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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** about this circular or as to the action to be taken, you should consult your stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Pipeline Engineering Holdings Limited**, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**IMPORTANT**

**Please read this Circular together with the Letter to Shareholders dated 27 July 2020.**

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**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)**

**PROPOSALS FOR GENERAL MANDATES  
TO ISSUE SHARES AND REPURCHASE SHARES;  
RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Pipeline Engineering Holdings Limited to be held by way of electronic means (via GOOGLE MEET MEETING ONLY to be hosted at 36 Sungei Kadut Avenue, Singapore 729661) at 10:00 a.m. on Friday, 18 September 2020, is set out on pages 19 to 24 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk). Whether or not you are able to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e. before 10:00 a.m. on Wednesday, 16 September 2020) or any adjournment thereof.

27 July 2020

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be held by way of electronic means (via GOOGLE MEET MEETING ONLY to be hosted at 36 Sungei Kadut Avenue, Singapore 729661) at 10:00 a.m. on Friday, 18 September 2020, or any adjournment thereof and notice of which is set out on pages 19 to 24 of this circular
“Articles of Association”	the articles of association of the Company conditionally adopted by special resolution of the Shareholders on 26 February 2019, and as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Company”	Pipeline Engineering Holdings Limited 管道工程控股有限公司, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1865)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

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## DEFINITIONS

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“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with the Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the relevant resolution granting the Issue Mandate
“Latest Practicable Date”	20 July 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Memorandum”	the memorandum of association of the Company conditionally adopted by special resolution of the Shareholders on 26 February 2019, and as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Company
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent of the number of the issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“S\$”	Singapore dollars, the lawful currency of the Singapore
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of HK\$0.01 each
“Shareholder(s)”	the holder(s) of the Share(s)

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
“%” or “per cent”	per cent

In this circular, the terms “close associate”, “core connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

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LETTER FROM THE BOARD

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**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)**

*Executive Directors:*

Mr. Michael Shi Guan Wah

*(Chairman and Chief Executive Officer)*

Mr. Shi Guan Lee

Mr. Shi Hong Sheng (Xu Hongsheng)

*Non-executive Director:*

Ms. Feng Jiamin

*Independent non-executive Directors:*

Mr. Cher Choong Kiak

Mr. Chiam Soon Chian (Zhan Shunquan)

Mr. Choo Chih Chien Benjamin

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

*Principal Place of Business in Hong Kong:*

Suite 3708

Tower Two Lippo Centre

89 Queensway, Admiralty

Hong Kong

27 July 2020

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES  
TO ISSUE SHARES AND REPURCHASE SHARES;  
RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (a) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; and (b) the re-election of the retiring Directors.

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## LETTER FROM THE BOARD

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### 2. ISSUE MANDATE

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the general mandate to issue Shares. At the Annual General Meeting, an ordinary resolution no. 4(A) will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares not exceeding 20 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the issued shares of the Company comprised 920,000,000 Shares. Subject to the passing of the ordinary resolution no. 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 184,000,000 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares repurchased by the Company under ordinary resolution no. 4(B) will also be added to extend the 20 per cent limit of the Issue Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional amount shall not exceed 10 per cent of the number of issued Shares as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares of the Company pursuant to the Issue Mandate.

The Issue Mandate will continue to be in force from the passing of the said resolution until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; and (iii) the revocation or variation of the authority given under such ordinary resolution by an ordinary resolution of the Shareholders in general meeting.

### 3. REPURCHASE MANDATE

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

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## LETTER FROM THE BOARD

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The Repurchase Mandate, if approved, will continue in force until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the revocation or variation of the authority given under such ordinary resolution by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

#### **4. RE-ELECTION OF RETIRING DIRECTORS**

In accordance with article 83(3) of the Articles of Association, Ms. Feng Jiamin shall retire from office as a Director and being eligible, has offered herself for re-election as a Director at the Annual General Meeting.

In accordance with article 84 of the Articles of Association, Mr. Shi Hong Sheng (Xu Hongsheng), Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin shall retire from office as Directors and being eligible, have offered themselves for re-election as Directors at the Annual General Meeting.

