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If you are in any doubt as to any aspect of this document 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 **China Pipe Group Limited**, you should at once hand this document and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker, registered dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中國管業集團有限公司
China Pipe Group Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 380)

**GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
REFRESHMENT OF SHARE OPTION SCHEME MANDATE LIMIT,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of directors of China Pipe Group Limited is set out on pages 3 to 7 of this document. A notice convening the annual general meeting of China Pipe Group Limited to be held at 12th Floor, Phase I, Austin Tower, 22-26A Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 21 May 2012 at 11:00 a.m. is set out on pages 14 to 18 of this document.

Whether or not you intend to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the office of the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting and any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting (or any adjournment thereof) should you so desire.

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DEFINITIONS

In this document, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at 12th Floor, Phase I, Austin Tower, 22-26A Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 21 May 2012 at 11:00 a.m. and at any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company as amended, supplemented or modified from time to time
“Company”	China Pipe Group Limited, a company incorporated in Bermuda with limited liability and having its Shares listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	2 April 2012, being the latest practicable date prior to the printing of this document for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notice”	the notice dated 12 April 2012 for convening the Annual General Meeting as set out on pages 14 to 18 of this document
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares of up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and otherwise deal with new Shares of up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Share Option Scheme”	share option scheme adopted by the Company on 24 June 2004
“Share Subdivision”	every share of HK\$0.10 each in the issued and unissued share capital of the Company was subdivided into 50 shares of HK\$0.002 each which had become effective from 5:00 p.m. on 31 August 2007
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	ordinary share(s) of HK\$0.002 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD



中國管業集團有限公司
China Pipe Group Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 380)

Executive Directors:

Mr. Lai Guanglin (*Chairman*)
Mr. Yu Ben Ansheng (*Chief Executive Officer*)
Mr. Lai Fulin

Non-executive Director:

Mr. U Kean Seng

Independent Non-executive Directors:

Mr. Wong Yee Shuen, Wilson
Mr. Chen Wei Wen
Ms. Yang Li

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

**Head office and principal place
of business in Hong Kong:**

12th Floor
Phase I, Austin Tower
22-26A Austin Avenue
Tsim Sha Tsui
Kowloon
Hong Kong

12 April 2012

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES,
REFRESHMENT OF SHARE OPTION SCHEME MANDATE LIMIT,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this document is to provide you with the information on the resolutions to be proposed at the Annual General Meeting relating to (i) the granting of the Share Issue Mandate and the Repurchase Mandate to the Directors; (ii) the extension of the Share Issue Mandate by the number of Shares repurchased under the Repurchase Mandate; (iii) refreshment of Share Option Scheme mandate limit; and (iv) the re-election of retiring Directors.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 27 May 2011, ordinary resolutions were passed by the Shareholders giving general mandates to the Directors to exercise the power of the Company to repurchase its own Shares in accordance with the Listing Rules and to allot, issue and deal with Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company, as at the date of passing of the resolutions. These mandates will lapse at the conclusion of the Annual General Meeting.

At the Annual General Meeting, separate ordinary resolutions will be proposed to seek the approval of the Shareholders to grant to the Directors general mandates to:

- (i) allot and issue and deal with further Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution;
- (ii) repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution; and
- (iii) subject to the passing of the aforesaid ordinary resolutions of the Share Issue Mandate and the Repurchase Mandate, allot and issue new Shares in an amount not exceeding the aggregate nominal amount of the Shares purchased pursuant to the Repurchase Mandate.

A statement explaining the proposed general mandate to repurchase Shares is set out in the explanatory statement in **Appendix I** to this document in accordance with the Listing Rules.

Subject to the passing of the ordinary resolution granting the Share Issue Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under Share Issue Mandate to issue a maximum of 2,666,540,000 Shares, representing 20% of the issued share capital of the Company as at the Latest Practicable Date. As at the Latest Practicable Date, the issued share capital of the Company was 13,332,700,000 Shares.

LETTER FROM THE BOARD

3. REFRESHMENT OF SCHEME MANDATE LIMIT OF THE SHARE OPTION SCHEME

The Board proposes to seek the approval of the Shareholders to refresh the 10% scheme mandate limit in accordance with clause 10.2 of the Share Option Scheme. Under the current limit of the Share Option Scheme, the Directors were authorised to grant options to subscribe for up to 1,209,270,000 Shares, representing 10% of the issued share capital of the Company as at the date of the annual general meeting of the Company held on 24 June 2004 at which the scheme mandate limit of the Share Option Scheme was approved and subsequently adjusted upon Share Subdivision effective on 31 August 2007. Since the approval of the scheme mandate limit on 24 June 2004 up to the Latest Practicable Date, there was no refreshment of the Share Option Scheme.

