


CT ENVIRONMENTAL GROUP LTD

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| MEETING DATE | Thu, 28 May 2015 15:00 pm | TYPE | AGM | ISSUE DATE | Fri, 22 May 2015 |
| MEETING LOCATION | Monet Room, B1 Level, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong |  | | | |
| CURRENT INDICES | PIRC SE Asia | | | | |
| SECTOR | Water, sewer, pipeline, and communications and power line construction | | | | |

| PROPOSALS | | ADVICE |
|------------------|---|---------------|
| 1 | Receive the Audited Financial Statements and Directors Report for the year ended 31 December 2014 Disclosure is adequate and the reports were made available sufficiently before the meeting. The financial statements have been audited and certified. Acceptable proposal. | For |
| 2 | Approve the dividend The proposed final dividend is HKD 0.03 per share and a special dividend of HK\$0.025. Covered by earnings. Acceptable proposal. | For |
| 3a | Re-elect Mr. Xu Ju Wen Executive Director and Vice President. Mr. Xu is a cousin of Mr. Tsui Cham to and Mr. Xu Zi Tao. | For |
| 3b | Re-elect Mr. Xu Zi Tao Executive Director. He is the brother of Mr. Tsui Cham to and a cousin of Mr. Xu Ju Wen. | For |
| 3c | Re-elect Mr. Liu Yung Chau Non-Executive Director. Considered independent. He is chair of the Nomination committee and there are no women on the Board which Triodos does not support. | Oppose |
| 3d | Re-elect Mr. Du Hequn Non-Executive Director. Considered independent. He is chair of a committee which is not fully independent which Triodos does not support. | Oppose |
| 3e | Authorise the Board of Directors to fix the remuneration of the Directors Standard proposal. There has been a major increase in directors remuneration during the past two fiscal years. No justification has been provided. Triodos does not support this resolution. | Oppose |
| 4 | Appoint the auditors and allow the board to determine their remuneration KPMG are proposed. The proportion of non-audit to audit fees for the year under review is 137.93% and 186.67% over three years. This raises major concerns over the independence of the auditor. Triodos does not support this resolution. | Oppose |
| 5a | Authorise general share repurchase mandate The authority sought is limited to 10% of issued share capital and expires at the next AGM. Acceptable proposal. | For |
| 5b | Authorise general share issue mandate The authority sought is limited to 20% of share capital. The issue of up to 20% of equity without restriction on the pricing of such issue or a guarantee of equal participation could lead to an unacceptable level of dilution for minority shareholders as well as preferential treatment of some share-holders over others. Triodos does not support this resolution. | Oppose |
| 5c | Extend general share issue mandate by number of shares repurchased The directors seek authority to re-issue under the authority granted in proposal 5a those shares repurchased under the authority granted by proposal 5b. The effect of the proposal, if approved, would be to extend the limit for issuance of shares from 20% to 30% of issued share capital. Given concerns over dilution of the shareholder rights, Triodos does not support this resolution. | Oppose |

6* Amend Articles of Association of the Company

For

It is proposed to amend Article 111 by inserting a new article 111.A, in regards to Board meetings, and amending Article 112 in regards to materials of a Board meeting as required to be sent under Article 111.A. No major governance issues have been identified. Acceptable proposal.

*** = *Special resolution***

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