The Nomination Committee has assessed and reviewed the re-election of Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin as independent non-executive Directors respectively. After considering the nomination principles and criteria set out in the Company's board diversity policy and its terms of reference, the Nomination Committee (with Mr. Choo Chih Chien Benjamin and Mr. Chiam Soon Chian (Zhan Shunquan) abstaining) made recommendations to the Board on the re-election of Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin as independent non-executive Directors.

The Company has also reviewed the written confirmation of independence from Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin of their respective independence pursuant to Rule 3.13 of the Listing Rules. Both Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin do not have any other relationships with any Directors, senior management, controlling Shareholders of the Company. The Board is also not aware of any circumstances that might influence both Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin in exercising independent judgment and are satisfied that both of them have the required character, integrity, independence and experience to fulfil the role of an independent non-executive Director. In the premises, the Board is of the view that both Mr. Chiam Soon Chian



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## LETTER FROM THE BOARD

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(Zhan Shunquan) and Mr. Choo Chih Chien Benjamin are both independent and will continue to bring their valuable business experience, knowledge and relevant insights to the Board and further contribute to the diversity of the Board.

Details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

### 5. NOTICE OF ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting by way of electronic means (via GOOGLE MEET MEETING ONLY to be hosted at 36 Sungei Kadut Avenue, Singapore 729661) at 10:00 a.m. on Friday, 18 September 2020, set out on pages 19 to 24 of this circular is the notice of the Annual General Meeting containing, inter alia, ordinary resolutions in relation to the granting to the Directors of the Issue Mandate and the Repurchase Mandate and the approval for the re-election of the retiring Directors.

### 6. PROXY ARRANGEMENT

**In view of the current COVID-19 restriction orders in Singapore, a shareholder of the Company will not be able to attend the Annual General Meeting in person. If a shareholder of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the Annual General Meeting, he/she/it must appoint the chairman of the Annual General Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting. In appointing the chairman of the Annual General Meeting as proxy, a shareholder of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.**

To be valid, the proxy form together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time appointed for holding the Annual General Meeting (i.e. before 10:00 a.m. on Wednesday, 16 September 2020) or at any adjournment thereof.

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## LETTER FROM THE BOARD

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### 7. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting (save for certain procedural or administrative matters) must be taken by poll. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting be taken by way of poll pursuant to article 66(1) of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorized representative shall have one vote for every fully paid Share of which he is the holder. A Shareholder entitled to more than one vote on a poll needs not use all his votes or cast all the votes he uses in the same way.

### 8. RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Issue Mandate and the Repurchase Mandate and approving the re-election of the retiring Directors are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
By Order of the Board  
**Pipeline Engineering Holdings Limited**  
**Michael Shi Guan Wah**  
*Chairman*

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## APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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*The following are details of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.*

### 1. EXECUTIVE DIRECTOR

**Mr. Shi Hong Sheng (Xu Hongsheng) (徐鴻勝先生)**, aged 33, was appointed as a Director in July 2018 and re-designated as an executive Director in August 2018. He was further appointed as a member of the Remuneration Committee on 26 February 2019. He has been a director of HSC Pipeline Engineering since April 2018. Mr. Shi Hong Sheng is responsible for overseeing the Group's operations and maintaining relationships with customers and suppliers.

Mr. Shi Hong Sheng has over 9 years of experience in the construction industry. Mr. Shi Hong Sheng obtained a degree of Bachelor of Engineering (Mechanical Engineering (Honours)) from the National University of Singapore in June 2011 and a Specialist Diploma in Construction Productivity at the Building and Construction Authority in November 2016. Mr. Shi Hong Sheng joined the Group as a project manager in April 2011. Between December 2017 and March 2018, he was also a director of Skye Marine Pte. Ltd., which was engaged in engineering design and consultancy activities.