Since the approval of the scheme mandate limit of the Share Option Scheme on 24 June 2004 and Share Subdivision up to the Latest Practicable Date, options carrying the rights to subscribe for up to a total of 618,000,000 Shares had been granted and accepted, and subsequently 247,000,000 options were lapsed, and no option was exercised and cancelled. As at the Latest Practicable Date, there were 371,000,000 outstanding options under the Share Option Scheme, representing 2.78% of the issued share capital of the Company.

In order to provide the Company with greater flexibility in granting share options to eligible persons (including employees and directors) of the Company under the Share Option Scheme as incentives to rewarding their contribution to the Company, the Board decided to seek the approval of the Shareholders to refresh the 10% scheme mandate limit of the Share Option Scheme at the Annual General Meeting. The Directors consider that such refreshment of the 10% scheme mandate limit of the Share Option Scheme is in the interests of the Company and the Shareholders as a whole.

Based on 13,332,700,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are repurchased or issued and no share options are being granted nor exercised prior to the Annual General Meeting, upon the approval of the refreshment of the 10% scheme mandate limit of the Share Option Scheme, the Directors will be authorised to issue options to subscribe for a total of 1,333,270,000 Shares, representing 10% of the total number of Shares in issue as at the Latest Practicable Date.

The aggregate number of Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company has not exceeded 30% of the Shares in issue as at the Latest Practicable Date. Save for the Share Option Scheme, the Company has no other share option schemes as at the Latest Practicable Date.

The refreshment of the scheme mandate limit is conditional upon:

- (a) the Shareholders' approval at the Annual General Meeting; and

LETTER FROM THE BOARD

- (b) the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be issued pursuant to the exercise of any options granted under the refreshed limit of the Share Option Scheme.

An application will be made by the Company to the Listing Committee of the Stock Exchange for obtaining the approval mentioned in paragraph (b) above.

4. RE-ELECTION OF RETIRING DIRECTORS

Under item 2 in the Notice, resolutions will be proposed at the Annual General Meeting to re-elect retiring Directors. In accordance with Bye-law 99 of the Bye-laws, Mr. Yu Ben Ansheng, Mr. Lai Fulin and Mr. Chen Wei Wen will retire from office by rotation and being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to Rule 13.74 of the Listing Rules, biographical details of Mr. Yu Ben Ansheng, Mr. Lai Fulin and Mr. Chen Wei Wen are set out in **Appendix II** to this document.

5. ANNUAL GENERAL MEETING

The Annual General Meeting will be held at 12th Floor, Phase I, Austin Tower, 22-26A Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 21 May 2012 at 11:00 a.m.. The Notice is set out on pages 14 to 18 of this document.

A form of proxy for use at the Annual General Meeting is enclosed herein. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the enclosed form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting (or any adjournment thereof) should you so wish.

6. VOTING BY POLL

The Company would like to inform the Shareholders that pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, the chairman of the Annual General Meeting will, pursuant to Bye-law 70 of the Bye-laws, demand a poll vote on all the resolutions to be proposed at the Annual General Meeting accordingly.

An announcement on the poll results will be published after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

7. RESPONSIBILITY STATEMENT

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

8. RECOMMENDATION

The Board is pleased to recommend the retiring Directors for re-election as set out in **Appendix II** for Shareholders' consideration. The Board also considers that the granting of the Share Issue Mandate and the Repurchase Mandate to the Directors, the extension of the Share Issue Mandate by the number of Shares repurchased under the Repurchase Mandate and the refreshment of scheme mandate limit of the Share Option Scheme would be in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

By Order of the Board
China Pipe Group Limited
Lai Guanglin
Chairman

This appendix serves as an explanatory statement given to Shareholders, as required under the Listing Rules in connection with the proposed Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 13,332,700,000 Shares.

Subject to the passing of resolution no. 4(A) in relation to the Repurchase Mandate as set out in the Notice as an ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 1,333,270,000 Shares representing not more than 10% of the issued share capital of the Company as at the date of passing of such resolution.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders.

