

PROPOSED PLACEMENT OF 1,000,000,000 ORDINARY SHARES IN THE CAPITAL OF SIIC ENVIRONMENT HOLDINGS LTD. (THE “PLACEMENT”) – UPDATE ANNOUNCEMENT

The Board of Directors (“**Directors**”) of SIIC Environment Holdings Ltd. (“**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 8 July 2014 and 14 July 2014 on the Placement (“**Announcements**”). Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Announcements.

The Board wishes to update that the Company has been notified by one of the Joint Placement Agents, Jefferies Singapore Limited, that 21,000,000 Placement Shares had been placed to its substantial shareholder, Best Investment Corporation (“**BIC**”). BIC is a wholly-owned subsidiary of CIC International Co., Ltd (“**CIC International**”) which is a subsidiary controlled by China Investment Corporation (“**CIC**”) (BIC, CIC International and CIC to be collectively referred to as the “**CIC Group**”).

The placement of the 21,000,000 Placement Shares to BIC was carried out in accordance with the conditions set out under Rule 812(3) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual (“**SGX-ST Listing Manual**”):

- (a) CIC Group (i) does not have representation (whether directly or indirectly through a nominee) on the board of the Company and (ii) does not have control or influence over the Company in connection with the day to day affairs of the Company and the terms of the Placement;
- (b) The Placement was effected through an independent process such as book-building by the Joint Placement Agents;
- (c) The Placement was made to more than one placee; and
- (d) The proportion of issued shares of the Company held by CIC Group immediately after the Placement is not more than the proportion of the issued shares of the Company held by CIC Group immediately before the Placement, as illustrated below:

	Before Placement				After Placement (based on existing share capital)				After Placement (based on enlarged share capital)			
	Direct		Deemed		Direct		Deemed		Direct		Deemed	
	Number of Shares ('000)	%	Number of Shares ('000)	%	Number of Shares ('000)	%	Number of Shares ('000)	%	Number of Shares ('000)	%	Number of Shares ('000)	%
Best Investment Corporation	660,000	7.68	-	-	681,000	7.93	-	-	681,000	7.10	-	-
CIC International Co., Ltd ⁽¹⁾ (“CIC International”)	-	-	660,000	7.68	-	-	681,000	7.93	-	-	681,000	7.10
China Investment Corporation (“CIC”) ⁽¹⁾	-	-	660,000	7.68	-	-	681,000	7.93	-	-	681,000	7.10

Note:

- (1) BIC is a wholly-owned subsidiary of CIC International, which is a subsidiary controlled by CIC. Therefore, both CIC International and CIC are deemed to be interested in the shares held by BIC.

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Placement.

By Order of the Board

Liu Yujie
Executive Director
1 August 2014