

**[FOR IMMEDIATE RELEASE]**



**Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited**

**Stock Code : 1938.HK**

**PCK and Saudi Aramco**

**Entered into a Procurement Agreement for Supplying Steel Pipes**

(April 3, 2018 – Hong Kong) **Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited** (the “Company”, together with its subsidiaries hereinafter referred to as the “Group”, “Chu Kong Steel Pipe” or “PCK” stock code: 1938), the largest manufacturer and exporter of longitudinal submerged arc welded steel pipes in China, is pleased to announce that our joint venture in Saudi Arabia (“Joint Venture”) has recently entered into a local delivery procurement agreement (“the Procurement Agreement”) with Saudi Arabian Oil Company (“Saudi Aramco”), an independent third party, for supplying longitudinal submerged arc welded steel pipes in a period of one year, to its gas and oil project in Saudi Arabia. The purchase order under the Procurement Agreement is subject to the terms of the contract.

Mr. Chen Chang, Chairman of the Group, comments, “We are delighted to have an establishment of a long term customer relationship with Saudi Aramco. Since 2017, the Joint Venture has already obtained relevant international certificates, entered into the supplier list of Saudi Aramco and completed successfully the trial order with high quality steel pipes.”

Mr. Chen continues, “We have an extensive experience in pipes making, outstanding performance in bidding overseas projects and its qualification, reputation and position as a high-quality steel pipe manufacturer in the overseas markets. We believe the establishment of the Procurement Agreement with Saudi Aramco will enhance our market position in the Middle East. In addition, the Group’s Zhuhai production plant and Lianyungang production plant have its own operated wharfs, which provide unparalleled geographical and transportation advantages for our business. Following the kick off of the oil and gas projects in both global and domestic markets, the Group will be benefited from those developments with business opportunities.

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#### **About Chu Kong Steel Pipe**

Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited is the largest manufacturer and exporter of longitudinal submerged arc welded steel pipes in China. Our steel pipes are mainly used for energy transmission including oil and gas transmission pipelines, deep sea pipelines, city gas networks, and petrochemicals, mining, infrastructure construction, offshore engineering, steel structures and water utilities industries.

The Group’s production bases and offices are located in Panyu, Zhuhai, Lianyungang, Ningbo of China, and Saudi Arabia, with 9 longitudinal submerged arc-welded (“LSAW”), 4 spiral submerged arc-welded (“SSAW”), 1 clad pipe and 1 electric resistance welded (“ERW”) production lines and other lines with a combined annual production capacity of 3,380,000 tonnes

Chu Kong Steel Pipe is the industry pioneer of LSAW steel pipes, strong in research and development with 112 registered utility patents including 8 registered invention patents, and has a long standing international and nationwide track record. The Group is the first and only steel pipe manufacturer in China to produce deep sea welded steel pipes for using under 1,500m water depth. Chu Kong Steel Pipe is the only welded pipe manufacturer in China that has achieved five national honors and awards, including “Superior Quality Award for Actual Quality of Metallurgical Products”, “Gold Cup Prize for Actual Quality of Metallurgical Products”, “National Key New Products”, “National-recognized Enterprise Technology Centre”, and “High Technology Enterprise”. We have an “Academician Workstation”, and also the main drafter of the national standard for longitudinal welded steel pipes for transmission.

The Group is developing its Golden Dragon City Fortune Plaza, located at Shiji Town, Panyu, Guangzhou, China, which is an integrated commercial complex of offices, shops, serviced apartments and villas.

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