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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)

MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

On 28 April 2010, the Company entered into a **non-legally binding MOU** with the Vendor in relation to the Possible Acquisition.

On 10 June 2010, the Company and the Vendor agreed to extend the time for conclusion of the formal agreement and the Exclusivity Period to 31 July 2010.

The Possible Acquisition may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Company's Shares.

Introduction

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

Reference is made to the announcement of the Company dated 28 April 2010 (the “**Announcement**”). Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Announcement.

On 28 April 2010, the Company entered into a non-legally binding MOU with the Vendor in relation to the Possible Acquisition.

Extension of time for conclusion of formal agreement and the Exclusivity Period

On 10 June 2010, the Company and the Vendor agreed to extend the time for conclusion of the formal agreement and the Exclusivity Period to 31 July 2010.

The Possible Acquisition may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Company's Shares.

On behalf of the Board
China Pipe Group Limited
Lai Guanglin
Chairman

Hong Kong, 10 June 2010

As at the date of this announcement, the Board consists of Mr. Yu Ben Ansheng, Mr. Sam Ming Choy and Mr. Lai Fulin as executive directors; Mr. Lai Guanglin, Mr. U Kean Seng and Mr. Zhao Yue as non-executive directors; and Mr. Wong Yee Shuen, Wilson, Ms. Wu Xiuru and Mr. Chen Wei Wen as independent non-executive directors.