SIIC Environment Holdings Ltd.
Registration No. 200210042R
One Temasek Avenue
#37-03 Millenia Tower
Singapore 039192
Tel: + (65) 6538 2598
Fax: + (65)6538 2896
www.siicenv.com.com

UPDATE ON USE OF NET PROCEEDS FROM THE PLACEMENT

The Board of Directors (the "**Board**") of SIIC Environment Holdings Ltd. (the "**Company**", and together with its subsidiaries, collectively the "**Group**") refers to its announcements dated 8 July 2014, 14 July 2014, 1 August 2014, 25 September 2014, 14 October 2014, 17 October 2014, 21 October 2014, 7 November 2014, 18 November 2014, 17 December 2014, 29 December 2014 and 28 January 2016 ("**Placement Announcements**") on the proposed placement of 1,000,000,000 new ordinary shares in the capital of the Company ("**Placement**") and announcement dated 11 February 2014 ("**Announcement**") in relation to the proposed acquisition of the entire issued and paid-up capital of Gold Wisdom Holdings Limited ("**Acquisition**"). Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Announcement.

Further to the Placement Announcements, the Company wishes to update the shareholders that, as at to-date, the net proceeds from the Placement has been utilised for the following purposes:

	Balance (S$'million)
Net proceeds from the Placement	154.78
Purpose ***Payment for:***	
Payment for the Additional Investment of RMB74.5 million in Wuhan Huang-Pi Kaidi Water Services Co., Ltd.	(15.52)
Payment for the purchase consideration of RMB195.0 million for the 12.1875% acquisition of Longjiang Environmental Protection Group Co., Ltd.	(41.06)
Payment for the additional investment of RMB150,343,300 into SIIC Environment Holdings (Wuhan) Co., Ltd.	(32.68)
Payment for the 70% equity of RMB123,991,00 for the incorporation of Yinchuan SIIC Environment Binhe Wastewater Treatment Co., Ltd. and SIIC Environment (Yinchuan) Wastewater Treatment Co., Ltd.	(26.55)
Payment for the subscription of HK$155.2 million in the capital of Canvest Environmental Protection Group Company Limited	(26.46)
Payment for the purchase consideration in relation to the Acquisition[1]	(2.2)

[1] Based on the exchange rate of S$1: RMB4.61

SIIC Environment Holdings Ltd.
Registration No. 200210042R
One Temasek Avenue
#37-03 Millenia Tower
Singapore 039192
Tel: + (65) 6538 2598
Fax: + (65)6538 2896
www.siicenv.com.com

	Balance (S$'million)
General working capital use:	
a. Repayment of loan obtained from SIHL Finance Limited and professional fees for the acquisition of Global Envirotech Investment Ltd.	(1.72)
b. Repayment of bank borrowings	(1.41)
c. Payment of operating expenses and tax expenses	(1.37)
Net proceeds balance	**5.81**

The above utilisation of the net proceeds is in accordance with the intended utilisation of the net proceeds from the Placement to finance the Group's business expansion, to enlarge the general working capital of the Group, to repay existing borrowings, and for general corporate purposes.

The Company will make further announcements via the SGXNET as and when the net proceeds from the Placement are materially disbursed.

BY ORDER OF THE BOARD

Feng Jun
Executive Director
31 March 2016