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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of SIIC ENVIRONMENT HOLDINGS LTD., you should immediately hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

(Company Registration Number 200210042R)

(Hong Kong stock code: 807)

(Singapore stock code: BHK)

- (1) GENERAL MANDATE TO ISSUE SHARES;**
 - (2) RENEWAL OF SHARE PURCHASE MANDATE;**
 - (3) RE-ELECTION OF DIRECTORS;**
- AND**
- (4) PROPOSED DECLARATION OF FINAL DIVIDEND**

A notice convening the Annual General Meeting of the Company to be held at Tactic Room II, 24/F., Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong (for Hong Kong Shareholders) and by way of electronic means (for Singapore Shareholders) on Monday, 29 June 2020 at 10:00 a.m. is enclosed with this circular. Whether or not you intend to attend and/or be present and vote at the Annual General Meeting, (i) Singapore Shareholders are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's registered office in Singapore at One Temasek Avenue, #37-02 Millenia Tower, Singapore 039192 or if submitted electronically, be submitted via email to the following email address: agm2020@siicenv.com and (ii) Hong Kong Shareholders can submit the proxy form to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than seventy-two (72) hours before the time appointed for holding the Annual General Meeting or any adjourned meeting thereof. **Due to the current COVID-19 restriction orders in Singapore, Singapore Shareholders will not be able to attend the Annual General Meeting in person.** For Hong Kong Shareholders, completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

Please refer to the notes relating to measures to minimize the risk of COVID-19 provided in the Notice of the 2020 AGM.

27 May 2020

NOTICE TO SINGAPORE SHAREHOLDERS ON ATTENDANCE OF AGM AND VOTING BY PROXY

The 2020 AGM will be convened and held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Singapore shareholders will NOT be allowed to attend the AGM in person.**

Alternative arrangements are instead put in place for the participation of Singapore Shareholders in the 2020 AGM, full details of which are set out in the Notice of 2020 AGM attached to this circular. The Notice of 2020 AGM will also be made available on the Company's corporate website at <http://www.siicenv.com/en/> as well as on the SGX website at <https://www.sgx.com/securities/company-announcements> and the SEHK's website at www.hkexnews.hk.

Singapore Shareholders may only exercise their voting rights at the 2020 AGM via proxy voting and must appoint the Chairman of the 2020 AGM as proxy. Completed proxy forms should be received by the Company at the Company's registered office in Singapore at One Temasek Avenue, #37-02 Millenia Tower, Singapore 039192 or if submitted electronically, be submitted via email to the following email address: agm2020@siicenv.com as soon as possible and in any event not less than seventy-two (72) hours before the time appointed for holding the 2020 AGM or any adjourned meeting thereof. The accompanying proxy form for the 2020 AGM may be accessed via the Company's corporate website at <http://www.siicenv.com/en/>, and will also be made available on the SGX website at <https://www.sgx.com/securities/company-announcements> and the SEHK's website at www.hkexnews.hk.

RECOMMENDATION TO HONG KONG SHAREHOLDERS TO VOTE BY PROXY

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their right to vote, but is conscious of the pressing need to protect the Shareholder from possible exposure to the COVID-19 pandemic. The Company wishes to remind attendees that they should carefully consider the risks of attending the 2020 AGM, taking into account their own personal circumstances. Furthermore, the Company would like to remind the Shareholders that physical attendance in person at the 2020 AGM in Hong Kong is not necessary for the purpose of exercising their voting rights and that Shareholders may appoint the chairman of the 2020 AGM as their proxy to vote on the relevant resolutions at the 2020 AGM. No food and beverage service will be provided at the 2020 AGM venue.

Shareholders who wish to appoint the chairman of the 2020 AGM, or any person(s) other than the chairman, to attend and vote at the 2020 AGM on his/her behalf, should be reminded to complete and submit the proxy forms as soon as possible. Completed proxy forms should be received by the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183

Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than seventy-two (72) hours before the time appointed for holding the 2020 AGM or any adjourned meeting thereof. The proxy form can be downloaded from the "Investor Relations" section of the Company's website at www.siicenv.com, the SGX-ST's website at www.sgx.com or the SEHK's website at www.hkexnews.hk. For a proxy other than the chairman of the 2020 AGM to attend and vote at the 2020 AGM in Hong Kong in person, such person's attendance will be also subject to the restrictions set out in the below.

Limited attendance in person at the 2020 AGM venue in Hong Kong and precautionary measures pursuant to the latest amendments to the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G of the Laws of Hong Kong), with effect from 8 May 2020, the 2020 AGM in Hong Kong is exempted from the statutory prohibition of group gatherings of more than eight persons in public place, provided that no food or drink is served and that measures are in place for separating the attendees in different rooms or partitioned areas, each accommodating not more than 50 persons. The Company has reviewed the space available at the 2020 AGM venue in Hong Kong and, in order to comply with these new requirements, hereby announces that the maximum number of Shareholders who will be able to physically attend the 2020 AGM in Hong Kong (in person or by proxy) will be 50, and attendees will be accommodated in partitioned areas with not more than 50 persons in each area. Registration of attendance will start at 9:00 a.m. on Monday, 29 June 2020 and to the extent that the attendance limit is reached, Shareholders (or their proxies) who cannot be allocated a seat will be denied entry into the 2020 AGM venue in Hong Kong.

The following precautionary measures will be implemented at the 2020 AGM in Hong Kong:

- (1) All attendees must wear face masks at all times inside the 2020 AGM venue in Hong Kong or at the waiting area outside the 2020 AGM venue in Hong Kong. Any attendees who do not wear face masks may be requested to leave or denied entry into the 2020 AGM venue in Hong Kong.
- (2) All attendees must clean their hands with alcohol-based hand sanitizer before entering the 2020 AGM venue in Hong Kong.
- (3) Body temperature checks/screening will be conducted on all attendees before they enter the waiting area outside the 2020 AGM venue in Hong Kong. Any person with a body temperature of over 37.2 degrees Celsius may be requested to leave or denied entry into the 2020 AGM venue in Hong Kong.
- (4) No food and beverage service will be provided.

- (5) Attendees may be required to confirm that (i) he/she has not travelled outside of Hong Kong within 14 days immediately before the 2020 AGM (“**Recent Travel History**”); (ii) he/she is not subject to any HKSAR Government prescribed quarantine requirement; (iii) to his/her knowledge, he/she has not, within 14 days immediately before the 2020 AGM, had close contact with any person under quarantine or with Recent Travel History; and (iv) he/she has no flu-like symptoms. Any person who fails to provide the required confirmation, or if he/she shows flu-like symptoms, may be requested to leave or denied entry into the 2020 AGM venue in Hong Kong.
- (6) Seating at the 2020 AGM venue in Hong Kong will be arranged to ensure adequate physical distancing between participants so as to reduce interaction between them.

To the extent permitted under law, the Company reserves the right to deny entry into the 2020 AGM venue in Hong Kong or require any person to leave the 2020 AGM venue in Hong Kong in order to ensure the safety of the attendees at the 2020 AGM venue in Hong Kong.

The Company will continue to monitor the evolving COVID-19 situation and may adjust and/or implement additional precautionary measures as the public health situation changes.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this circular:–

“2020 AGM”	:	The AGM of the Company to be held at Tactic Room II, 24/F., Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong (for Hong Kong Shareholders) and by way of electronic means, details of which are set out in the Notice of the 2020 AGM (for Singapore Shareholders) on Monday, 29 June 2020 at 10:00 a.m., or any adjournment thereof
“Act”	:	The Companies Act (Chapter 50) of Singapore
“AGM”	:	The annual general meeting of the Company
“Board”	:	The board of Directors for the time being
“CDP”	:	The Central Depository (Pte) Limited
“Company”	:	SIIC ENVIRONMENT HOLDINGS LTD.
“Constitution”	:	The Constitution of the Company, as amended, modified or supplemented from time to time
“Directors”	:	The directors of the Company for the time being
“General Mandate”	:	A General mandate to be granted by the Shareholders to authorise the Directors to allot, issue or deal with Shares subject to and in accordance with the terms of the mandate set out in this circular and Resolution 10 of the Notice of the 2020 AGM
“Group”	:	The Company together with its Subsidiaries
“Hong Kong”	:	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	:	The Rules Governing the Listing of Securities on the SEHK
“Latest Practicable Date”	:	15 May 2020, being the latest practicable date for the purposes of this Circular
“Listing Manual”	:	The Listing Manual of the SGX-ST

DEFINITIONS

“ PRC ”	:	The People’s Republic of China
“ SEHK ”	:	The Stock Exchange of Hong Kong Limited
“ SGX-ST ”	:	Singapore Exchange Securities Trading Limited
“ Share Purchase ”	:	Purchase of Shares by the Company pursuant to the Share Purchase Mandate
“ Share Purchase Mandate ”	:	General mandate to be granted by the Shareholders to authorise the Directors to exercise all the powers of the Company to purchase Shares in accordance with the terms set out in this circular and Resolution 11 of the Notice of the 2020 AGM
“ Shareholders ”	:	Registered holder of the Shares or where CDP is the registered holder, the term “Shareholders” shall in relation to such Shares and where the context admits, mean the Depositors who have the Shares entered against their names in the Depository Register
“ Shares ”	:	Ordinary shares in the capital of the Company
“ Subsidiaries ”	:	A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act and “Subsidiary” shall be construed accordingly
“ subsidiary holdings ”	:	shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Act
“ Substantial Shareholder ”	:	In relation to the Company, a person who has an interest or interests in not less than five per cent. (5%) of the issued voting Shares in the capital of the Company
“ Treasury Share(s) ”	:	A Share that was (or is treated as having been) purchased by the Company in circumstances in which section 76H of the Act applies and has been held continuously by the Company since it was so purchased and has not been cancelled

DEFINITIONS

Currencies, Units of Measurement and Others

“HK\$”	:	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	:	PRC Renminbi
“S\$” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of Singapore
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

Words importing the singular shall where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

Any reference in this circular to any enactment, the Listing Manual or Hong Kong Listing Rules is a reference to that respective enactment, the Listing Manual or Hong Kong Listing Rules as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof or the Listing Manual or the Hong Kong Listing Rules and used in this circular shall, where applicable, have the meaning assigned to it under the said Act or any modification thereof or the Listing Manual or the Hong Kong Listing Rules, as the case may be.

Any reference to a time of day in this circular shall be a reference to Singapore time unless otherwise stated.

