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## **SIIC ENVIRONMENT HOLDINGS LTD.**

**上海實業環境控股有限公司\***

*(Incorporated in the Republic of Singapore with limited liability)*

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

**(Singapore stock code: BHK)**

### **ANNOUNCEMENT MADE PURSUANT TO RULE 13.51B(2) OF THE LISTING RULES AND RULE 703 OF THE SGX LISTING MANUAL**

This announcement is made by SIIC ENVIRONMENT HOLDINGS LTD. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51B(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the HKSE in relation to details required to be disclosed under Rule 13.51(2)(n), Rule 13.51(2)(r) and pursuant to Rule 13.51(2)(u) of the Listing Rules and Rule 703 of the SGX Listing Manual.

The Company has been notified that 中國證券監督管理委員會上海監管局 (China Securities Regulatory Commission (Shanghai)\*) (“**CSRC**”) on 15 March 2024, issued a notice (the “**Notice**”) in relation to administrative penalties against 上海實業發展股份有限公司 (Shanghai Industrial Development Co., Ltd.\*) (“**SI Development**”) (stock code: 600748.SH), a company whose shares are listed on the Shanghai Stock Exchange. Mr. Xu Xiaobing (“**Mr. Xu**”), one of the executive directors (the “**Director(s)**”) of the Company, was at the material time a president and a director of SI Development and was named as one of the individuals against whom the CSRC has issued a warning and administrative penalties. Mr. Xu has been a president and director of SI Development since 22 January 2021 and 12 June 2021, respectively. SI Development and the Company are fellow (non-wholly owned) subsidiaries of Shanghai Industrial Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the HKSE (stock code: 363). Mr. Xu is an executive director of the Company, a director of certain subsidiaries of the Company, and is a member of the Risk and Investment Management Committee and the Executive Committee of the Company. Mr. Xu served as the Chief Executive Officer of the Company from 16 November 2018 to 15 January 2021.

Pursuant to the Notice, after investigation, CSRC was of the view that SI Development failed to (i) make timely disclosure on the expected operating loss of its subsidiary 上海上實龍創智能科技有限公司 (Shanghai Industrial Development Longchuang Intelligent Technology

Co., Ltd.\*) as a result of uncollectible accounts receivable; (ii) make timely disclosure on the a material contract signed among SI Development, its subsidiary 上海高陽賓館有限公司 (Shanghai Gaoyang Hotel Co., Ltd.\*) and 上海市虹口區土地發展中心 (Shanghai Hongkou District Land Development Center\*) in relation to acquisition of land use rights; and (iii) make accurate disclosure in relation to its annual report from 2016 to 2021, which contained inflated revenue and profits. CSRC also noted that relevant directors and senior management of SI Development, including Mr. Xu, failed to exercise proper due diligence to ensure true, accurate and complete disclosure of the corporate information and hence have breached the applicable securities laws in the People's Republic of China.

CSRC issued a warning and imposed penalties against SI Development and its relevant directors, including a warning and penalties in the amount of RMB2.1 million against Mr. Xu (the "**Relevant Penalties**"). Pursuant to the Notice, SI Development and its relevant directors shall have the right to make statements, defend themselves and request a hearing in respect of the Relevant Penalties.

Mr. Xu confirmed to the Company that save as disclosed above, there is no other information relating to him that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and Rule 703 of the SGX Listing Manual, and he is not aware of any other matters that need to be brought to the attention of the shareholders of the Company. Mr. Xu has further confirmed that the Relevant Penalties do not directly concern the affairs of the Company. Mr. Xu has undertaken to inform the board of Directors of the Company of his involvement in the investigation and subsequent developments relating to the Notice and the Relevant Penalties, and the board of Directors of the Company will continue to monitor the progress of such investigation and subsequent developments.

In light of the above, the Company is in the process of obtaining further information for the purpose of assessing the suitability of Mr. Xu to remain in office as an executive Director of the Company pursuant to Rules 3.08 and 3.09 of the Listing Rules as well as for the purpose of the Nomination Committee assessing the suitability of the continued appointment of Mr. Xu as an executive Director and continued compliance with Rule 720(1) (read with Rule 210(5)) of the SGX Listing Manual as well as any measures to be put in place to safeguard against risks associated with Mr. Xu's continued appointment in light of the Notice and the Relevant Penalties. The Company will make further announcement as and when appropriate after the board of Directors of the Company (and in particular, the Nomination Committee) has completed its assessment in this regard in accordance with the Listing Rules and the SGX Listing Manual.

For the avoidance of doubt, the Notice involves SI Development only. Apart from Mr. Xu as disclosed above, it does not involve any Directors, executive officers or senior management of the Company. The Company is concurrently assessing the impact of the matter above on the Company and its business and will make further announcement for the results of the assessment as soon as possible.

By Order of the Board  
**SIIC ENVIRONMENT HOLDINGS LTD.**  
**Mr. Zhu Dazhi**  
Executive Director

Hong Kong and Singapore, 19 March 2024

*As at the date of this announcement, the chairman of the board of Directors and the executive Director is Mr. Zhou Yuding; the executive Directors are Mr. Zhu Dazhi, Mr. Xu Xiaobing, Mr. Jiang Kai and Mr. Yang Xing; and the independent non-executive Directors are Mr. Yeo Guat Kwang, Mr. An Hongjun and Mr. Zhong Ming.*

*\* For identification purpose only*