

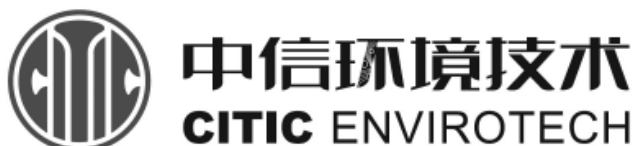
**CIRCULAR DATED 11 MAY 2017**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, financial, tax or other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of **CITIC Envirotech Ltd.**, you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the contents of this Circular, including the correctness of any of the statements made, opinions expressed, or reports contained in this Circular.



(Company Registration Number: 200306466G)  
(Incorporated in the Republic of Singapore)

## **CIRCULAR TO SHAREHOLDERS**

**in relation to:**

### **THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE**

#### **IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Proxy Form	:	24 May 2017 at 10:30 a.m.
Date and time of Extraordinary General Meeting	:	26 May 2017 at 10:30 a.m.
Place of Extraordinary General Meeting	:	Amara Hotel Connection 2, Level 3 165 Tanjong Pagar Road Singapore 088539

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated.

<b>“AGM”</b>	:	The annual general meeting of the Company
<b>“Average Closing Market Price”</b>	:	Shall have the meaning ascribed to it in paragraph 2.3(iv)
<b>“Board”</b>	:	The board of Directors of the Company as at the date of this Circular
<b>“Business Day”</b>	:	A day (excluding Saturday, Sunday and public holidays) on which commercial banks are opened for business in Singapore
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular to Shareholders dated 11 May 2017
<b>“Companies Act”</b>	:	Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
<b>“Constitution”</b>	:	The Constitution of the Company, as may be amended or modified from time to time
<b>“Company”</b>	:	CITIC Envirotech Ltd.
<b>“Directors”</b>	:	The directors of the Company as at the date of this Circular
<b>“EGM”</b>	:	The extraordinary general meeting of the Company, notice of which is given at pages 21 to 23 of this Circular
<b>“EPS”</b>	:	Earnings per Share
<b>“FY2016”</b>	:	Financial year ended 31 December 2016
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“Latest Practicable Date”</b>	:	27 April 2017, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	:	Listing manual of the SGX-ST, as amended, modified and supplemented from time to time
<b>“Listing Rules”</b>	:	The listing rules of the SGX-ST as set out in the Listing Manual
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“Market Purchases”</b>	:	Shall have the meaning ascribed to it in paragraph 2.3(iii)

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## DEFINITIONS

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<b>“Maximum Price”</b>	:	Shall have the meaning ascribed to it in paragraph 2.3(iv)
<b>“NAV”</b>	:	Net asset value
<b>“Notice of EGM”</b>	:	The Notice of EGM as set out at pages 21 to 23 of this Circular
<b>“NTA”</b>	:	Net tangible assets
<b>“Off-Market Purchases”</b>	:	Shall have the meaning ascribed to it in paragraph 2.3(iii)
<b>“Public Float”</b>	:	Shall have the meaning ascribed to it in paragraph 2.8
<b>“Public Shareholders”</b>	:	Persons other than the Directors, chief executive officer, Substantial Shareholders or controlling shareholders of the Group, as well as the associates of such persons
<b>“Register of Members”</b>	:	The principal register of members (duly registered holders of Shares)
<b>“Registrar of Companies”</b>	:	Shall have the meaning ascribed to it in section 4 of the Companies Act
<b>“Relevant Period”</b>	:	The period commencing from the date on which the EGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is earlier
<b>“Securities Account”</b>	:	The securities account maintained by a Depositor directly with CDP, but not including a securities sub-account maintained with a Depository Agent
<b>“SFA”</b>	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Share Purchase”</b>	:	Purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate
<b>“Share Purchase Mandate”</b>	:	The general mandate given by Shareholders to authorise the Directors to purchase or otherwise acquire, on behalf of the Company, Shares in accordance with the terms set out in the Circular as well as the rules and regulations set forth in the Companies Act and the Listing Rules
<b>“Share Registrar”</b>	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)