LETTER TO SHAREHOLDERS



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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)

Non-Executive Chairman:

Zhou Jun

***Headquarters, Registered Office and
Principal Place of Business in Singapore:***

One Temasek Avenue
#37-02 Millenia Tower
Singapore 039192

Executive Directors:

Feng Jun
Xu Xiaobing
Huang Hanguang
Zhao Youmin
Yang Jianwei

Principal Place of Business in Hong Kong:

Unit 912, 9/F
Two Harbourfront
2 Tak Fung Street
Hunghom, Kowloon
Hong Kong

Independent Non-Executive Directors:

Yeo Guat Kwang
An Hongjun
Zhong Ming

27 May 2020

To: The Shareholders of the Company

Dear Sir/Madam

- (1) GENERAL MANDATE TO ISSUE SHARES;
(2) RENEWAL OF SHARE PURCHASE MANDATE;
(3) RE-ELECTION OF DIRECTORS;
AND
(4) PROPOSED DECLARATION OF FINAL DIVIDEND**

1. BACKGROUND

The purpose of this circular is to provide the Shareholders with the relevant information for the purposes of seeking the approval of the Shareholders at the 2020 AGM for, amongst other things, the proposed (i) General Mandate, (ii) renewal of the Share Purchase Mandate and (iii) re-election of Directors.

LETTER TO SHAREHOLDERS

2. GENERAL MANDATE TO ISSUE SHARES

An ordinary resolution as set out in the Notice of 2020 AGM will be proposed at the 2020 AGM, pursuant to Section 161 of the Act, the Listing Manual and the Hong Kong Listing Rules, to seek the approval of the Shareholders to authorise and empower the Directors to:

- (a) (i) issue Shares in the Company, 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 during the continuance of such authority or thereafter, including but not limited to the creation and issue (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 Board may, in their absolute discretion, deem fit; and

- (b) issue Shares in pursuance of any Instrument made or granted by the Board while such authority was in force (notwithstanding that such issue of the Shares pursuant to the Instruments may occur after the expiration of the authority contained in such ordinary resolution);

provided always, that subject to any applicable regulations as may be prescribed by the SGX-ST and the SEHK,

- (1) the aggregate number of Shares to be issued pursuant to such resolution approving the General Mandate (including Shares to be issued in pursuance of Instruments made or granted pursuant to such resolution approving the General Mandate) does not exceed 100% of the issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with subparagraph (2) below) of which the aggregate number of Shares to be issued other than on a pro-rata basis to Shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to such resolution approving the General Mandate) does not exceed 20% of the issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of 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 sub-paragraph (1) 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 such resolution approving the General Mandate, after adjusting for:

LETTER TO SHAREHOLDERS

- (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;
and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) of the Listing Manual of the SGX-ST are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the General Mandate.

- (3) in exercising the authority conferred by the General Mandate, the Company shall comply with the provisions of the Listing Manual (unless such compliance has been waived by the SGX-ST), the Hong Kong Listing Rules and the Constitution; and
- (4) unless revoked or varied by the Shareholders in general meeting, such authority conferred by such resolution approving the General Mandate shall continue in force until the conclusion of the next annual general meeting of the Company following the passing of such resolution or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

On 8 April 2020, SGX RegCo issued a news release which introduced measures to support issuers amid the challenging business and economic climate due to COVID-19, including enabling the acceleration of fund-raising efforts by allowing Mainboard issuers to provisionally seek a general mandate for an issue of shares and convertible securities on a pro rata basis of up to an aggregate of 100% of its issued shares (excluding treasury shares and subsidiary holdings), versus 50% previously (the “**Enhanced Share Issue Limit**”).

The Company is proposing to avail itself of these measures and to seek Shareholders’ approval for a general mandate with an Enhanced Share Issue Limit at the upcoming 2020 AGM. The Board of Directors is of the view that it would be in the interest of the Company and the Shareholders to seek approval up to the Enhanced Share Issue Limit granted by SGX RegCo for flexibility to react to unforeseen circumstances before the AGM held in 2021 (“**2021 AGM**”) amid the COVID-19 situation, where possible.

The Enhanced Share Issue Limit may be renewed at the 2021 AGM and is only valid until 31 December 2021, by which date any shares issued pursuant to the Enhanced Share Issue Limit must be listed, and no further shares may be issued under that limit.

The Company will notify SGX RegCo, by way of email to enhancedsharelimit@sgx.com, of the date on which the General Mandate with the Enhanced Share Issue Limit has been approved by Shareholders.

LETTER TO SHAREHOLDERS

Notwithstanding the above, it must be noted that the Hong Kong Listing Rules provide the General Mandate obtained from Shareholders in general meeting shall be subject to a restriction that the aggregate number of Shares allotted or agreed to be allotted under the General Mandate must not exceed 20% of the issued share capital of the Company as at the date the resolution approving the General Mandate. The Company will comply with the requirements under the Hong Kong Listing Rules or the Listing Manual for matters relating to general mandate, whichever is more onerous.

As at the Latest Practicable Date, the Company had 2,602,817,726 Shares in issue and the maximum number of Shares that can be issued other than on a pro-rata basis to the Shareholders is 520,563,545 Shares, being 20% of the Shares in issue (assuming no Share is issued or repurchased after the Latest Practicable Date and up to the passing of the relevant resolution).

3. RENEWAL OF SHARE PURCHASE MANDATE

The details of the proposed renewal of the Share Purchase Mandate are set out in the Appendix A to this circular.

4. RE-ELECTION OF DIRECTORS

Mr. Zhou Jun, the non-executive Director, and, Mr. Feng Jun, Mr. Huang Hanguang, Mr. Zhao Youmin and Mr. Yang Jianwei, the executive Directors, shall retire from the office of Director at the 2020 AGM in accordance with the Constitution and the Hong Kong Listing Rules. All the aforesaid retiring Directors, being eligible, will offer themselves for re-election at the 2020 AGM. Biographical details of the above-mentioned retiring Directors, which are required to be disclosed pursuant to the Hong Kong Listing Rules and the Listing Manual, are set out in Appendix B to this circular.

5. DIRECTORS' RECOMMENDATION

Save for Mr. Zhou Jun, who is required to abstain from recommending for Shareholders to vote in favour of the proposed Share Purchase Mandate, the Directors are of the opinion that (i) the General Mandate; (ii) the proposed renewal of Share Purchase Mandate; and (iii) the proposed re-election of the retiring Directors is in the interests of the Company. Accordingly, save for Mr. Zhou Jun, the Directors recommend that the Shareholders vote in favour of the resolutions as set out in the Notice of 2020 AGM.

6. DIRECTORS' RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Manual and the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge

LETTER TO SHAREHOLDERS

and belief, the information contained in this circular is complete and accurate in all material respects and not misleading or deceptive, and there are no other matters, the omission of which would make any statement in this circular misleading.

In accordance with the Listing Manual and the Hong Kong Listing Rules, the Directors collectively and individually accept full responsibility for the accuracy of the information given in this circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this circular constitutes full and true disclosure of all material facts about (i) the General Mandate, (ii) the proposed renewal of the Share Purchase Mandate and (iii) the proposed re-election of Directors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this circular misleading.

Where information in this circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this circular in its proper form and context.

7. PROPOSED DECLARATION OF FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of S\$0.01 per share tax exempt (one-tier) for the financial year ended 31 December 2019. The expected payment date of the final dividend is on or about 31 July 2020. Further announcement(s) regarding the closure of register of members of the Company for ascertaining shareholder's entitlement to the proposed final dividend will be made by the Company in due course.

8. AGM

The Company will convene and hold the 2020 AGM at Tactic Room II, 24/F., Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong (for Hong Kong Shareholders) and by way of electronic means (for Singapore Shareholders) on Monday, 29 June 2020 at 10:00 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the Notice of 2020 AGM as enclosed with this circular.

For Singapore Shareholders, the 2020 AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of 2020 AGM will be despatched to members and made available on the Company's website at <http://www.siicenv.com/en/>, on the SGX website at <https://www.sgx.com/securities/companyannouncements> and on the SEHK's website at www.hkexnews.hk. Further information on the arrangements by which the 2020 AGM can be electronically accessed are set out in the Notice of 2020 AGM.

LETTER TO SHAREHOLDERS

A form of proxy for use in connection with the 2020 AGM is enclosed herewith. Whether or not you intend to attend and/or be present and vote at the 2020 AGM, (i) Singapore Shareholders are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Registered Office in Singapore at One Temasek Avenue, #37-02 Millenia Tower, Singapore 039192 or if submitted electronically, be submitted via email to the following email address: agm2020@siicenv.com and (ii) Hong Kong Shareholders can submit the proxy form to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than seventy-two (72) hours before the time appointed for the holding of the 2020 AGM or any adjournment thereof. **Due to the current COVID-19 restriction orders in Singapore, Singapore Shareholders will not be able to attend the 2020 AGM in Singapore in person.** For Hong Kong Shareholders, the completion and delivery of a form of proxy will not preclude you from attending and voting at the 2020 AGM in Hong Kong in person should you so wish. If you attend and vote at the 2020 AGM, the authority of your proxy will be revoked.

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules and the Constitution, voting by the Shareholders at the AGM will be by poll, except where the chairman of the AGM, in good faith, decides to allow a resolution which related purely to a procedural or administrative matter to be voted by a show of hands.

For the purpose of ascertaining Shareholders' entitlement to attend and vote (where applicable) at the 2020 AGM, the register of members of the Company will be closed from Tuesday, 23 June 2020 to Monday, 29 June 2020, both days inclusive. All transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Singapore principal share registrar and transfer office, RHT Corporate Advisory Pte. Ltd. at 30 Cecil Street #19-08 Prudential Tower, Singapore 049712 (for Singapore Shareholders) no later than 5:00 p.m. on Monday, 22 June 2020, or the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for Hong Kong Shareholders) for registration no later than 4:30 p.m. on Monday, 22 June 2020. A Depositor's name must appear on the Depository Register maintained by the CDP as at 72 hours before the time fixed for holding the 2020 AGM in order for the Depositor to be entitled to vote at the AGM. Due to the current COVID-19 restriction orders in Singapore, Singapore Shareholders will not be able to attend the 2020 AGM in person. Singapore Shareholders who wish to vote on any or all of the resolutions at the 2020 AGM must submit a proxy form to appoint the Chairman of the 2020 AGM as their proxy to do so on their behalf.

Yours faithfully

For and on behalf of the Board of Directors of
SIIC ENVIRONMENT HOLDINGS LTD.

Xu Xiaobing

Executive Director

APPENDIX A EXPLANATORY STATEMENT ON THE SHARE PURCHASE MANDATE

APPENDIX DATED 27 May 2020

This Appendix is issued by SIIC ENVIRONMENT HOLDINGS LTD. (the “Company”). If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This Appendix is circulated to the shareholders of the Company (the “Shareholders”) together with the circular to the Shareholders of the Company dated 27 May 2020. Its purpose is to provide the Shareholders with information relating to and explaining to Shareholders the rationale for the proposed renewal of the Share Purchase Mandate (as defined herein) to be tabled at the Annual General Meeting of the Company to be held at Tactic Room II, 24/F., Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong (for Hong Kong Shareholders) and by way of electronic means (for Singapore Shareholders) on Monday, 29 June 2020 at 10:00 a.m. (the “2020 AGM”). The Notice of the 2020 AGM and the accompanying Proxy Form are to be circulated to the Shareholders together with this Appendix.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Appendix and the Notice of the 2020 AGM and the accompanying proxy form immediately to the purchaser, transferee or the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this Appendix, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) takes no responsibility for the accuracy of or the correctness of any of the statements or opinions made or reports contained in this circular.



