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## **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)*

**(Hong Kong stock code: 807)**

**(Singapore stock code: BHK)**

#### **(A) CAPITAL REDUCTION OF SUBSIDIARY**

#### **(B) INCREASE IN REGISTERED SHARE CAPITAL OF SUBSIDIARY**

The board (the “**Board**”) of directors (“**Directors**”) of SIIC ENVIRONMENT HOLDINGS LTD. (“**Company**”, together with its subsidiaries, collectively the “**Group**”) is pleased to announce that:

##### **(A) Capital reduction of subsidiary**

A capital reduction exercise (“**Capital Reduction**”) of Mudanjiang Longjiang Environmental Water Supply Co., Ltd. (“**Mudanjiang Water Supply**”) had been carried out by Longjiang Environmental Protection Group Co., Ltd. (“**Longjiang Environmental**”) and its indirect wholly-owned subsidiary, Harbin Pingyi Longjiang Environmental Protection and Water Control Co., Ltd. (“**Pingyi Water**”).

The registered capital, paid-up capital and capital contribution of Mudanjiang Water Supply has reduced from RMB 260 million to RMB 160 million resulted from the Capital Reduction Exercise due to its business operation needs. The excess capital has been returned to Longjiang Environmental and Pingyi Water in cash.

Longjiang Environmental and Pingyi Water remain their shareholding of 99% and 1% in Mudanjiang Water Supply, respectively, upon the completion of the Capital Reduction Exercise.

##### **(B) Increase in registered capital of subsidiary**

The Company’s indirect wholly-owned subsidiary, SIIC Environment Yinchuan Binhe Wastewater Treatment Co., Ltd. (“**Yinchuan Binhe**”) has implemented increase in capital, its registered share capital increased from RMB49.03 million to RMB82.03 million (“**Increase in Share Capital**”).

Upon completion of the Increase in Share Capital, the shareholding of the Company and SIIC Environment Holdings (Wuhan) Co., Ltd. in Yinchuan Binhe have changed from 70% to 49.52% and 30% to 50.48%. The Increase in Share Capital is funded through internal resources.

The Capital Reduction and Increase in Share Capital are not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2020.

None of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the Capital Reduction and Increase in Share Capital, save for their shareholdings in the Company.

By Order of the Board  
**SIIC Environment Holdings Ltd.**  
**Mr. Xu Xiaobing**  
*Executive Director*

Hong Kong and Singapore, 15 December 2020

*As at the date of this announcement, the non-executive Chairman is Mr. Zhou Jun; the executive Directors are Mr. Feng Jun, Mr. Xu Xiaobing, Mr. Yang Jianwei, Mr. Huang Hanguang and Mr. Zhao Youmin; and the independent non-executive Directors are Mr. Yeo Guat Kwang, Mr. An Hongjun and Mr. Zhong Ming.*

*\* For identification purpose only*