
NOTICE OF EXTRAORDINARY GENERAL MEETING

SANLI ENVIRONMENTAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201705316M)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Sanli Environmental Limited (the “**Company**”) will be held by electronic means on 26 May 2022 at 9.00 a.m., for the purpose of considering and, if thought fit, passing with or without any modifications the following resolutions:

ORDINARY RESOLUTION 1

THE PROPOSED DIVERSIFICATION

That:

- (a) approval be and is hereby given for the diversification of the Group’s core business to include the business comprising, but not limited to, manufacturing of magnesium hydroxide slurry, for use in various industrial applications, as more particularly described in Section 2.2.1 of the circular to shareholders dated 11 May 2022 issued by the Company (the “**Circular**”); and
- (b) any Director be and is hereby authorised to complete and do all such acts and things (including executing or amending such documents as may be required) as he may consider expedient or necessary to give effect to the above.

ORDINARY RESOLUTION 2

THE PROPOSED ADOPTION OF THE SANLI EMPLOYEE SHARE OPTION SCHEME

THAT the share option scheme to be known as the Sanli Employee Share Option Scheme (the “**Sanli ESOS**”), the details and rules of which have been set out in the Circular, be and is hereby approved and adopted substantially in the form set out in the rules of the Sanli ESOS, and the Directors of the Company be and are hereby authorised:

- (a) to establish and administer the Sanli ESOS;
- (b) to modify and/or amend the Sanli ESOS from time to time provided that such modification and/or amendment is effected in accordance with the rules of the Sanli ESOS and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Sanli ESOS;
- (c) to offer and grant options (“**Options**”) in accordance with the rules of the Sanli ESOS (as may be modified from time to time) and to allot and issue and/or transfer from time to time such number of shares in the capital of the Company (“**Shares**”) as may be required to be issued and/or transferred pursuant to the exercise of Options, provided that the total number of Shares over which new Options may be granted on any date, when added to (a) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered pursuant to Options already granted under the Sanli ESOS, and (b) the total number of Shares issued and issuable and/or transferred or transferable in respect of all options or awards granted under any other share schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding that date; and

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- (d) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorised by this resolution.

ORDINARY RESOLUTION 3

THE PROPOSED GRANT OF AUTHORITY TO OFFER AND GRANT OPTIONS AT A DISCOUNT OF UP TO 20% TO MARKET PRICE UNDER THE SANLI EMPLOYEE SHARE OPTION SCHEME

THAT subject to and contingent upon the passing of Ordinary Resolution 2:

- (a) the Directors of the Company be and are hereby authorised to offer and grant Options in accordance with the rules of the Sanli ESOS with exercise prices set at a discount to the Market Price (as defined in the Circular); and
- (b) the maximum discount that may be given under the Sanli ESOS be up to 20% of the Market Price (as defined in the Circular) for the Shares at the time of the grant of the Option.

By Order of the Board

Ng Lip Chi, Lawrence
Non-Executive Chairman and Independent Director
11 May 2022

NOTES:

MEASURES TO MINIMISE RISK OF COVID-19 TRANSMISSION

The EGM is being convened, and will be held, by live audio-visual webcast and live audio-only stream 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 Circular to Shareholders dated 11 May 2022 (the “Circular”), this Notice of EGM and the proxy form will not be despatched to shareholders of the Company (“Shareholders”). Instead, the Circular, this Notice of EGM and the proxy form will be published on SGXNet and on the Company’s website at <https://www.sanli.com.sg>.

1. Participation in the EGM via live audio-visual webcast and live audio-only stream

- (a) Shareholders will NOT be able to attend the EGM in person. All Shareholders (including investors who hold shares through the Supplementary Retirement Scheme (“SRS”)) or their appointed proxies, or their corporate representatives (in the case of Shareholders which are legal entities), will be able to participate in the EGM proceedings by accessing a live audio-visual webcast and live audio-only stream. To do so, Shareholders are required to pre-register their participation or the participation by their appointed proxies in the EGM (“Pre-registration”) at this link: <https://go.lumiengage.com/sanli2022egm> (“EGM Registration and Q&A Link”) by 9.00 a.m. on 23 May 2022 (“Registration Deadline”) for verification of their status as Shareholders (or the corporate representatives of such Shareholders).
- (b) Upon successful verification, authenticated Shareholders and their appointed proxies (if any) or their corporate representatives will receive an email by 9.00 a.m. on 25 May 2022. The email will contain instructions on how to access the live audio-visual webcast and live audio-only stream of the EGM proceedings. Shareholders and their appointed proxies or corporate representatives must not forward the

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email to other persons who are not Shareholders and who are not entitled to attend the EGM. This is to avoid any technical disruption or overload to the live audio-visual webcast or audio-only stream.

