Pipeline Engineering Holdings Limited
管道工程控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1865)

PROFIT WARNING
SUPPLEMENTAL ANNOUNCEMENT

This announcement is made by Pipeline Engineering Holdings Limited (the "**Company**" and, together with its subsidiary, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong).

Reference is made to the announcement of the Company dated 9 June 2020 in relation to the profit warning in respect of the Group's financial information for the year ended 31 March 2020 (the "**Profit Warning Announcement**"). Unless otherwise specified, capitalised terms used herein shall have the same respective meanings as those defined in the Profit Warning Announcement.

The Board wishes to update the Shareholders and potential investors that, based on the information currently available, it is expected that the Group would record a net profit of approximately S$1.6 million for the year ended 31 March 2020, as opposed to the previously expected net profit of approximately S$0.4 million as disclosed in the Profit Warning Announcement, mainly due to (i) foreign currency translation gains of approximately S$0.9 million, and (ii) a decrease in the provision for taxation of approximately S$0.2 million. If the listing expenses incurred for the year ended 31 March 2019 were excluded, the Group would record an adjusted net profit (excluding listing expenses) of approximately S$4.5 million for the year ended 31 March 2019, as compared with the unaudited net profit of approximately S$1.6 million for the year ended 31 March 2020.

As at the date of this announcement, the Company is still under the process of finalising the financial results of the Group for the year ended 31 March 2020. The information contained in this announcement is only based on the Board's further assessment of the latest unaudited consolidated management accounts of the Group for the year ended 31 March 2020 and the information currently available, which are subject to finalisation and other potential adjustments (if any), and have not been confirmed or reviewed by the audit committee nor the auditors of the Company. The actual financial results of the Group for the year ended 31 March 2020 may differ from what is disclosed in this announcement. Further details of the annual results for the year ended 31 March 2020 will be disclosed in the annual results announcement of the Company, which is expected to be released on 30 June 2020.

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

By Order of the Board
Pipeline Engineering Holdings Limited
Michael Shi Guan Wah
Chairman

Singapore, 29 June 2020

As at the date of this announcement, the Board comprises Mr. Michael Shi Guan Wah, Mr. Shi Guan Lee and Mr. Shi Hong Sheng (Xu Hongsheng) as executive directors; Ms. Feng Jiamin as non-executive director; Mr. Cher Choong Kiak, Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin as independent non-executive directors.