3. FUNDING FOR REPURCHASES

Share repurchases would be funded entirely out of the Company's available cash flow or working capital facilities which will be funds legally available for the purpose as well as in accordance with its memorandum of association of the Company, Bye-laws and the Companies Act. The Companies Act provides that the amount of capital paid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on a repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2011) in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. However, 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 its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date were as follows:

	Share Prices (per share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
April	0.051	0.042
May	0.045	0.036
June	0.040	0.032
July	0.041	0.033
August	0.037	0.024
September	0.032	0.026
October	0.035	0.028
November	0.034	0.029
December	0.040	0.029
2012		
January	0.034	0.029
February	0.038	0.029
March	0.033	0.028
April (up to the Latest Practicable Date)	0.028	0.028

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda.

6. DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders at the Annual General Meeting.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

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. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code) could, depending on the level of increase in the Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Lai Guanglin, an Executive Director and the Chairman and of the Company, has an indirect interest in 7,705,521,207 Shares representing approximately 57.79% of the issued share capital of the Company and Mr. Yu Ben Ansheng, an Executive Director and Chief Executive Officer of the Company, has a direct and indirect interest in 1,490,000,000 Shares representing approximately 11.18% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, then (if the present Shareholders' interests in Shares remain the same) the attributable shareholding of Mr. Lai Guanglin and Mr. Yu Ben Ansheng would be increased to approximately 64.22% and 12.42% of the issued share capital of the Company respectively. Such increases will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchases of Shares pursuant to the Repurchase Mandate.

The Directors do not intend to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate to the extent that would render the aggregate amount of the issued share capital of the Company in the public hands to less than 25%.

8. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

APPENDIX II DETAILS OF RETIRING DIRECTORS FOR RE-ELECTION

The biographical details of Directors who are proposed to be re-elected at the Annual General Meeting are set out below for Shareholders' information.

YU BEN ANSHENG

Executive Director and Chief Executive Officer

Mr. Yu, aged 47, was appointed as Executive Director and Chief Executive Officer of the Company in May 2009. Mr. Yu is responsible for overall daily operations of the Group and the implementation of the Group's development strategies. Mr. Yu has over 20 years of experience in investment management, investment banking and general management of listed companies. Mr. Yu began his career at Mackenzie Financial Corporation in Toronto, Canada as an investment analyst in 1989 and since then, he has served several major financial corporations including J.P. Morgan, Deutsche Bank and CITIC Capital. In addition to his vast investment banking and management experience, Mr. Yu has also managed listed companies such as New World Cyberbase Limited and Asia Logistics Holdings Limited in Hong Kong. During his past career, Mr. Yu has focused on direct investment and mergers and acquisitions activities in sectors including construction materials, infrastructure, energy, technologies, media and financial services.

Mr. Yu has a Bachelor of Arts degree in English Literature from the Beijing Foreign Studies University, a Master of Arts degree in Education from the University of Toronto and a Master's degree in Business Administration from the University of Western Ontario.

Mr. Yu is a director of King Jade Holdings Limited ("King Jade"), a substantial shareholder of the Company which has an interest in the shares of the Company that is required to be disclosed under Part XV of the Securities and Futures Ordinance (the "SFO").

Mr. Yu does not hold any directorships in other listed public companies in the last three years. Save as disclosed above, Mr. Yu has no other major appointments and professional qualifications.

Mr. Yu has entered into a letter of appointment with the Company with no specific term which can be terminated by either party by giving not less than three months' notice in writing. He is subject to retirement by rotation and re-election in accordance with the Bye-laws of the Company. Mr. Yu is entitled to receive a director's salary in the amount of HK\$2,250,000 per annum and discretionary bonus which is determined by reference to his duties and responsibilities, experience and the prevailing market conditions. Mr. Yu is currently a director of certain subsidiaries of the Company. Save as disclosed above, Mr. Yu does not hold any other position in the Company or any subsidiaries of the Company.

Mr. Yu wholly owns King Jade, a company incorporated in British Virgin Islands, which is a substantial shareholder of the Company. Mr. Yu is the sole director of King Jade. As at the Latest Practicable Date, Mr. Yu and King Jade owns 30,000,000 shares and 1,460,000,000 shares of the Company respectively, representing approximately 0.23% and 10.95% of the total issued share capital of the Company.