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## DEFINITIONS

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<b>“Shareholders”</b>	:	The registered holders of the Shares, except that where the registered holder is CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts with CDP are credited with those Shares
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company
<b>“Substantial Shareholder”</b>	:	A Shareholder who has 5% or more of the total issued share capital of the Company
<b>“Take-over Code”</b>	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
<b>“usage”</b>	:	Shall have the meaning ascribed to it in paragraph 2.5(iii)
<b>“S\$” or “cents”</b>	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
<b>“%” or “per cent.”</b>	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons, where applicable, shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act or the Listing Rules or any modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act or the Listing Rules or any modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in the tables included in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date respectively, unless otherwise stated.

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## LETTER TO SHAREHOLDERS

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### CITIC ENVIROTECH LTD.

(Company Registration Number: 200306466G)  
(Incorporated in the Republic of Singapore)

#### Board of Directors:

Mr. Hao Weibao (Executive Chairman)  
Dr. Lin Yucheng (Executive Director and Chief Executive Officer)  
Mr. Zhang Yong (Executive Director)  
Mr. Wang Song (Executive Director)  
Mr. Bi Jingshuang (Non-Executive Director)  
Mr. Yeung Koon Sang alias David Yeung (Lead Independent Director)  
Mr. Tay Beng Chuan (Independent Director)  
Mr. Lee Suan Hiang (Independent Director)

#### Registered Office:

80 Robinson Road  
#02-00  
Singapore 068898

11 May 2017

To: The Shareholders of CITIC Envirotech Ltd.

Dear Sir/Madam,

#### THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

##### 1. INTRODUCTION

- 1.1. The Directors are convening an EGM to be held on 26 May 2017 to seek the approval of the Shareholders for the proposed adoption of the Share Purchase Mandate.
- 1.2. The purpose of this Circular is to provide Shareholders with information relating to the proposed adoption of the Share Purchase Mandate to seek Shareholders' approval for the same at the EGM. The Notice of the EGM is set out at pages 21 to 23 of this Circular.
- 1.3. The SGX-ST assumes no responsibility for the correctness of any statements made or reports contained or opinions expressed in this Circular.

##### 2. THE SHARE PURCHASE MANDATE

###### 2.1. Introduction

The Company proposes to adopt a general mandate to authorise the Directors to exercise all the powers of the Company to purchase, on behalf of the Company, issued Shares.

Any purchase or acquisition of Shares by the Company has to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Rules and such other laws and regulations as may, for the time being, be applicable. The Company is also required to obtain the approval of its Shareholders at a general meeting of its Shareholders if it wishes to purchase or acquire its own Shares.

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## LETTER TO SHAREHOLDERS

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### 2.2. Rationale for the Share Purchase Mandate

The Share Purchase Mandate will give the Company the flexibility to undertake Share Purchases at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share Purchases provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner. The Directors believe that Share Purchases by the Company will also help mitigate short-term market volatility, offset the effects of short-term speculation and bolster shareholder confidence. In addition, Share Purchases will also allow management to effectively manage and minimise the dilution impact associated with any issuance of Shares (if any) on existing Shareholders.

It should be noted that Share Purchases will only be undertaken if such Share Purchases can benefit the Company and Shareholders. If and when circumstances permit, the Directors will decide whether to effect such Share Purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Group as a whole and/or affect the listing status of the Company on the SGX-ST.

### 2.3. Authority and Limitations of the Share Purchase Mandate

The authority and limitations placed on Share Purchases, if the Share Purchase Mandate is approved at the EGM, are summarised below.

(i) **Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased by the Company. The total number of Shares that may be purchased is limited to that number of Shares representing not more than 10% of the total number of issued Shares as at the date of the EGM at which the Share Purchase Mandate is approved, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company, as altered. Any Shares which are held as treasury shares will be disregarded for the purpose of computing the 10% limit.