Mr. Shi Hong Sheng also attended a number of professional training courses. He attended the Building Construction Supervisors Safety Course organised by Absolute Kinetics Consultancy Pte Ltd in April 2011, the Confined Space Safety Assessor Course organised by Association of Process Industry in June 2011, the Work-at-Height Course for Supervisors organised by QMT Industrial & Safety Pte Ltd in April 2013, Construction Safety Course for Project Managers organised by Avanta Global Pte Ltd in October 2014, the course in relation to detect and locate underground power cables organised by SP Training and Consultancy Company Pte. Ltd. in December 2011, the course in relation to Earth Control Measures (ECM) For Construction Site Personnel organised by The Institute of Engineers, Singapore in February 2016 and the course in relation to Pavement Construction & Maintenance organised by the Building and Construction Authority in July 2014. Mr. Shi Hong Sheng has also obtained a Certificate in Workplace Safety and Health and an Advanced Certificate in Workplace Safety and Health granted by Singapore Workforce Development Agency in November 2012 and October 2013, respectively. Furthermore, he is a registered Earthworks Supervisor recognised by Singapore Institute of Power & Gas.

Mr. Shi Hong Sheng is the son of Mr. Michael Shi Guan Wah, the Chairman and executive Director, and the nephew of Mr. Shi Guan Lee, an executive Director.

Mr. Shi Hong Sheng has entered into a service contract with the Company for an initial fixed term of three years commencing from 27 March 2019 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice

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## APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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shall not expire until after the fixed term. Mr. Shi Hong Sheng is entitled to a basic annual salary of S\$216,000. His emolument was determined by the Board by reference to his responsibilities and duties within the Company and may be adjusted upon the recommendation of the Remuneration Committee.

### 2. NON-EXECUTIVE DIRECTOR

**Ms. Feng Jiamin (馮嘉敏女士) (“Ms. Feng”)**, aged 35, was appointed as a non-executive Director in September 2019.

In 2008, Ms. Feng served as an assistant to chief operating officer for China Region of Pacific Asia Media, participated in the coordination for the organization of Fortune Forum (財富論壇) in China (e.g. Tianjin, Guangzhou), and assisted in the co-ordination and administration for the first World Mind Sports Games. Ms. Feng later worked as a representative in China Region for Global Strategy Group (環球策略集團) and engaged in the preparation of “Sino-Singapore Tianjin Eco-city” project. Ms. Feng was appointed as vice chairman of supply security and president of China Baosha Group\* in 2013, responsible for offshore supply platform project development. Later she served as chief operating officer of China Baosha Group\* and was involved in large-scale urban comprehensive development such as Jing Kai Meng Du\* in Zhengzhou, the coordination of Zhangjiakou super-large photovoltaic power generation project, and the planning for and operation of industrial parks, ecological parks, forestry and other forms of business. Ms. Feng has extensive experience in public relations and investor relations. From 20 August 2019, Ms. Feng is an executive director of China Agroforestry Low-Carbon Holdings Limited, a company listed on the Main Board of The Hong Kong Stock Exchange (Stock code: 1069). Ms. Feng graduated from University of California, Irvine in 2010 with Master’s degree in Business Administration.

Ms. Feng was recommended and appointed to the Board on 27 September 2019 for a term of one year commencing from 27 September 2019 and will continue thereafter until terminated by not less than one month’s notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Ms. Feng is not entitled to any director’s fee.

### 3. INDEPENDENT NON-EXECUTIVE DIRECTOR

**Mr. Chiam Soon Chian (詹舜全先生) (“Mr. Chiam”)**, aged 40, was appointed as an independent non-executive Director on 26 February 2019. He is currently the chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee.

\* For identification purposes only

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## APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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Mr. Chiam has over 15 years of experience in the banking and consulting industry. He started his career as an auditor with Ernst & Young LLP (Singapore) in July 2004 until December 2005, where his duties included the performance of audit fieldwork and the preparation of general audit working papers. He was then a senior consultant of Protiviti Pte Ltd, a company principally engaged in management consultancy activities, between December 2005 and February 2007, where he assisted clients to improve risk management by evaluating business process risks, providing consultancy and internal control services. He was a manager of KPMG Huazhen between February 2007 and October 2011, where he had advised on the design of risk and compliance framework. He worked at Bank of America N.A., Shanghai Branch between October 2011 and January 2014 where his last position held was assistant vice president in Global Technology and Operations; he was in charge of the business continuity management programme and handled queries from auditors and regulators. He worked at Deutsche Bank between February 2014 and April 2016; he started in Deutsche Bank (China) Co., Ltd. Shanghai Branch as the vice president of the head of regulatory reporting (finance) and was later transferred to Deutsche Bank AG, Hong Kong Branch. He was mainly responsible for managing finance and operational projects.

