Agents, by supplying oil products of different varieties and specifications within a short time frame."

In order to capture business opportunities in the PRC arising from increasing demand for imported oil products due to rapid industrialization in the PRC, the Group started to invest and develop storage business for oil products in 2007, through its investment in the Nantong Project and the Tianjin Project. The Group believes that the storage business can broaden its revenue base through providing value-added services to trading customers and enhancing its trading business by maintaining certain portion of the storage facilities for its own storage use.