

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



勝利管道
SHENGLI PIPE

SHENGLI OIL & GAS PIPE HOLDINGS LIMITED

勝利油氣管道控股有限公司

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 1080)

PROFIT WARNING

This announcement is made by Shengli Oil & Gas Pipe Holdings Limited (the “Company”) pursuant to the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2) of the rules governing the listing of securities on The Stock Exchange of Hong Kong Limited.

The Board of Directors (the “Board”) of the Company hereby informs the shareholders of the Company and potential investors the following issues.

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2012

Based on the information currently available to the Board, which includes the draft audit report recently provided by the auditors, it is expected that there will be a significant decrease in the audited consolidated net profit of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2012 (“Year 2012”) as compared to that for the year ended 31 December 2011 (“Year 2011”).

Although the performance of the primary business operations of the Group for the second half of 2012 had improved as compared to that for the first half of 2012 (as previously anticipated in the Company’s announcement dated 30 January 2013), the Group, based on the information currently available to the Board, is expected to report a lower audited consolidated net profit for Year 2012 as compared to that for Year 2011, after taking into consideration, audit adjustments in relation to non-core operations/investments.

As disclosed in the Company’s announcement dated 25 June 2013, the Board meeting of the Company will be held on 7 July 2013 to consider and approve, amongst others, the final results of the Group for Year 2012 and its publication. The audited financial information for Year 2012 will be announced by the Company after the conclusion of the meeting.

INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2013

Based on the information currently available to the Board and its preliminary views, The Group may report an unaudited consolidated loss on its primary business and operations for the six months ended 30 June 2013 (“2013 Interim Period”), mainly due to negative impacts

from its sales and operating and finance costs. Based on the information currently made available to the Board, including the unaudited consolidated management accounts of the Group for the five months ended 31 May 2013, the Group's sales, in general, has been negatively affected by delays in commencement of construction works in major pipeline projects in the PRC. Such delays, had caused lower sales in the Group's spiral submerged arc welded (SSAW) pipe and anti-corrosion service as compared to the same period in 2012. Furthermore, operating expenses continued to surge as 湖南勝利湘鋼鋼管有限公司 (Hunan Shengli Xianggang Steel Pipe Co., Ltd.*), a subsidiary of the Company, is still under construction and development. The increase in the bank loan of the Group also lead to an increase in the finance costs compared to the same period in 2012.

The information contained in this announcement represents only a preliminary assessment made by the Board on the basis of the currently available information, which have not yet been confirmed or audited by the independent external auditors or the audit committee of the Company as at the date of this announcement. The unaudited interim financial information of the Group will be disclosed by the Company in its interim results announcement in due course.

Despite an expected decline in the results performance of the Group for 2012 and 2013 Interim Period, the Board considers that the Group maintains an overall strong operations and financial position and is confident on the long term development of the Group.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
SHENGLI OIL & GAS PIPE HOLDINGS LIMITED
Zhang Bizhuang
Chairman

Zibo, Shandong, 4 July 2013

As at the date of this announcement, the directors of the Company are:

Executive Directors: Mr. Zhang Bizhuang, Mr. Jiang Yong, Mr. Liu Yaohua, Ms. Han Aizhi and Mr. Song Xichen

Non-executive Director: Mr. Yan Tangfeng

Independent non-executive Directors: Mr. Guo Changyu, Mr. Wang Xueyou and Mr. Chen Junzhu

* For reference purpose only