



上海实业环境控股有限公司
SIIC ENVIRONMENT HOLDINGS LTD.

SIIC Environment Holdings Ltd.
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(A) PROPOSED SUBSCRIPTION OF SHARES IN THE CAPITAL OF CANVEST ENVIRONMENTAL PROTECTION GROUP COMPANY LIMITED (“PROPOSED SUBSCRIPTION”) – UPDATE ANNOUNCEMENT

(B) 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 and 17 December 2014 (“**Placement Announcements**”) on the proposed placement of 1,000,000,000 new ordinary shares in the capital of the Company (“**Placement**”) and announcement dated 15 December 2014 (“**Announcement**”) in relation to the Proposed Subscription.

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Announcement.

The Company wishes to update that Canvest has on 29 December 2014 successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Accordingly, pursuant to the terms of the Cornerstone Placing Agreement, the Company’s wholly-owned subsidiary, Thrive Bloom Limited as the cornerstone investor, has completed the subscription at the Aggregate Subscription Price, for 66,593,000 ordinary shares amounting to approximately 3.3%¹ interest in Canvest immediately following the completion of its Proposed Global Offering.

The business and track record of the Canvest is strategic addition and complementary to the Group’s existing solid waste incineration business, and there may be potential strategic collaboration opportunities to be explored.

The Proposed Subscription was wholly satisfied in cash and funded from the net proceeds raised from the Placement and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company and the Group for the current financial year.

None of the Directors, substantial shareholders or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription.

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:

¹ Assuming that Canvest’s over-allotment option of 75,000,000 shares is not being exercised. For illustrative purposes, Thrive Bloom Limited’s interest in Canvest would be approximately 3.2% if the over-allotment option is being fully exercised.



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	Balance (S\$'million)
Net proceeds from the Placement	154.78
<u>Purpose</u> <i>Payment for:</i>	
Payment for the Additional Investment of RMB74.5 million ² in Wuhan Huang-Pi Kaidi Water Services Co., Ltd.	(15.52)
Payment for the purchase consideration of RMB195.0 million ³ for the 12.1875% acquisition of Longjiang Environmental Protection Group Co., Ltd.	(41.06)
Payment for the additional investment of RMB150,343,300 ⁴ into SIIC Environment Holdings (Wuhan) Co., Ltd.	(32.68)
Payment for the 70% equity of RMB123,991,00 ⁵ 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 Proposed Subscription of HK\$155.2 million ⁶	(26.46)
Net proceeds balance	12.51

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
 29 December 2014

² Based on exchange rate of S\$1: RMB4.8000.

³ Based on exchange rate at S\$1: RMB6.1565 and US\$1:S\$1.2962.

⁴ Based on exchange rate of S\$1: RMB4.6000.

⁵ Based on exchange rate of S\$1: RMB4.6701.

⁶ Based on exchange rate of S\$1: HK\$5.8630.