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**CHU KONG PETROLEUM AND NATURAL GAS STEEL PIPE HOLDINGS LIMITED**

**珠江石油天然氣鋼管控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1938)**

## **PROPOSED ISSUE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE**

Further to the Company's announcement dated 30 April 2018 in respect of the Bonds (that were matured on 30 April 2018 and were not redeemed) and the Company's announcement dated 22 June 2018 in respect of the Rescheduling Agreement, the Company is pleased to announce that on 22 June 2018 (after trading hours), as part of the Company's efforts in managing its liquidity situation, it has entered into the Loan Amendment Deed.

### **THE LOAN AMENDMENT DEED (WITH WARRANTS)**

Under the Loan Amendment Deed, the Lender agreed to provide a further advance of HK\$250,000,000 (increasing the total loan commitment of the Lender under the Amended Facility to HK\$600,000,000) to the Company to, among other things, fund the payments under the Rescheduling Agreement. In return for the further advance, the Company agreed to provide the Additional Security for all payment obligations under the Amended Facility and to issue the Warrants at the Issue Price. Upon delivery of the Additional Security and the issue of the Warrants, the aggregate principal amount of HK\$600,000,000 under the Amended Facility will be converted into a three-year term loan subject to customary rights of acceleration upon occurrence of events of default. The failure to issue the Warrants on or before the Long Stop Date will be an event of default under the Loan Amendment Deed. The issue of the Warrants is subject to the fulfilment of conditions precedent disclosed in this announcement.

Upon exercise in full of the subscription rights attached to the Warrants at the initial Subscription Price, assuming there is no change in the issued share capital of the Company between the date of this announcement and the exercise in full of the Subscription Rights attached to the Warrants, a maximum of 373,000,000 new Warrant Shares will fall to be issued, which represents

approximately 36.89% of the total number of Shares in issue as at the date of this announcement and approximately 26.95% of the total number of Shares in issue enlarged by the issue of the Warrant Shares. The maximum number of Warrant Shares that fall to be issued upon the exercise of Subscription Rights under the Warrants exceed 20% of the number of issued Shares as at the date of the Loan Amendment Deed in view of the exceptional circumstances of the Company where the extension of additional loans under the Loan Amendment Deed and the issue of Warrants thereunder would afford the Company the opportunity to manage the cash flow liquidity issue that it currently faces. Assuming no change in the shareholding of Mr. Chen, a Controlling Shareholder of the Company, in the Company and the total issued share capital of the Company from the date of this announcement to the date of issue of the Warrant Shares, Mr. Chen's shareholding in the Company will reduce from approximately 69.85% to 51.03%.

## **GENERAL**

The EGM will be held for the Shareholders to consider and, if thought fit, approve the ordinary resolution in respect of the issue of Warrants and the grant of the Specific Mandate. A circular containing, among other things, (i) details of the Loan Amendment Deed; (ii) details of the Specific Mandate; and (iii) a notice of the EGM is expected to be despatched to the Shareholders as soon as practicable.

## **INTRODUCTION**

Reference is made to the Company's announcement dated 30 April 2018 in respect of the Bonds (that were matured on 30 April 2018 and were not redeemed) and the Company's announcement dated 22 June 2018 in respect of the Rescheduling Agreement. The Company is pleased to announce that on 22 June 2018 (after trading hours), as part of the Company's efforts in managing its liquidity situation, it has entered into the Loan Amendment Deed. Further particulars of the Loan Amendment Deed are set out below.