SIIC ENVIRONMENT HOLDINGS LTD.

上海實業環境控股有限公司

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(Singapore stock code: BHK)

APPENDIX TO THE CIRCULAR TO THE SHAREHOLDERS OF THE COMPANY DATED 27 MAY 2020 IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

This document is an appendix to the circular to the Shareholders of the Company dated 27 May 2020. Whether or not you intend to attend and/or be present and vote at the 2020 AGM, (i) Singapore Shareholders are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Registered Office in Singapore at One Temasek Avenue, #37-02 Millenia Tower, Singapore 039192 or if submitted electronically, be submitted via email to the following email address: agm2020@siicenv.com and (ii) Hong Kong Shareholders can submit the proxy form to or the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than seventy-two (72) hours before the time appointed for holding the 2020 AGM or any adjourned meeting thereof. **Due to the current COVID-19 restriction orders in Singapore, Singapore Shareholders will not be able to attend the Annual General Meeting in person.** For Hong Kong Shareholders, completion and return of the proxy form will not preclude you from attending and voting at the 2020 AGM in person should you so wish. If you attend and vote at the 2020 AGM, the authority of your proxy will be revoked.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout the Appendix:–

“2020 AGM”	:	The AGM of the Company to be held at Tactic Room II, 24/F., Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong (for Hong Kong Shareholders) and by way of electronic means, details of which are set out in the Notice of the 2020 AGM (for Singapore Shareholders) on Monday, 29 June 2020 at 10.00 a.m., or any adjournment thereof
“Act”	:	The Companies Act (Chapter 50) of Singapore
“AGM”	:	The annual general meeting of the Company
“Annual Report”	:	The annual report of the Company for the FY2019
“Appendix”	:	This appendix to the circular to Shareholders dated 27 May 2020
“Board”	:	The board of Directors of the Company for the time being
“CDP”	:	The Central Depository (Pte) Limited
“close associate(s)”	:	Has the same meaning ascribed to it under the Hong Kong Listing Rules
“Code”	:	The Singapore Code on Take-over and Mergers, as amended, modified or supplemented from time to time
“Company”	:	SIIC ENVIRONMENT HOLDINGS LTD.
“Constitution”	:	The Constitution of the Company, as amended, modified or supplemented from time to time
“core connected person(s)”	:	Has the same meaning ascribed to it under the Hong Kong Listing Rules
“Directors”	:	The directors of the Company for the time being
“EPS”	:	Earnings per share
“FY”	:	The financial year of the Company ended or ending 31 December of a particular year

DEFINITIONS

“Group”	:	The Company together with its Subsidiaries
“Hong Kong”	:	The Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	:	The Rules Governing the Listing of Securities on the SEHK
“Hong Kong Repurchase Code”	:	The Hong Kong Code on Share Buy-backs
“Latest Practicable Date”	:	15 May 2020, being the latest practicable date for the purposes of this circular
“Listing Manual”	:	The Listing Manual of the SGX-ST
“Market Day”	:	A day on which the SGX-ST or the SEHK is open for securities trading
“NTA”	:	Net tangible assets
“Off-Market Share Purchase”	:	A Share Purchase by the Company effected pursuant to an equal access scheme for the purchase of Shares from the Shareholders in accordance with Section 76C of the Act
“On-Market Share Purchase”	:	On-market purchases transacted through the SGX-ST’s trading system or on another stock exchange on which the Company’s Shares are listed
“PRC”	:	The People’s Republic of China
“SEHK”	:	The Stock Exchange of Hong Kong Limited
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holder of the Shares or where CDP is the registered holder, the term “Shareholders” shall in relation to such Shares and where the context admits, mean the Depositors who have the Shares entered against their names in the Depository Register
“Shares”	:	Ordinary shares in the capital of the Company
“Share Purchase”	:	Purchase of Shares by the Company pursuant to the Share Purchase Mandate

DEFINITIONS

“Share Purchase Mandate”	:	General mandate from the Shareholders to authorise the Directors to exercise all the powers of the Company to purchase Shares in accordance with the terms set out in this Appendix and Resolution 11 of the Notice of the 2020 AGM
“Subsidiaries”	:	A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act and “Subsidiary” shall be construed accordingly
“subsidiary holdings”	:	shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Act
“Substantial Shareholder”	:	In relation to the Company, a person who has an interest or interests in not less than five per cent. (5%) of the issued voting Shares in the capital of the Company
“Takeovers Code”	:	The Hong Kong Code on Takeovers and Mergers
“Treasury Share(s)”	:	A Share that was (or is treated as having been) acquired purchased and held by the Company in circumstances in which section 76H of the Act applies and has been held continuously by the Company since it was so acquired purchased and has not been cancelled

Currencies, Units of Measurement and Others

“HK\$”	:	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	:	PRC Renminbi
“S\$” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of Singapore
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

Words importing the singular shall where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

DEFINITIONS

Any reference in this Appendix to any enactment, the Listing Manual or Hong Kong Listing Rules is a reference to that respective enactment, the Listing Manual or Hong Kong Listing Rules as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof or the Listing Manual or the Hong Kong Listing Rules and used in this Appendix shall, where applicable, have the meaning assigned to it under the said Act or any modification thereof or the Listing Manual or the Hong Kong Listing Rules, as the case may be.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

**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)*****Non-Executive Chairman:***

Zhou Jun

Executive Directors:

Feng Jun

Xu Xiaobing

Huang Hanguang

Zhao Youmin

Yang Jianwei

Independent Non-Executive Directors:

Yeo Guat Kwang

An Hongjun

Zhong Ming

***Headquarters, Registered Office and
Principal Place of Business
in Singapore:***One Temasek Avenue
#37-02 Millenia Tower
Singapore 039192***Principal Place of Business
in Hong Kong:***Unit 912, 9/F
Two Harbourfront
2 Tak Fung Street
Hunghom, Kowloon
Hong Kong

27 May 2020

To: The Shareholders of the Company

Dear Sir/Madam

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

We refer to the circular to the Shareholders of the Company dated 27 May 2020, convening the 2020 AGM and resolution 11 set out under “Special Business” in the Notice of the 2020 AGM (“**Resolution 11**”).

1. BACKGROUND

At the annual general meeting of the Company held on 30 April 2019 (“**2019 AGM**”), Shareholders had approved the renewal of the Share Purchase Mandate to enable the Company to purchase or otherwise acquire issued Shares. The authority conferred on the Directors under the Share Purchase Mandate at the 2019 AGM will expire on the date of the forthcoming 2020 AGM. The resolution relating to the proposed renewal of the Share Purchase Mandate is set out in Resolution 11.

The purpose of this Appendix is to provide the Shareholders with the relevant information in relation to the proposed renewal of the Share Purchase Mandate and to seek the approval of the Shareholders at the 2020 AGM for the proposed renewal of the Share Purchase Mandate.

2. RATIONALE FOR THE SHARE PURCHASE MANDATE

The Share Purchase Mandate will give the Company the opportunity and flexibility to undertake Share Purchases if and when circumstances permit with a view to, depending on market conditions and funding arrangements improving, *inter alia*, its return on equity. Share Purchases provide the Company with an easy mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner.

The Company will only make Share Purchases pursuant to the Share Purchase Mandate when it considers it to be in the interests of the Company and in circumstances which it believes will not result in any material adverse effect on the financial position of the Company or the Group, and/or affect the listing status of the Company on the SGX-ST or the SEHK or result in the Company being insolvent.

3. AUTHORITY AND LIMITS ON THE SHARE PURCHASE MANDATE

3.1 The authority and limitations placed on the Share Purchase Mandate, if renewed at the 2020 AGM, are set out below:–

(a) *Maximum Number of Shares*

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than ten per cent. (10%) of the total number of issued Shares excluding Treasury Shares and subsidiary holdings in the Company as at the date of the 2020 AGM (“**Approval Date**”). Treasury Shares and subsidiary holdings will be disregarded in the computation of the 10% limit.

As at the Latest Practicable Date, the Company has no Treasury Shares or subsidiary holdings. Purely for illustrative purposes, on the basis of the existing issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as the Latest Practicable Date of approximately 2,602,817,726 Shares, and assuming that, no further Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the Approval Date, not more than approximately 260,281,772 Shares (representing approximately ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company as at the date of the passing of the relevant resolution at the 2020 AGM) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) *Duration of Authority*

Share Purchases may be made, at any time and from time to time, on and from the Approval Date, 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) *Manner of Share Purchases*

- (i) Share Purchases may be made by way of:–
 - (1) an On-Market Share Purchase (through normal ready counters and/or special trading counter); and/or
 - (2) an Off-Market Share Purchase effected pursuant to an equal access scheme
- (ii) An equal access scheme under an Off-Market Share Purchase must satisfy all the following conditions:–
 - (1) offers for the Share Purchases shall be made to every person who holds issued Shares to purchase or acquire the same percentage of their issued Shares;
 - (2) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and
 - (3) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (A) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (B) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid (if applicable); and

- (C) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.
- (iii) In addition, the Listing Manual provides that, in making an Off-Market Share Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:
- (1) the terms and conditions of the offer;
 - (2) the period and procedures for acceptance; and
 - (3) information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.
- (iv) In Hong Kong, companies with a primary listing of its equity securities in Hong Kong may only engage an Off-Market Share Purchase approved in accordance with Rule 2 of the Hong Kong Repurchase Code. According to the Hong Kong Repurchase Code, Off-Market Share Purchases must be approved by the executive director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong before a repurchasing company acquires any shares pursuant to such Share Purchases. Such approval will normally be conditional upon, amongst others, approval of the proposed Off-Market Share Purchase by at least three-fourths of the votes cast on a poll by disinterested shareholders in attendance in person or by proxy at a general meeting of shareholders duly convened and held to consider the proposed transaction. The repurchasing company should also comply with such other applicable requirements under the Hong Kong Repurchase Code. Accordingly, even if the Share Purchase Mandate shall have been approved by Shareholders at the 2020 AGM, the Company will still be required to convene a general meeting to seek specific approval from the Shareholders in the event it wishes to conduct an Off-Market Share Purchase in compliance with the applicable requirements of the Hong Kong Repurchase Code.

(d) *Maximum Purchase Price*

- (i) The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.
- (ii) However, the purchase price to be paid for the Shares pursuant to the Share Purchase Mandate must not exceed:–
 - (1) in the case of an On-Market Share Purchase, One Hundred and Five per cent. (105%) of the Average Closing Price (as defined below) of the Shares; and

- (2) in the case of an Off-Market Share Purchase, One Hundred and Twenty per cent. (120%) of the Average Closing Price of the Shares,

(the “**Maximum Price**”)

- (iii) For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of the On-Market Share Purchase or, as the case may be, the date of the 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; and

“**date of making of the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of the Shares to holders of the Shares, stating the purchase price (which shall not be more than the Maximum Price determined on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase.

3.2 Status of purchased Shares

A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a Treasury Share.

Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

Shares repurchased by the Company

As the Company is concurrently primary listed on the SGX-ST and SEHK, the Company is required to comply with the relevant Singapore and Hong Kong laws, the Listing Manual and the Hong Kong Listing Rules. Pursuant to Rule 10.06(5) of the Hong Kong Listing Rules, the listing of all purchased Shares by the Company (whether on the SEHK or otherwise) shall be automatically cancelled upon such purchase.

Companies listed on the SEHK are not allowed to hold Treasury Shares. Accordingly, as the Company is listed on SEHK, the Company will not be allowed to hold Treasury Shares and any Shares purchased, redeemed or acquired pursuant to the Share Purchase Mandate will be cancelled.

3.3 Reporting requirements

- (a) Rule 886(1) of the Listing Manual specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9.00 a.m.:–
 - (i) in the case of an On-Market Share Purchase, on the Market Day following the day on which the On-Market Share Purchase was made; and
 - (ii) in the case of an Off-Market Share Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

The notification of such purchases or acquisitions of Shares to the SGX-ST shall be in such form of Appendix 8.3.1 to the Listing Manual (or Appendix 8.3.2 for a company with a dual-listing on another stock exchange) and shall include such details that the SGX-ST may prescribe.

Under the Hong Kong Listing Rules, after a listed issuer has made a purchase of its shares whether on the SEHK or otherwise, the listed issuer shall:

- (b) submit for publication to the SEHK not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase or acquisition of shares (whether on the SEHK or otherwise), the total number of shares purchased or acquired by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases or acquisitions of shares, where relevant, and shall confirm that those purchases or acquisitions of shares which were made on the SEHK were made in accordance with the Hong Kong Listing Rules and if the issuer's primary listing is on the SEHK, that there have been no material changes to the particulars contained in the explanatory statement issued by the listed issuer in relation to the mandate pursuant to which such purchase or acquisition of shares is made. In respect of purchases or acquisitions of shares made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the SEHK may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the SEHK; and
- (c) include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the SEHK or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The section headed "Report of Directors" in the annual report shall contain reference to the purchases made during the year and the reasons for making such purchases.

3.4 Source of Funds

In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with relevant Singapore and Hong Kong laws, the Listing Manual, the Hong Kong Listing Rules and the Constitution. Under the Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's capital and/or profits so long as the Company is solvent.

The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Group.

4. ILLUSTRATIVE FINANCIAL EFFECTS

Under the Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits.

Where the purchased Shares are cancelled (as is required under the Hong Kong Listing Rules), a reduction by the total amount of the purchase price paid by the Company for the Shares cancelled will be made to:–

- (a) the share capital of the Company where the Shares were purchased out of the capital of the Company;
- (b) the profits of the Company where the Shares were purchased out of the profits of the Company; or
- (c) the share capital and profits of the Company proportionately where the Shares were purchased out of both the capital and profits of the Company.

Where the purchased Shares are held as Treasury Shares, the total number of issued Shares of the Company remains unchanged. However, it should be noted that the Company is not allowed to hold Treasury Shares pursuant to the Hong Kong Listing Rules.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from purchases of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time.

The impact of purchases or acquisitions under the Share Purchase Mandate, including on NTA per Share, EPS and gearing of the Company and the Group will depend, *inter alia*, on the number of Shares purchased or acquired, the price at which they are purchased or acquired and the manner in which the purchase or acquisition is funded. It is therefore not possible to realistically calculate or quantify the impact at this point of time.

For purposes of illustration only, based on the existing number of Shares of the Company as at the Latest Practicable Date, the proposed Share Purchases or acquisitions by the Company of up to a maximum of ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company under the Share Purchase Mandate will result in the purchase of up to 260,281,772 Shares.

In the case of an On-Market Share Purchase by the Company, based on the existing issued and paid-up capital of the Company as at the Latest Practicable Date and the assumption that, pursuant to the Share Purchase Mandate, the Company purchases the maximum number of 260,281,772 Shares at the Maximum Price of S\$0.2384 per Share (being the price equivalent to five per cent. (5%) above the average of the closing market prices of the Shares over the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase of 260,281,772 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$62,051,000 (or RMB309,368,000 based on an exchange rate of S\$1:RMB4.9857, being the closing exchange rate as at the Latest Practicable Date).

In the case of Off-Market Share Purchase by the Company, based on the existing issued and paid-up capital of the Company as at the Latest Practicable Date and the assumption that, pursuant to the Share Purchase Mandate, the Company purchases the maximum number of 260,281,772 Shares at the Maximum Price of S\$0.2724 per Share (being the price equivalent to twenty per cent. (20%) above the average of the closing market prices of the Shares over the last five (5) Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase of 260,281,772 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$70,901,000 (or RMB353,489,000 based on an exchange rate of S\$1:RMB4.9857, being the closing exchange rate as at the Latest Practicable Date).

APPENDIX A EXPLANATORY STATEMENT ON THE SHARE PURCHASE MANDATE

On the basis of the assumptions set out above and the following:–

- (a) the Share Purchase Mandate had been effective on the Latest Practicable Date and the Company had purchased the maximum of 260,281,772 Shares representing ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company as at the Latest Practicable Date out of profits and capital; and
- (b) the consideration for the purchase or acquisition of the Shares is funded by internal funds,

an illustration of the financial impact of Share Purchases by the Company pursuant to the Share Purchase Mandate on the Group and the Company's audited accounts for FY2019 is set out as follows:–

(i) Purchases made entirely out of profits and cancelled

	GROUP			COMPANY		
	Before Share Purchase (RMB'000)	After Share Purchase On-Market (RMB'000)	Off-Market (RMB'000)	Before Share Purchase (RMB'000)	After Share Purchase On-Market (RMB'000)	Off-Market (RMB'000)
As at 31 December 2019						
Share Capital	5,947,420	5,947,420	5,947,420	5,947,420	5,947,420	5,947,420
Other Reserves	41,793	41,793	41,793	468,636	468,636	468,636
Retained earnings	2,356,306	2,046,938	2,002,817	(54,850)	(364,218)	(408,339)
Shareholders' funds	8,345,519	8,036,151	7,992,030	6,361,206	6,051,838	6,007,717
Non-controlling interest	3,514,211	3,514,211	3,514,211	–	–	–
Total Equity	11,859,730	11,550,362	11,506,241	6,361,206	6,051,838	6,007,717
NTA ⁽¹⁾	11,395,084	11,085,716	11,041,595	6,361,206	6,051,838	6,007,717
Current Assets	5,359,262	5,049,894	5,005,773	1,351,747	1,042,379	998,258
Current Liabilities	(9,246,204)	(9,246,204)	(9,246,204)	(1,117,301)	(1,117,301)	(1,117,301)
Working Capital	(3,886,942)	(4,196,310)	(4,240,431)	234,446	(74,922)	(119,043)
Total borrowings ⁽²⁾	14,392,514	14,392,514	14,392,514	991,791	991,791	991,791
Net profit attributable to owners of the Company	600,251	600,251	600,251	(56,529)	(56,529)	(56,529)
Number of Shares net of treasury shares ⁽³⁾ ('000)	2,602,817,726	2,342,535,954	2,342,535,954	2,602,817,726	2,342,535,954	2,342,535,954

APPENDIX A EXPLANATORY STATEMENT ON THE SHARE PURCHASE MANDATE

	GROUP			COMPANY		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
	(RMB'000)	On-Market (RMB'000)	Off-Market (RMB'000)	(RMB'000)	On-Market (RMB'000)	Off-Market (RMB'000)
Financial Ratios						
NTA Per Share ⁽⁶⁾ (RMB cents)	437.80	473.24	471.35	244.40	258.35	256.46
EPS ⁽⁶⁾ (RMB cents)	23.06	25.62	25.62	(2.17)	(2.41)	(2.41)
Gearing ⁽⁴⁾ (times)	1.21	1.25	1.25	0.16	0.16	0.17
Current ratio ⁽⁵⁾ (times)	0.58	0.55	0.54	1.21	0.93	0.89

(ii) Purchases made entirely out of capital and cancelled

	GROUP			COMPANY		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
	(RMB'000)	On-Market (RMB'000)	Off-Market (RMB'000)	(RMB'000)	On-Market (RMB'000)	Off-Market (RMB'000)
As at 31 December 2019						
Share Capital	5,947,420	5,638,052	5,593,931	5,947,420	5,638,052	5,593,931
Other Reserves	41,793	41,793	41,793	468,636	468,636	468,636
Retained earnings	2,356,306	2,356,306	2,356,306	(54,850)	(54,850)	(54,850)
Shareholders' funds	8,345,519	8,036,151	7,992,030	6,361,206	6,051,838	6,007,717
Non-controlling interest	3,514,211	3,514,211	3,514,211	–	–	–
Total Equity	11,859,730	11,550,362	11,506,241	6,361,206	6,051,838	6,007,717
NTA ⁽¹⁾	11,395,084	11,085,716	11,041,595	6,361,206	6,051,838	6,007,717
Current Assets	5,359,262	5,049,894	5,005,773	1,351,747	1,042,379	998,258
Current Liabilities	(9,246,204)	(9,246,204)	(9,246,204)	(1,117,301)	(1,117,301)	(1,117,301)
Working Capital	(3,886,942)	(4,196,310)	(4,240,431)	234,446	(74,922)	(119,043)
Total borrowings ⁽²⁾	14,392,514	14,392,514	14,392,514	991,791	991,791	991,791
Net profit attributable to owners of the Company	600,251	600,251	600,251	(56,529)	(56,529)	(56,529)
Number of Shares net of treasury shares ⁽³⁾ ('000)	2,602,817,726	2,342,535,954	2,342,535,954	2,602,817,726	2,342,535,954	2,342,535,954

APPENDIX A EXPLANATORY STATEMENT ON THE SHARE PURCHASE MANDATE

	GROUP			COMPANY		
	Before Share Purchase (RMB'000)	After Share Purchase On-Market (RMB'000)	Off-Market (RMB'000)	Before Share Purchase (RMB'000)	After Share Purchase On-Market (RMB'000)	Off-Market (RMB'000)
Financial Ratios						
NTA Per Share ⁽⁶⁾ (RMB cents)	437.80	473.24	471.35	244.40	258.35	256.46
EPS ⁽⁶⁾ (RMB cents)	23.06	25.62	25.62	(2.17)	(2.41)	(2.41)
Gearing ⁽⁴⁾ (times)	1.21	1.25	1.25	0.16	0.16	0.17
Current ratio ⁽⁵⁾ (times)	0.58	0.55	0.54	1.21	0.93	0.89

Notes:–

- (1) Excludes goodwill of RMB457.2 million and intangible assets in relation to patent and licensing rights and computer software of RMB7.4 million. Includes operating concessions of RMB6,734.2 million.
- (2) Includes bank and other borrowings, finance lease and bills payable to banks.
- (3) Based on the number of Shares issued (excluding Treasury Shares) as at the Latest Practicable Date and adjusted for the effect of the Share Purchases.
- (4) Gearing equals total borrowings divided by total equity.
- (5) Current ratio equals current assets divided by current liabilities.
- (6) For illustration purposes, NTA per share and EPS are computed based on actual number of Shares in issue less Treasury Shares instead of weighted average number of Shares.

