



SINOPIPE HOLDINGS LIMITED

(Company Registration Number: 200411382N)

Third Quarter and Nine Months Financial Statements and Dividend Announcement for the Period Ended 30 September 2017

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	3 months ended		%	9 months ended		%
	30.9.2017	30.9.2016	Change	30.9.2017	30.9.2016	Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Revenue	-	-	n.m.	-	-	n.m.
Cost of sales	-	-	n.m.	-	-	n.m.
Gross profit	-	-	n.m.	-	-	n.m.
Other income	-	-	n.m.	7	4	75.0
Selling and distribution expenses	-	-	n.m.	-	-	n.m.
Administrative expenses	(378)	(1,211)	(68.8)	(2,089)	(4,821)	(56.7)
Other expenses	-	-	n.m.	-	-	n.m.
Finance costs	-	-	n.m.	-	-	n.m.
Share of results of associates	-	-	n.m.	-	-	n.m.
Loss before income tax from continuing operations	(378)	(1,211)	(68.8)	(2,082)	(4,817)	(56.8)
Income tax expense	-	-	n.m.	-	-	n.m.
Loss for the period from continuing operations attributable to owners of the Company	(378)	(1,211)	(68.8)	(2,082)	(4,817)	(56.8)
Discontinued operations						
Loss for the period from discontinued operations ^{Note (1)}	(4,106)	(21,030)	(80.5)	(35,115)	(88,303)	(60.2)
Loss for the period, representing total comprehensive loss	(4,484)	(22,241)	(79.8)	(37,197)	(93,120)	(60.1)
Loss attributable to:						
Continuing operations, net of tax						
-Owners of the Company	(378)	(1,211)	(68.8)	(2,082)	(4,817)	(56.8)
Discontinued operations, net of tax						
Owners of the Company	(6,326)	(20,459)	(69.1)	(34,320)	(86,266)	(60.2)
Non-controlling interests	2,220	(571)	(488.8)	(795)	(2,037)	(61.0)
	(4,106)	(21,030)	(80.5)	(35,115)	(88,303)	(60.2)

Note (1):

The Company announced on 3 April 2017 that the Company, together with its wholly-owned subsidiaries, Best Connect Resources Limited, Eagle Super Associates Limited and One Sea Development Ltd., had entered into a conditional sale and purchase agreement with Fujian Yatong Construction Material Limited (the “**Purchaser**”) on 31 March 2017 for the disposal of the shares and equity interest in the following subsidiaries and associated company (“**disposal group**”) in the People’s Republic of China (the “**PRC**”) (the “**Proposed Disposal**”). The disposal group constitute the Group’s plastic pipe business and operations in China.

1. Fujian Aton Advanced Material Science and Technology Co., Ltd;
2. Sinopipe Guizhou Co., Ltd;
3. Yunnan Aton High Molecular Materials Technology Co., Ltd;
4. Inner Mongolia Aton Plastics Co., Ltd;
5. Yatong Plastic (Hubei) Co., Ltd; and
6. Yatong Plastic & Rubbers (Kaifeng) Co., Ltd.

Accordingly, the assets and liabilities relating to disposal group as at 30 September 2017 are classified as a disposal group held-for-sale and are presented in the statements of financial position as “**Assets of disposal group classified as held-for-sale**” and “**Liabilities of disposal group classified as held-for-sale**”. The results of operations of disposal group are presented separately in the statement of profit or loss and other comprehensive income as “**Loss for the year from discontinued operations attributable to owners of the company**”.

	Group			Group		
	3 months ended		%	9 months ended		%
	30.9.2017	30.9.2016	Change	30.9.2017	30.9.2016	Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Loss for the period from discontinued operations:						
Revenue	25,992	61,603	(57.8)	103,078	221,903	(53.5)
Cost of sales	(15,591)	(53,377)	(70.8)	(84,638)	(199,454)	(57.6)
Gross profit	10,401	8,226	26.4	18,440	22,449	(17.9)
Other income	1,178	2,096	(43.8)	5,066	9,998	(49.3)
Selling and distribution expenses	(2,324)	(4,754)	(51.1)	(7,036)	(21,210)	(66.8)
Administrative expenses	(3,494)	(4,594)	(23.9)	(15,488)	(22,137)	(30.0)
Other expenses	(472)	(2,824)	(83.3)	(1,303)	(15,097)	(91.4)
Finance costs	(9,569)	(19,043)	(49.8)	(34,727)	(64,464)	(46.1)
Share of results of associates	-	(137)	(100.0)	-	(681)	(100.0)
Loss before income tax	(4,280)	(21,030)	(79.6)	(35,048)	(91,142)	(61.5)
Income tax expense	174	-	n.m.	(67)	2,839	(102.4)
Loss for the period	(4,106)	(21,030)	(80.5)	(35,115)	(88,303)	(60.2)

