SANLI ENVIRONMENTAL LIMITED
Company Registration No.: 201705316M

ESTABLISHMENT OF A SUBSIDIARY COMPANY IN THE REPUBLIC OF THE UNION OF MYANMAR
- SANLI ENVIRONMENTAL (MYANMAR) COMPANY LIMITED

The Board of Directors of Sanli Environmental Limited (the "**Company**") wishes to announce that Sanli M&E Engineering Pte. Ltd. ("**Sanli M&E**"), a wholly-owned subsidiary of the Company, has established a new company in the Republic of the Union of Myanmar known as Sanli Environmental (Myanmar) Company Limited ("**Sanli Myanmar**") for providing engineering, construction and related services.

Sanli Myanmar has an issued and paid-up share capital of USD100,000 which comprises 100,000 shares of USD1 each. Sanli M&E subscribes for 60% of the equity interest in Sanli Myanmar and the remaining 40% interest is held by Mr U Htet Aung Zay, an independent unrelated third party.

The establishment was funded from the Group's internal resources and it is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ending 31 March 2018.

None of the directors, controlling shareholders or substantial shareholders of the Company or their respective associates have any interest, direct or indirect in the transaction, save for their respective shareholdings and/or directorships, as the case may be, in the Company.

By Order of the Board
Sanli Environmental Limited

Sim Hock Heng
Executive Director / Chief Executive Officer

4 January 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

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. Ong Hwee Li (Telephone number: +65 6532 3829), at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.