



CITIC ENVIROTECH LTD

(Company Registration Number: 200306466G)

CITIC Envirotech Led Consortium Won The Tender For A RMB 3.2 BILLION PPP Project In Shantou CITY, Guangdong Province, China

The Board of Directors of CITIC Envirotech Ltd. (“CEL” or “Company” or collectively with its subsidiaries, “Group”) is pleased to announce that a consortium comprising CEL, Guangdong Keying Zhiran Environmental Co., Ltd (“Guangdong KZ”) and Zhongsheng Technology (Jiangsu) Co., Ltd (“Zhongsheng”) was awarded a RMB 3.2 billion Public-Private-Partnership (PPP) project in Shantou Chaonan, Guangdong Province, China.

Backed by the local government, Guangdong KZ is an environmental company set up by the Shantou Printing and Dyeing Association comprising members of the printing and dyeing enterprises.

Phase 1 of the PPP project involves the investment of RMB 2 billion to design and build a 40,000 m³/day industrial wastewater treatment plant and a 30,000 m³/day recycling plant as well as a cogeneration plant and related ancillary assets.

CEL will form a joint venture company (“JVC”) with Guangdong KZ and Chaonan District Dyeing Park Management Company (“Chaonan MC”) with a total registered capital of RMB 600 million to undertake the PPP project. CEL will own 51% of the shareholding of the JVC while Guangdong KZ and Chaonan MC will own 24% and 25% respectively. Phase 1 of the industrial wastewater treatment plant and the cogeneration plant will commence immediately and is expected to complete by the end of 2017.

Chaonan MC is owned by the local government and will be the managing agent for the printing and dyeing park in Shantou Chaonan.

The investment in JVC will be funded by the proceeds from the last issuance of the senior perpetual securities and bank financing by the Company.

The JVC is not expected to have any material financial impact on the net tangible assets per share and earning per share of the Group for the financial year ending 31 December 2016.

Zhongsheng is a subsidiary of SGX-ST main board listed Sunpower Group Ltd, which is an one-stop solution provider for energy conservation, waste-to-energy and renewable energy projects. Zhongsheng is expected to be responsible for the design, build and

operation of the cogeneration plant and will not be participating in the investment, build and operation of the industrial wastewater treatment plant and water recycling plant.

None of the Directors and controlling Shareholders has any interest, direct and indirect (other than through their shareholdings in the Company) in the project, except for Dr Lin Yucheng, the Group CEO and Executive Director of the Group, who is a substantial shareholder of Sunpower Group Ltd whose subsidiary, Zhongsheng is a member of the consortium.

For and on behalf of the Board

Dr Lin Yucheng
Group CEO and Executive Director

7 December 2016