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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)

**FURTHER UPDATE ON THE PUBLICATION OF
THE 2019 ANNUAL RESULTS AND
DELAY IN PUBLICATION OF 2019 ANNUAL REPORT**

References are made to the announcement of Xiwang Special Steel Company Limited (the “**Company**”) in relation to the unaudited annual results of the Company and its subsidiaries for the year ended 31 December 2019 dated 31 March 2020 and the announcement of the Company in relation to the update on the publication of 2019 annual results and delay in despatch of 2019 annual report dated 15 May 2020 (the “**Announcements**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, the audit process for the Company’s 2019 Annual Results has not been completed due to restrictions in force in parts of China to combat the COVID-19 coronavirus outbreak. Due to the COVID-19 coronavirus outbreak, the audit of the 2019 Annual Results (the “**Audit**”) has been significantly influenced and delayed. As of the date of this announcement, the Auditors require additional time to complete certain audit procedures in satisfaction of their own internal policies, including but not limited to ascertaining the renewal status for the bank borrowings and other available sources of financing from banks and other financial institutions. Also, the Auditors have informed the Company that additional time of approximately two weeks is required to for the internal review of the auditor’s report and financial statements. Therefore, it is unlikely that the audit procedures will be completed on or before 29 May 2020, and as such, it is unlikely that the Company would be in a position to publish the audited 2019 Annual Results and the annual report for the year ended 31 December 2019 on or before 29 May 2020.

The board of the directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, having considered the latest development and progress of the audit process, and pursuant to the recent discussions with the Auditors, additional time is required for the completion of additional audit process for the 2019 Annual Results owing to the recent COVID-19 Epidemic and PRC Labour Day holidays, including but not limited to discussing with the management of the Company on the status of the renewal of the existing bank facilities and reviewing the relevant bank facilities agreements. The Company has been communicating and liaising with the Auditors throughout the Audit and adopting possible ways to comply with the financial reporting requirements in accordance with the Listing Rules. It is expected that, subject to no unforeseen circumstances and assuming that the audit procedure will be completed on or before 15 June 2020, the audited 2019 Annual Results and the 2019 Annual Report will be published on or before 15 June 2020. In this connection, application had been made to the Stock Exchange for a waiver from the strict compliance with Rules 13.46(2)(a) and 13.49(1) of the Listing Rules. The Company will make further announcement as and when appropriate in accordance with the Listing Rules.

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

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

Hong Kong, 28 May 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