**While the Share Purchase Mandate would authorise Share Purchases up to the 10% limit, Shareholders should note that Share Purchases may not be carried out up to the full 10% limit as authorised, or at all. In particular, no Share Purchase would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Group as a whole. Further, no Share Purchase would be made if it would cause the Public Float to be less than 10%.**

The Directors would like to note that, as at the Latest Practicable Date, the Public Float is approximately 12.05%. Therefore, the Company will not be able to purchase Shares exceeding approximately 2.05% of the total number of issued Shares pursuant to the Share Purchase Mandate. Please refer to paragraph 2.8 for further information in relation to the Public Float.



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## LETTER TO SHAREHOLDERS

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**For illustrative purposes only**, on the basis of 2,251,797,476 Shares in issue and 271,285,338 Shares held by Public Shareholders as at the Latest Practicable Date and assuming that no further Shares are issued on or prior to the EGM, then not more than 46,105,589 Shares (representing approximately 2.05% of the total number of issued Shares as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate during the duration referred to in paragraph 2.3(ii) below.

(ii) ***Duration of Authority***

Share Purchases may be made, at any time and from time to time, on and from the date of the EGM at which the Share Purchase Mandate is approved, up to the earliest of:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which Share Purchases are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting.

(iii) ***Manner of Purchase or Acquisition of Shares***

Share Purchases may be made on the SGX-ST ("**Market Purchases**") and/or otherwise than on the SGX-ST, in accordance with an equal access scheme ("**Off-Market Purchases**").

Market Purchases refer to Share Purchases effected through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to Share Purchases made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders. The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Listing Rules and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (a) the offers under the scheme shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued shares;
- (b) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and

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## LETTER TO SHAREHOLDERS

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- (c) the terms of all the offers are the same except that there shall be disregarded:
  - (1) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements;
  - (2) (if applicable) differences in consideration attributable to the fact that the offers relate to shares with different amounts remaining unpaid; and
  - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

In addition, pursuant to the Listing Rules, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
  - (b) the period and procedures for acceptances;
  - (c) the reasons for the proposed Share Purchases;
  - (d) the consequences of the proposed Share Purchases, if any, that will arise under the Take-over Code then in force or other applicable takeover rules;
  - (e) whether the Share Purchases, if made, would have any effect on the listing of the Shares on the SGX-ST;
  - (f) details of any Share Purchases in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the Share Purchases, where relevant, and the total consideration paid for the Share Purchases; and
  - (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.
- (iv) **Maximum Purchase Price**

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price must not exceed (in the case of both a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme) 105% of the Average Closing Market Price of the Shares (the “**Maximum Price**”), in either case, excluding related expenses of the Share Purchase.

For the above purposes:

“**Average Closing Market Price**” means the average of the closing market prices of the Shares over the last five Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period; and

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## LETTER TO SHAREHOLDERS

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“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### 2.4. Status of Purchased or Acquired Shares

Any Share which is purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation), unless such Share is held by the Company as a treasury share. All Shares (excluding Shares held by the Company as treasury shares) purchased or acquired by the Company will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

The Constitution currently provides that all the Shares purchased by the Company shall be cancelled. This means that unless the Constitution is amended to permit purchased Shares to be held as treasury shares, the Company can only cancel Shares purchased by it.

### 2.5. Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

(i) **Maximum Holdings**

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(ii) **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully-paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury share before the subdivision or consolidation, as the case may be.

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## LETTER TO SHAREHOLDERS

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### (iii) *Disposal and Cancellation*

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employee's share scheme or for the purposes of, or pursuant to, any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under the Listing Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “**usage**”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares comprised in the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

As stated in paragraph 2.4, the Company will not be able to hold any purchased Shares as treasury shares unless relevant amendments are made to the Company's Constitution.

### 2.6. **Source of Funds**

The Companies Act permits the Company to purchase or acquire its Shares out of capital, as well as from its distributable profits so long as the Company is solvent.

The Company intends to use internal sources of funds, or a combination of internal sources of funds and external borrowings, to finance Share Purchases. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the liquidity and capital of the Company and the Group would be materially adversely affected.

