SANLI ENVIRONMENTAL LIMITED

Company Registration No.: 201705316M
(Incorporated in the Republic of Singapore)

RESPONSE TO QUESTIONS FROM SHAREHOLDERS PRIOR TO COMPANY'S ANNUAL GENERAL MEETING

The Board of Directors (the "**Board**") of Sanli Environmental Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has received questions from shareholders in advance of the Company's Annual General Meeting to be held at 10.00a.m. on 25 September 2020. The Company's responses to the corresponding questions are set out below:

Question No. 1	**The share price has been consistently on downward trends over the years. Are there any plans to develop the business and bring more values to shareholders?**
Company's Response	The movement of share prices are determined by various factors, of which many external factors are not within the Board's control. While we have no control over market activity, the Company has recently renewed the Company's leadership in May 2020 as part of the Group's strategic plan to transform and strengthen the management team to take Sanli to the next level of growth. The Group believes in increasing long-term shareholders value and has plans to further develop the business. Our key strategy moving forward is to pursue larger contracts, while strengthening our internal capabilities by (a) investing in technology to drive innovation and increase operational efficiency, and (b) training our staff and bolstering their abilities to manage and handle projects effectively. We believe that investing in technology and our staff's skills will allow us to be more efficient and productive as a Group in the long-term, thus leading to overall cost-effectiveness in project execution. Lastly, we would like to ensure our shareholders that we will continue to work hard to preserve and enhance our shareholders value within our means.

Question No. 2	**Co-founder Pek Kian Boon has been selling shares at low prices over the year, depressing the share price. Would management consider buying over all his shares?**
Company's Response	Mr Pek Kian Boon resigned from the Group on 31 January 2019 to pursue other personal interests and career opportunities, of which the Board has express its gratitude and appreciation to Mr Pek for his contribution as a former Executive Director of the Company. The sale or purchase of shares in the Company is a personal investment decision on the part of each individual within Sanli's management team. As this is a personal matter for each individual, we would like to seek shareholder's understanding that we are not able to comment.

We would like to thank the shareholders for taking out the time to submit the questions and their interest in Sanli Environmental Limited.

By Order of the Board
Sanli Environmental Limited

Chua Teck Huat
Chief Executive Officer
24 September 2020

This announcement has been reviewed by the Company's sponsor ("Sponsor"), SAC Capital Private Limited. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, 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 (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.