The actual impact of Share Purchases will depend on the number and price of the Shares purchased. The Company does not expect there to be a material adverse impact on the working capital or gearing position as compared with the position disclosed in the audited financial statements of the Company for FY2019 in the event that the Share Purchase Mandate were to be carried out in full at any time during the proposed repurchase period set out in Section 3.1(b) of this Appendix A.

None of the Directors nor, any of their close associates, to the best of their knowledge and belief having made all reasonable enquiries, has any present intention to sell any Shares to the Company in the event that the Share Purchase Mandate is granted by the Shareholders.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Share Purchase Mandate is granted by the Shareholders.

The Directors have undertaken to the SEHK that, so far as the same may be applicable, they will exercise the powers of the Company to make purchases of Shares pursuant to the Share Purchase Mandate and in accordance with the Hong Kong Listing Rules, the Constitution, the Laws of Singapore and the Laws of Hong Kong.

During each of the previous 12 months up to the Latest Practicable Date, the highest and lowest prices for which the Shares were traded on the SEHK were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
May	1.99	1.63
June	1.74	1.55
July	1.60	1.48
August	1.54	1.22
September	1.48	1.29
October	1.45	1.31
November	1.60	1.33
December	1.59	1.45
2020		
January	1.65	1.32
February	1.68	1.31
March	1.45	1.16
April	1.30	1.19
May (up to the Latest Practicable Date)	1.31	1.25

Shareholders should note that the above financial effects, based on the respective aforementioned assumptions, are for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical audited financial statements as at 31 December 2019, save for the number of Shares, which are based on the number of Shares as at the Latest Practicable Date, and is not necessarily representative of future financial performance. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company. In addition, the Company shall cancel all of the Shares repurchased (as described in Section 3.2 of this Appendix A).

5. LISTING RULES

Under Listing Manual

The Listing Manual does not expressly prohibit purchase of shares by a listed company during any particular time or times. However, as the Company would be considered as an “insider” in relation to any purchase of its Shares, the Company will not undertake any purchase of Shares pursuant to the Share Purchase Mandate after a price sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such

time as the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through On-Market Share Purchases during the period of one month immediately preceding the announcement of the Company's full-year financial statements and the period of two weeks before the announcement of the first quarter, half-year and third quarter financial statements and one month immediately preceding the announcement of the Company's full-year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month immediately preceding the announcement of the Company's half-year and full-year financial statements (if the Company does not announce its quarterly financial statements). The Company will continue to comply with the best practices on dealings in securities set out in Rule 1207(19) of the Listing Manual.

The Listing Manual requires a listed company to ensure that at least ten per cent. (10%) of any class of its listed securities excluding treasury shares (excluding preference shares and convertible equity securities) is at all times held by public shareholders.

Based on the Register of Directors' and Chief Executive Officer's Shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, there are 847,058,287 Shares held in the hands of the public, representing 32.54% of the issued ordinary share capital of the Company. Assuming the Company exercises the Share Purchase Mandate in full and purchases ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company through On-Market Share Purchase from the public, the public float would be reduced to approximately 25.05% of the issued ordinary share capital of the Company.

Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake Share Purchases through On-Market Share Purchases up to the full 10% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

Under Hong Kong Listing Rules

Pursuant to the Hong Kong Listing Rules, the Company shall ensure that after its purchase of Shares on any stock exchange, at least 25% of its Shares will remain in the hands of the public.

An issuer shall not purchase its shares on SEHK at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one (1) month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the SEHK in accordance with the Hong Kong Listing Rules) for the approval of the issuer's results for any year, half-year, quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules); and (b) the deadline for the issuer to announce its results for any year or half-year under the Hong Kong Listing rules, or quarterly or any other interim period (whether or not required under the Hong

Kong Listing Rules), and ending on the date of the results announcement, the issuer may not purchase its shares on the SEHK, unless the circumstances are exceptional. Further, an issuer shall not knowingly purchase its shares from a core connected person and a core connected person shall not knowingly sell shares to the issuer, on the SEHK.

In undertaking any Share Purchases, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float in the hands of the public will be maintained so that the Share Purchases will not adversely affect the listing status of the Shares on the SEHK, cause market illiquidity or adversely affect the orderly trading of the Shares.

6. DETAILS OF THE SHARES PURCHASED BY THE COMPANY

The details of any purchases by the Company made in the previous 12 months (whether on the SEHK or SGX-ST), whether through On-Market Share Purchase or Off-Market Share Purchase, date of each purchase, purchase price per share or the highest and lowest prices paid for such purchase and the total consideration paid for all the purchases, are set out below:

Shares repurchased on the SGX-ST

Date of repurchase	Number of Shares repurchased	Price per Share		Aggregate consideration paid
		Highest	Lowest	
		<i>SGD</i>	<i>SGD</i>	
28 August 2019	1,160,000	0.215	0.210	248,872.84

Shares repurchased on the HKEx

Date of repurchase	Number of Shares repurchased	Price per Share		Aggregate consideration paid
		Highest	Lowest	
		<i>HKD</i>	<i>HKD</i>	
28 August 2019	1,083,000	1.25	1.22	1,345,705.67
29 August 2019	1,528,000	1.33	1.28	2,027,096.66

7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Based on the Register of Directors' and Chief Executive Officer's Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors and the Substantial Shareholders before and after the purchase of Shares pursuant to the Share Purchase Mandate, assuming (a) the Company purchases the maximum amount of 10 per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company, (b) there is no change in the number of Shares held by the Directors

APPENDIX A EXPLANATORY STATEMENT ON THE SHARE PURCHASE MANDATE

and the Substantial Shareholders or which they are deemed interested in, (c) no new Shares are issued following the Shareholders' approval of the proposed Share Purchase Mandate at the 2020 AGM, and (d) shares purchased are cancelled and not held as Treasury Shares, will be as follows:–

	Before Share Purchase				After Share Purchase			
	Direct		Deemed		Direct		Deemed	
	Number of	%	Number of	%	Number of	%	Number of	%
	Shares		Shares		Shares		Shares	
Director	–	–	–	–	–	–	–	–
Zhou Jun	–	–	–	–	–	–	–	–
Feng Jun	–	–	–	–	–	–	–	–
Xu Xiaobing	–	–	–	–	–	–	–	–
Huang Hanguang	2,500,376	0.10	–	–	2,500,376	0.10	–	–
Zhao Youmin	–	–	–	–	–	–	–	–
Yang Jianwei	–	–	–	–	–	–	–	–
Yeo Guat Kwang	–	–	–	–	–	–	–	–
An Hongjun	–	–	–	–	–	–	–	–
Zhong Ming	–	–	–	–	–	–	–	–
Substantial Shareholder								
S.I. Triumph Power Limited ("Triumph") ⁽³⁾	986,929,551	37.92	–	–	986,929,551	42.13	–	–
Shanghai Industrial Holdings Limited ("SIHL") ⁽³⁾	–	–	1,268,485,926	48.74	–	–	1,268,485,926	54.15
S.I. Infrastructure Holdings Limited ("SII") ⁽³⁾	165,418,475	6.36	986,929,551	37.92	165,418,475	7.06	986,929,551	42.13
China Energy Conservation & Environmental Protection (Hong Kong) Investment Co., Limited ("CECEPHK") ⁽⁴⁾	223,712,917	8.60	–	–	223,712,917	9.55	–	–
China Energy Conservation and Environmental Protection Group ("CECEP") ⁽⁴⁾	–	–	223,712,917	8.60	–	–	223,712,917	9.55
Value Partners Classic Fund Value Partners Limited ("VPL") ⁽⁵⁾	224,658,980	8.63	–	–	224,658,980	9.59	–	–
Value Partners Hong Kong Limited ("VPLHK") ⁽⁵⁾	–	–	261,060,220	10.03	–	–	261,060,220	11.14
Value Partners Group Limited ("VPGL") ⁽⁵⁾	–	–	261,060,220	10.03	–	–	261,060,220	11.14
Cheah Capital Management Limited ("CCML") ⁽⁵⁾	–	–	261,060,220	10.03	–	–	261,060,220	11.14
Cheah Company Limited ("CCL") ⁽⁵⁾	–	–	261,060,220	10.03	–	–	261,060,220	11.14

	Before Share Purchase				After Share Purchase			
	Direct		Deemed		Direct		Deemed	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
BNP Paribas Jersey Trust Corporation Ltd as trustee of The C H Cheah Family Trust ⁽⁵⁾	-	-	261,060,220	10.03	-	-	261,060,220	11.14
BNP Paribas Jersey Nominee Company Limited ⁽⁵⁾	-	-	261,060,220	10.03	-	-	261,060,220	11.14
Cheah Cheng Hye ⁽⁵⁾	-	-	261,060,220	10.03	-	-	261,060,220	11.14
To Hau Yin ⁽⁵⁾	-	-	261,060,220	10.03	-	-	261,060,220	11.14

Notes:–

- (1) As a percentage of the issued share capital of the Company comprising 2,602,817,726 Shares as at the Latest Practicable Date.
- (2) As a percentage of the issued share capital of the Company comprising 2,602,817,726 Shares as at the Latest Practicable Date; and assuming that the Company purchases the maximum number of 260,281,772 Shares under the Share Purchase Mandate.
- (3) Each of Shanghai Industrial Investment (Holdings) Company Limited, which is controlled by the Shanghai Municipal People's Government (through its wholly-owned subsidiaries, namely Shanghai Investment Holdings Limited, SIIC Capital (B.V.I.) Limited, SIIC Trading Company Limited, Shanghai Industrial Financial (Holdings) Company Limited and SIIC CM Development Limited), and Shanghai Investment Holdings Limited, holds more than 20% of the issued and paid-up share capital of Shanghai Industrial Holdings Limited (“SIHL”), which owns all the issued and paid-up share capital of S.I. Infrastructure Holdings Limited, which in turn owns all the issued and paid-up share capital of S.I. Triumph Power Limited (“Triumph”). In addition, SIHL owns all the issued and paid-up share capital of SIHL Treasury Limited. As such, Shanghai Industrial Investment (Holdings) Company Limited, Shanghai Investment Holdings Limited, SIHL and S.I. Infrastructure Holdings Limited (“SII”) are deemed to be interested in the shares held by Triumph and SIHL Treasury Limited (excluding SII). SIHL Treasury Limited holds 116,137,900 Shares.
- (4) CECEP is deemed to be interested in the Shares held by CECEPHK as CECEP owns the entire issued share capital of CECEPHK.
- (5) VPL is a fund manager deemed to be interested in the Shares by reason of Shares held directly by the funds under its management. Cheah Capital Management Limited is deemed to be interested in the Shares via its 21.82% ownership in Value Partners Group Limited. Value Partners Group Limited is deemed to be interested in the Shares via its 100% ownership in Value Partners Hong Kong Limited, which in turn 100% owns VPL. Value Partners Hong Kong Limited is deemed to be interested in the Shares via its 100% ownership in VPL. Cheah Company Limited is deemed to be interested in the Shares via its 100% ownership in Cheah Capital Management Limited. BNP Paribas Jersey Nominee Company Limited holds the shares in Cheah Company Limited as nominee for BNP Paribas Jersey Trust Corporation Limited. Cheah Cheng Hye is deemed to be interested in the Shares in his capacity as the founder of a discretionary trust (“The C H Cheah Family Trust”) with BNP Paribas Jersey Trust Corporation Limited as the Trustee. To Hau Yin is deemed to be interested in the Shares in her capacity as the beneficiary of The C H Cheah Family Trust.

