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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 PROGRESS OF IMPLEMENTATION 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).

Reference is made to the announcement of the administrator of Chongqing Iron & Steel Company Limited in relation to the court ruling on approval of the reorganisation plan dated 21 November 2017 and the clarification announcement of the administrator of Chongqing Iron & Steel Company Limited on announcement in relation to the court ruling on approval of the reorganisation plan dated 22 November 2017.

On 20 November 2017, the First Intermediate People’s Court of Chongqing issued the second Civil Ruling Paper ((2017) Yu 01 Po No. 3), adjudicating the approval of the Reorganisation Plan of Chongqing Iron & Steel Company Limited and termination of the reorganisation procedures of Chongqing Iron & Steel. The reorganisation plan of Chongqing Iron & Steel then entered the stage of implementation.

On 21 November 2017, the administrator received the description on the online judicial auction from Chongqing United Assets and Equity Exchange, according to the description, the judicial auction of all the machinery and equipment of the smelting plant, the coking plant and the sintering plant of Chongqing Iron & Steel entrusted by the administrator has been completed on 21 November 2017, with Chongqing Changshou Iron & Steel Company Limited (“**Changshou Iron & Steel**”) as the purchaser and RMB3,900,000,000 as the consideration; the judicial auction of all the assets such as No. 2 Steel Plant, rod-wire and section steel of Chongqing Iron & Steel entrusted by the administrator has been completed on 21 November

2017, with Chongqing Iron & Steel (Group) Company Limited as the purchaser and RMB3,000,000,000 as the consideration; as to the judicial auction of all the real estate located at 15/F, No. 28, Dongchenggen Down Street, Qingyang District, Chengdu, Sichuan and No. 1, 6/F, No. 22, Jinsi Street, Qingyang District, Chengdu, Sichuan, since there was no registration during the notice period, the auction for the said items was not successful.

According to the requirements under the reorganisation plan of Chongqing Iron & Steel, during the period when the reorganisation plan is implemented, the restructuring party shall provide loans to Chongqing Iron & Steel for the implementation of the reorganisation plan by Chongqing Iron & Steel. On 23 November 2017, Chongqing Iron & Steel and Changshou Iron & Steel signed the RMB Capital Loan Agreement. Changshou Iron & Steel shall lend RMB2.4 billion to Chongqing Iron & Steel for implementing the reorganisation plan, and the term of the loan shall be 7 years in total from 24 November 2017 to 23 November 2024. Among such period, there shall be a grace period of 2 years from 24 November 2017 to 23 November 2019, during which the loan interest rate shall be the benchmark interest rate for RMB loans for a term of over five years as announced by the People's Bank of China.

In light of the great uncertainty with the reorganisation of the Company, the Company would like to remind all the investors that the designated media for information disclosure of the Company include China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times and the websites of the Shanghai Stock Exchange (www.sse.com.cn) and The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and all the information of the Company shall be subject to the information as published on the aforementioned designated media. Investors are advised to exercise caution and beware of investment risks.

The administrator will, strictly in accordance with the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised in 2014), conscientiously fulfill the obligations of information disclosure, pay close attention to and timely disclose the progress of related matters, as well as remind investors to beware of the risks. The Company shall also comply with the relevant disclosure and other requirements under the Listing Rules where appropriate.

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, 25 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).