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

POSITIVE PROFIT ALERT FOR THE YEAR ENDED 31 DECEMBER 2020

This announcement is made by the Company pursuant to Rule 13.09 (1) of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders and potential investors of the Company that the Group is expected to return to profit for the year ended 31 December 2020 as compared to a loss of RMB142.1 million for the year ended 31 December 2019.

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

This announcement is made by Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited (the "**Company**" and, together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that the Group is expected to return to profit for the year ended 31 December 2020 as compared to a loss of RMB142.1 million for the year ended 31 December 2019.

The return to profitability in 2020 was primarily attributed to the net gain from the resumption of the land located at the north side of Yayun Avenue, Dalong Street, Panyu District, Guangzhou City, Guangdong Province, the PRC（中國廣東省廣州市番禺區大龍街亞運大道北側）by Guangzhou City Land Development Centre*（廣州市土地開發中心）pursuant to the land resumption compensation agreement dated 15 September 2020, details of which were disclosed in the circular of the Company dated 8 October 2020.

This positive profit alert is based on the Company's preliminary review of the management accounts of the Group for the year ended 31 December 2020, which are being reviewed and/or audited by the Company's auditors and are subject to possible adjustments upon further review.

The Company's annual results announcement for the year ended 31 December 2020 will be issued on 30 March 2021. Shareholders and potential investors of the Company are advised to read the annual results announcement when it is published.

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

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

Guangdong Province, the PRC, 17 March 2021

As at the date of this announcement, the Board comprises the following Directors: Mr Chen Chang, Mr Chen Guo Xiong and Ms Chen Zhao Nian as executive Directors; and Mr Chen Ping, Mr Tian Xiao Ren and Mr Au Yeung Kwong Wah as independent non-executive Directors.

** For identification purpose only*