## **THE LOAN AMENDMENT DEED**

### **The Amended Facility**

The Loan Amendment Deed amends the terms and conditions of the HK\$350,000,000 term loan facility (the "**Original Facility**") first entered into by the same parties and drawn down on 29 May 2017. Immediately prior to the signing of the Loan Amendment Deed, the amounts due to the Lender under the Original Facility were secured by a share charge by BPL over 49,600,000 Shares representing approximately 4.9% of the total Shares in issue ("**BPL Charge**") and guaranteed by Mr. Chen, BPL and CKSPG. Set out below is a summary of the key terms of the Loan Amendment Deed and Amended Facility:

- Parties:**
- (i) the Company (as borrower)
  - (ii) Mr. Chen (as guarantor)
  - (iii) BPL (as guarantor)
  - (iv) CKSPG (as guarantor)
  - (v) the Lender (as lender)

Mr. Chen is the sole shareholder of BPL, and both Mr. Chen and BPL are Controlling Shareholders of the Company.

CKSPG is an indirect wholly owned subsidiary of the Company.

The Lender is a private investment company and a creditor of the Company.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Lender and its ultimate beneficial owners are Independent Third Parties.

**Principal amount:** HK\$350,000,000 under the Original Facility, with an additional HK\$250,000,000 (including amounts advanced in June 2018 to facilitate payments to the Bondholders) being available for drawdown under the Amended Facility.

**Purpose of additional funds available for draw down:** For partial redemption or repayment of the Bonds in accordance with the Rescheduling Agreement and settlement of another outstanding facility with the Lender, unless otherwise agreed by the Lender.

**Security:** In addition to existing security being the BPL Charge, the Obligors are required to deliver (i) a charge over the entire issued share capital of CKSPG (being the offshore company in the Group that directly owns all the onshore companies that operate the Group's onshore businesses) and (ii) a charge over a bank account of CKSPG, to which the Obligors have agreed that the cash transfers from onshore subsidiaries of the Company to offshore subsidiaries are to be made and thereafter applied in and towards the settlement of payments due to the Lender (collectively, the "Additional Security").

**Warrants:** In consideration of the drawdown of the additional funds, the Company has agreed to issue and the Lender has agreed to subscribe for the Warrants, subject to the fulfilment of the following conditions precedent, within three months following the first drawdown of the additional funds under the Amended Facility after the execution of the Loan Amendment Deed (or such longer period as may be agreed):

- (i) the approval of shareholders of the Company in a general meeting of the Company to issue the Warrants; and
- (ii) the approval of the Stock Exchange of the issue of the Warrants and grant by the Listing Committee of the Stock Exchange the listing of and permission to deal in new shares of the Company to be issued

upon exercise of the subscription rights attaching to the Warrants.

Completion of the issue of the Warrants will take place on the 5<sup>th</sup> business day (or as may otherwise be agreed by the Company and the Lender) following the fulfilment of the conditions above. Failure of the fulfilment of such conditions on or before the Long Stop Date will constitute an event of default under the Loan Amendment Deed and will give the Lender the right to accelerate all amounts due under the Amended Facility.

Upon delivery of the Additional Security and the issue of the Warrants, the aggregate principal amount of HK\$600,000,000 under the Amended Facility will be converted into a three-year term loan subject to customary rights of acceleration upon occurrence of events of default.

Further information regarding the Warrants are set out in the section headed “Key Terms of the Warrants” below.

**Interest and Facility Fee:** Interest will accrue on the amounts drawn under the Amended Facility at the rate of 16% per annum (which is the same as the interest rate applicable under the Original Facility). A facility fee equal to 11% of the total amount of outstanding loan including that drawn under the Amended Facility is payable two months after the first drawdown of the additional funds under the Amended Facility after the execution of the Loan Amendment Deed (effectively 3.67% per annum over the period of three years).

### **Key Terms of the Warrants**

The Warrants are to be constituted by an instrument by way of deed poll to be executed by the Company at completion of the issue of the Warrant. Key terms of the Warrants are set out below.