	Group		Group	
	3 months ended		9 months ended	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
	RMB'000	RMB'000	RMB'000	RMB'000
Amortisation of deferred capital grant	(128)	(128)	(461)	(660)
Amortisation of land use rights	511	464	1,255	1,392
Depreciation of property, plant and equipment	4,790	7,117	14,410	21,642
Foreign exchange (gain) loss, net	133	(37)	126	1,012
Impairment loss on property, plant and equipment	-	940	-	3,000
Property, plant and equipment written off	-	-	121	-
Government grants and subsidies	(12)	(2,120)	(15)	(2,606)
Reversal on allowance on doubtful trade receivables	-	(180)	-	(3,535)
Interest expense				
- Loans and borrowings	9,569	19,043	34,727	64,464
Interest income				
- Bank deposits	(1)	(12)	(11)	(1,543)
Write-down (Reversal) on inventories	-	-	-	(1,178)
Operating lease expenses	41	203	145	1,077
Staff costs *				
- Wages, salaries and bonuses	3,643	5,723	13,368	25,980
- Pension costs	968	1,094	2,712	3,577
- Other staff costs	299	286	756	1,730

* This amount includes directors' remuneration and remuneration of key management personnel.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30.9.2017	31.12.2016	30.9.2017	31.12.2016
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	27	35	27	35
	<u>27</u>	<u>35</u>	<u>27</u>	<u>35</u>
Current assets				
Trade and other receivables	15	11	15	11
Cash and bank balances	38	3	38	3
	53	14	53	14
Assets of disposal group classified as held-for-sale	367,622	339,002	-	-
Total current assets	<u>367,675</u>	<u>339,016</u>	<u>53</u>	<u>14</u>
Total assets	<u>367,702</u>	<u>339,051</u>	<u>80</u>	<u>49</u>
EQUITY AND LIABILITIES				
Equity				
Share capital	313,344	313,344	313,344	313,344
Other reserves	(12,063)	(12,063)	5,316	5,316
Accumulated losses	(1,223,696)	(1,187,294)	(413,726)	(416,304)
Equity attributable to owners of the Company	<u>(922,415)</u>	<u>(886,013)</u>	<u>(95,066)</u>	<u>(97,644)</u>
Non-controlling interests	<u>(6,294)</u>	<u>(5,499)</u>	<u>-</u>	<u>-</u>
Capital deficiency	<u>(928,709)</u>	<u>(891,512)</u>	<u>(95,066)</u>	<u>(97,644)</u>
Current liabilities				
Trade and other payables	11,075	10,109	95,146	97,693
	11,075	10,109	95,146	97,693
Liabilities of disposal group classified as held-for-sale	1,285,336	1,220,454	-	-
Current liabilities and total liabilities	<u>1,296,411</u>	<u>1,230,563</u>	<u>95,146</u>	<u>97,693</u>
Total equity and liabilities	<u>367,702</u>	<u>339,051</u>	<u>80</u>	<u>49</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

Group		Group	
As at 30.9.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
505,678	124,288	505,678	138,456

Amount repayable after one year

Group		Group	
As at 30.9.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
34,600	7,875	34,600	7,875

Pursuant to the Sales and Purchase Agreement as stated in Note (1), the Group's borrowings of the disposal group have been reclassified to liabilities of disposal group classified as held-for-sale.

Details of any collateral

Bank loans

The bank loans are guaranteed or secured as follows:

- (a) RMB 169,700,000 (2016: RMB 169,700,000) is guaranteed by a PRC subsidiary, Fujian Aton Advanced Materials Science and Technology Co., Ltd. ("Fujian Atontech");
- (b) RMB 197,100,000 (2016: RMB 197,100,000) is guaranteed by Wang Sen, the Company's CEO and Executive Chairman and is secured by land use rights and buildings;
- (c) RMB 140,578,000 (2016: RMB 140,578,000) is secured by land use rights and buildings; and
- (d) RMB 30,000,000 (2016: RMB 30,000,000) is secured by plant and machinery and is also guaranteed by Fujian Atontech.

