



上海实业环境控股有限公司
SIIC ENVIRONMENT HOLDINGS LTD.

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ACQUISITION OF 100% EQUITY INTEREST OF JIAOHE JIAXIN WATER CO., LTD. AND AWARD OF WASTEWATER PROJECTS

(A) INTRODUCTION

The Board of Directors (the “**Board**”) of SIIC Environment Holdings Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) is pleased to announce that the Group’s 57.97% owned subsidiary, Longjiang Environmental Protection Group Co., Ltd. (“**Longjiang**”) had entered into a share transfer agreement with GS-Licon (China) Envirotech Inc. to acquire the entire issued and paid-up share capital of Jiaohe Jiaxin Water Co., Ltd. (“**Jiaohe Jiaxin**”) (“**Acquisition**”), a company incorporated in the People’s Republic of China (“**PRC**”).

(B) ACQUISITION

The purchase consideration for the Acquisition is RMB 95 million, which is based on the Asset Valuation Report of Jiaohe Jiaxin dated 5 June 2017 (“**Valuation**”) conducted by Wan Long (Shanghai) Asset Valuation Firm (“**Valuer**”). The Acquisition was funded by the Company’s internal resources.

The Valuation was commissioned by Longjiang. In carrying out the Valuation, the Valuer had relied primarily on the assets-based methodology and income method to determine the value of Jiaohe Jiaxin. The Valuer had also relied on certain assumptions for its valuation analysis.

The Company had received new business licenses on 18 August 2017 from Jiaohe Municipal Bureau of Market Supervision and Administration, Jilin Province. Its registered capital is RMB 8 million. It is principally engaged in the business of environmental protection, waste water treatment, technology development, technical services and etc. Jiaohe Jiaxin is currently undertaking a 30 years build-operate-transfer wastewater treatment project. The total wastewater treatment design capacity is 30,000 tons/day. Following the completion of the Acquisition, Jiaohe Jiaxin has become a wholly-owned subsidiary of Longjiang.

The Acquisition constitutes as a “Non-Disclosable Transaction as defined in Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Acquisition is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company and the Group for the financial year ending 31 December 2017.

None of the directors, controlling shareholders or substantial shareholders of the Company have any interest, direct or indirect, in the Acquisition.

By Order of the Board

Feng Jun
Executive Director
28 August 2017