

UPDATE ON SUSPENSION OF TRADING

The board of directors (the “**Board**”) of Sinopipe Holdings Limited (the “**Company**”) refers to the Company’s announcements released on 18 December 2012, 22 January 2013, 7 March 2013, 28 March 2013, 30 April 2013, 30 May 2013, 31 July 2013, 4 September 2013, 1 October 2013, 1 November 2013, 29 November 2013, 31 December 2013, 31 January 2014, 28 February 2014, 31 March 2014, 1 April 2014, 8 April 2014, 17 April 2014, 30 April 2014, 2 May 2014, 14 May 2014, 31 May 2014, 13 June 2014, 14 June 2014, 30 June 2014, 16 July 2014, 31 July 2014, 19 August 2014, 29 August 2014, 30 September 2014, 31 October 2014, 28 November 2014, 31 December 2014, 31 January 2015, 28 February 2015, 31 March 2015, 13 April 2015, 29 April 2015, 30 April 2015, 12 May 2015, 21 May 2015, 23 May 2015, 30 May 2015, 9 June 2015, 30 June 2015, 31 July 2015, 31 August 2015, 30 September 2015, 5 October 2015, 30 October 2015, 30 November 2015, 30 December 2015, 29 January 2016, 29 February 2016, 31 March 2016, 6 April 2016, 19 April 2016, 30 April 2016, 25 May 2016, 31 May 2016 and 5 June 2016. The Board wishes to inform the shareholders that:

1. The Company announced on 25 May 2016 that the Company had applied to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for a further extension of time of up to 31 July 2016 to comply with Rule 707(1) of the Listing Manual in respect of the holding of annual general meeting (“**AGM**”) for the financial year ended 31 December 2015 (“**FY2015**”) and a further extension of time of up to 15 August 2016 to comply with Rule 705(2) of the Listing Manual in respect of the financial results for the first quarter ended 31 March 2016.

The Company announced on 5 June 2016 that SGX-ST had approved the foregoing extensions. The Company had applied to the Accounting and Corporation Regulatory Authority for an extension of time of up to 31 July 2016 to hold the AGM in respect of FY2015.

2. The Group’s operations continued to be affected unfavourably by significant reduction of banking facilities due to banks in the People’s Republic of China (“**PRC**”) tightening their credit policy as announced on 31 May 2016. Currently, the Group maintains the operations of the principal subsidiary in Fujian, Sichuan and Guizhou. The remaining production plants had been shut down. Some creditors had taken legal actions against the subsidiaries of the Company due to the delayed payments. The management has been sourcing potential investors and in discussions with a few potential investors to inject capital funds to the subsidiaries for the operational needs.

The Company will provide further updates on significant development of the current operations issue encountered by the subsidiaries in the PRC in due course.

3. The Company announced on 16 July 2014 that it had made a report to the Commercial Affairs Department against Mr Chen Li Hui, the former chief executive officer and a former director of the Company, based on the Findings issued by its special auditors, PriceWaterHouseCoopers CM Services Pte Ltd and on certain financial improprieties involving Mr Chen Li Hui in relation to the Company’s principal subsidiary, Fujian Aton Advanced Material Science and Technology Co.,

Ltd ("**Fujian Atontech**") that the Company had discovered. The Company had also taken necessary steps in respect of this matter in China. The relevant local authorities are still in the process of reviewing the case and there has been no significant development thus far.

4. With regard to the lawsuit between Fujian Atontech and a former customer, Wujiang Water Supply Co., Ltd, ("**Wujiang Water Supply**") that was under retrial by The People's High Court of Fujian Province ("**Fujian People's High Court**"). After retrial, the Fujian People's High Court had passed the court judgment that Fujian Atontech is liable to refund the invoiced amount of RMB1,336,750 and to pay a compensation amount of RMB6,552,000 to Wujiang Water Supply. Fujian Atontech had lodged protest against the judgment with the Supreme People's Court of the People's Republic of China ("**PRC Supreme People's Court**") on 26 May 2015. The PRC Supreme People's Court is still in the process of reviewing the appeal and there has been no significant development thus far.
5. With regard to the lawsuit between the Company's subsidiary, Xinjiang Aton Advanced Materials Science and Technology Co., Ltd ("**Xinjiang Aton**") and its former construction contractor, Beilong Construction Group Co., Ltd, the Xinjiang Weiwuer High Court had given the court order to retrial the case. Xinjiang Changji Hui Autonomous Prefecture Intermediate People's Court is still in the process of reviewing the case.
6. For the two lawsuits filed separately by Wei Sheng (Hong Kong) Co., Ltd ("**Wei Sheng (HK)**"), a shareholder of the Company's subsidiary, Jiamusi Auton Advanced Materials Technology Co., Ltd ("**Jiamusi Auton**") and by Fujian Atontech with Harbin People's Intermediate Court of Heilongjiang Province (the "**Harbin Court**") against Jiamusi City New Era of Urban Infrastructure Investments (Group) Co., Ltd ("**Jiamusi City New Era**") for the payment of the outstanding contract receivables under a Build-Transfer contract project carried out and completed by Jiamusi Auton, the Harbin Court is still reviewing the lawsuits and there is no significant development thus far.
7. For the lawsuit filed by a bank with Fuzhou People's Intermediate Court (the "**Fuzhou Court**") against Fujian Atontech's supplier, Fujian Zhixin Trading Co., Ltd ("**Fujian Zhixin**") and Fujian Atontech as joint defendant due to Fujian Zhixin factored the receivables owing by Fujian Atontech amounting to RMB20 million to the bank for a financing arrangement and subsequently the supplier had defaulted the repayment of the advances to the bank, the Fuzhou Court is still in the process of reviewing the case and there is no significant development thus far.

The Board shall continue to make announcements as and when appropriate and keep shareholders updated on a monthly basis.

By Order of the Board

Dr Pu Weidong
Chief Executive Officer and Executive Director

30 June 2016