

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **China Dredging Environment Protection Holdings Limited** (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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China Dredging Environment Protection Holdings Limited
中國疏浚環保控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 871)

**(A) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES;
(B) PROPOSED RE-ELECTION OF RETIRING DIRECTORS; AND
(C) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at Rooms 1501-2, 15/F, Siu On Plaza, 482 Jaffe Road, Causeway Bay, Hong Kong on Friday, 24 June 2022 at 3:00 p.m. is set out on pages 15 to 19 of this circular. A form of proxy for use at the AGM is also enclosed with this circular.

Whether or not you intend to attend the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE AGM

To safeguard the health and safety of the Shareholders and to prevent the spread of COVID-19, the following precautionary measures will be implemented at the AGM:

- Compulsory temperature checks;
- Compulsory wearing of surgical face masks; and
- No provision of refreshments.

Any person who does not comply with the precautionary measures may be denied entry to the AGM venue. The Company would like to encourage Shareholders to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

24 May 2022

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Rooms 1501-2, 15/F, Siu On Plaza, 482 Jaffe Road, Causeway Bay, Hong Kong on Friday, 24 June 2022 at 3:00 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“close associate(s)”	shall have the same meaning as ascribed to such term under the Listing Rules
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands
“Company”	China Dredging Environment Protection Holdings Limited (中國疏浚環保控股有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“core connected person(s)”	shall have the meaning as ascribed to such term under the Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to the effect that the total number of Shares which may be allotted and issued under the General Mandate may be increased by an additional number representing such number of Shares actually repurchased under the Repurchase Mandate
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the Company’s power to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of the issued Shares as at the date of passing of the relevant resolution at the AGM
“Latest Practicable Date”	16 May 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to enable them to repurchase Shares on the Stock Exchange, or any other stock exchange on which the Shares may be listed, up to a maximum of 10% of the total number of the issued Shares as at the date of passing of the relevant resolution at the AGM
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Share Option(s)”	the options granted under the Share Option Scheme to subscribe for Shares in accordance with the Share Option Scheme
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong
"%"	per cent.

LETTER FROM THE BOARD



China Dredging Environment Protection Holdings Limited
中國疏浚環保控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 871)

Executive Directors:

Mr. Liu Kaijin (*Chairman*)
Mr. Wu Xuze (*Chief Executive Officer*)
Ms. Zhou Shuhua

Independent non-executive Directors:

Mr. Huan Xuedong
Mr. Chan Ming Sun Jonathan
Mr. Liang Zequan

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Rooms 1501-2, 15/F
Siu On Plaza
482 Jaffe Road
Causeway Bay
Hong Kong

24 May 2022

To the Shareholders

Dear Sir/Madam,

**(A) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES;
(B) PROPOSED RE-ELECTION OF RETIRING DIRECTORS; AND
(C) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purposes of this circular are to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of the AGM. Resolutions to be proposed at the AGM include ordinary resolutions relating to (i) the proposed grant of each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; (ii) the proposed re-election of each of the retiring Directors.

LETTER FROM THE BOARD

THE ISSUE MANDATE

On 17 June 2021, an ordinary resolution was passed by the Shareholders to grant to the Directors a general mandate to issue new shares. Such general mandate will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed that the Directors be granted the Issue Mandate to allot, issue and deal in the Shares up to a maximum of 20% of the total number of the issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the number of the Shares in issue is 1,503,881,500. Subject to the passing of the relevant resolution, the maximum number of new Shares to be issued under the Issue Mandate will be 300,776,300 Shares (assuming that there will be no change in the number of Shares in issue between the Latest Practicable Date and the date of the AGM).

THE REPURCHASE MANDATE AND THE EXTENSION MANDATE

On 17 June 2021, ordinary resolutions were passed by the Shareholders to grant to the Directors general mandates to repurchase Shares and to extend the general mandate to allot, issue and deal in additional Shares by the number of Shares repurchased by the Company. Such general mandates will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will also be proposed that the Directors be granted the Repurchase Mandate to exercise all powers of the Company to repurchase the Shares on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, up to a maximum of 10% of the total number of the issued Shares as at the date of passing of the relevant resolution.

In addition, at the AGM, an ordinary resolution will be proposed that the Directors be granted the Extension Mandate by which the Issue Mandate will be extended by such number of additional Shares as is equal to the number of the Shares repurchased by the Company pursuant to the exercise of the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company, unless it is renewed at such meeting or until revoked or varied by ordinary resolutions of the Shareholders in general meeting held prior to the next annual general meeting of the Company.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the proposed resolution relating to the Repurchase Mandate at the AGM.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 105(A) of the Articles, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to but no less than one-third) shall retire office from rotation. It is proposed that Mr. Liu Kaijin and Ms. Zhou Shuhua will by rotation retire from their office as Directors at the AGM and being eligible, offer themselves for re-election as Directors at the AGM.