<b>Amount of Warrants:</b>	HK\$313,320,000
<b>Authorised denominations:</b>	Warrants giving the holder the right to subscribe for 1,000 board lots of Shares (currently 1,000,000 Shares) or integral multiples thereof
<b>Subscription Rights:</b>	The Warrants confer upon the holder the right to subscribe for up to HK\$313,320,000 for new Shares at the Subscription Price. Accordingly, a maximum number of 373,000,000 Warrant Shares (the aggregate nominal value of such shares being HK\$37,300,000) can be issued upon exercise in full of the Subscription Rights, which represents approximately 36.89% of the total number of Shares in issue as at the date of this announcement and approximately 26.95% of the total

number of Shares in issue enlarged by the issue of the Warrant Shares.

Under the terms of the Warrants, for so long as the Shares remain listed on the Stock Exchange, the Company shall not be obliged to issue any Shares pursuant to the exercise of the Subscription Rights and shall bear no liability for any failure to issue the Shares if the Company, acting reasonably, comes to a view that (i) the issue of Shares will cause the issued Shares in the hands of “public” (as defined in the Listing Rules) to fall below the 25% or such other minimum percentage of the total issued share capital of a listed issuer as prescribed under the Listing Rules that must remain in public hands; or (ii) the Warrantholder exercising such Subscription Rights will incur an obligation to make a mandatory offer under the Takeovers Code and has not undertaken to the Company upon exercise of the Subscription Rights that it will make such an offer in compliance with the Takeovers Code.

**Issue Price:** HK\$0.168 per Warrant, payable on issue of the Warrants.

The net Issue Price, after deduction of relevant expenses, is approximately HK\$0.16 per Warrant.

The Issue Price was determined following arm’s length negotiations between the Company and the Lender taking into account primarily (i) the closing price of HK\$0.8 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) the realised volatility of the Shares on the Stock Exchange for the past three years; (iii) current Hong Kong dollar three-year swap rate; and (iv) a zero dividend yield (based on, assuming the Warrants are granted, the conversion of the Amended Facility to a three-year term loan and the three-year exercise period of the Warrants).

**Subscription Price:** Initially HK\$0.84 per Warrant Share, subject to adjustment, which is payable upon exercise of the Subscription Rights.

The initial Subscription Price was determined following arm’s length negotiations between the Company and the Lender taking into account primarily (i) the closing price of HK\$0.8 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) the current financial position of the Company and (iii) its efforts to turn around its financial position.

The Subscription Price will be adjusted proportionately upon consolidation or sub-division, and also be adjusted downwards in the manner specified in the Warrant Instrument (which is commonly found for warrants and convertible securities) upon the issue of shares by way of capitalisation of profits or

reserves or capital distribution, on other issue of shares or other equity securities at a price or effective consideration per share that is less than 90% of the then current market price.

- Subscription Period:** The Subscription Rights are to be exercisable in respect of all Warrants or in part (in authorised denominations) on any business day at any time from the issue of Warrants to the day immediately preceding the third anniversary of such issue. After the expiry of the said subscription period, any Subscription Rights which have not been exercised shall lapse and the Warrant shall cease to be valid for any purpose.
- Ranking:** All Warrant Shares to be allotted pursuant to the Warrant Instrument shall rank pari passu in all respects with the fully-paid Shares in issue on the date when the relevant Subscription Rights are exercised.
- Transfer:** The Warrants are only transferrable to professional investor (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) in whole or in authorised denominations. Any transfer of the Warrants will be subject to (a) the Listing Rules for so long as the Shares are listed on the Stock Exchange and all applicable laws and regulations; and (b) the approval of the Shareholders of the Company in a general meeting if required under the Listing Rules if such transfer is proposed to be made to a connected person of the Company
- Modification of terms:** Any modification of terms of the Warrant Instrument requires approval of a special resolution of Warrantholders.
- Other rights:** The Warrant Instrument does not confer any rights to Warrantholders to vote at any general meeting of the Company or to participate in the assets of the Company on its liquidation, nor any right to participate in any distributions or offers of further securities by the Company.

