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(A) PROPOSED ACQUISITION OF 25.3125% EQUITY INTEREST IN LONGJIANG ENVIRONMENTAL PROTECTION GROUP CO., LTD (“TARGET COMPANY”) (THE “PROPOSED ACQUISITION”) – COMPLETION OF THE 12.1875% ACQUISITION

(B) UPDATE ON USE OF NET PROCEEDS FROM THE PLACEMENT

The Board of Directors (“**Board**”) of SIIC Environment Holdings Ltd. (“**Company**”) refers to its announcements dated 30 June 2014, 3 July 2014 and 8 July 2014 on the Proposed Acquisition (“**Acquisition Announcements**”) and its announcement dated 8 July 2014, 14 July 2014, 1 August 2014, 25 September 2014, 14 October 2014, 17 October 2014 and 21 October 2014 (“**Placement Announcements**”) on the proposed placement of 1,000,000,000 new ordinary shares in the capital of the Company (“**Placement**”).

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

The Company wishes to announce its wholly-owned subsidiary, Gold Orient Investments Limited (the “**Purchaser**”) has completed the 12.1875% Acquisition and accordingly, the Company shall own an aggregate of 25.3125% equity interest in the Target Company. The purchase consideration for the 12.1875% Acquisition was fully funded in cash and financed through the net proceeds of the Placement.

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
<u>Purpose</u>	
<i>Payment for:</i>	
Payment for the Additional Investment of RMB74.5 million ¹ in Wuhan Huang-Pi Kaidi Water Services Co., Ltd	(15.52)
Payment for the purchase consideration of RMB195.0million ² for the 12.1875% Acquisition	(41.06)
Net proceeds balance	98.20

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

² Based on exchange rates of US\$1: RMB6.1565 and US\$1: S\$1.2962.

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
7 November 2014