In accordance with the nomination policy of the Company and the objective criteria (including without limitation, gender, age, ethnicity, cultural and educational background, professional experiences and knowledge) with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, the nomination committee of the Company (the “**Nomination Committee**”) has reviewed the re-election of the Directors through:

- (a) evaluating the performance and contribution of the retiring Directors during the last financial year of the Company and the period thereafter up to the date of evaluation; and
- (b) assessing the independence of the independent non-executive Directors, being Mr. Huan Xuedong, Mr. Chan Ming Sun Jonathan and Mr. Liang Zequan, and considered whether they remained independent and suitable to continue to act in such roles.

After due evaluation and assessment, the Nomination Committee is of the opinion that:

- (a) the performance of the retiring Directors was satisfactory and contributed effectively to the operation of the Board; and
- (b) based on the information available to the Nomination Committee and the annual written independence confirmation received from the independent non-executive Directors, the Nomination Committee was satisfied that Mr. Huan Xuedong, Mr. Chan Ming Sun Jonathan and Mr. Liang Zequan
 - i. fulfill the requirements of an independent non-executive Director as stipulated under 3.13 of the Listing Rules; and
 - ii. are the persons of integrity and independent in character and judgement.

Accordingly, the Nomination Committee recommended to the Board, and the Board has considered the re-election of Mr. Liu Kaijin and Ms. Zhou Shuhua as the executive Directors is in the best interests of the Company and the Shareholders as a whole and has resolved to propose to re-elect each of the retiring Directors at the AGM.

Biographical details of each of Mr. Liu Kaijin and Ms. Zhou Shuhua (who would offer themselves for re-election) are required to be disclosed pursuant to the Listing Rules, and are set out in Appendix II to this circular.

LETTER FROM THE BOARD

AGM

Notice of the AGM is set out on page 15 to 19 of this circular. A form of proxy for use at the AGM is also enclosed herewith. They are also published on the website of the Stock Exchange and the website of the Company.

Whether or not you intend to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

VOTING BY POLL

Pursuant to rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the results of the poll will be published by the Company after the AGM on the respective websites of the Stock Exchange and the Company.

RECOMMENDATION

The Directors consider that the proposed granting to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of each of the retiring Directors above are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the relevant resolutions as set out in the notice of the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

LETTER FROM THE BOARD

MISCELLANEOUS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

By Order of the Board
China Dredging Environment Protection Holdings Limited
Liu Kaijin
Chairman and executive Director

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the number of the Shares in issue is 1,503,881,500. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 150,388,150 Shares, being 10% of the issued Shares as at the date of passing of the relevant resolution for granting the Repurchase Mandate.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Articles and the applicable laws of the Cayman Islands. Under the Cayman Islands laws, any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if so authorised by its Articles and subject to the provisions of the Companies Law, out of capital and, in the case of any premium payable on a repurchase, such premium must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by its Articles and subject to the provisions of the Companies Law, out of capital.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2021) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels which, in the opinion of the Board, are from time to time appropriate for the Company.

4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date:

Month	Share prices per Share	
	Highest (HK\$)	Lowest (HK\$)
2021		
April	0.16	0.14
May	0.159	0.144
June	0.156	0.13
July	0.137	0.12
August	0.13	0.102
September	0.135	0.11
October	0.159	0.115
November	0.145	0.128
December	0.142	0.122
2022		
January	0.14	0.12
February	0.145	0.13
March	0.169	0.1
April	0.165	0.136
May (up to the Latest Practicable Date)	0.203	0.159

5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

The Company has not been notified by any core connected person that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be cancelled and destroyed. Under Cayman Islands law, a company's repurchased shares may be treated as

cancelled and the amount of the company's issued share capital will be reduced by the aggregate par value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Mr. Liu Kaijin, the chairman and executive Director, was interested in 701,819,500 Shares, representing approximately 46.67% of the issued Shares. Of the 701,819,500 Shares in which he was interested, 175,800,000 Shares, representing approximately 11.69% of the issued Shares, was held by Wangji Limited which was solely owned by Mr. Liu Kaijin and 526,019,500 Shares (representing approximately 34.98% of the issued Shares) was directly held in his own name. An exercise of the Repurchase Mandate in full may result in Mr. Liu Kaijin becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. Nevertheless, the Directors have no intention to exercise the Repurchase Mandate to an extent as may result in any shareholder becoming obliged to make a general offer under Rule 26 of the Takeovers Code.

On the basis of the current financial position of the Group as disclosed in the annual report for the year ended 31 December 2021 and taking into account the Group's current working capital position, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse impact on the working capital and/or the gearing position of the Group as compared with the position disclosed in the annual report. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

Assuming that there is no issue of the Shares between the Latest Practicable Date and the date of a repurchase and no disposal by any of the substantial Shareholders of their interests in the Shares, an exercise of the Repurchase Mandate whether in whole or in part will not result in less than 25% of the Shares being held by the public. In any event, the Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than 25%.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

No Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, during the six months preceding the Latest Practicable Date.

