

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Board of Directors (the “**Board**”) of SIIC Environment Holdings Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) refers to the Company’s Annual Report for the financial year ended 31 December 2015 (“**FY2015**”) released on 11 April 2016. The Board would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 26 April 2016 (each, a “**SGX Query**”) as follows:

SGX Query 1

As required by Rule 1207(12) of the Listing Manual, please make disclosures as recommended in paragraph 9.3 of the Code of Corporate Governance 2012 (the “**Code**”) or otherwise explain the reason(s) for the deviation from the following Code recommendations.

Paragraph 9.3 of the Code states that the company should name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S\$250,000. Companies need only show the applicable bands.

In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel.

Company’s Response to SGX Query 1

For FY2015, the Company only identified four key management personnel and the details of the remuneration of relevant key management personnel of the Company disclosed in the relevant remuneration bands for services rendered during FY2015 are as follows:

Remuneration Band	Number of Relevant Key Management Personnel of the Company
Below S\$250,000	4

Relevant Key Management Personnel of the Company	Fees %	Salary %	Bonus %	Benefit ⁽¹⁾ %	Total %
Below S\$250,000					
Tan Kim Han Raymond ⁽²⁾	-	31	56	13	100
Huang Hanguang	-	47	53	-	100
Wang Peigang	-	41	59	-	100
Wu Bin	-	80	20	-	100

(1) Includes transport benefits provided to employees.

(2) Resigned on 15 May 2015.

As disclosed in page 46 of the Company's FY2015 Annual Report, the aggregate total remuneration paid/payable to the four relevant key management personnel of the Company (who are not Directors or the CEO) for FY2015 amounted to S\$613,000.

In view of confidentiality of remuneration matters, the Board is of the opinion that it is in the best interests of the Group not to disclose the exact remuneration of key management personnel in the Annual Report and that the disclosure based on the above remuneration bands is appropriate.

SGX Query 2

We note that the Company had provided the reason for not disclosing details of directors' remuneration in nearest thousand dollars and disclosed the upper bands for directors as "Below \$500,000", which is not in bands of S\$250,000. As required by Rule 1207(12) of the Listing Manual, please disclose the remuneration of the directors in bands of S\$250,000 as recommended in paragraphs 9.2 and 9.3 of the Code or otherwise explain the reason(s) for the deviation from the Code recommendations.

Company's Response to SGX Query 2

The details of the remuneration of Directors of the Company disclosed in bands of S\$250,000 for services rendered during FY2015 are as follows:

Remuneration Band	Number of Directors of the Company				
Below S\$250,000	10				

Directors	Fees %	Salary %	Bonus %	Benefit %	Total %
Below S\$250,000					
Zhou Jun ⁽¹⁾	100	-	-	-	100
Feng Jun ⁽¹⁾	50	-	50	-	100
Yang Changmin	-	47	53	-	100
Yang Yihua ⁽¹⁾	100	-	-	-	100
Xu Xiaobing ⁽¹⁾	100	-	-	-	100
Xu Zhan ⁽¹⁾	100	-	-	-	100
Yeo Guat Kwang	100	-	-	-	100
Tay Ah Kong Bernard	100	-	-	-	100
Tan Chong Huat	100	-	-	-	100
Tan Gim Soo	100	-	-	-	100

(1) Fees approved by the shareholders at the previous AGM but were not paid as at the date of this report.

BY ORDER OF THE BOARD

Feng Jun
Executive Director
27 April 2016