- (c) Investors holding shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) (“Investors”) (other than SRS Investors) will not be able to pre-register to participate in the EGM. An Investor who wishes to participate in the live webcast of the EGM should approach his relevant intermediary as soon as possible in order to make the necessary arrangements.
- (d) Shareholders and Investors who have pre-registered by the Registration Deadline but do not receive the email with instructions by 9.00 a.m. on 25 May 2022, should contact the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at Sanli2022EGM@boardroomlimited.com or at +65 6536 5355.

2. Submission of questions

Submission of questions in advance of the EGM

- (a) Shareholders may submit questions related to the resolutions to be tabled at the EGM in the following manner:
 - (i) during Pre-registration via the EGM Registration and Q&A Link;
 - (ii) by email to Sanli2022EGM@boardroomlimited.com; or
 - (iii) by post to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632,

in each case, to be received no later than 5.00 p.m. on 18 May 2022. If the questions are submitted by email or post, the Shareholder’s full name and identification/registration number must be included for verification purposes, failing which the submission will be treated as invalid.

- (b) The Company shall address relevant and substantial questions (as may be determined by the Company in its sole discretion) prior to or at the EGM. The Company will publish the response to the questions on SGXNet and on the Company’s website at <https://www.sanli.com.sg>.

Submission of questions through real-time electronic communication during the EGM

- (c) Shareholders or their appointed proxies who have access to the live webcast of the EGM will be able to ask questions relating to the resolutions to be tabled for approval at the EGM by submitting text-based questions through real-time electronic communication during the EGM within a prescribed time limit. The Company will endeavour to respond to questions as far as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions. As such, not all questions may be individually addressed.

3. Voting at the EGM

- (a) All the resolutions proposed at the EGM will be voted on by poll.

Live voting

- (b) Shareholders (including Investors) or their appointed proxies may cast their votes for each resolution at the EGM through real-time remote electronic voting. Unique access details for live voting will be provided to Shareholders or their appointed proxies who have pre-registered and been granted access to the live webcast of the EGM.
- (c) Shareholders who have pre-registered to appoint proxies to attend and vote at the EGM via electronic means on their behalf must also submit a completed proxy form for the appointment of such proxies. The proxy need not be a member of the Company.

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(d) The proxy form for the EGM may be accessed on SGXNet or at the Company's website at <https://www.sanli.com.sg>. The duly completed and executed proxy form must be submitted in the following manner:

(i) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632; or

(ii) by email to Sanli2022EGM@boardroomlimited.com,

in each case, to be received not later than 9.00 a.m. on 23 May 2022, failing which the proxy form will be treated as invalid.

Voting by appointing the Chairman as proxy

(e) As an alternative to live voting, Shareholders who wish to vote on any or all of the resolutions at the EGM may appoint the Chairman of the Meeting as their proxy to do so on their behalf. The Chairman of the Meeting, as proxy, need not be a member of the Company.

(f) Where Shareholders appoint the Chairman of the Meeting as their proxy, they must give specific instructions as to voting, or abstentions from voting, in respect of each resolution in the proxy form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

(g) The proxy form for the EGM may be accessed on SGXNet or at the Company's website at <https://www.sanli.com.sg>. The duly completed and executed proxy form must be submitted in the following manner:

(i) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632; or

(ii) by email to Sanli2022EGM@boardroomlimited.com,

in each case, to be received not later than 9.00 a.m. on 23 May 2022, failing which the proxy form will be treated as invalid.

(h) Investors (including SRS Investors) who wish to appoint the Chairman of the Meeting as their proxy should approach their relevant intermediaries (as defined in Section 181 of the Companies Act 1967) (including SRS Operators) to submit their voting instructions at least seven working days before the EGM, to enable their respective relevant intermediaries to submit proxy forms on their behalf so that they are received no later than 9.00 a.m. on 23 May 2022.

(i) For the avoidance of doubt, pre-registration is not required if a Shareholder only intends to appoint the Chairman of the Meeting as proxy and does not intend to attend the EGM.

Important reminder

Due to the constantly evolving COVID-19 situation, the Company may be required to change its EGM arrangements at short notice. Shareholders are advised to regularly check the Company's website or announcements released on SGXNet for updates on the EGM. Further, in light of the current COVID-19 measures, which may make it difficult for Shareholders to submit completed proxy forms by post, Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

Personal Data Privacy

Where a member of the Company submits (a) an application to pre-register to participate in the EGM via the live audio-visual webcast and live audio-only stream, (b) questions relating to the resolutions to be tabled for approval at the EGM, and/or (c) a proxy form to vote at the EGM and/or any adjournment thereof, the member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of (a) processing the member's application to pre-register to participate in the EGM via the live audio-visual webcast and live audio-only stream and providing the member with any technical assistance where possible, (b) addressing any selected questions submitted by the member and following up with the member where necessary, (c) the processing and administration by the Company (or its

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agents or service providers) of the proxy appointed for the EGM (including any adjournment thereof), and (d) the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines, and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's action or omission. Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

*This notice has been reviewed by the Company's sponsor ("**Sponsor**"), SAC Capital Private Limited. This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice. The contact person for the Sponsor is Mr David Yeong (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*