APPENDIX II DETAILS OF RETIRING DIRECTORS FOR RE-ELECTION

Save as disclosed above, Mr. Yu is not connected with any directors, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Yu is deemed to be interested in 1,490,000,000 shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing in respect of Mr. Yu which needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor is there anything which needs to be brought to the attention of the shareholders of the Company.

LAI FULIN

Executive Director

Mr. Lai, aged 46, was appointed as Executive Director of the Company in October 2009. Mr. Lai is Head of Production & Purchasing of the Group and mainly responsible for the overall operation and management of the production and purchasing department. Mr. Lai has over 20 years of experience in the banking sector, investments management and general management of companies in China. Mr. Lai worked in the Bank of China in Shenzhen during 1986 to 2001. During 1995 to 2001, he was the deputy general manager of a subsidiary of Bank of China dealing with businesses in the securities industry. During 2002 to 2008, Mr. Lai was the general manager of Shenzhen Huao Guanli Technologies Company Limited (深圳市華奧冠力科技實業有限公司). Mr. Lai holds a certificate of graduation in Chinese Language from Shenzhen Institute of Education (深圳教育學院).

Mr. Lai did not hold any directorships in other listed public companies in the last three years. Save as disclosed above, Mr. Lai has no other major appointments and professional qualifications.

Mr. Lai has entered into a letter of appointment with the Company with no specific term which can be terminated by either party by giving not less than three months' notice in writing. He is subject to retirement by rotation and re-election in accordance with the Bye-laws. Mr. Lai is entitled to receive a director's salary in the amount of HK\$1,464,000 per annum, share based payment and discretionary bonus which is determined by reference to his duties and responsibilities, experience and the prevailing market conditions. Mr. Lai is currently a director of certain subsidiaries of the Company. He is also the legal representative of certain subsidiaries of the Company incorporated in the People's Republic of China. Save as disclosed above, Mr. Lai does not hold any other position in the Company or any subsidiaries of the Company.

Mr. Lai is the younger brother of Mr. Lai Guanglin, the controlling shareholder, the Chairman and Executive Director of the Company. Save as disclosed above, Mr. Lai is not connected with any other directors, senior management or substantial Shareholders or controlling Shareholders. As at the Latest Practicable Date, Mr. Lai has interests in 50,000,000 share options in the Company within the meaning of Part XV of the SFO.

APPENDIX II DETAILS OF RETIRING DIRECTORS FOR RE-ELECTION

Save as disclosed above, there is nothing in respect of Mr. Lai which needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor is there anything which needs to be brought to the attention of the Shareholders in connection with his re-election.

CHEN WEI WEN

Independent Non-executive Director

Mr. Chen, aged 43, was appointed as Independent Non-executive Director of the Company in April 2010. He is also a member of the Audit Committee, Nomination Committee and the Remuneration Committee of the Company. Mr. Chen holds a Bachelor of Business (Accounting) from Monash University, Australia. Mr. Chen worked as a general manager of Guangzhou Futian Trading Company Ltd. (廣州市富添貿易有限公司) from 1997 to 2005. Since November 2004, Mr. Chen was appointed as chief operating officer of Guangzhou Kanxin Polymer Technology Co., Ltd. (廣州市康心高分子科技有限公司) which is an affiliated company of Guangzhou Futian Trading Company Ltd. (廣州市富添貿易有限公司) Mr. Chen was also appointed as director and general manager of Fuda Enterprises Limited (富而達企業有限公司) since February 1998.

Mr. Chen did not hold any directorships in other listed public companies in the last three years. Save as disclosed above, Mr. Chen has no other major appointments and professional qualifications.

Mr. Chen has entered into a letter of appointment with the Company for a term commencing from 1 January 2012 to 31 December 2012, which can be terminated by either party by giving not less than three months' notice in writing. He is subject to retirement by rotation and re-election in accordance with the Bye-Laws. Mr. Chen is entitled to a director's fee of HK\$150,000 per annum and share based payment which is determined by reference to his duties and responsibilities, experience and the prevailing market conditions. Save as disclosed above, Mr. Chen does not hold any other position in the Company or any subsidiaries of the Company.

Mr. Chen is not connected with any directors, senior management or substantial Shareholders or controlling Shareholders. As at the Latest Practicable Date, Mr. Chen has interests in 10,000,000 share options in the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing in respect of Mr. Chen which needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor is there anything which needs to be brought to the attention of the Shareholders in connection with his re-election.

