



## SINOPIPE HOLDINGS LIMITED

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

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### RESPONSE TO QUERY FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") ON THE COMPANY'S SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2017

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In response to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") query on 2 October 2017, the Board of Directors (the "**Board**") of Sinopipe Holdings Limited (the "**Company**") wishes to provide the following information in relation to the Company's Second Quarter and Half Year Financial Statements and Dividend Announcement for the period ended 30 June 2017.

#### SGX-ST's query:

We refer to the Company's response to SGX Queries on its Second Quarter Results for Period Ended 30 June 2017, available via the following web-link:  
[http://infopub.sgx.com/FileOpen/Query\\_Q2\\_2017\\_Results\\_Ann.ashx?App=Announcement&FileID=472135](http://infopub.sgx.com/FileOpen/Query_Q2_2017_Results_Ann.ashx?App=Announcement&FileID=472135)

1. We note that under **Losses from discontinued operations**, there is an increase of Wages, salaries and bonuses by 107% from RMB 2.7 million to RMB 5.6 million for 3 months ended in 30 Jun 2016 and 30 Jun 2017 respectively.

Please provide a breakdown the Wages, salaries and bonuses paid for directors and key management respectively; and explain the reason for any material increase in each component of Wages, salaries and bonuses.

#### Company's response:

Breakdown of Wages, salaries and bonuses attributable to directors and key management of the discontinuing operation for the 3 months period ended 30 June 2017 and 30 June 2016:

#### Discontinuing operation:

|                       | Group<br>3 months ended |            | Increase<br>(Decrease) |
|-----------------------|-------------------------|------------|------------------------|
|                       | 30.06.2017              | 30.06.2016 |                        |
|                       | RMB'000                 | RMB'000    | RMB'000                |
| <b>Directors:</b>     |                         |            |                        |
| Salaries              | 90                      | 61         | 29                     |
| Bonuses               | -                       | -          | -                      |
| <b>Key management</b> |                         |            |                        |
| Salaries              | 225                     | 225        | -                      |
| Bonuses               | -                       | -          | -                      |

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Salaries attributable to directors increased by RMB29,000 from RMB61,000 in Q2 2016 to RMB90,000 in Q2 2017 due to higher salary for an Executive Director to compensate for increased workload attending to the numerous operational issues encountered by the subsidiaries in the People's republic of China during the period.

Wages, salaries and bonuses attributable to key management remained unchanged in Q2 2017 compared with Q2 2016.

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

**BY ORDER OF THE BOARD**

Mr Wang Sen  
Chairman and Chief Executive Officer  
4 October 2017