Mr. Chiam is currently the chief operating officer of Lumens Auto Pte Ltd, a company based in Singapore principally engaged in the provision of car leasing services, and has been working there since November 2017. His major duties include planning for corporate growth, budgeting and resources allocation. In addition, he also assists on financial projections and analyses of existing programmes and policies.

Mr. Chiam obtained a degree of Bachelor of Accountancy from the Nanyang Technological University in Singapore in June 2004. He has been a chartered accountant of Singapore at the Institute of Singapore Chartered Accountants since July 2013, a certified internal auditor at the Institute of Internal Auditors since November 2009 and a project management professional at Project Management Institute since October 2017.

Mr. Chiam has entered into a letter of appointment with the Company for an initial fixed term of one year commencing on 27 March 2019 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Mr. Chiam is entitled to an annual Directors' fee of S\$36,000. His emolument was determined by the Board by reference to his responsibilities and duties within the Company and may be adjusted upon the recommendation of the Remuneration Committee.

**Mr. Choo Chih Chien Benjamin (朱志乾先生) ("Mr. Choo")**, aged 43, was appointed as an independent non-executive Director on 26 February 2019. He is currently the chairman of the Nomination Committee and a member of the Audit Committee.

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## APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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Mr. Choo has over 17 years of experience in legal practice, where he specialises in matters relating to mergers & acquisitions, joint ventures, corporate finance, competition-law related matters and advising on securities regulations. Mr. Choo practiced as an advocate and solicitor with TSMP Law Corporation between May 2005 and April 2012, where he last held the position as a director and was responsible for representing clients on a wide spectrum of transactions such as mergers and acquisitions (including public takeovers), equity capital market deals and general corporate transactions. Mr. Choo was a director at Edmond Pereira Law Corporation between April 2012 and February 2018, and he was in charge of the firm's corporate and transactional practice. Mr. Choo was a member of the Complaints and Disciplinary Panel constituted under the Singapore Accountants Act from June 2010 to May 2012. He has been a referee of the Small Claims Tribunal at the Subordinate Courts of Singapore since August 2010. He has also been a member of the Inquiry Panel constituted under the Singapore Legal Profession Act since August 2013.

Mr. Choo is currently a director of Genesis Law Corporation, a position he has held since March 2018. He is also an independent director of MeGroup Limited since September 2018, a company whose shares are listed on the Catalist Board of the Singapore Stock Exchange (stock code: SGX: SJY).

Mr. Choo obtained a degree of Bachelor of Laws from the National University of Singapore in July 2001 and he has been admitted as an advocate and solicitor of the Supreme Court of Singapore since May 2002. He was also listed in Chambers Asia Pacific 2011 as a leading individual (Investment Funds: Domestic Firms).

Mr. Choo served as an independent director of AGV Group Limited between April 2016 and June 2018, a company principally engaged in galvanizing services, whose shares are listed on the Catalist Board of the Singapore Stock Exchange (stock code: 1A4).

Mr. Choo has entered into a letter of appointment with the Company for an initial fixed term of one year commencing on 27 March 2019 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. Mr. Choo is entitled to an annual Directors' fee of S\$36,000. His emolument was determined by the Board by reference to his responsibilities and duties within the Company and may be adjusted upon the recommendation of the Remuneration Committee.

Save as disclosed herein and as at the Latest Practicable Date, each of the above Directors did not have, and was not deemed to have any interests or short positions in any Shares, underlying Shares or interests in debentures of the Company and its associated corporations within the meaning of Part XV of the SFO.