The particulars of each of Mr. Liu Kaijin and Ms. Zhou Shuhua, the retiring Directors who are proposed to be re-elected at the AGM are set out below:

1. Mr. Liu Kaijin

Mr. Liu Kaijin (劉開進先生), aged 61, the founder of the Group, was appointed as a Director on 31 May 2010, was re-designed from a Director to an executive Director on 24 May 2011, was re-designed from a joint chairman to the chairman of the Board on 23 September 2016 and was appointed as the chairman of the Nomination Committee on 8 March 2019. He was the chief executive officer of the Company for the period from 24 May 2011 to 5 January 2017. Mr. Liu is the spouse of Ms. Zhou, an executive Director.

Mr. Liu completed his secondary education in 1977. In 2003, Mr. Liu obtained a certificate as a senior construction engineer from the Human Resources Bureau of Yancheng City* (鹽城市人事局). As his experience and knowledge in the PRC dredging business grew, Mr. Liu established Jiangsu Xingyu in 2007. Mr. Liu has been working in the dredging industry of the PRC for over 20 years.

Mr. Liu is the chairman of Jiangsu Xingyu and Huaian Shi Xiangyu Technology Microfinance Ltd.* (淮安市翔宇科技小額貸款有限公司) and the chairman and general manager of Xiangyu PRC, Jiangsu Xiangyu Water Management Company Limited* (江蘇翔宇水務有限公司), Xiangyu Environment Protection, Jiangsu Fengyu Property Development Co., Ltd* (江蘇豐宇置業有限公司), Jiangsu Xingyu Commerce Co. Ltd.* (江蘇興宇商務有限公司), Jiangsu Lifu Infrastructure Construction Co., Ltd.* (江蘇力富基礎設施建設有限公司), Jiangsu Xiangyu Environmental Protection Industry Development Ltd.* (江蘇翔宇環保產業發展有限公司) (“Xiangyu Environmental Protection Industry”) and Jiangsu Xingyu Environment Protection Company Limited* (江蘇興宇疏浚環保有限公司); and has been responsible for overseeing their daily operations and planning their business strategies. Other than the above mentioned companies, Mr. Liu is the director of Power Wealth Group (BVI) Limited, Ever Universe Holdings Limited, Power Wealth Engineering Limited and Million Able International Limited. He is also a director of Wangji Limited, being a substantial Shareholder.

Mr. Liu has entered into a service contract with the Company for a term of three years with effect from 1 June 2020. He is subject to retirement by rotation under the Articles. Pursuant to the service contract, Mr. Liu is entitled to a salary of RMB1,200,000 on an annual basis (subject to such increase as the Board may, subject to compliance with the provisions of the Articles for the time being in force, determine from time to time in its absolute discretion provided that such increase shall not exceed 10% per annum). In addition, he is also entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to the executive Directors for any financial year of the Company may not exceed 10% of the audited combined or audited consolidated net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company.

As at the Latest Practicable Date, (i) Wangji, which was solely owned by Mr. Liu, held 175,800,000 Shares, representing approximately 11.69% of the issued Shares; and (ii) Mr. Liu was also the beneficial owner of 526,019,500 Shares, representing approximately 34.98% of the issued Shares.

Mr. Liu is the spouse of Ms. Zhou Shuhua, an executive Director. Save as disclosed above, Mr. Liu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company, nor does he have any other interests in the Shares within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Mr. Liu involved in any matters required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to his proposed re-election. There are no other matters concerning Mr. Liu that need to be brought to the attention of the Shareholders.

2. Ms. Zhou Shuhua

Ms. Zhou Shuhua(周淑華女士), aged 59, was appointed as a Director on 18 August 2010, and was re-designed as an executive Director on 24 May 2011. Ms. Zhou is mainly responsible for general administrative work of our Group. She is the spouse of Mr. Liu, the chairman of the Board and an executive Director.

Ms. Zhou graduated from The Correspondence Institute of the Party School of the Central Committee of the Communist Party of China* (中共中央黨校函授學院), the PRC in December 1999 and obtained a graduation certificate for undergraduate courses in administrative management. She also obtained a graduation certificate for undergraduate courses in broadcasting in May 2001 from Nanjing Normal University* (南京師範大學), the PRC.

Ms. Zhou acts as a Director for Jiangsu Xingyu, Xiangyu Environment Protection, Xiangyu Environmental Protection Industry and Jiangsu Jiaolong.