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## LETTER TO SHAREHOLDERS

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### 2.7. Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of future Share Purchases on the NAV and EPS as the resultant effect would depend on, *inter alia*, whether the purchase or acquisition is made out of capital or profits, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Pursuant to the Companies Act, Share Purchases may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the Share Purchase is made out of profits, such consideration (which may include expenses such as brokerage or commission incurred directly on the Share Purchase but exclude stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for distribution of cash dividends by the Company. Where the consideration paid by the Company for the Share Purchase is made out of capital, the amount available for distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the Share Purchase Mandate to such extent as to materially affect the working capital requirements or the gearing of the Company. Any Share Purchase will only be effected after considering relevant factors such as working capital requirements, the availability of financial resources, the expansion and investment plans of the Group, prevailing market conditions and the Public Float.

**For illustrative purposes only**, the financial effects of a Share Purchase pursuant to the Share Purchase Mandate on the Company and the Group, based on the audited financial statements of the Group for FY2016 are set out below based on the following assumptions:

- (i) based on 2,251,797,476 Shares in issue and 271,285,338 Shares held by Public Shareholders as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the EGM, a purchase or acquisition of 46,105,589 Shares (representing approximately 2.05% of the total number of issued Shares as at that date) by way of purchases made entirely out of capital and cancelled;
- (ii) the Share Purchase is made at the Maximum Price of S\$0.824292 per Share (being the price equivalent to 5% above the Average Closing Market Price of the Shares for the five Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 46,105,589 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$38,004,468;
- (iii) the Share Purchase is financed by internal sources of funds available as at 31 December 2016;
- (iv) the Share Purchase Mandate has been effective on 1 January 2016; and

## LETTER TO SHAREHOLDERS

- (v) the Share Purchase was made on 1 January 2016 (for the purpose of computing the effect of the Share Purchase on the EPS) and 31 December 2016 (for all other cases).

	Group Before Share Purchase	Group After Share Purchase	Company Before Share Purchase	Company After Share Purchase
<b>As at 31 December 2016</b>				
Profit after income tax attributable to owners of the Company (S\$'000)	99,312	99,312	45,382	45,382
Share capital (S\$'000)	608,063	570,059	608,063	570,059
Other reserves <sup>(1)</sup> (S\$'000)	25,293	25,293	34,942	34,942
Accumulated profits (S\$'000)	264,385	264,385	22,921	22,921
Perpetual capital securities (S\$'000)	481,250	481,250	481,250	481,250
Non-controlling interests (S\$'000)	116,527	116,527	–	–
Shareholders' funds <sup>(2)</sup> (S\$'000)	1,495,518	1,457,514	1,147,176	1,109,172
NTA (S\$'000) <sup>(3)</sup>	1,240,153	1,202,149	879,241	841,237
Current assets (S\$'000)	951,594	913,590	961,479	923,475
Current liabilities (S\$'000)	528,605	528,605	15,081	15,081
Total borrowings <sup>(4)</sup> (S\$'000)	557,146	557,146	223,532	223,532
Number of issued Shares ('000)	2,251,797	2,205,692	2,251,797	2,205,692
Weighted average number of Shares ('000)	2,251,631	2,205,526	2,251,631	2,205,526
<u>Financial ratios</u>				
NTA/Share (cents) <sup>(5)</sup>	55.07	54.50	39.05	38.14
Gearing ratio <sup>(6)</sup>	0.37	0.38	0.19	0.20
Current ratio (times)	1.80	1.73	63.75	61.23
EPS (cents)	4.41	4.50	2.02	2.06

**Notes:**

- (1) Other reserves include general reserve, capital reserve, share option reserve and currency translation reserve.
- (2) Shareholders' funds means the aggregate amounts of share capital, perpetual capital securities, other reserves, accumulated profits and non-controlling Shareholders.
- (3) NTA means total assets less total liabilities less goodwill on consolidation.
- (4) Total borrowings means the aggregate of bank loans, finance leases and medium term notes.
- (5) NTA/Share is computed based on NTA divided by the number of issued Shares.
- (6) Gearing ratio represents the ratio of total borrowings to shareholders' funds.

The financial effects are the same whether the Shares are purchased by way of a Market Purchase or an Off-Market Purchase.

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## LETTER TO SHAREHOLDERS

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Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares. The Company will take into account both financial and non-financial factors (for example, stock market conditions, the performance of the Shares and the Public Float) in assessing the relative impact of a Share Purchase before execution.