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## **APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION**

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Save as disclosed above and immediately preceding the Latest Practicable Date, each of the above Directors has not held any directorships in other listed public companies during the past three years, does not hold any other position with the Company or other members of the Group and does not have any other relationships with any of the other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there are no other matters concerning each of the above Directors that need to be brought to the attention of the Shareholders in connection with their respective re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

*The following is an explanatory statement required by the Stock Exchange to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.*

### **1. LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

- (i) the shares proposed to be repurchased by a company must be fully paid-up;
- (ii) the company has previously sent to its shareholders an explanatory statement complying with the Listing Rules; and
- (iii) all on market repurchase of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the Company to make such repurchase, and a copy of such resolution together with the necessary documentation have been delivered to the Stock Exchange in accordance with the Listing Rules.

### **2. ISSUED SHARES**

As at the Latest Practicable Date, the issued Shares comprised 920,000,000 Shares of nominal value of HK\$0.01 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 92,000,000 Shares which represent 10% of the issued Shares, during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting.

### **3. REASONS AND FUNDING OF REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the



time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Companies Law.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders as a whole. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may not have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 March 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### **4. TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Michael Shi Guan Wah (“**Mr. Michael Shi**”) was deemed to be interested in 681,872,000 Shares within the meaning of Part XV of the SFO, representing approximately 74.12% of the issued Shares. The 681,872,000 Shares were held by Astute Prosper Limited (“**Astute Prosper**”), which is wholly owned by Mr. Michael Shi. In the event that the Directors should exercise in full the Repurchase Mandate, Mr. Michael Shi’s interests will be increased to approximately 78.92% of the issued Shares. On the basis of the aforesaid increase of shareholding, the Directors are not aware of any consequences of such repurchases of Shares that would result in a Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full. As the exercise of the Repurchase Mandate in full would result in insufficient public float of the Company, the Directors have no intention to exercise the Repurchase Mandate to such an extent that results in a public shareholding of less than the minimum public float requirement of 25% of the total issued shares of the Company.

As at the Latest Practicable Date, the following Shareholders had interests representing 5% or more of the issued Shares:

<b>Name of substantial shareholder</b>	<b>Capacity/Nature of interest</b>	<b>Number of Ordinary Shares held</b> <i>(note 1)</i>	<b>Approximate percentage of issued Shares</b> <i>(%)</i>
Astute Prosper	Beneficial owner <i>(Note 2)</i>	681,872,000	74.12
Mr. Michael Shi	Interest of controlled corporation <i>(Note 2)</i>	681,872,000	74.12
Ms. Oh Lay Guat	Interest of spouse <i>(Note 3)</i>	681,872,000	74.12

*Notes:*

- (1) The letter “L” denotes the long position in Shares.
- (2) The entire issued share capital of Astute Prosper is legally, beneficially and wholly owned by Mr. Michael Shi. Accordingly, Mr. Michael Shi is deemed to be interested in the 681,872,000 Shares held by Astute Prosper by virtue of the SFO. Mr. Michael Shi is the chairman of the Board, an executive Director and the chief executive officer of the Company.
- (3) Ms. Oh Lay Guat is the spouse of Mr. Michael Shi and is therefore deemed to be interested in all the Shares that Mr. Michael Shi is interested in by virtue of the SFO.

**5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

None of the Directors nor, to the best of their knowledge having made reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell Shares to the Company. No core connected person of the Company has notified the Company that he/she/it has any present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

**6. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the Memorandum and Articles of Association.

**7. SHARE REPURCHASE MADE BY THE COMPANY**

No repurchase of Shares have been made by the Company in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

**8. SHARE PRICES**

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date:

<b>Month</b>	<b>Highest Price</b>	<b>Lowest Price</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2019</b>		
June	1.000	0.810
July	0.990	0.820
August	1.410	0.960
September	1.290	0.990
October	1.150	1.000
November	1.300	0.990
December	1.190	1.010
<b>2020</b>		
January	1.100	1.010
February	1.050	0.980
March	1.010	0.850
April	0.950	0.870
May	1.300	0.890
June	1.220	0.910
July (up to the Latest Practicable Date)	1.210	1.050

**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)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**Meeting**”) of Pipeline Engineering Holdings Limited (the “**Company**”) will be held by way of electronic means (via GOOGLE MEET MEETING ONLY to be hosted at 36 Sungei Kadut Avenue, Singapore 729661) at 10:00 a.m. on Friday, 18 September 2020, for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

