



CITIC ENVIROTECH LTD
(Company Registration Number: 200306466G)

INCORPORATION OF A SUBSIDIARY

The Board of Directors (the “Board”) of CITIC Envirotech Ltd (“CEL” or the “Company”) wishes to announce that the Company has incorporated a subsidiary in Weishan County, Shandong Province.

The 100% owned subsidiary known as CITIC Envirotech Water Resource (Weishan) Co., Ltd (“CITIC Weishan”) has a registered capital of RMB 21.5 million. As announced on 20 August 2015, the setting up of CITIC Weishan is to undertake the 50,000 m³/day Build Operate Transfer (“BOT”) water supply project in Weishan County, Shandong Province. Phase 1 of the project involves the construction of a 30,000 m³/day water treatment plant. The total investment for Phase 1 is approximately RMB 43 million.

The capital injection of RMB 21.5 million is funded from the proceeds of the previous issuance of the MTN bond.

The above investment has no material effect on the net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2015.

None of the directors or substantial shareholders of the Company has an interest, direct or indirect in the above investment.

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company Secretary

28 December 2015