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

### 2.8. Listing Status of the Shares

Rule 723 of the Listing Rules requires a listed company to ensure that at least 10% of any class of its listed securities (excluding Shares held as treasury shares) is held by Public Shareholders (“Public Float”).

As at the Latest Practicable Date, there are 271,285,338 Shares in the hands of the public, representing approximately 12.05% of the total number of issued Shares of the Company. Given that the Public Float is close to 10%, the Company will not purchase or acquire more than 46,105,589 Shares representing approximately 2.05% of its issued Shares as at the Latest Practicable Date as that would cause the Public Float to go below 10%.

In undertaking any Share Purchase through a Market Purchase, the Directors will use their best efforts to ensure that a sufficient number of Shares remain in public hands so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

### 2.9. Listing Rules

Under the Listing Rules, a listed company may purchase or acquire shares by way of Market Purchases at a price per share which is not more than 5% above the “Average Closing Market Price”, being the average of the closing market prices of a share over the last five Market Days on which transactions in the shares were recorded, before the day on which the purchases or acquisitions were made (which is deemed to be adjusted for any corporate action that occurs after such five Market Day period). The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in paragraph 2.3(iv) above, conforms to this restriction. Although the Listing Rules do not prescribe a maximum price in relation to purchases or acquisitions of shares by way of Off-Market Purchases, the Company has set a cap of 5% above the Average Closing Market Price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the Listing Rules do not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time, as such a listed company would be considered an “insider” in relation to any buy back of its shares, the Company will not purchase or acquire any Shares after a price-sensitive development has occurred or has been the subject of a decision until such time as the price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases during the period of two weeks immediately preceding the announcement of the Company’s financial statements for each of the first three quarters of its financial year, and one month immediately preceding the announcement of the Company’s financial statement for the financial year, as the case may be.

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## LETTER TO SHAREHOLDERS

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### 2.10. Reporting Requirements

Within 30 days of the passing of a Shareholders' resolution to approve Share Purchases, the Company shall lodge a copy of such resolution with the Registrar of Companies.

The Company shall notify the Registrar of Companies within 30 days of a Share Purchase on the SGX-ST or otherwise. Such notification shall include details of the Share Purchase, including the date of the Share Purchase, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the Share Purchase, the Company's issued share capital after the Share Purchase, the amount of consideration paid by the Company for the Share Purchase, whether the Shares were purchased or acquired out of profits or the capital of the Company, and such other particulars as may be required in the prescribed form.

The Listing Rules specify that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9.00 a.m.:

- (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

### 2.11. Details of Previous Share Purchases

The Company had made Share Purchases pursuant to the Share Purchase Mandate in the preceding 12 months, details of which are set out below:

Date of purchase	Total number of Shares purchased	Number of Shares purchased on post-split basis (pursuant to share split on 1 February 2017)	Price paid per Share or the highest and lowest prices paid (where relevant) (S\$)	Total consideration paid (S\$)
23 January 2017	150,000 (pre-split)	300,000	1.56/1.52	228,361.25
24 January 2017	359,500 (pre-split)	719,000	1.56/1.52	560,911.39
25 January 2017	480,600 (pre-split)	961,200	1.585/1.57	762,388.01
26 January 2017	665,000 (post-split)	665,000	0.80/0.795	530,392.76
27 January 2017	542,500 (post-split)	542,500	0.80/0.795	434,309.29
31 January 2017	870,000 (post-split)	870,000	0.80/0.79	696,461.13



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## LETTER TO SHAREHOLDERS

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### 2.12. Take-over Implications

#### ***Requirement to make a general offer***

Under Rule 14 of the Take-over Code, a person will be required to make a general offer for a public company if:

- (i) he acquires 30% or more of the voting rights of the company; or
- (ii) he holds between 30% and 50% of the voting rights of the company and he increases his voting rights in the company by more than 1% in any six-month period.

If the proportionate shareholding in the voting capital of the company of a shareholder and persons acting in concert with him increases as a result of the company buying back its shares, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in the shareholder and persons acting in concert with him obtaining or consolidating effective control of the company, they may be obliged to make a take-over offer under Rule 14 of the Take-over Code.