**ORDINARY RESOLUTIONS**

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 March 2020.
2. (a) To re-elect the following retiring directors of the Company (the “**Directors**”):
  - (i) Mr. Shi Hong Sheng (Xu Hongsheng), executive Director
  - (ii) Ms. Feng Jiamin, non-executive Director
  - (iii) Mr. Chiam Soon Chian (Zhan Shunquan), independent non-executive Director
  - (iv) Mr. Choo Chih Chien Benjamin, independent non-executive Director
- (b) To authorize the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint PricewaterhouseCoopers as auditor of the Company and authorize the Board to fix its remuneration.

4. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

(A) **“That:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the share option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 per cent of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

- (iv) for the purpose of this resolution:
- (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company;
  - (2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held;
  - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “Rights Issue” means an offer of shares of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors to holders of shares of the Company or any class thereof whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognized regulatory body or any stock exchange applicable to the Company).”

(B) “That:

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognized for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this resolution above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;
- (iii) the aggregate number of the shares of the Company, which may be repurchased by the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of the issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iv) subject to the passing of each of the paragraphs (i), (ii) and (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i), (ii) and (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (v) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”



- (C) “**That** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the number of the shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the number of the shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the number of the issued shares of the Company as at the date of passing of this resolution.”

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

Singapore, 27 July 2020

*Notes:*

- (i) Ordinary resolution numbered 4(C) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.
- (ii) **In view of the current COVID-19 restriction orders in Singapore, a shareholder of the Company will not be able to attend the Meeting in person. If a shareholder of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting. In appointing the Chairman of the Meeting as proxy, a shareholder of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.**
- (iii) Arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Meeting of the Company to be held on Friday, 18 September 2020 at 10:00 a.m. are set out in the Company’s announcement dated 27 July 2020, which has been uploaded together with this Notice of Annual General Meeting on websites of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company’s website at [www.pipeline-engineering-holdings.com](http://www.pipeline-engineering-holdings.com) on the same day.

The Meeting will be held by way of electronic means and a member of the Company will be able to observe the proceedings of the Meeting through GOOGLE MEET Meeting or watch the proceedings through video recording after the Meeting (*upon an email request to [agm@hspe.com](mailto:agm@hspe.com)*).

In order to do so, a member of the Company who wishes to join the GOOGLE MEET Meeting must register by 10:00 a.m. on Wednesday, 16 September 2020 (*being not less than 48 hours before the Meeting*) to [agm@hscpe.com](mailto:agm@hscpe.com). Following authentication of his/her/its status as members of the Company, authenticated members of the Company will receive an email instruction on how to join the GOOGLE MEET Meeting to observe the proceedings of the Meeting by 17 September 2020.

A member of the Company who registers for the GOOGLE MEET Meeting may submit questions related to the resolutions to be tabled for approval at the Meeting. To do so, all questions must be submitted by 10:00 a.m. on Wednesday, 16 September 2020 (*being not less than 48 hours before the Meeting*) by email to [agm@hscpe.com](mailto:agm@hscpe.com).

Please refer to the Letter to Shareholders dated 27 July 2020 on the arrangements for the Meeting.

- (iv) In the case of joint holders, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (v) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 10:00 a.m. on Wednesday, 16 September 2020) or any adjournment thereof.
- (vi) The transfer books and register of members of the Company will be closed from Tuesday, 15 September 2020 to Friday, 18 September 2020, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 14 September 2020.
- (vii) In respect of ordinary resolution numbered 2 above, Mr. Shi Hong Sheng (Xu Hongsheng), Ms. Feng Jiamin, Mr. Chiam Soon Chian (Zhan Shunquan) and Mr. Choo Chih Chien Benjamin shall retire at the Meeting and being eligible, have offered themselves for re-election at the above meeting. Details of the above retiring Directors are set out in Appendix I to the accompanied circular dated 27 July 2020.
- (viii) In respect of the ordinary resolution numbered 4(A) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.
- (ix) In respect of ordinary resolution numbered 4(B) above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 27 July 2020.