

HANKORE ENVIRONMENT TECH GROUP LIMITED

(Incorporated in Bermuda)

(Company Registration No. 34074)

USE OF NET PROCEEDS

The board of directors (the “**Board**”) of HanKore Environment Tech Group Limited (the “**Company**”) wishes to provide updates on the use of the net proceeds raised by the Company from the SGD 300 million Multicurrency Medium Term Note Programme established on 24 July 2013 and from the placement of 29,361,700 (after share consolidation) ordinary shares in the capital of the Company issued and listed on 13 August 2013.

Use of proceeds from Multicurrency Medium Term Note Programme

The Board refers to the Company’s announcement released on 1 August 2013 in relation to “Issue of S\$50,000,000 in aggregate principal amount of 7.50 per cent. per annum fixed rate notes due 1 August 2015 (the “**MTN**”), to be issued pursuant to the S\$300,000,000 Multicurrency Medium Term Note Programme”.

The use of the net proceeds raised by the Company from the MTN (the “**MTN Net Proceeds**”) is set out in the table below:

Balance of MTN Net Proceeds as at date of the Company's announcement released on 4 November 2013 in relation to the “Use of Net Proceeds”	SGD13,327,501 ¹
MTN Net Proceeds utilised for payment of borrowing costs	SGD 3,749,999
Balance of MTN Net Proceeds as at date of this announcement	SGD 9,577,502

¹ The MTN Net Proceeds of SGD 13,327,501.16 do not include an amount of SGD 3,750,000.00 which is currently held in escrow in an interest reserve account for payment of future interests.

Use of proceeds from placement of 29,361,700 (after share consolidation) ordinary shares in the capital of the Company (the “Placement of Ordinary Shares”)

The use of the net proceeds raised by the Company from the the Placement of Ordinary Shares is set out in the table below:

Balance of Net proceeds from the Placement of Ordinary Shares as at date of the Company's announcement released on 19 Septembrrt 2013 in relation to the “Use of Net Proceeds”	SGD 12,919,274
Amount utilised as at date of this announcement for daily working capital of the Group and the Company	SGD 8,445,892
Balance of Net Proceeds as at date of this announcement	SGD 4,473,382

The above-mentioned utilisations are in accordance with the use of the MTN Net Proceeds provided in the Company's announcements dated 26 July 2013 and 1 August 2013, use of the Placement Net Proceeds provided in the Company's announcements dated 18 July 2013 and 7 August 2013 and estimated percentage allocation of the Placement Net Proceeds provided in the Company's announcement dated 7 August 2013.

The Company will continue to make periodic announcements on the use of the Net Proceeds from MTN and the Placement of Ordinary Shares as and when the funds are materially disbursed and provide a status report on the use in the Company's annual report.

BY ORDER OF THE BOARD

CHEN DAWEI, DAVID
Executive Chairman

11 August 2014