

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Chongqing Iron & Steel Company Limited **重慶鋼鐵股份有限公司**

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(在中華人民共和國註冊成立的股份有限公司)

(Stock Code: 1053)

ANNOUNCEMENT OF THE ADMINISTRATOR OF CHONGQING IRON & STEEL COMPANY LIMITED IN RELATION TO THE COURT RULING ON APPROVAL OF THE REORGANISATION PLAN

This announcement is made by Chongqing Iron & Steel Company Limited (“**Chongqing Iron & Steel**” or the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

References are made to the Company’s indicative announcement on creditor’s application for reorganisation of the Company dated 25 April 2017, the announcement in relation to the court ruling on acceptance of the application for reorganisation of the Company dated 4 July 2017, the several announcements of the administrator of Chongqing Iron & Steel Company Limited in relation to the progress of reorganisation dated on and after 11 July 2017, the indicative announcements of the administrator of Chongqing Iron & Steel Company Limited in relation to the risks of suspension of listing and delisting of A shares of the Company dated 27 July 2017 and 28 July 2017, the indicative announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the continuous suspension of trading of A shares from 1 August 2017 due to reorganisation of the Company dated 31 July 2017, the indicative announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the continuous suspension of trading of A shares of the Company dated 1 August 2017, the announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the convening of the first creditors’ meeting dated 19 August 2017, the announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the convening of the second creditors’ meeting of the Company dated 2 November 2017, the announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the convening of the capital contributors group meeting dated 2 November 2017, the announcement of the

administrator of Chongqing Iron & Steel Company Limited in relation to the matters regarding the confirmation of investor dated 4 November 2017, the supplemental announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the convening of the capital contributors group meeting dated 9 November 2017, the supplemental announcement in relation to the convening of the capital contributors group meeting and plan on adjustment of the rights and interests of capital contributors under the draft reorganisation plan dated 15 November 2017, the announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the convening of the second creditors' meeting dated 18 November 2017 and the announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the convening of the capital contributors group meeting dated 18 November 2017.

I. BACKGROUND OF THE REORGANISATION OF CHONGQING IRON & STEEL

The First Intermediate People's Court of Chongqing ("FIPCC") issued the Civil Ruling Paper ((2017) Yu 01 Po Shen No. 5) to the Company on 3 July 2017. It was ruled that the application of Chongqing Laiquyuan Trading Co., Ltd. for reorganisation of Chongqing Iron & Steel was accepted and the liquidation team of Chongqing Iron & Steel was designated as the administrator of the Company (for more details, please refer to the Announcement in Relation to the Court Ruling on Acceptance of the Application of Reorganisation of the Company published by Chongqing Iron & Steel on 4 July 2017).

The second creditors' meeting of Chongqing Iron & Steel was held at 9:30 a.m. on 17 November 2017 in the form of online meeting at the Information Website of National Bankrupt Enterprises Recombinational Cases (全國企業破產重整案件信息網) (<http://pccz.court.gov.cn>), at which the Reorganisation Plan of Chongqing Iron & Steel Company Limited (Draft) (the "**Reorganisation Plan**") was approved by way of poll. (For details, please refer to the Announcement in relation to the Convening of the Second Creditors' Meeting published by Chongqing Iron & Steel on 18 November 2017).

The capital contributors group meeting of Chongqing Iron & Steel was held at Chonggang New District Conference Center, No.1 of Gangcheng Avenue, Changshou Economic & Technological Development Zone, Chongqing at 14:30 on 17 November 2017, at which the Plan on Adjustment of the Rights and Interests of Capital Contributors under the Reorganisation Plan of Chongqing Iron & Steel Company Limited (Draft) (the "**Plan on Adjustment of the Rights and Interests of Capital Contributors**") was approved by way of poll. (For details, please refer to the Announcement in relation to the Convening of the Capital Contributors Group Meeting published by Chongqing Iron & Steel on 18 November 2017).

In accordance with relevant provisions under the Enterprise Bankruptcy Law of the People's Republic of China, the administrator filed an application with the FIPCC for a ruling on the approval of the Reorganisation Plan on 17 November 2017. On 20 November 2017, the administrator received the second Civil Ruling Paper ((2017) Yu 01 Po No. 3), adjudicating the approval of the Reorganisation Plan and termination of the reorganisation procedures of Chongqing Iron & Steel.