#### ***Persons acting in concert***

Under the Take-over Code, the following persons are deemed to be acting in concert unless the contrary is established:

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (ii) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund in respect of the investment account which the person manages on a discretionary basis;
- (v) a financial or other professional advisor, with its client in respect of the shareholdings of the advisor and the persons controlling, controlled by or under the same control as the advisor; and all the funds which the advisor manages on a discretionary basis, where the shareholdings of the advisor and any of those funds in the client total 10% or more of the client's equity share capital;
- (vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a *bona fide* offer for their company may be imminent;
- (vii) partners; and

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## LETTER TO SHAREHOLDERS

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(viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the above persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the equity share capital of a company will be regarded as the test of associated company status.

### ***Effect of Rule 14 and Appendix 2 of the Take-over Code***

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a Share Purchase by the Company are set out under Appendix 2 of the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of a Share Purchase by the Company, the voting rights of such Directors and their concert parties will increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of a Share Purchase by the Company, the voting rights of the Shareholder will increase to 30% or more, or, if he holds between 30% and 50% of the Company's voting rights, his voting rights increase by more than 1% in any period of six months as a result of the Company buying back its Shares.

In addition, under Appendix 2 of the Take-over Code, a Shareholder and persons acting in concert with him will incur an obligation to make a take-over offer after a Share Purchase if, *inter alia*, their voting rights increase to 30% or more as a result of such Share Purchase by the Company and they acquire any Shares between the date of the Notice of EGM to authorise the Share Purchase Mandate and the next AGM of the Company, or, if they already hold between 30% and 50% of the Company's voting rights and as a result of a Share Purchase by the Company their voting rights increase by more than 1% in any period of six months and they acquire Shares between the date of the Notice of EGM to authorise the Share Purchase Mandate and the next AGM of the Company.

Based on the Substantial Shareholders' interests as at the Latest Practicable Date as set out in paragraph 3 below, none of the Substantial Shareholders will become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of any Share Purchase by the Company pursuant to the Share Purchase Mandate of the maximum limit of 10% of the total number of issued Shares as at the Latest Practicable Date.

**Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any Share Purchase by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisors and/or the Securities Industry Council of Singapore before they acquire any Shares during the period when the Share Purchase Mandate is in force.**

## LETTER TO SHAREHOLDERS

### 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date are:

	Direct		Deemed	
	Number of Shares	% of total issued Shares <sup>(1)</sup>	Number of Shares	% of total issued Shares <sup>(1)</sup>
<b><u>Directors</u></b>				
Hao Weibao	–	–	–	–
Lin Yucheng <sup>(2)</sup>	–	–	85,681,334	3.81
Zhang Yong	–	–	–	–
Wang Song	–	–	–	–
Bi Jingshuang <sup>(3)</sup>	–	–	538,048,010	23.89
Yeung Koon Sang alias David Yeung	1,200,000	0.05	–	–
Tay Beng Chuan	2,250,000	0.10	–	–
Lee Suan Hiang <sup>(4)</sup>	721,000	0.03	800,000	0.04
<b><u>Substantial Shareholders (other than Directors)</u></b>				
CRF Envirotech Co., Ltd.	538,048,010	23.89	–	–
CRF Envirotech Fund L.P. <sup>(5)</sup>	–	–	538,048,010	23.89
China Reform Soochow Overseas Fund I L.P. <sup>(6)</sup>	–	–	538,048,010	23.89
CRF Envirotech GP Ltd. <sup>(7)</sup>	–	–	538,048,010	23.89
China Reform Puissance Overseas GP L.P. <sup>(8)</sup>	–	–	538,048,010	23.89
China Reform Puissance Overseas Holdings Limited <sup>(9)</sup>	–	–	538,048,010	23.89
China Reform Overseas Feeder GP Ltd. <sup>(10)</sup>	–	–	538,048,010	23.89
China Reform Overseas Cayman Company Limited <sup>(11)</sup>	–	–	538,048,010	23.89
China Reform Fund Management Co., Ltd. <sup>(12)</sup>	–	–	538,048,010	23.89
Golden Bridge Capital Holdings Limited <sup>(13)</sup>	–	–	538,048,010	23.89
Soochow International Capital Limited <sup>(14)</sup>	–	–	538,048,010	23.89
Soochow Securities (Hong Kong) Financial Holdings Limited <sup>(15)</sup>	–	–	538,048,010	23.89
Soochow Securities Co., Ltd. <sup>(16)</sup>	–	–	538,048,010	23.89
Bi Jingshuang <sup>(17)</sup>	–	–	538,048,010	23.89
CKM (Cayman) Company Limited <sup>(18)</sup>	–	–	1,437,493,128	63.84