The (i) initial Subscription Price and (ii) the aggregate of the Issue Price and the initial Subscription Price represents:

- (a) a premium of approximately 5% and 26% respectively to the closing price of HK\$0.8 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 9.4% and 31.3% respectively to the average closing price of HK\$0.768 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the Last Trading Day; and
- (c) a discount of approximately 17.7% and 1.3% respectively to the net assets value of HK\$1.02 per Share based on the consolidated net assets of the Company as at 31 December 2017 of RMB846,065,000 (approximately HK\$1,032,199,000).

The Directors consider the Issue Price, the initial Subscription Price and the terms and conditions of the Loan Amendment Deed to be fair and reasonable and in the interests of the Company and its shareholders as a whole.

### Changes in Shareholding Structure

As at the date of this announcement, the Company has 1,011,142,000 Shares in issue. Set out below is a breakdown of the shareholding interests in the Company of the Shareholders as at (i) the date of this announcement; (ii) immediately after the completion of the issue of the Warrant Shares assuming the Warrants are exercised in full (assuming no other change in the issued share capital of the Company):

	<i>As at the date of this announcement</i>		<i>Immediately after completion of issue of Warrant Shares at the initial Subscription Price of HK\$0.84</i> (assuming there is no change in the issued share capital of the Company between the date of this announcement and the exercise in full of the Subscription Rights attached to the Warrants)	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Chen (Note 1)	706,261,000	69.85	706,261,000	51.03
Public shareholders	304,881,000	30.15	304,881,000	22.02 (Note 2)
The Lender	-	-	373,000,000	26.95 (Note 2)
<b>Total</b>	<b>1,011,142,000</b>	<b>100</b>	<b>1,384,142,000</b>	<b>100</b>

*Notes:*

1. Mr. Chen is the sole shareholder of BPL, which holds 701,911,000 Shares. In addition, Mr. Chen also holds 4,350,000 Shares in his personal capacity.
2. For illustration purpose only. The Company is not obliged to issue Shares upon exercise of the Warrants if such issue will result in the Company contravening the public float requirement under the Listing Rules.

## **APPLICATION FOR LISTING**

No application will be made for the listing of the Warrants on any stock exchange. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares.

## **FUND-RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company has not conducted any equity fund-raising activities in the past twelve months immediately preceding the date of this announcement.

## **USE OF PROCEEDS**

Assuming the Warrants are exercised in full at the initial Subscription Price, the gross proceeds and the net proceeds from the issue of the Warrants and the exercise of the Subscription Rights attaching to the Warrants will be approximately HK\$376 million and HK\$373 million, respectively. The net price per Warrant Share is approximately HK\$0.83, calculated by dividing the estimated aggregate net proceeds from the issue and full exercise of the Warrants at the initial Subscription Price by the initial number of Warrant Shares based on the initial Subscription Price.

The net proceeds from the issue of the Warrants and the exercise of the Subscription Rights attaching to the Warrants will be used as general working capital of the Company.

## **SPECIFIC MANDATE TO ISSUE THE WARRANT SHARES**

The Warrant Shares to be issued upon exercise of the Warrants will be issued and allotted pursuant to the Specific Mandate to be sought from the Shareholders at the EGM.