RMB 126,796,000 (2016: RMB 126,796,000) of the bank loans are guaranteed jointly by Pu Weidong, a former CEO and Executive Director of the Company.

RMB 16,000,000 (2016: RMB 16,000,000) of a loan from a financial institution is unsecured.

The bank loans of RMB 537,378,000 (2016: RMB 537,378,000) bear effective interest rates ranging from 5.62% to 10.20% (2016: 5.62% to 10.20%) per annum and have remaining maturity of between 1 and 24 (2016: 1 and 24) months from the end of the financial year.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3 months ended		9 months ended	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
	RMB'000	RMB'000	RMB'000	RMB'000
Operating activities				
Loss before income tax	(4,658)	(22,241)	(37,130)	(95,959)
Adjustments:				
Amortisation of deferred capital grant	(128)	(128)	(461)	(660)
Amortisation of land use rights	511	464	1,255	1,392
Depreciation of property, plant and equipment	4,790	7,117	14,410	21,642
Impairment loss on property, plant and equipment	-	940	-	3,000
(Reversal) Impairment loss on doubtful trade receivables, net	-	(180)	-	(3,535)
Interest expense	9,569	19,043	34,727	64,464
Interest income	(1)	(12)	(11)	(1,543)
Property, plant and equipment written off	-	-	121	-
Write-down (Reversal) of inventories	-	-	-	(1,178)
Share of results of associates	-	137	-	681
Operating cash flows before movements in working capital	10,083	5,140	12,911	(11,696)
Movements in working capital:				
Inventories	1,094	(519)	20,352	30,494
Trade and other receivables	(28,284)	(5,950)	(77,511)	7,482
Prepayments	524	-	2,926	11,709
Trade and other payables	38,677	(32,022)	80,416	(143,897)
Cash generated from (used in) operations	22,094	(33,351)	39,094	(105,908)
Income taxes paid	158	-	(6)	(3,476)
Net cash generated from (used in) operating activities	22,252	(33,351)	39,088	(109,384)
Investing activities				
Acquisition of property, plant and equipment	(198)	-	(431)	(4,991)
Proceed from held-to-maturity investments	-	-	-	20,000
Interest received	1	12	11	1,543
Net cash (used in) generated from investing activities	(197)	12	(420)	16,552

	Group		Group	
	3 months ended		9 months ended	
	30.6.2017	30.6.2016	30.6.2017	30.6.2016
	RMB'000	RMB'000	RMB'000	RMB'000
Financing activities				
Interest paid	(9,569)	(370)	(34,727)	(14,035)
Proceeds from borrowings	-	153	8	417,474
Repayment of borrowings	(11,973)	(307)	(14,176)	(368,062)
Pledged bank balances	-	37,895	1,730	57,438
Net cash (used in) generated from financing activities	(21,542)	37,371	(47,165)	92,815
Net (decrease) increase in cash and bank balances	513	4,032	(8,497)	(17)
Cash and bank balances at beginning of financial period	3,877	15,553	12,887	19,602
Cash and bank balances at end of financial period	4,390	19,585	4,390	19,585

Note to Consolidated Cash Flow Statement

(1) For the purpose of consolidated statement of cash flows, cash and bank balances comprises the following:

	Group	
	30.9.2017	30.9.2016
	RMB'000	RMB'000
Cash and bank balances	10,642	152,193
Less: Pledged bank balances *	(6,252)	(132,608)
	4,390	19,585

* Pledged bank balances relate to amounts pledged to banks as security for banking facilities (including bills payable) extended to the Group.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP

	Share capital	Other reserves	Accumulated losses	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2017	313,344	(12,063)	(1,187,294)	(5,499)	(891,512)
Total comprehensive loss for the period	-	-	(9,531)	(1,220)	(10,751)
Balance at 31 March 2017	313,344	(12,063)	(1,196,825)	(6,719)	(902,263)
Total comprehensive loss for the period	-	-	(20,167)	(1,795)	(21,962)
Balance at 30 June 2017	313,344	(12,063)	(1,216,992)	(8,514)	(924,225)
Total comprehensive loss for the period	-	-	(6,704)	2,220	(4,484)
Balance at 30 September 2017	313,344	(12,063)	(1,223,696)	(6,294)	(928,709)
Balance at 1 January 2016	313,344	(12,063)	(913,335)	2,231	(609,823)
Total comprehensive loss for the period	-	-	(34,168)	(519)	(34,687)
Balance at 31 March 2016	313,344	(12,063)	(947,503)	1,712	(644,510)
Total comprehensive loss for the period	-	-	(35,245)	(947)	(36,192)
Balance at 30 June 2016	313,344	(12,063)	(982,748)	765	(680,702)
Total comprehensive loss for the period	-	-	(21,670)	(571)	(22,241)
Balance at 30 September 2016	313,344	(12,063)	(1,004,418)	194	(702,943)

COMPANY

	Share capital	Reserves	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2017	313,344	5,316	(416,304)	(97,644)
Total comprehensive loss for the period	-	-	(272)	(272)
Balance at 31 March 2017	313,344	5,316	(416,576)	(97,916)
Total comprehensive loss for the period	-	-	1,000	1,000
Balance at 30 June 2017	313,344	5,316	(415,576)	(96,916)
Total comprehensive loss for the period	-	-	1,850	1,850
Balance at 30 September 2017	313,344	5,316	(413,726)	(95,066)
Balance at 1 January 2016	313,344	5,316	(332,591)	(13,931)
Total comprehensive loss for the period	-	-	(1,893)	(1,893)
Balance at 31 March 2016	313,344	5,316	(334,484)	(15,824)
Total comprehensive loss for the period	-	-	(4,647)	(4,647)
Balance at 30 June 2016	313,344	5,316	(339,131)	(20,471)
Total comprehensive loss for the period	-	-	(1,539)	(1,539)
Balance at 30 September 2016	313,344	5,316	(340,670)	(22,010)

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

Ordinary shares issued and fully paid-up

	Number of shares	RMB'000
Balance as at 30 September 2017	287,594,900	313,344

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Company	
	30.9.2017	31.12.2016
Total number of issued shares excluding treasury shares	287,594,900	287,594,900

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period report on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted all the FRSs applicable for the financial year beginning on or after 1 January 2017. The accounting policies and methods of computation are consistent with the latest audited financial statements for the financial year ended 31 December 2016. The adoption of Amendments to FRSs did not have any effect on the financial performance or position of the Group and the Company.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

None.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group 3 months ended		Group 9 months ended	
	30.9.2017	30.9.2016	30.9.2017	30.9.2016
Loss per ordinary share for the period:				
	RMB'000	RMB'000	RMB'000	RMB'000
Loss attributable to shareholders (basic and diluted):				
Continuing operations	(378)	(1,211)	(2,082)	(4,817)
Discontinued operations	(6,326)	(20,459)	(34,320)	(86,266)
	'000	'000	'000	'000
Weighted average number of ordinary shares (basic and diluted)	287,595	287,595	287,595	287,595
Basic and Diluted Loss per Share (RMB cents):				
Continuing operations	(0.13)	(0.42)	(0.72)	(1.67)
Discontinued operations	(2.2)	(7.11)	(11.93)	(30.00)

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	30.9.2017	31.12.2016	30.9.2017	31.12.2016
Net asset value per ordinary share (RMB cents)	(322.92)	(308.08)	(33.06)	(33.95)

Net asset value per ordinary share was calculated based on the total number of issued shares excluding treasury shares of 287,594,900 as at 30 September 2017 and 31 December 2016.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Income Statement

3Q 2017 vs 3Q 2016

Continuing operations:

Administrative expenses and net loss from continuing operations decreased significantly from RMB 1.2 million in 3Q 2016 to RMB 378,000 in 3Q 2017 mainly due to lower management staff costs because the remunerations of certain key executive officers were absorbed by the subsidiary in the PRC.

Discontinued operations:

Revenue decreased significantly by RMB 35.6 million or 57.8% from RMB 61.6 million in 3Q 2016 to RMB 26.0 million in 3Q 2017. The significant decrease was mainly due to the move towards subcontract work of plastic pipes and related products for others. Gross profit increased mainly due to higher gross margins.