8. SINGAPORE AND HONG KONG TAKE-OVER CODE IMPLICATIONS ARISING FROM SHARE PURCHASES

Appendix 2 of the Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

8.1 Obligation to make a take-over offer

The resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following the purchase of Shares by the Company, will be treated as an acquisition for the purposes of Rule 14 of the Code. Consequently, depending on the number of Shares purchased by the Company and the total number of Shares in the capital of the Company at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate control of the Company and could become obliged to make an offer under Rule 14 of the Code.

Under the Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of Shares in a company to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons, inter alia, will be presumed to be acting in concert:–

- (a) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (b) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, and any company whose associated companies include any of the above companies;
- (c) an individual with his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by these persons, all with each other; and
- (d) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

Under the Code, a company is an associated company of another company if the second company owns or controls at least twenty per cent. (20%) but not more than fifty per cent. (50%) of the voting rights of the first-mentioned company.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a general offer under Rule 14 of the Code after a purchase or acquisition of Shares by the Company are set out Appendix 2 of the Code.

8.2 Effect of Rule 14 and Appendix 2 of the Code

In general terms, the effect of Rule 14 and Appendix 2 of the Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a general offer under Rule 14 of the Code if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to thirty per cent. (30%) or more, or if the voting rights of such Directors and their concert parties fall between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months.

Under Rule 14 and Appendix 2 of the Code, a Shareholder and persons acting in concert with him will incur an obligation to make a take-over offer after a share purchase if, *inter alia*, their voting rights increase to thirty per cent (30%) or more as a result of share purchases by the Company and/or their acquisition of any ordinary shares between the date of the notice of resolution to authorise the Share Purchase Mandate and the date the next AGM of the Company is held or is required to be held, or, if they already hold between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights and their voting rights increase by more than one per cent (1%) in any period of six (6) months as a result of a share purchase by the Company and/or they acquire ordinary shares between the date of the notice of resolution to authorise the Share Purchase Mandate and the date the next AGM of the Company is held or is required to be held.

Under Appendix 2 of the Code, a Shareholder not acting in concert with the Directors will not be required to make a general offer under Rule 14 of the Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to thirty per cent. (30%) or more, or if such Shareholder holds between thirty per cent. (30%) and fifty per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder needs not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers before they acquire any Shares in the Company during the period when the Share Purchase Mandate is in force.

8.3 Application of the Code

As at the Latest Practicable Date, and for the purposes of the Code:

- (a) Zhou Jun (Non-Executive Chairman) is a Director of the Company and is presumed to be acting in concert with the Company;
- (b) Zhou Jun is also a director of Shanghai Industrial Holdings Limited (“**SIHL**”) and is presumed to be acting in concert with SIHL; and
- (c) as set out in Section 7 of this Appendix A, SIHL is deemed interested in 48.74% of the total number of issued Shares of the Company, and accordingly the Company would be an associated company of SIHL. SIHL’s deemed interest arises from:
 - (i) 116,137,900 Shares held by its wholly owned subsidiary, SIHL Treasury Limited;
 - (ii) 165,418,475 Shares held by its wholly owned subsidiary, S.I. Infrastructure Holdings Limited (“**SII**”); and
 - (iii) 986,929,551 Shares held by SII’s wholly owned subsidiary, S.I. Triumph Power Limited, (SIHL, SIHL Treasury Limited, SII and S.I. Triumph Power Limited collectively referred to as the “**SIHL Concert Party Group**”).

Thus, the Company and the SIHL Concert Party Group would be presumed to be parties acting in concert.

Therefore, Zhou Jun (the “**Relevant Director**”), the SIHL Concert Party Group (together with the Relevant Director, the “**Relevant Parties**”) as well as the Company are presumed to be parties acting in concert with each other. A table of the Relevant Parties’ shareholding are as set out below:

Relevant Parties	Number of Shares			Voting Rights in the Company (%)
	Direct Interest	Deemed Interest	Total Interest	
Zhou Jun	–	–	–	–
SIHL Treasury Limited	116,137,900	–	116,137,900	4.46
S.I. Infrastructure Holdings Limited	165,418,475	986,929,551	1,152,348,026	44.28
S.I. Triumph Power Limited	986,929,551	–	986,929,551	37.92
Shanghai Industrial Holdings Limited	–	1,268,485,926	1,268,485,926	48.74

In the event that the Company undertakes any purchase or acquisition of Shares of up to the maximum limit of ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company as permitted by the Share Purchase Mandate, the aggregate shareholdings and voting rights of the Relevant Parties in the Company will increase from approximately 48.74% to approximately 54.15%.

Accordingly, if such increase in shareholding were to occur over any 6-month period, the shareholding of the Relevant Parties would have increased by more than one per cent. (1%). Under the Code, the Relevant Parties and persons acting in concert with them, if any, unless exempted, would become obliged to make a general offer for the Shares held by the Shareholders pursuant to Rule 14.1(b) of the Code.

8.4 Conditions for exemption from having to make a general offer under Rule 14 of the Code

Pursuant to Section 3(a) of Appendix 2 of the Code, the Relevant Parties and persons acting in concert with them will be exempted from the requirement to make a general offer under Rule 14 of the Code as a result of any share buy-back carried out by the Company pursuant to the Share Purchase Mandate, subject to the following conditions:

- (a) the appendix to Shareholders seeking their approval for the Share Purchase Mandate contains:
 - (i) advice to the effect that by voting in favour of the resolution to approve the Share Purchase Mandate, Shareholders are waiving their rights to a general offer at the required price from the Relevant Parties and persons acting in concert with them who, as a result of the Company buying back its Shares, would increase their voting rights by more than one per cent. (1%) in any 6-month period; and
 - (ii) the names and voting rights of the Relevant Parties and persons acting in concert with them, and their voting rights at the time of the resolution and after the Company exercises the power under the Share Purchase Mandate in full and purchases ten per cent. (10%) of the total number of issued shares excluding Treasury Shares and subsidiary holdings in the Company;
- (b) the resolution to authorise the Share Purchase Mandate is approved by a majority of Shareholders who are present and voting at the AGM on a poll who could not become obliged to make an offer as a result of the share buy-back by the Company pursuant to the Share Purchase Mandate;
- (c) the Relevant Parties and persons acting in concert with them will abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to approve the Share Purchase Mandate;

- (d) within seven (7) days after the passing of the resolution to approve the Share Purchase Mandate, the Relevant Director is to submit to the Securities Industry Council of Singapore (“SIC”) a duly signed form as prescribed by the SIC; and
- (e) the Relevant Parties and/or persons acting in concert with them together holding between thirty per cent. (30%) and fifty per cent. (50%) of the Company’s voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the Share Purchase Mandate is imminent and the earlier of:
 - (i) the date on which the authority of the Share Purchase Mandate expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by the Share Purchase Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase by more than one per cent. (1%) in the preceding six (6) months.

8.5 Effect of Takeovers Code

A purchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

In the event that the Directors exercise in full the power to purchase the Shares which is proposed to be granted pursuant to the Share Purchase Mandate, the shareholding of the substantial shareholders in the Company who were interested or deemed to be interested in 5% or more will be as follows:

Name of substantial Shareholders	Nature of interest	Number of Shares interested	Approximate percentage of shareholdings in the Company as at the Latest Practicable Date	Approximate percentage of shareholdings in the Company after the Directors exercise in full the power to purchase the Shares
S.I. Triumph Power	Beneficial interest	986,929,551	37.92%	42.13%

Name of substantial Shareholders	Nature of interest	Number of Shares interested	Approximate percentage of shareholdings in the Company as at the Latest Practicable Date	Approximate percentage of shareholdings in the Company after the Directors exercise in full the power to purchase the Shares
S.I. Infrastructure	Beneficial interest/Interests in controlled corporation	1,152,348,026	44.28%	49.19%
SIHL Holdings	Interests in controlled corporation	1,268,485,926	48.74%	54.15%
Value Partners Limited	Interests in controlled corporation	261,060,220	10.03%	11.14%
Value Partners Hong Kong Limited	Interests in controlled corporation	261,060,220	10.03%	11.14%
Value Partners Group Limited	Interests in controlled corporation	261,060,220	10.03%	11.14%
Shanghai Investment Holdings Limited	Interests in controlled corporation	1,268,485,926	48.74%	54.15%
Shanghai Industrial Investment Treasury Company Limited	Interests in controlled corporation	1,268,485,926	48.74%	54.15%
SIIC	Interests in controlled corporation	1,268,485,926	48.74%	54.15%
Value Partners Classic Fund	Beneficial interest	224,658,980	8.63%	9.59%
China Energy Conservation & Environmental Protection (Hong Kong) Investment Co., Limited	Beneficial interest	223,712,917	8.60%	9.55%
CECEP	Interests in controlled corporation	223,712,917	8.60%	9.55%

8.6 Advice to Shareholders

Shareholders should note that by voting for the resolution approving the Share Purchase Mandate, they are waiving their rights to a take-over offer at the required price from the Relevant Parties in the circumstances set out above. Such a take-over offer would have to be made in cash or be accompanied by a cash alternative at the required price.

Appendix 2 of the Code requires that the resolution to authorise the Share Purchase Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer under the Code as a result of the share buy-back. Accordingly, the said resolution is proposed to be taken on a poll and the Relevant Parties and persons acting in concert with them shall abstain from voting on such resolution.

The statements herein do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Code. Shareholders who are in doubt as to whether they would incur any obligation to make an offer under the Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or SIC at the earliest opportunity.

9. TAX IMPLICATIONS

Shareholders who are in doubt as to their respective tax positions or the tax implications of the Share purchases by the Company or who may be subject to tax whether in or outside Singapore should consult their own professional advisers.

10. DIRECTORS' RECOMMENDATION

Save for Zhou Jun, who is required to abstain from recommending for Shareholders to vote in favour of the proposed Share Purchase Mandate, the Directors are of the opinion that the proposed renewal of the Share Purchase Mandate are in the interests of the Company. Accordingly, save for Zhou Jun, the Directors recommend that the Shareholders vote in favour of the Resolution 11 relating to the proposed renewal of the Share Purchase Mandate as set out in the Notice of 2020 AGM.

11. ABSTENTION FROM VOTING

The Relevant Parties will abstain from voting on Resolution 11 in relation to the proposed Share Purchase Mandate, whether by representative or proxy, pursuant to the conditions for exemption under Appendix 2 of the Code (as set out in Section 8.4(c) above).

