**SANLI ENVIRONMENTAL LIMITED**
Company Registration No.: 201705316M

**UPDATE ON USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING**

The Board of Directors (the "**Board**") of Sanli Environmental Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's offer document dated 30 May 2017 in relation to its Initial Public Offering (the "**IPO**") and the Company's unaudited financial results for the half year financial period ended 30 September 2021 ("**Results Announcement**"). Further to the Results Announcement, the Board wishes to provide an update on the use of the proceeds raised by the Company's IPO. Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the IPO offer document dated 30 May 2017.

As at the date of this announcement, the status of the use of the net proceeds from the IPO is as follows:

| Group | Amount allocated | Amount utilised (as per Results Announcement) | Amount utilised as at the date of this announcement | Balance of net proceeds as at the date of this announcement |
|---|---|---|---|---|
| | S$ million | S$ million | S$ million | S$ million |
| Working capital to expand business operations through securing more projects and projects of larger scale | 5.74 | 2.10[(1)] | 2.15[(1)] | 1.49 |
| Expansion of business premises | 2.92 | 2.92 | - | - |
| Expansion of business development department | 1.06 | 1.06 | - | - |
| **Total** | **9.72** | **6.08** | **2.15** | **1.49** |

Note:

(1) Amount used for the purchase of equipment as part of the cost of contract works for the secured projects.

The above utilisation of the net proceeds is consistent with the intended use as disclosed in the offer document dated 30 May 2017. The Company will make periodic announcements via SGXNet on the utilisation of the IPO proceeds as and when they are materially disbursed.

**BY ORDER OF THE BOARD**

Kew Boon Kee
Chief Executive Officer
15 March 2022

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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.