Other income reduced from RMB 2.1 million in 3Q 2016 to RMB 1.2 million in 3Q 2017 mainly due to lower government grants and subsidies received.

Selling and distribution expenses and administrative expenses declined significantly by 51.1% and 23.9% respectively mainly due to downsized operations and lower revenue.

Other expenses was lower in 3Q 2017 compared to 3Q 2016 by 83.3% mainly due to plants closure costs incurred in 3Q 2016.

Finance cost decreased by 49.8% to RMB 9.6 million in 3Q 2017 mainly due to repayment of borrowings and reduction of interest-bearing trade bills.

There was no share of results of associates as the Company's associated company, Yunnan Aton High Molecular Materials Technology Co., Ltd ceased operations in 3Q 2017.

As a result of the above, the Group's net loss for the period decreased from RMB 22.2 million in 3Q 2016 to RMB 4.5 million in 3Q 2017.

Financial position

Following the conditional sale and purchase agreement entered with the Purchaser for the Proposed Disposal (please refer to Note (1)), the assets and liabilities relating to the disposal group as at 30 September 2017 are classified as a disposal group held-for-sale and are presented in the statements of financial position as "Assets of disposal group classified as held-for-sale" and "Liabilities of disposal group classified as held-for-sale" as follows:

	30.09.2017	31.12.2016
	RMB'000	RMB'000
Assets of disposal group classified as held-for-sale:		
ASSETS		
Non-current assets		
Land use rights	57,971	59,226
Property, plant and equipment	153,548	167,641
Goodwill	3,117	3,117
	<u>214,636</u>	<u>229,984</u>
Current assets		
Inventories	6,037	26,389
Trade and other receivables	136,345	58,840
Prepayments	-	2,925
Cash and bank balances	10,604	20,864
	<u>152,986</u>	<u>109,018</u>
Total:	<u>367,622</u>	<u>339,002</u>

	30.09.2017 RMB'000	31.12.2016 RMB'000
Liabilities of disposal group classified as held-for-sale:		
Non-current liabilities		
Borrowings	42,475	42,475
Deferred capital grants	11,643	12,104
Deferred tax liabilities	7,373	7,312
Current liabilities		
Trade and other payables	585,600	506,150
Borrowings	629,966	644,134
Deferred capital grants	233	233
Current tax payable	8,046	8,046
	1,223,845	1,158,563
Total:	1,285,336	1,220,454

As at 30 September 2017, non-current assets amounting to RMB 214.6 million and current assets amounting to RMB 153.0 million, totaling RMB 367.6 million are classified as assets of disposal group held-for-sale.

Non-current liabilities amounting to RMB 61.5 million and current liabilities amounting to RMB 1.2 billion, totaling RMB 1.29 billion are classified as liabilities of disposal group held-for-sale.

Capital deficiency increased to RMB 928.7 million as a result of net loss incurred in the nine months period ended 30 September 2017.

Cash Flows

The Group registered net cash generated from operating activities of RMB 22.3 million in 3Q 2017 despite net operating loss mainly due to working capital control and management.

Net cash used in investing activities in 3Q 2017 of RMB 197,000 was mainly for purchase of property, plant and equipment.

Net cash used in financing activities in 3Q 2017 of RMB 21.5 million was mainly used for repayment of borrowings and interest payment.

As at 30 September 2017, the Group had cash and cash equivalents of RMB 4.4 million (net of pledged bank balances).

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

In line with the prospect statement made in 2Q 2017.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Circular for the Proposed Disposal is now finalized and has been despatched to Shareholders. The Company will convene an Extraordinary General Meeting on 24 November 2017 to seek Shareholders' approval for the disposal of the China subsidiaries and associated companies.

Following the successful disposal of the China assets, the Group will seek to raise funds and look for other business to acquire.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared / recommended, a statement to that effect.

No dividend has been declared / recommended for the current period ended 30 September 2017.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for Interested Person Transactions.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 7201(1).

The Company has obtained undertakings from all its directors and executive officers.

15. Board Negative Assurance Confirmation for Interim Financial Results.

The Board of Sinopipe Holdings Limited, hereby confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors which may render the financial results of the Company and the Group for the financial quarter ended 30 September 2017 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD OF DIRECTORS

Mr Wang Sen
Chairman and Chief Executive Officer
Sinopipe Holdings Limited

14 November 2017