II. MAIN CONTENTS OF THE SECOND CIVIL RULING PAPER ((2017) YU 01 PO NO. 3)

On 20 November 2017, the FIPCC issued the second Civil Ruling Paper ((2017) Yu 01 Po No. 3). The main contents are as follows:

“On 17 November 2017, the administrator of Chongqing Iron & Steel Company Limited filed an application with the court, stating that the staff creditors group involved in the reorganisation of Chongqing Iron & Steel considered and approved the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited by way of poll on site in advance on 16 November 2017. On 17 November 2017, the second creditors' meeting and capital contributors group meeting were successfully convened for the reorganisation of Chongqing Iron & Steel. At the creditors' meeting, the secured creditors group and ordinary creditors group voted on the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited in groups. At the capital contributors group meeting, capital contributors voted on the plan on adjustment of the rights and interests of capital contributors involved in the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited. After voting, the secured creditors group and ordinary creditors group voted for the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited and the capital contributors group approved the plan on adjustment of the rights and interests of capital contributors involved in the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited by way of poll. Accordingly, a request is made to the court for the approval of the Reorganisation Plan of Chongqing Iron & Steel Company Limited.

The court is of the view that the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited was approved by the secured creditors group, ordinary creditors group and staff creditors group by way of poll and the plan on adjustment of the rights and interests of capital contributors involved in the Reorganisation Plan (Draft) of Chongqing Iron & Steel Company Limited was approved by the capital contributors of Chongqing Iron & Steel by way of poll. In accordance with clause 2 under article 86 of the Enterprise Bankruptcy Law of the People's Republic of China, the ruling is as follows:

- I. The Reorganisation Plan of Chongqing Iron & Steel Company Limited be approved;

- II. The reorganisation procedures of Chongqing Iron & Steel Company Limited be terminated.

The ruling is final.”

III. EFFECTS OF EXECUTION OF THE REORGANISATION PLAN ON THE COMPANY

In accordance with the classification of creditor’s rights and plans on adjustment and compensation under the Reorganisation Plan of Chongqing Iron & Steel, the financial treatment for the matters in relation to the reorganisation including settlement of creditor’s rights and receipt of debt relief may have material positive effects on the net profit for and net assets as at the end of 2017. The specific data affected shall be subject to those in the financial statements as audited by the accountants.

IV. ARRANGEMENT ON FURTHER SUSPENSION OF TRADING OF A SHARES OF THE COMPANY

As the Reorganisation Plan involves adjustment of the rights and interests of capital contributors, resulting in a requirement of registration of conversion of capital reserves into share capital, the trading of A shares of the Company will be further suspended. Upon completion of registration of shares converted in the securities account of creditors or administrator, the Company will apply to the Shanghai Stock Exchange for resumption of trading of A shares.

V. RISK ALERT

1. Risk of bankruptcy liquidation

In accordance with article 93 of the Enterprise Bankruptcy Law of the People’s Republic of China, during the execution of the Reorganisation Plan, if the Company is unable to or fails to execute the Reorganisation Plan, the Company is still at the risk of being declared bankrupt. In case the Company is declared bankrupt, the A shares of the Company will be delisted.

2. Risk of suspension of listing of A shares

As the audited net profit of the Company for 2015 and 2016 and its audited net assets at the end of 2016 is negative, if the audited net profit of the Company in 2017 or its audited net assets at the end of the year is still negative, the trading of the Company’s A shares will be suspended from the publication date of the 2017 annual report of the Company. The Shanghai Stock Exchange will make a decision on whether to suspend the listing of A shares of the Company within fifteen trading days after the suspension.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Administrator of Chongqing Iron & Steel Company Limited

Chongqing, the PRC, 21 November 2017

As at the date of this announcement, the Directors of the Company are: Mr. Liu Da Wei (Non-executive Director), Mr. Zhou Hong (Non-executive Director), Mr. Tu De Ling (Executive Director), Mr. Li Ren Sheng (Executive Director), Mr. Zhang Li Quan (Executive Director), Mr. Yao Xiao Hu (Executive Director), Mr. Xu Yi Xiang (Independent Non-executive Director), Mr. Xin Qing Quan (Independent Non-executive Director) and Mr. Wong Chun Wa (Independent Non-executive Director).