



SANLI ENVIRONMENTAL LIMITED

Company Registration No.: 201705316M

Media Release

Sanli Environmental to consolidate its operations in the new location at 22 Chin Bee Drive

- **Consolidation of operations in one location will enhance management oversight and operational efficiency while lowering overall operating costs**
- **The property's dormitory facilities for 270 foreign workers will lessen the Company's dependency on third-party dormitory facilities which are in short supply in Singapore**

SINGAPORE, 15 September 2023 – SGX-Catalist listed Sanli Environmental Limited (“**Sanli**”, “the **Company**”, “三立环境有限公司” and together with its subsidiaries, the “**Group**”), one of the Singapore’s leading environmental engineering companies, is pleased to announce that it has today completed its acquisition of 22 Chin Bee Drive, Singapore 619870 (the “**Property**”) for S\$13.8 million from Perpetual (Asia) Limited (in its capacity as trustee of ESR-LOGOS REIT) (the “**Acquisition**”)¹.

The Property is a 4-storey height single user factory with a 6-storey ancillary office and a 5-storey annex building with a workers’ dormitory. The Property, with a total gross floor area of approximately 120,653 square feet, has a remaining 12 years on its lease from Jurong Town Corporation which expires on 15 September 2035. The Company has plans to seek an extension of the Property’s lease at the appropriate juncture.

¹ With reference to the Company’s announcement on SGXNet dated 19 June 2023.



Artist's impression of the Property after renovation

Through the Acquisition, the Group aims to streamline its corporate office and workshops, while also providing a centralised accommodation solution for its foreign workforce. A significant challenge in recruiting foreign workers in Singapore has been the limited availability of dormitory spaces. With the Property equipped to house up to 270 foreign workers, the Group is now well-positioned to effectively address the dormitory shortage that previously hampered its operations. The Company's operations and maintenance workshop and its magnesium hydroxide slurry manufacturing operation under its wholly owned subsidiary Mag Chemical Pte. Ltd., will both be consolidated at the new location. The consolidation of operations at the Property will thus

enhance the management's oversight of all the business units of the Group, increase operational efficiencies, lower the overall operating costs and reduce its reliance on the dormitory facilities provided by third parties.

Following the Acquisition exercise, the Company will be disposing of its leasehold properties at 15 Kian Teck Drive, Singapore 628832 and 28 Kian Teck Drive, Singapore 628845 for S\$3.0 million and S\$4.95 million respectively.²

Mr Sim Hock Heng, Executive Director and Chief Executive Officer of Sanli commented: *"The consolidation of the Group's operations in one location will allow us to address the shortage of dormitory facilities in Singapore and it will enhance our operating efficiencies while lowering our operating costs for the long term. The Group will also be in a better position to plan the growth of its different businesses for the longer term, even in an uncertain global macro-economic environment."*

None of the Directors and controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Acquisition, save for their shareholdings in the Company (if any).

End.

About Sanli Environmental Limited

Listed in 2017 on the SGX-Catalist, Sanli Environmental Limited ("Sanli") is an environmental engineering company in the field of water and waste management. Sanli's expertise is in the design, supply, delivery, installation, commissioning, maintenance, repair and overhaul of mechanical and electrical equipment as well as process, instrumentation and control systems in wastewater treatment plants, water reclamation plants, NEWater plants, waterworks, service reservoirs, pumping stations and incineration plants.

The Company's business is divided into two main business segments. The Engineering, Procurement and Construction segment provides engineering, procurement and construction services within the field of water and waste management including process upgrading of existing water treatment plants, upgrading of pumping station capacities, replacement of aged mechanical and electrical equipment, and design and

² With reference to the Company's announcements on SGXnet dated 17 July 2023 and 2 August 2023 respectively.

build of various treatment process systems. The Operations and Maintenance segment provides corrective and preventive maintenance services to ensure reliability and minimal disruptions to its customers' operations.

As part of its business diversification, the Company has started the manufacturing of magnesium hydroxide slurry for use in a range of industrial applications, such as the environmental protection market.

Backed by its strong engineering capabilities, Sanli has the ability to integrate mechanical, electrical and process engineering expertise to provide customised, cost- and time-efficient integrated engineering solutions and services to its customers.

For more information, please visit <https://www.sanli.com.sg/>

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This media release has been reviewed by the Company's sponsor ("Sponsor"), SAC Capital Private Limited. This media release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this media release, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Mr David Yeong (Telephone number: +65 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.