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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)**

## **PROFIT WARNING**

This announcement is made by Pipeline Engineering Holdings Limited (the “**Company**” and, together with its subsidiary, the “**Group**”) pursuant to Rule 13.09 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors that, based on the information currently available to the Board and the preliminary assessment of the unaudited condensed consolidated management accounts of the Group for the six months ended 30 September 2020 (the “**FY2021 Interim Management Accounts**”), which is subject to further review, it is expected that the Group may record a net loss of approximately S\$2.9 million as compared to a net profit of approximately S\$0.3 million for the six months ended 30 September 2019.

Based on the information currently available to the Board immediately preceding the publication of this announcement, the Board considers that the expected net loss for the six months ended 30 September 2020 was mainly attributable to (i) the temporary closure of the Group’s headquarter during the novel coronavirus COVID-19 pandemic as a result circuit breaker measures implemented by Ministry of Health of Singapore while the Group is still required to bear the fixed operating costs; (ii) the decrease in revenue by approximately 41.1%; and (iii) the incurrence of additional costs of approximately S\$2.0 million towards the completion stage of a project for the supply and lay of gas mains and renewal services.

As the Company is still in the process of preparing the interim results of the Group for the six months ended 30 September 2020, the information contained in this announcement is only based on the Board's preliminary assessment of the FY2021 Interim Management Accounts and the information currently available, which has not been reviewed by the audit committee of the Company. The actual financial results of the Group for the six months ended 30 September 2020 may differ from what is disclosed in this announcement. Shareholders and potential investors are advised to refer to the Group's interim results for the six months ended 30 September 2020, which are expected to be released by way of announcement by end of November 2020.

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

By Order of the Board  
**Pipeline Engineering Holdings Limited**  
**Michael Shi Guan Wah and Feng Jiamin**  
*Joint Chairmen*

Hong Kong, 20 November 2020

*As at the date of this announcement, the Board comprises Mr. Michael Shi Guan Wah, Ms. Feng Jiamin and Mr. Lok Ka Ho as executive directors; Mr. Cher Choong Kiak, Mr. Chiam Soon Chian (Zhan Shunquan), Mr. Choo Chih Chien Benjamin, Mr. Tong Wing Chi, Mr. Shek Jun Chong and Mr. Qiu Yue as independent non-executive directors.*