



SIIC ENVIRONMENT HOLDINGS LTD.

上海實業環境控股有限公司

(Incorporated in the Republic of Singapore with limited liability)

(Company Registration Number 200210042R)

(Hong Kong stock code: 807)

(Singapore stock code: BHK)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of SIIC Environment Holdings Ltd. (“Company”) will be held at The Conference Room, 26/F Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong (for Hong Kong Shareholders) and Pan Pacific Singapore, Ocean 3, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 (for Singapore Shareholders) on Thursday, 28 June 2018 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

- To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2017 together with the Auditors’ Report thereon. (Resolution 1)
- To approve the payment of Directors’ fees of S\$800,000 for the financial year ending 31 December 2018 (2017: S\$665,000). (Resolution 2)
- To re-elect the following Directors of the Company retiring pursuant to Regulation 91 and Regulation 97 of the Constitution of the Company: (Resolution 3)
Mr. Zhou Jun (Retiring under Regulation 91)
Mr. Feng Jun (Retiring under Regulation 91)
Mr. Yang Changmin (Retiring under Regulation 91)
Mr. An Hongjun (Retiring under Regulation 97)
Mr. Zhong Ming (Retiring under Regulation 97)
[See Explanatory Note (i)]
- To re-appoint Messrs Deloitte & Touche LLP, as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. (Resolution 8)
- To transact any other ordinary business which may be properly transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. GENERAL MANDATE

That pursuant to Section 161 of the Companies Act, Chapter 50, Rule 806 of the Listing Manual (“Listing Manual”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and the Rules (“Hong Kong Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“SEHK”), the Directors of the Company be authorised and empowered to:

- (i) issue shares in the Company (“Shares”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:
 - (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution):
 - (A) by way of renounceable rights issues on a *pro rata* basis to Shareholders of the Company (“Renounceable Rights Issues”) shall not exceed 100 per centum (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings (as calculated in paragraph (3) below); and
 - (B) otherwise than by way of Renounceable Rights Issues (“Other Share Issues”) shall not exceed 50 per centum (50%) of the total number of issued shares excluding treasury shares and subsidiary holdings (as calculated in accordance with paragraph (3) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company shall not exceed 20 per centum (20%) of the total number of issued shares excluding treasury shares and subsidiary holdings (as calculated in accordance with paragraph (3) below);
 - (2) the Renounceable Rights Issues and Other Share Issues shall not, in aggregate exceed 100 per centum (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings (as calculated in paragraph (3) below);
 - (3) (subject to such calculation as may be prescribed by the SGX-ST and SEHK for the purpose of determining the aggregate number of shares that may be issued under paragraphs (1)(A) and (1)(B) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
 - (4) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST and the Hong Kong Listing Rules for the time being in force (unless such compliance has been waived by the SGX-ST and the SEHK) and the Constitution of the Company; and
 - (5) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)]

(Resolution 9)

7. Renewal of Share Purchase Mandate

- That:
- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of the Laws of Singapore, the exercise by the Directors of all the powers of the Company to purchase, or otherwise acquire, issued Shares of the Company not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors, from time to time, up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) off-market purchases (each an “Off-Market Share Purchase”) effected pursuant to an equal access scheme (as defined in Section 76C of the Companies Act, as modified, supplemented or amended from time to time); and/or
 - (ii) on-market purchases (each an “On-Market Share Purchase”) on the SGX-ST and/or the SEHK, through the ready markets, through one or more duly licensed stock brokers appointed by the Company for such purpose, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST, the Singapore Code on Take-overs and Mergers, the Hong Kong Listing Rules, the Code on Share Buybacks of Hong Kong, and the Code on Takeovers and Mergers of Hong Kong, as may for the time being, be applicable, be and is hereby authorised and approved generally and unconditionally (the “Share Purchase Mandate”).
 - (b) The purchase of Shares by the Company under the Share Purchase Mandate may be made, at any time and from time to time, on and from the date of the passing of this resolution, up to the earlier of:–
 - (i) the conclusion of the next AGM or the date by which such AGM is required by law or the Constitution to be held; or
 - (ii) the date on which Share Purchases pursuant to the Share Purchase Mandate is carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by Shareholders in a general meeting.
 - (c) For the purpose of this resolution:

“Prescribed Limited” means ten per centum (10%) of the issued share capital of the Company as at the date of the passing of this resolution; and

“Maximum Price” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:
 - (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as hereinafter defined) of the Shares; and
 - (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price of the Shares, where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days (“Market Day”, being a day on which the SGX-ST or the SEHK, as the case may be, is open for securities trading), on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase, or, as the case may be, the date of making an announcement for an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days.
 - (d) The Directors, and/or each and any of them, be and are hereby authorised, to complete and do all such acts and things, (including executing such documents as may be required), as they and/or he, may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.

