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PROPOSED ACQUISITION OF ONE SHARE OF US$1.00 IN THE ISSUED AND PAID-UP SHARE CAPITAL OF RISE WEALTH INVESTMENTS LTD ("TARGET COMPANY"), REPRESENTING THE ENTIRE ISSUED AND PAID-UP CAPITAL OF THE TARGET COMPANY ("PROPOSED ACQUISITION")

– ISSUANCE OF EARN-OUT SHARES

1. INTRODUCTION

1.1 The Board of Directors ("**Board**") of SIIC Environment Holdings Ltd. ("**Company**") refers to the announcements made on 10 June 2012, 18 June 2012, 6 July 2012, 23 July 2012, and 15 February 2013 relating the Proposed Acquisition, and the announcements made on 23 March 2015 and 25 September 2015 relating the share consolidation of the Company (collectively, "**Announcements**"). Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in Announcements.

1.2 Pursuant to the share sale and purchase agreement ("**Nanfang SPA**") entered into between the Company, Target Trend Management Ltd. ("**Vendor**"), Rise Wealth Investments Ltd., KC & Johnson International Limited, Shenzhen City Bao Jia New Water Co., Ltd., Nanfang Water Co., Ltd. and Ma Shibao on 8 June 2012, the Company agreed to allot and issue up to 133,652,038 new ordinary shares in the share capital of the Company ("**Earn-out Shares**"), after certain conditions including profitability criteria and settlement of intercompany loans have been fulfilled by the Vendor.

1.3 On 6 July 2012 the Company has received the Listing & Quotation Notice from the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), pursuant to which the listing and quotation of the Earn-out Shares have been approved by the SGX-ST.

1.4 Pursuant to the announcement dated 25 September 2015 the Company has completed Share Consolidation and every five (5) Existing Shares registered in the name of each Shareholder has been consolidated to constitute one (1) Consolidated Share.

2. ISSUANCE OF EARN-OUT SHARES

2.1 On 4 December 2015 the Company received an email with the notice on clearance of the intercompany loans by the Vendor and the Company confirmed that all the conditions for the issuance of Earn-out Shares set out in the Nanfang SPA have been fulfilled. Thus the Company shall issue the Earn-out Shares to the Vendor or its designated parties.

2.2 Pursuant to the terms of the Share Consolidation and the written consent obtained from the Vendor on 16 December 2015, the Company wishes to announce that the total amount of the Earn-out Shares to be allotted and issued to the Vendor has been adjusted to 26,730,407 shares ("**Consolidated Earn-out Shares**"), as the result of the Share Consolidation.

2.3 Furthermore, the Company wishes to announce that the Company issued the Consolidated Earn-out Shares to the parties designated by the Vendor at the issue price of S$0.34 per share on 22 December 2015.

BY ORDER OF THE BOARD

Feng Jun
Executive Director
22 December 2015