NOTICE OF ANNUAL GENERAL MEETING



中國管業集團有限公司 China Pipe Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 380)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of China Pipe Group Limited (the “Company”) will be held at 12th Floor, Phase I, Austin Tower, 22-26A Austin Avenue, Tsim Sha Tsui, Kowloon, Hong Kong on Monday, 21 May 2012 at 11:00 a.m. for the purpose of transacting the following business:

1. to receive and consider the audited consolidated financial statements, the report of the directors and the independent auditor’s report for the year ended 31 December 2011;
2. to re-elect directors and to authorise the board of directors to fix the remuneration of directors;
3. to re-appoint Messrs. PricewaterhouseCoopers as independent auditor and to authorise the board of directors to fix its remuneration; and
4. as special business, to consider, and if thought fit, pass the following resolutions as ordinary resolutions of the Company with or without amendments:

ORDINARY RESOLUTIONS

(A) **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed or traded and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is 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 of the Bermuda or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting of the Company.”

(B) **“THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including warrants, bonds, notes, debentures and other securities which carry rights to subscribe for or are convertible into shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of any rights of subscription or conversion under the terms of any warrants, options, bonds, notes, debentures, and any securities of the Company which carry rights to subscribe for or are convertible into shares of the Company;

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(iii) an issue of shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to the grantees as specified in such scheme or similar arrangement or rights to acquire shares of the Company; or

(iv) an issue of shares pursuant to any scrip dividends or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company from time to time,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is 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 of Bermuda or the bye-laws of the Company to be held; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting of the Company.

“Rights Issue” means the allotment, issue or grant of shares pursuant to an offer of shares or an offer of options, warrants or other securities of the Company giving rights to subscribe for shares, open for acceptance for a period fixed by the directors of the Company to the holders of shares of the Company whose names appear on the register of shareholders of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations, or the expense and delay in determining the extent of any restrictions or obligations, under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory or otherwise howsoever applicable to the Company).”

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- (C) “**THAT** subject to the passing of resolutions nos. 4(A) and 4(B) set out in the notice convening this meeting, the general mandate granted to the directors to allot, issue and deal with additional shares pursuant to resolution no. 4(B) set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal value of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 4(A) set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal value of the issued share capital of the Company at the date of passing this resolution.”
- (D) “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, 10% of the ordinary shares of HK\$0.002 each in the share capital of the Company (the “Shares”) in issue at the date of approval of this resolution which may be issued pursuant to the exercise of options to be granted under the share option scheme adopted by the Company on 24 June 2004 (the “Share Option Scheme”), the refreshing of the scheme limit in respect of the grant of options to subscribe for Shares under the Share Option Scheme be and is hereby approved provided that the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme under the limit as “refreshed” hereby (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) shall not exceed 10% of the Shares in issue on the date of the passing of this resolution (the “Refreshed Mandate Limit”) and the directors of the Company be and are hereby authorised to grant options under the Share Option Scheme up to the Refreshed Mandate Limit, to exercise all powers of the Company to allot, issue and deal with Shares pursuant to the exercise of such options and to do such acts and execute such documents for or incidental to such purpose.”

By order of the Board
China Pipe Group Limited
Lai Guanglin
Chairman

Hong Kong, 12 April 2012

Notes:

1. A shareholder entitled to attend and vote at this meeting (or at any adjournment thereof) is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. To be valid, the form of proxy and the 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 lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

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3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, 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.
4. Regarding resolution no. 2 above, Mr. Yu Ben Ansheng, Mr. Lai Fulin and Mr. Chen Wei Wen will retire from office by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting. Details of the retiring directors are set out in Appendix II to the circular dated 12 April 2012 (the “Circular”).
5. Regarding resolution no. 4(A) above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase shares of the Company in circumstances which they deem appropriate for the benefit of the shareholders.
6. In accordance with the Rules Governing the Listing of Securities on the Stock Exchange, an explanatory statement setting out the terms and conditions upon which the powers to be granted under resolution no. 4(A) is set out in Appendix I to the Circular.
7. Regarding resolution no. 4(B) above, approval is being sought from shareholders as a general mandate in compliance with the Rules Governing the Listing of Securities on the Stock Exchange, in order to ensure flexibility and discretion to the directors of the Company in the event that it becomes desirable to issue any shares of the Company up to 20% of the issued share capital of the Company.