



SINOPIPE HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200411382N)

RESPONSE TO QUESTIONS FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") ON THE COMPANY'S ANNUAL REPORT 2020

The Board of Directors (the "**Board**") of Sinopipe Holdings Limited (the "**Company**") wishes to respond to the questions raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 April 2021 in relation to the Company's Annual Report for the Financial Year Ended 31 December 2020 ("**Annual Report FY2020**").

SGX-ST's question 1

Listing Rule 1207(10) states that the board must comment on the adequacy and effectiveness of the issuer's internal controls (including financial, operational, compliance and information technology controls) and risk management systems and a statement on whether the audit committee concurs with the board's comment must also be provided. There is no comment provided in relation to the effectiveness of the internal controls. Please explain the reason for the deviation.

Company's response

The Company has disclosed the Board's comment with the concurrence of the Audit Committee on the adequacy of the Group's internal controls system addressing financial, operational, compliance and information technology controls and risk management on page 14 of the Annual Report 2020.

The Company wishes to further disclose that based on the internal controls established and maintained by the Group, work performed by the external auditors and that the Group's assets which are substantially escrowed cash deposited with a MAS licensed bank in Singapore, the Board with the concurrence of the Audit Committee is of the opinion that there are adequate and effective internal controls system in the Group addressing financial, operational, compliance and information technology controls and risk management systems as at 31 December 2020 in the context of the Group's current operation as a cash company.

SGX-ST's question 2

Provision 2.4 of the Code of Corporate Governance 2012 ("2012 Code") which continues to apply till 1 January 2022, provides that the independence of any director who has served on the Board beyond nine years from the date of his first appointment should be subject to particularly rigorous review. Please provide details of the rigorous review undertaken by the Board in assessing the independence of Mr Chew Heng Ching and explain how and why the Board considers that he continues to be independent despite serving on the Board since 4 November 2011.

Company's response

In assessing the independence of Mr Chew Heng Ching ("**Mr Chew**"), the Board (excluding Mr Chew) has taken into consideration that Mr Chew, throughout the nine years period that he has served on the Board, has no business relationships with the Company and its

subsidiaries (the “**Group**”) and any substantial shareholders or its officers of the Group which could interfere or be perceived to interfere his independence. In addition, Mr Chew is not financially dependent on the Company and is able to exercise independent business judgement in the affairs of the Group.

In the review, the Board excluding Mr Chew has also taken into consideration Mr Chew's guidance and invaluable contributions through the years when the Group has been going through restructuring and identifying a new business to restore and rejuvenate the Company for relisting.

Mr Chew's continued appointment as Independent Director of the Company was approved by 2-tier voting by the Shareholders at the Annual General Meeting held on 29 April 2021.

Trading of the shares in the Company has remained suspended since 2 April 2012.

BY ORDER OF THE BOARD

Mr Wang Sen
Non-Executive Chairman

29 April 2021