## **REASONS AND BENEFITS FOR ENTERING INTO THE LOAN AMENDMENT DEED**

The Company believes its cashflow position will become more stable with the Loan Amendment Deed and assuming the Warrants could be issued. As disclosed in the Company's announcement dated 30 April 2018, the Company has failed to redeem the Bonds on the maturity date. As disclosed in the Company's announcement dated 22 June 2018, the Directors have successfully negotiated the standstill arrangement under the Rescheduling Agreement, allowing the Group to ease its liquidity issue. It is therefore critical that the Group secures through the Loan Amendment Deed new funds as quickly as possible in order to make the payments of the outstanding amount under the Rescheduling Agreement and would enable the conversion of the Amended Facility into a term borrowing, which would remove the uncertainty around the immediate and medium term liquidity position of the Company. The Loan Amendment Deed will also give the Group time to improve its overall financial position as it continues to generate income from its core business through, amongst others, the property income of Golden Dragon City Phase II and its steel pipe business in light of the uptick of market demand. The Group also expects to significantly bolster its financial resources through the expected disposal of 40% interest in Panyu Chu Kong Steel Pipe Co Limited as per the Company's circular dated 27 March 2018, which is expected to bring in cash in the region of RMB2,000 million. Such disposal is currently expected to materialise in or about three years from the date of the capital injection and cooperation agreement dated 12 February 2018, taking into account the time that may be required to effect change of the use of the land held by Panyu Chu Kong Steel Pipe Co., Limited (if granted) as disclosed in the Company's circular dated 27 March 2018.



On the above basis and given the urgency for the Company to secure fresh funds to make the payments under the Rescheduling Agreement (including but not limited to the standstill interest), the Company believes that the Loan Amendment Deed and the issue of the Warrants thereunder in the interim provides the most viable path forward for the Group, maximising recoverability of the debts from the Group's creditors and therefore best protects the economic position of its creditors and in the interest of the Company and its shareholders as a whole.

## **INFORMATION ON THE COMPANY**

The Company is an investment holding company, the subsidiaries of which are principally engaged in the manufacture and sales of welded steel pipes, provision of related manufacturing services and property development and investment.

## **IMPLICATIONS UNDER THE LISTING RULES**

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be issued on exercise of the Warrants must not, when aggregated with all other equity securities remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the total number of Shares in issue at the time the Warrants are issued. As at the date of this announcement, the Company does not have any securities with subscription rights other than share options granted under the share option scheme of the Company adopted on 23 January 2010.

Upon exercise in full of the subscription rights attached to the Warrants at the initial Subscription Price, assuming there is no change in the issued share capital of the Company between the date of this announcement and the exercise in full of the Subscription Rights attached to the Warrants, a maximum of 373,000,000 new Shares will fall to be issued, which represents approximately 36.89% of the total number of Shares in issue as at the date of this announcement and approximately 26.95% of the total number of Shares in issued enlarged by the issue of the Warrant Shares. The maximum number of Shares that fall to be issued upon the exercise of Subscription Rights under the Warrants exceed 20% of the number of issued Shares as at the date of the Loan Amendment Deed in view of the exceptional circumstances of the Company where the extension of additional loans under the Loan Amendment Deed and the issue of Warrants thereunder would afford the Company the opportunity to manage the cash flow liquidity issue that it currently faces.

Assuming no change in the shareholding of Mr. Chen, a Controlling Shareholder of the Company, in the Company and the total issued share capital of the Company from the date of this announcement to the date of issue of the Warrant Shares, Mr. Chen's shareholding in the Company will reduce from approximately 69.85% to 51.03%.

## **GENERAL**

The issue of the Warrants and the Warrant Shares are subject to approval by the Shareholders. The EGM will be held for the Shareholders to consider and, if thought fit, approve the ordinary resolution in respect of the Warrants and the grant of the Specific Mandate. To the best of the Directors' knowledge, information and belief, save for Mr. Chen and BPL who are both guarantors under the Loan Amendment Deed, no Shareholder has a material interest in the issue of the Warrants and the Specific Mandate. Therefore, Mr. Chen and BPL are required to abstain from voting at the EGM in respect of the Warrants and the Specific Mandate. Save as disclosed

above, no other Shareholders would be required to abstain from voting at the EGM in respect of the Warrants and the Specific Mandate.

A circular containing, among other things, (i) details of the Loan Amendment Deed; (ii) details of the Specific Mandate; and (iii) a notice of the EGM is expected to be despatched to the Shareholders as soon as practicable.