## LETTER TO SHAREHOLDERS

	Direct		Deemed	
	Number of Shares	% of total issued Shares <sup>(1)</sup>	Number of Shares	% of total issued Shares <sup>(1)</sup>
CITIC Environment (International) Company Limited <sup>(19)</sup>	–	–	1,437,493,128	63.84
CITIC Environment Investment Group Co., Ltd. <sup>(20)</sup>	–	–	1,437,493,128	63.84
CITIC Corporation Limited <sup>(20)</sup>	–	–	1,437,493,128	63.84
CITIC Limited <sup>(20)</sup>	–	–	1,437,493,128	63.84
CITIC Group Corporation <sup>(20)</sup>	–	–	1,437,493,128	63.84
CENVIT (Cayman) Company Limited	1,237,687,284	54.96	–	–
P&L Capital Limited	114,124,510	5.07	–	–

**Notes:**

- (1) There are 2,251,797,476 issued Shares as at the Latest Practicable Date.
- (2) Dr. Lin Yucheng is deemed interested in the Shares held by Green Resources Limited.
- (3) Bi Jingshuang is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through his shareholding interest in Golden Bridge Capital Holdings Limited.
- (4) Lee Suan Hiang is deemed interested in the Shares held by his wife.
- (5) CRF Envirotech Fund L.P. is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its holding of two-thirds of the voting power in CRF Envirotech Co., Ltd.
- (6) China Reform Soochow Overseas Fund I L.P. is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its holding of one-third of the voting power in CRF Envirotech Co., Ltd.
- (7) CRF Envirotech GP Ltd. is deemed interested in the Shares held by CRF Envirotech Co., Ltd. as it is the general partner of CRF Envirotech Fund L.P.
- (8) China Reform Puissance Overseas GP L.P. is deemed interested in the Shares held by CRF Envirotech Co., Ltd. as it is the general partner of China Reform Soochow Overseas Fund I L.P. and the parent company of CRF Envirotech GP Ltd.
- (9) China Reform Puissance Overseas Holdings Limited is deemed interested in the Shares held by CRF Envirotech Co., Ltd. as it is the general partner of China Reform Puissance Overseas GP L.P.
- (10) China Reform Overseas Feeder GP Ltd. is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its holding of thirty two percent of the voting power in China Reform Puissance Overseas Holdings Limited.
- (11) China Reform Overseas Cayman Company Limited is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its shareholding interest in China Reform Overseas Feeder GP Ltd.
- (12) China Reform Fund Management Co., Ltd. is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its shareholding interest in China Reform Overseas Cayman Company Limited.
- (13) Golden Bridge Capital Holdings Limited is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its holding of thirty percent of the voting power in China Reform Puissance Overseas Holdings Limited.
- (14) Soochow International Capital Limited is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its holding of thirty percent of the voting power in China Reform Puissance Overseas Holdings Limited.
- (15) Soochow Securities (Hong Kong) Financial Holdings Limited is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its shareholding interest in Soochow International Capital Limited.
- (16) Soochow Securities Co., Ltd is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through its shareholding interest in Soochow Securities (Hong Kong) Financial Holdings Limited.
- (17) Bi Jingshuang is deemed interested in the Shares held by CRF Envirotech Co., Ltd. through his shareholding interest in Golden Bridge Capital Holdings Limited.

