# SIIC ENVIRONMENT HOLDINGS LTD.

Company Registration No. 200210042R

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("**AGM**") of SIIC Environment Holdings Ltd. (the "**Company**") will be held at Pan Pacific Singapore, Ocean 5, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on Tuesday, 25 April 2017 at 9.30 a.m. for the following purposes:

**AS ORDINARY BUSINESS**

1. 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 2016 together with the Auditor's Report thereon. **(Resolution 1)**
2. To declare a first and final dividend of S$0.01 per share tax exempt (one-tier) for the financial year ended 31 December 2016 (2015: Nil) **(Resolution 2)**
3. To approve the payment of Directors' fees of S$665,000 for the financial year ending 31 December 2017 (2016: S$665,000). **(Resolution 3)**
4. To re-elect the following Directors of the Company retiring pursuant to Regulation 91 and Regulation 97 of the Constitution of the Company:

   Mr. Xu Xiaobing (Retiring under Regulation 91) **(Resolution 4)**
   Mr. Xu Zhan (Retiring under Regulation 91) **(Resolution 5)**
   Mr. Tay Ah Kong Bernard (Retiring under Regulation 91) **(Resolution 6)**
   Mr. Li Zengfu (Retiring under Regulation 97) **(Resolution 7)**
   [See Explanatory Note (i)]
5. 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)**
6. 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:

7. **Authority to allot and issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited**

   That pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (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 (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 (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 (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 (as calculated in paragraph (3) below);

   (3) (subject to such calculation as may be prescribed by the SGX-ST 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) 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 for the time being in force (unless such compliance has been waived by the SGX-ST) 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)**

8. **Renewal of Share Purchase Mandate**

   That for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as ascertained as at the date of the AGM of the Company) at the price of up to but not exceeding the Maximum Price as defined in the Appendix to the Notice of AGM dated 10 April 2017 (the "**Appendix**"), in accordance with the Authority and Limits of the Share Purchase Mandate set out in the Appendix, and this mandate 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 (iii)] **(Resolution 10)**

9. **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 fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) 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**"), 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)**

10. **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) 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
Company Secretary
Singapore, 10 April 2017

**Explanatory Notes:**

(i) Mr. Tay Ah Kong Bernard 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.

(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).

For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) 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) 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 2016 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) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time, or such applicable limits so long as the Company remains a subsidiary of SIHL.

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 15% 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) in the capital of the Company from time to time.

**Notes:**

1. 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. A proxy need not be a Member of the Company.
2. 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.)
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company at One Temasek Avenue #37-02 Millenia Tower Singapore 039192 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

* 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.**