**The issue of the Warrants (and therefore the Warrant Shares) are subject to certain conditions precedent set out above. As such the Warrants and the Warrant Shares may or may not be issued. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITION

In this announcement and the appendices to this announcement, the following expressions have the following meanings unless the context requires otherwise:

“Amended Facility”	the Original Facility as amended by the Loan Amendment Deed
“Board”	the board of Directors
“Bonds”	the US\$72,000,000 5.6% bonds issued pursuant to the subscription agreement dated 26 April 2013 entered into among the Company, Societe Generale and Wing Lung Bank Limited
“Bondholders”	the holders of the Bonds
“BPL”	Bournam Profits Limited, a company incorporated under the laws of the British Virgin Islands and wholly owned by Mr. Chen
“Mr. Chen”	Chen Chang, an executive director and a Controlling Shareholder of the Company
“CKSPG”	Chu Kong Steel Pipe Group Co. Limited (珠江鋼管集團有限公司), a company incorporated under the laws of Hong Kong and is an indirect wholly-owned subsidiary of the Company
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Controlling Shareholder”	has the meaning ascribed thereto in the Listing Rules

“Company”	Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited (珠江石油天然氣鋼管控股有限公司), a company established in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1938)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held for considering, and if thought fit, to approve the issue of the Warrants and the Specific Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Issue Price”	HK\$0.168 per Warrant, being the issue price for each Warrant
“Last Trading Day”	22 June 2018, being the last trading day of the Shares immediately preceding the publication of this announcement
“Lender”	Hammer Capital Private Investments Limited, a company incorporated under the laws of the British Virgin Islands
“Loan Amendment Deed”	An amendment deed dated 22 June 2018 entered into among the Company (as borrower), Mr. Chen (as guarantor), BPL (as guarantor), CKSPG (as guarantor) and the Lender (as lender)
“Long Stop Date”	three months (or such longer period as may be agreed between the Company and the Lender) from the first drawdown of the additional funds under the Amended Facility after the execution of the Loan Amendment Deed

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Obligors”	the Company, Mr. Chen, BPL and CKSPG
“Rescheduling Agreement”	the rescheduling agreement dated 22 June 2018 entered into among the Company and the Bondholders
“Specific Mandate”	the specific mandate to be sought from the Shareholders at the EGM to authorise the allotment and issue of the Warrant Shares upon full exercise of the Subscription Rights
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the sum payable in respect of each Share to which the registered holder of each Warrant shall be entitled upon exercise of the Subscription Rights represented thereby, being initially HK\$0.84 per Share in cash (subject to adjustment)
“Subscription Rights”	the rights of the Warrantholders represented by the Warrants to subscribe for Warrant Shares pursuant to the Warrants
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers
“US\$”	United States dollars, the lawful currency of the United States
“Warrant(s)”	unlisted warrants carrying rights to subscribe for new Warrant Shares to be issued by the Company to the Lender pursuant to the Loan Amendment Deed
“Warrant Instrument”	the instrument to be executed by the Company by way of a deed poll constituting the Warrants

“Warrant Share(s)”	new Shares to be issued and allotted by the Company upon the exercise of the Subscription Rights
“Warrantholders”	in relation to any Warrant, the person or persons who is or are for the time being registered in the register of warrants as the holder or joint holders of that Warrant
“%”	per cent.

\* *The English translation of the Chinese names or words in this announcement, where indicated, is included for identification purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*Unless otherwise specified, for the purpose of this announcement and for the purpose of illustration only, Hong Kong dollar amounts have been translated at the rate of RMB1.00:HK\$1.22.*

*In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text thereof.*

By order of the Board  
**Chu Kong Petroleum and Natural Gas Steel  
Pipe Holdings Limited**  
Chen Chang  
Chairman

Hong Kong, 22 June 2018

*As at the date of this announcement, the executive Directors are Mr. Chen Chang, Ms. Chen Zhao Nian and Ms. Chen Zhao Hua. The independent non-executive Directors are Mr. Chen Ping, Mr. See Tak Wah and Mr. Tian Xiao Ren.*