The renewal of the Share Purchase Mandate must be approved by a majority of those Shareholders present and voting at the 2020 AGM on a poll, who could not become obligated to make a take-over offer as a result of Share Purchases.

The Relevant Parties will also decline to accept appointment as proxies to attend and vote at the 2020 AGM, unless the Shareholder(s) appointing them as proxies give specific instructions in the relevant proxy form(s) as to the manner in which their votes are to be cast in respect of Resolution 11.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the Company and its Subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at One Temasek Avenue #37-02 Millenia Tower Singapore 039192 and the principal place of business in Hong Kong of the Company at Unit 912, 9/F., Two Harbourfront, 22 Tak Fung Street, Hunghom, Kowloon, Hong Kong during normal business hours on any weekday (public holidays excepted) from the date of this Appendix up to and including the date of the 2020 AGM:

- (a) the Constitution; and
- (b) the Annual Report for FY2019.

The Annual Report for FY2019 may also be accessed at the following websites:

- <https://www.sgx.com/securities/annual-reports-related-documents>
- <http://www.siicenv.com/en/investors/>

Yours faithfully
For and on behalf of the Board of Directors of
SIIC ENVIRONMENT HOLDINGS LTD.

Xu Xiaobing
Executive Director

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Stated below are the details of the Directors who will retire and be eligible for re-election at the AGM in accordance with the Constitution.

Mr. Zhou Jun (周軍) (“**Mr. Zhou**”), aged 51, is our non-Executive Director and the chairman of our Board. He is mainly responsible for the overall corporate strategies, strategic planning and development of our Group. Mr. Zhou was first appointed to our Board as non-Executive Director on 7 April 2010, was re-designated as our Executive Director on 5 March 2012 and has been the Chairman of our Company since May 2012. He was re-designated as a non-Executive Director on 12 March 2018 and was last re-elected on 28 June 2018. He is a director of certain members of the Group.

Mr. Zhou has over 20 years of professional experience in securities, merger and acquisition, finance, real estate, project planning and corporate management. He is currently the chairman of the board and a non-Executive Director of the Shanghai Pharmaceuticals Holding Co., Ltd., a company listed on the SEHK (stock code: 2607) and the Shanghai Stock Exchange (stock code: 601607). He has been a president and an Executive Director of Shanghai Industrial Investment (Holdings) Co., Ltd. (“**SIIC**”) since November 2007. He has also been the vice chairman and the Chief Executive Officer since August 2016, and the Executive Director of SIHL Holdings, a company listed on the SEHK (stock code: 363), since April 2009, respectively. He is the chairman of Shanghai Shen-Yu Development Co., Ltd., the chairman of Shanghai Galaxy Investments Co., Ltd., the chairman of Shanghai Hu-Ning Expressway (Shanghai Section) Co., Ltd. and Shanghai Luqiao Development Co., Ltd., respectively, etc.

Mr. Zhou is a member of the executive committee of the Chinese People’s Political Consultative Conference in Shanghai, the chairman of Shanghai Shengtai Investment Management Co., Ltd., a subsidiary of Shanghai Charity Foundation, the president of Shanghai Youth Entrepreneurs Association and the president of Shanghai Association of Environmental Protection Industry.

Mr. Zhou obtained a Bachelor of Arts from Nanjing University in the PRC in July 1991. He also obtained a Master of Economics in International Finance from Fudan University in July 1994.

No service contract was entered into between the Company and Mr. Zhou, but he is subject to retirement by rotation and is eligible for re-election at the general meetings of the Company in accordance with the Company’s Constitution. Mr. Zhou is entitled to a director’s fee of SGD100,000 per annum which was determined with reference to his duties and responsibilities, qualifications, experience and the prevailing market conditions.

Mr. Feng Jun (馮駿) (“**Mr. Feng**”), aged 57, is our Executive Director. He is mainly responsible for overseeing the human resources related matters of our Group. Mr. Feng was first appointed to our Board on 15 December 2009 and was last re-elected on 28 June 2018. He is a director of certain members of the Group.

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Mr. Feng joined our Group in December 2009 as a non-Executive Director and was subsequently appointed as an Executive Director in April 2010. Mr. Feng is the president of Shanghai Overseas Enterprises Corporation and the director and general manager of SIIC Management (Shanghai) Limited. He has taken on senior positions with major investment companies such as being a director and deputy general manager in SIIC Investment (Shanghai) Co., Ltd from July 2002 to August 2004. Mr. Feng had previously served as a board member of SIIC Investment Co., Ltd. from August 2004 to December 2008, Tien Chu (Hong Kong) Co., Ltd. from August 2004 to December 2008, SIIC Management (Shanghai) Limited from December 2008 to June 2013. Mr. Feng had been the assistant Chief Executive officer and Chief investment officer of SIHL Holdings, a company listed on the SEHK (stock code: 363), from June 2013 to December 2016. Mr. Feng has been a non-Executive director of Canvest, a company listed on the SEHK (stock code: 1381) since 31 March 2017.

Mr. Feng obtained a master's degree in economics from Wuhan University in the PRC in August 1987.

No service contract was entered into between the Company and Mr. Feng, but he is subject to retirement by rotation and is eligible for re-election at the general meetings of the Company in accordance with the Company's Constitution. Mr. Feng is entitled to a director's fee of SGD50,000 per annum which was determined with reference to his duties and responsibilities, qualifications, experience and the prevailing market conditions.

Mr. Huang Hanguang (黃漢光) (“**Mr. Huang**”), aged 57, is our Executive Director. He is mainly responsible for project operations of our Group. Mr. Huang joined our Company as a general manager in July 2010 and was first appointed to our Board on 15 May 2019. He is a director of certain members of the Group.

Mr. Huang has more than 20 years of experience in the water industry. He was employed by the Ministry of Water Resources and Electric Power of the PRC as a specialist engineer in chemistry and environmental protection from August 1984 to December 1988. He joined the China Electricity Council as a specialist engineer in chemistry and environmental protection from January 1989 to December 1992. He served as the vice chairman of Wuhan Kaidi Electric Power Co., Ltd. since October 1998 and he stepped down from this position in November 2004. For the period between January 1993 and September 2002, Mr. Huang had also worked as a director and general manager of several other companies in the power generation industry.

Mr. Huang has been the chairman of SIIC Environment Holdings (Wuhan) Co., Ltd from April 2003, a managing director of SIIC Environment Holdings (Wuhan) Co., Ltd. from July 2010 to March 2018, the Chief Executive Officer and executive director of the Company when it was previously known as Asia Water Technology Limited and listed on the Catalist of Singapore Exchange Securities Trading Limited in 2005. He has been the chairman of board of directors of Wuhan Huangpi Kaidi Water Co. Ltd., Wuhan Xin Cheng Waste Water Treatment Co., Ltd. and Huang Shi Kaidi Water Co., Ltd. since May 2011, the director and chairman of the board of directors of Yinchuan SIIC Binhe Sewage Treatment Co. Ltd. and SIIC (Yinchuan) Sewage Treatment Co. Ltd. since November 2014, the chairman of the board

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

of directors of Ranhill Water (Hong Kong) Ltd. and Ranhill Water (Wuhan) Co., Ltd. since November 2016. He was the general manager between February 2018 and January 2019 and has been the chairman of the board of directors of Nanfang Water Services Co., Ltd since February 2018.

Mr. Huang obtained his Bachelor Degree in power plant chemistry engineering from Wuhan University of the PRC in July 1984.

As at the Latest Practicable Date, Mr. Huang is interested in 2,500,376 Shares.

No service contract was entered into between the Company and Mr. Huang, but he is subject to retirement by rotation and is eligible for re-election at the general meetings of the Company in accordance with the Company's Constitution. Mr. Huang is entitled to a director's fee of RMB1,360,000 per annum which was determined with reference to his duties and responsibilities, qualifications, experience and the prevailing market conditions.

Mr. Zhao Youmin (趙友民先生) (“**Mr. Zhao**”), aged 48, is our Executive Director. He is mainly responsible for coordinating the relationships of our Group with government authorities. Mr. Zhao was first appointed to our Board on 5 August 2019.

Mr. Zhao has been a supervisor in Changjiang Protection Department of CECEPG since June 2018, the general manager and an executive director of China Energy Conservation and Environmental Protection (Hong Kong) Investment Co., Ltd since July 2013 and the director of Cooperation and Development Department of China Energy Conservation and Environmental Protection Group since November 2019. Mr. Zhao was the chairman of CECEP (Shenzhen) Investment Group Co., Ltd. between January 2014 and April 2015, a non-Executive director of China Geothermal Industry Development Group Limited (a company listed on GEM of the SEHK, stock code: 8128) between August 2013 and August 2018, a director of Cooperation and Development Department of CECEPG between May 2010 and July 2013, a deputy general manager of CECEP Solar Energy Technology Co., Ltd. between September 2009 and May 2010, a secretary to the general manager of CECEPG between June 2007 and September 2009, a secretary in the president's office secretariat of State Development & Investment Corp., Ltd. between December 2002 and June 2007, a senior operations supervisor of Human Resources Department of State Development & Investment Corp., Ltd. between July 1997 and December 2002 and working in Labour and Human Resources Division of Tianjin Electric Power Construction Co., Ltd. between September 1991 and August 1994.

Mr. Zhao obtained master degree in Marxism history of economic thoughts from Capital University of Economics and Business in the PRC in July 1997, and obtained the qualification of Senior Economist from China Energy Conservation and Environmental Protection Group in September 2011.

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

No service contract was entered into between the Company and Mr. Zhao, but he is subject to retirement by rotation and is eligible for re-election at the general meetings of the Company in accordance with the Company's Constitution. Mr. Zhao is entitled to a director's fee of SGD50,000 per annum which was determined with reference to his duties and responsibilities, qualifications, experience and the prevailing market conditions.

Mr. Yang Jiangwei (陽建偉) (“**Mr. Yang**”), aged 49, has more than 20 years' experience in financial investment, securities research, investment banking, project planning and business management. Mr. Yang started his career in 1995 and joined SIIC in June 2004. He was an assistant of Chief Executive Officer of Shanghai Industrial Holdings Co., Ltd (a company listed on SEHK, stock code: 363) from November 2009 to June 2013, a deputy general manager of SIIC Management (Shanghai) Limited from July 2013 and was promoted as general manager since December 2018. He is a director of certain members of the Group. Mr. Yang was first appointed to our Board on 13 May 2020.

Mr. Yang served as a director of several company, namely Shanghai Industrial Development Co., Ltd (a company listed on Shanghai Stock Exchange, stock code: 600748), Ningbo Hangzhou Bay Bridge Development Co., Ltd., General Water of China Co., Ltd. and etc. He was also an Executive Director of Shanghai Industrial Urban Development Group Limited (a company listed on SEHK, stock code: 563) from March 2013 to May 2018.

Mr. Yang obtained his Bachelor's Degree in Engineering and Master's Degree in Management Engineering from Huazhong University of Science and Technology, PhD's in Management from Shanghai Jiao Tong University.