[See Explanatory Note (iii)]

(Resolution 10)

8. Authority to issue shares under the SIIC Environment Share Option Scheme 2012 (the “Share Option Scheme”)

That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of share options granted by the Company under the Share Option Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Share Option Scheme shall not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time, or such applicable limits so long as the Company remains a subsidiary of Shanghai Industrial Holdings Limited (“SIHL”) or the Shares remain listed on the SEHK, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

(Resolution 11)

9. Authority to issue shares under the SIIC Environment Share Award Scheme (the “Share Award Scheme”)

That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors of the Company be authorised and empowered to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of share awards under the Share Award Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Share Award Scheme shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (v)]

(Resolution 12)

By Order of the Board

Shirley Tan Sey Liy

Man Yun Wah

Company Secretaries

Singapore, 25 May 2018

Explanatory Notes:

- (i) Mr. An Hongjun will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee and will be considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST and Rule 3.13 of the Hong Kong Listing Rules.
Mr. Zhong Ming will, upon re-election as a Director of the Company, remain as the Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee and will be considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST and Rule 3.13 of the Hong Kong Listing Rules.
- (ii) Resolution 9, if passed, will empower the Directors of the Company from the date of this Meeting until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding (i) 100% for Renounceable Rights Issues and (ii) 50% for Other Share Issues, of which up to 20% may be issued other than on a *pro rata* basis to shareholders, provided that, the total number of shares which may be issued pursuant to (i) and (ii) shall not exceed 100% of the issued shares (excluding treasury shares and subsidiary holdings).
For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time Resolution 9 is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or the vesting of share awards which are outstanding or subsisting at the time when Resolution 9 is passed, and any subsequent bonus issue, consolidation or subdivision of shares.
The authority for 100% Renounceable Rights Issues (“Enhanced Rights Issue Limit”) is proposed pursuant to the Singapore Exchange Limited’s news release of 13 March 2017 which introduced measure to help companies raise funds expediently for expansion activities or working capital (“SGX News Release”) and unless extended further by SGX-ST, the authority will expire on 31 December 2018. Unless renewed, the mandate sought at this meeting shall expire at the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. The Board of Directors of the Company is of the view that the Enhanced Rights Issue Limit is in the interests of the Company and its shareholders.
- (iii) Resolution 10 above, if passed, will empower the Directors of the Company from the date of this AGM until the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in the Appendix. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2017 are set out in greater detail in the Appendix.
- (iv) Resolution 11 above, if passed, will empower the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of share options granted or to be granted under the Share Option Scheme provided that the aggregate additional shares to be issued pursuant to the Share Option Scheme do not exceed in total (for the entire duration of the Share Option Scheme) ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time, or such applicable limits so long as the Company remains a subsidiary of SIHL or the Shares remain listed on the SEHK.
Where the Company is a subsidiary of SIHL,
 - (a) the total number of new shares which may be issued upon exercise of the options granted under the Share Option Scheme and any other share-based incentive scheme (but excluding the Share Award Scheme), must not in aggregate exceed 10% of the total number of issued shares as at the date of adoption of the Share Option Scheme. Options lapsed in accordance with the terms of the Share Option Scheme will not be factored in for the purpose of calculating the 10% limit; however;
 - (b) notwithstanding (a) above, but subject to the abovementioned 10% limit, SIHL may seek the approval of the SIHL shareholders in a general meeting to refresh the 10% limit. However, the total number of Shares which may be issued upon exercise of all options, together with the Share issued and to be issued under other share-based incentive schemes (but excluding the Share Awards Scheme), under the limit as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the refreshing of the limit. Options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or exercised options) will not be counted for the purpose of calculating the limit as refreshed;
 - (c) SIHL may seek separate approval by its shareholders in a general meeting for granting options beyond the 10% limit provided the options in excess of the limit are granted only to participants specifically identified by SIHL before such approval is sought; provided always that; and
 - (d) the limit on the number of shares which may be issued upon the exercise of all outstanding options granted, but yet to be exercised under the Share Option Scheme and any other share incentive scheme (excluding the Share Award Scheme), must not exceed 30% of the shares in issue from time to time. No options may be granted under the Share Option Scheme if this will result in the 30% limit being exceeded.
- (v) Resolution 12 above, if passed, will empower the Directors of the Company, from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the vesting of share awards under the Share Award Scheme provided that the aggregate additional shares to be issued pursuant to the Share Award Scheme do not exceed in total (for the entire duration of the Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

Notes:

- A Member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the AGM (the “Meeting”) is entitled to appoint not more than two proxies to attend and vote in his/her stead. Where such members’ form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specific in the form of proxy. A proxy need not be a Member of the Company.
- A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified.)
- The instrument appointing a proxy must be deposited at the Company’s Registered Office in Singapore at One Temasek Avenue #37-02 Millenia Tower Singapore 039192 (for Singapore Shareholders), or at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (for Hong Kong Shareholders) not less than seventy-two (72) hours before the time appointed for holding the Meeting or any adjournment thereof.
- To ascertain the members’ entitlement to attend and vote at the Meeting, the register of members will be closed from Friday, 22 June 2018 to Thursday, 28 June 2018, both days inclusive, during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the meeting, all transfers of shares, accompanied by the relevant share certificates, 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, for registration not later than 4:30 p.m. on Thursday, 21 June 2018.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

As at the date of this notice, the non-executive Chairman is Mr. Zhou Jun; the executive Directors are Mr. Feng Jun, Mr. Yang Changmin, Mr. Li Zengfu, Mr. Xu Xiaobing and Mr. Xu Zhan; and the independent non-executive Directors are Mr. Yeo Guat Kwang, Mr. An Hongjun and Mr. Zhong Ming.