Ms. Zhou has entered into a service contract with the Company for a term of three years with effect from 1 June 2020. She is subject to retirement by rotation under the Articles. Pursuant to the service contract, Ms. Zhou is entitled to a salary of RMB600,000 on an annual basis (subject to such increase as the Board may, subject to compliance with the provisions of the Articles for the time being in force, determine from time to time in its absolute discretion provided that such increase shall not exceed 10% per annum). In addition, she is also entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to the executive Directors for any financial year of the Company may not exceed 10% of the audited combined or audited consolidated net profit of the Group (after taxation and minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year of the Company.

Ms. Zhou is the spouse of Mr. Liu Kaijin, the chairman and an executive Director. As at the Latest Practicable Date, Ms. Zhou was deemed to be interested in 701,819,500 Shares, representing approximately 46.67% of the issued Shares, through interest of her spouse, Mr. Liu.

Save as disclosed above, Ms. Zhou does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company, nor does she have any other interests in the Shares within the meaning of Part XV of the SFO.

There is no information which is discloseable nor is/was Ms. Zhou involved in any matters required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules in relation to her proposed re-election. There are no other matters concerning Ms. Zhou that need to be brought to the attention of the Shareholders.

* *for identification purposes only*

NOTICE OF AGM



China Dredging Environment Protection Holdings Limited
中國疏浚環保控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 871)

NOTICE IS HEREBY GIVEN that the annual general meeting for the year ended 31 December 2021 (“**AGM**”) of China Dredging Environment Protection Holdings Limited (“**Company**”) will be held at Rooms 1501-2, 15/F, Siu On Plaza, 482 Jaffe Road, Causeway Bay, Hong Kong on Friday, 24 June 2022 at 3:00 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and approve the audited consolidated financial statements and the reports of the directors (“**Directors**”) and auditor (“**Auditor**”) of the Company for the year ended 31 December 2021.
2. To re-elect each retiring Directors (namely, Mr. Liu Kaijin and Ms. Zhou Shuhua (each as a separate resolution)) and to authorise the board (“**Board**”) of Directors (which may be further delegated to its duly authorised committee) to fix the remuneration of Directors.
3. To re-appoint Yangtuo Fuson CPA Limited as the Auditor to hold office until conclusion of the next annual general meeting at a period to be agreed with the Board and authorise the Board to fix their remuneration.

SPECIAL BUSINESS

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

ORDINARY RESOLUTIONS

4. “**THAT**
 - (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including but not limited to bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF AGM

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including but not limited to bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of the shares allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a rights issue; (ii) the exercise of options under a share option scheme; (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or exercise of warrants to subscribe for shares of the Company; (iv) any scrip dividend schemes or similar arrangements implemented in accordance with the articles of association (“Articles”) of the Company; or (v) a specific authority granted or to be granted by the shareholders (“Shareholders”) of the Company in general meeting, shall not exceed 20 per cent of the total number of the issued shares of the Company as at the date of passing of this resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF AGM

5. “THAT
- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange, as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the total number of the shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the total number of the issued shares of the Company as at the date of passing of this resolution; and
 - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.”

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6. “**THAT** conditional upon the passing of Ordinary Resolutions No. 4 and 5 as set out in the notice convening the AGM, the general mandate granted to the directors to allot, issue and deal with additional shares in the capital of the Company pursuant to Ordinary Resolution No. 4 set out in the notice convening the AGM be and is hereby extended by the addition thereto the total number of shares of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5 above.”

By Order of the Board
China Dredging Environment Protection Holdings Limited
Liu Kaijin
Chairman and executive Director

Hong Kong, 24 May 2022

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:

Rooms 1501-2, 15/F
Siu On Plaza
482 Jaffe Road
Causeway Bay
Hong Kong

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Notes:

- (a) A member entitled to attend and vote at the meeting may appoint a proxy or, if holding two or more shares, more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company.
- (b) To be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy thereof must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or adjournment thereof.
- (c) To be valid, the form of notice of appointment of corporate representative, in the case of appointment by a shareholder which is a corporate shareholder other than a clearing house, must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or adjournment thereof.
- (d) The register of members of the Company will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4: 30 p.m. on Monday, 20 June 2022.
- (e) In relation to the proposed resolution no. 2, the re-election of each retiring Director and other matters mentioned therein will be considered as passed as a separate resolution.
- (f) **The following precautionary measures will be taken by the Company for the AGM to prevent the spread of COVID-19: (i) compulsory temperature checks; (ii) compulsory wearing of surgical face masks; and (iii) no provision of refreshments. Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. Shareholders are reminded that they may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.**

As at the date of this notice, the Board comprises Mr. Liu Kaijin as Chairman and Executive Director; Mr. Wu Xuze as Executive Director and Chief Executive Officer; Ms. Zhou Shuhua as Executive Director; and Mr. Huan Xuedong, Mr. Chan Ming Sun Jonathan and Mr. Liang Zequan as Independent Non-executive Directors.