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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 ANNOUNCEMENT

PROFIT WARNING

The Company made this announcement pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2014, the Group is expected to record a significant loss for the six months ended 30 June 2014.

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

Shengli Oil & Gas Pipe Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) made this announcement pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2)(a) of the Listing Rules.

The board of the directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2014, the Group is expected to record a significant loss for the six months ended 30 June 2014. Such loss was primarily attributable to (1) the loss generated from an one-off major disposal transaction as previously announced — a loss of approximately RMB35 million was incurred from the disposal of the 25% equity interest in Beijing Golden Fortune Investment Co., Ltd. (北京慧基泰展投資有限公司) by Shandong Shengli Steel Pipe Co., Ltd. (山東勝利鋼管有限公司), an indirect wholly-owned subsidiary of the Company, as further particularized in the announcement and circular issued by the Company on 28 April 2014 and 20 May 2014, respectively; (2) the increase in administration expenses of the high-grade petroleum and gas

transmission pipeline project under Hunan Shengli Xianggang Steel Pipe Co., Ltd. (湖南勝利湘鋼鋼管有限公司); and (3) decrease of profit of the Group's metal commodity trading business.

Despite the foregoing, according to the Group's unaudited management accounts for the six months ended 30 June 2014, as compared to the corresponding period in 2013, the sales and profit of the Group's principal business (namely, designing, manufacturing, value-added processing and servicing of spiral submerged arc welded pipes ("SSAW pipes") and longitudinal submerged arc welded pipes ("LSAW pipes")) has remained relatively stable.

The information contained in this announcement is a preliminary assessment made by the Board based on the information currently available to the Group and such information has not yet been audited, confirmed or reviewed by the auditors nor the audit committee of the Company, and the actual results of the Group for the six months ended 30 June 2014 may be different from what is disclosed herein. The interim results announcement of the Company for the six months ended 30 June 2014 is expected to be released in August 2014.

Shareholders 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, 20 July 2014

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

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or this announcement misleading.