No service contract was entered into between the Company and Mr. Yang, but he is subject to retirement by rotation and is eligible for re-election at the general meetings of the Company in accordance with the Company's Constitution. Mr. Yang is entitled to a director's fee of SGD 50,000 per annum which was determined with reference to his duties and responsibilities, qualifications, experience and the prevailing market conditions.

Save as disclosed above, Mr. Zhou, Mr. Feng, Mr. Huang, Mr. Zhao and Mr. Yang (i) were not interested nor deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Section 4 of the Securities and Futures Act (Cap. 289) of Singapore; (ii) had not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (iii) were not related to any Directors, senior management, substantial Shareholders or controlling Shareholders; and (iv) did not hold any other positions in the Company and its subsidiary as at the Latest Practicable Date.

Save as disclosed herein, there are no other matters related to the appointments that need to be brought to the attention of the Shareholders in connection with re-election of Mr. Zhou, Mr. Feng, Mr. Huang, Mr. Zhao and Mr. Yang and there is no other information that should be disclosed pursuant to Rule 13.51(2) sub-paragraphs (h) to (v) of the Hong Kong Listing Rules.

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Information for Mr. Yang Jianwei who is retiring and being eligible, offer himself for re-election at the forthcoming AGM pursuant to Rule 720(6) of the Listing Manual of the SGX-ST:

Details	Name of Director Yang Jianwei
Date of Appointment	13 May 2020
Date of last re-appointment (if applicable)	N/A
Age	49
Country of principal residence	China
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of the Company has accepted the Nominating Committee's recommendation, who has reviewed and considered Mr. Yang Jianwei as an Executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive. Responsible in overseeing the financial related matters and capital market affairs of the Group.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and a member of the Executive Committee and Risk and Investment Management Committee
Professional qualifications	Bachelor's Degree in Engineering and Master's Degree in Management Engineering from Huazhong University of Science and Technology PhD's in Management from Shanghai Jiao Tong University
Working experience and occupation(s) during the past 10 years	November 2009 to June 2013 – Assistant Chief Executive Officer in Shanghai Industrial Holdings Co., Ltd (00363.HK) July 2013 to December 2018 – Deputy General Manager in SIIC Management (Shanghai) Limited December 2018 to Present – General Manager in SIIC Management (Shanghai) Limited

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Details	Name of Director Yang Jianwei
Shareholding interest in the listed issuer and its subsidiaries	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments Including Directorships	<p>Past (for the last 5 years)</p> <p>Shanghai Industrial Urban Development Group Limited</p> <p>Present</p> <p>Director of: Shanghai Industrial Development Co., Ltd. SIIC Environment Holdings (Wuhan) Co., Ltd. Ranhill Water (Hong Kong) Co., Ltd. SIIC Environment Tech (Hong Kong) Limited SIIC Yangtze Delta Environmental Resources (Hong Kong) Limited Shanghai Qingpu Second Wastewater Treatment Plant Co., Ltd. MTI Environmental Group Co., Ltd. Henan SIIC Investment Co., Ltd. Zhuhai Youtong Technology Co., Ltd. Ningbo Hangzhou Bay Bridge Development Co., Ltd. General Water of China Co., Ltd.</p>

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Details	Name of Director
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Yang Jianwei

The general statutory disclosures of the Directors are as follows:

- | | |
|--|----|
| a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? | No |
| b. Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? | No |
| c. Whether there is any unsatisfied judgment against him? | No |

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Details	Name of Director Yang Jianwei
d. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
e. Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f. Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Details	Name of Director Yang Jianwei
g. Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h. Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i. Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–	
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Details	Name of Director Yang Jianwei
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

APPENDIX B DETAILS OF THE DIRECTORS TO BE RE-ELECTED

Details

Name of Director

Yang Jianwei

Information required

Disclosure applicable to the appointment of Director only.

Any prior experience as a director of an issuer listed on the Exchange? No.

If yes, please provide details of prior experience. Not applicable.

If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. The Company will arrange Mr. Yang Jianwei to attend the relevant training on the roles and responsibilities of a director prescribed by the Exchange.

APPENDIX C STATISTICS OF SHAREHOLDINGS AS AT 15 MAY 2020

Number of shares	:	2,602,817,726
Number of Treasury Shares and Percentage	:	Nil
Number of Subsidiary Holdings and Percentage	:	Nil
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	<i>NO. OF SHAREHOLDERS</i>		<i>NO. OF SHARES</i>	
		<i>%</i>		<i>%</i>
1-99	41	2.72	769	0.00
100-1,000	204	13.54	109,430	0.00
1,001-10,000	626	41.54	3,474,222	0.13
10,001-1,000,000	588	39.02	44,942,232	1.73
1,000,001 AND ABOVE	48	3.18	2,554,291,073	98.14
TOTAL	1,507	100.00	2,602,817,726	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	<i>NO. OF SHARES</i>	<i>%</i>
1	S.I. TRIUMPH POWER LIMITED	709,589,551	27.26
2	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	663,068,724	25.48
3	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	269,464,106	10.35
4	CHINA ENERGY CONSERVATION & ENVIRONMENTAL PROTECTION (HONG KONG) INVESTMENT CO., LIMITED	223,712,917	8.60
5	S I INFRASTRUCTURE HOLDINGS LIMITED	165,418,475	6.36
6	OCBC WING HANG SHARES BROKERAGE CO. LIMITED	116,227,900	4.47
7	CITIBANK NOMINEES SINGAPORE PTE LTD	82,727,794	3.18
8	BOCI SECURITIES LIMITED	57,701,700	2.22
9	UBS SECURITIES HONG KONG LIMITED	44,233,409	1.70
10	CITIBANK N.A.	31,490,000	1.21

APPENDIX C STATISTICS OF SHAREHOLDINGS AS AT 15 MAY 2020

NO.	NAME	<i>NO. OF SHARES</i>	<i>%</i>
11	DBS NOMINEES (PRIVATE) LIMITED	26,939,853	1.04
12	RAFFLES NOMINEES (PTE.) LIMITED	24,538,228	0.94
13	STANDARD CHARTERED BANK (HONG KONG) LIMITED	16,618,300	0.64
14	GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED	16,291,700	0.63
15	HSBC (SINGAPORE) NOMINEES PTE LTD	12,134,372	0.47
16	BANK OF COMMUNICATIONS TRUSTEE LIMITED	8,925,300	0.34
17	SBI CHINA CAPITAL FINANCIAL SERVICES LTD	6,844,000	0.26
18	DBSN SERVICES PTE. LTD.	6,472,881	0.25
19	DEUTSCHE BANK AG	5,075,490	0.19
20	BANK OF CHINA (HONG KONG) LIMITED	4,317,000	0.17
	TOTAL	<u>2,491,791,700</u>	<u>95.76</u>

Substantial Shareholders

(As recorded in the Register of Substantial Shareholders)

	Direct		Deemed	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
S.I. Triumph Power Limited ("Triumph") ⁽¹⁾	986,929,551	37.92	–	–
Shanghai Industrial Holdings Limited ("SIHL") ⁽¹⁾	–	–	1,268,485,926	48.74
S.I. Infrastructure Holdings Limited ("SIH") ⁽¹⁾	165,418,475	6.36	986,929,551	37.92
China Energy Conservation & Environmental Protection (Hong Kong) Investment Co., Limited ("CECEPHK") ⁽²⁾	223,712,917	8.60	–	–
China Energy Conservation and Environmental Protection Group ("CECEP") ⁽²⁾	–	–	223,712,917	8.60
Value Partners Classic Fund Value Partners Limited ("VPL") ⁽³⁾	224,658,980	8.63	–	–
Value Partners Hong Kong Limited ("VPLHK") ⁽³⁾	–	–	261,060,220	10.03
	–	–	261,060,220	10.03

	Direct		Deemed	
	Number of Shares	%	Number of Shares	%
Value Partners Group Limited ("VPGL") ⁽³⁾	–	–	261,060,220	10.03
Cheah Capital Management Limited ("CCML") ⁽³⁾	–	–	261,060,220	10.03
Cheah Company Limited ("CCL") ⁽³⁾	–	–	261,060,220	10.03
BNP Paribas Jersey Trust Corporation Ltd as trustee of The C H Cheah Family Trust ⁽³⁾	–	–	261,060,220	10.03
BNP Paribas Jersey Nominee Company Limited ⁽³⁾	–	–	261,060,220	10.03
Cheah Cheng Hye ⁽³⁾	–	–	261,060,220	10.03
To Hau Yin ⁽³⁾	–	–	261,060,220	10.03

Notes:

- (1) Each of Shanghai Industrial Investment (Holdings) Company Limited, which is controlled by the Shanghai Municipal People's Government (through its wholly-owned subsidiaries, namely Shanghai Investment Holdings Limited, SIIC Capital (B.V.I.) Limited, SIIC Trading Company Limited, Shanghai Industrial Financial (Holdings) Company Limited and SIIC CM Development Limited), and Shanghai Investment Holdings Limited, holds more than 20% of the issued and paid-up share capital of Shanghai Industrial Holdings Limited ("SIHL"), which owns all the issued and paid-up share capital of S.I. Infrastructure Holdings Limited, which in turn owns all the issued and paid-up share capital of S.I. Triumph Power Limited ("Triumph"). In addition, SIHL owns all the issued and paid-up share capital of SIHL Treasury Limited. As such, Shanghai Industrial Investment (Holdings) Company Limited, Shanghai Investment Holdings Limited, SIHL and S.I. Infrastructure Holdings Limited ("SII") are deemed to be interested in the shares held by Triumph and SIHL Treasury Limited (excluding SII). SIHL Treasury Limited holds 116,137,900 Shares.
- (2) CECEP is deemed to be interested in the Shares held by CECEPHK as CECEP owns the entire issued share capital of CECEPHK.
- (3) VPL is a fund manager deemed to be interested in the Shares by reason of Shares held directly by the funds under its management. Cheah Capital Management Limited is deemed to be interested in the Shares via its 21.82% ownership in Value Partners Group Limited. Value Partners Group Limited is deemed to be interested in the Shares via its 100% ownership in Value Partners Hong Kong Limited, which in turn 100% owns VPL. Value Partners Hong Kong Limited is deemed to be interested in the Shares via its 100% ownership in VPL. Cheah Company Limited is deemed to be interested in the Shares via its 100% ownership in Cheah Capital Management Limited. BNP Paribas Jersey Nominee Company Limited holds the shares in Cheah Company Limited as nominee for BNP Paribas Jersey Trust Corporation Limited. Cheah Cheng Hye is deemed to be interested in the Shares in his capacity as the founder of a discretionary trust ("The C H Cheah Family Trust") with BNP Paribas Jersey Trust Corporation Limited as the Trustee. To Hau Yin is deemed to be interested in the Shares in her capacity as the beneficiary of The C H Cheah Family Trust.

SHAREHOLDINGS HELD BY THE PUBLIC

Based on the information available to the Company as at 15 May 2020, 32.54% of the issued ordinary shares of the Company are held by the public. Accordingly, the Company had complied with Rule 723 of the Listing Manual and Rule 8.08 of Hong Kong Listing Rules.