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## **XIWANG SPECIAL STEEL COMPANY LIMITED**

**西王特鋼有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 1266)**

### **INSIDE INFORMATION**

#### **UPDATE ON THE SETTLEMENT APPLICATION OF CONTROLLING SHAREHOLDER**

This announcement is made by Xiwang Special Steel Company Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the Company’s announcements dated 21 February 2020 and 31 March 2020 (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements. The board of directors of the Company (the “**Board**”) hereby announces that the Company received a notification from its controlling shareholder (as defined in the Listing Rules), Xiwang Group Company Limited\* (西王集團有限公司) (“**Xiwang Group**”), that on 16 April 2020, the Zouping Municipal People’s Court of Shandong Province (the “**Court**”) had issued a civil ruling (the “**Civil Ruling**”) to approve the Xiwang Group Settlement Agreement (the “**Settlement Agreement**”).

## IMPACT ON THE GROUP

The Company and Xiwang Group are different entities with independent and complete business and independent operating capabilities. It is expected by Xiwang Group that the approval of the Settlement Agreement by the Court will help to solve the liquidity problem of Xiwang Group, optimize the structure of assets and liabilities, and improve the sustainable operation and profitability of Xiwang Group, and will not have adverse effect on the daily production and operation of the Group. At the same time, the Group will actively carry out its daily operations on the existing basis to ensure stable production and operation. As of the date of this announcement, the production and operation of the Group is normal. The Company will disclose further developments of the above matters (if any) in a timely manner by way of further announcement(s) in accordance with the Listing Rules and other applicable regulatory requirements.

**The Company will continue to monitor the progress and impact of the above matters, and perform its information disclosure obligations (if any) in a timely manner in accordance with relevant provisions of laws and regulations. Shareholders of the Company and potential investors should exercise caution in dealing in shares of the Company.**

By Order of the Board of  
**Xiwang Special Steel Company Limited**  
**WANG Di**  
*Chairman*

Hong Kong, 16 April 2020

As at the date of this announcement, the Board comprises the following directors:

*Executive Directors*

Mr. ZHANG Jian  
Mr. SUN Xihu  
Ms. LI Hai Xia

*Independent non-executive Directors*

Mr. LEUNG Shu Sun Sunny  
Mr. LI Bangguang  
Mr. YU Kou

*Non-executive Director:*

Mr. WANG Di

\* *for identification purpose only*