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## LETTER TO SHAREHOLDERS

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- (18) CKM (Cayman) Company is deemed interested in the Shares held by its subsidiaries, CENVIT (Cayman) Company Limited, P&L Capital Limited and Green Resources Limited.
- (19) CITIC Environment (International) Company Limited is deemed interested in the Shares held by CKM (Cayman) Company Limited through its controlling interest in CKM (Cayman) Company Limited.
- (20) These companies are deemed interested in the Shares held by CITIC Environment (International) Company Limited through their direct and indirect shareholding interest in CITIC Environment (International) Company Limited.

#### **4. DIRECTORS' RECOMMENDATION**

The Directors are of the opinion that the proposed adoption of the Share Purchase Mandate is in the best interests of the Company and its Shareholders. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution in respect of the proposed adoption of the Share Purchase Mandate as set out in the Notice of EGM on pages 21 to 23 of this Circular.

The Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, the Directors recommend that any individual Shareholder who may require specific advice in relation to the proposed Share Purchase Mandate should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

#### **5. EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on pages 21 to 23 of this Circular, will be held on 26 May 2017 at 10:30 a.m., at Amara Hotel, Connection 2, Level 3, 165 Tanjong Pagar Road, Singapore 088539 for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution set out in the Notice of the EGM.

#### **6. ACTIONS TO BE TAKEN BY SHAREHOLDERS**

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote in his place or on his behalf, he should complete, sign and return the proxy form appended in this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, to reach the registered office of the Company at 80 Robinson Road #02-00 Singapore 068898 not less than 48 hours before the time appointed for holding the EGM.

The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he subsequently wishes to do so. In such an event, the Proxy Form shall be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote at the EGM unless he is shown to have Shares entered against his name in the Depository Register, as certified by CDP at least 72 hours before the EGM.

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## LETTER TO SHAREHOLDERS

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### 7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed adoption of the Share Purchase Mandate, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 80 Robinson Road #02-00 Singapore 068898 during normal business hours from the date of this Circular up to the date of the EGM:

- (i) the Constitution; and
- (ii) the Company's annual report in respect of FY2016.

Yours faithfully

For and on behalf of  
the Board of Directors of  
**CITIC ENVIROTECH LTD.**

Dr. Lin Yucheng  
Executive Director and Chief Executive Officer

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### CITIC ENVIROTECH LTD.

(Company Registration Number: 200306466G)  
(Incorporated in the Republic of Singapore)

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (“**EGM**”) of the shareholders of CITIC ENVIROTECH LTD. (the “**Company**”) will be held at Amara Hotel, Connection 2, Level 3, 165 Tanjong Pagar Road, Singapore 088539, on 26 May 2017 at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendment, the ordinary resolution as set out below.

#### AS ORDINARY RESOLUTION

#### THE PROPOSED ADOPTION OF THE SHARE PURCHASE MANDATE

That:

- (a) for the purposes of the Companies Act (Chapter 50) of Singapore, the exercise by the directors of the Company (the “**Directors**”) of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares (“**Shares**”) in the share capital of the Company not exceeding in the aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) market purchases or acquisitions of Shares (each a “**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and/or
  - (ii) off-market purchases or acquisitions of Shares (each an “**Off-Market Purchase**”) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,
- and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);
- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate in paragraph (a) of this resolution may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earliest of:
- (i) the date on which the next annual general meeting (“**AGM**”) of the Company is held or required by law to be held;
  - (ii) the date on which the Share purchases or acquisitions by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; and
  - (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting;

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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(c) in this resolution:

**“Average Closing Market Price”** means the average of the closing market prices of the Shares over the last five Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period;

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

**“Market Day”** means a day on which the SGX-ST is open for securities trading;

**“Maximum Limit”** means the number of Shares representing 10% of the total number of issued Shares as at the date of the passing of this resolution, unless the Company has effected a reduction in the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company, as altered. Any shares which are held as treasury shares will be disregarded for the purpose of computing the 10% limit;

**“Maximum Price”** in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed (in the case of both a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme) 105% of the Average Closing Market Price of the Shares; and

**“Relevant Period”** means the period commencing from the date on which the EGM is held after the resolution relating to the Share Purchase Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution.

By order of the Board

Dr. Lin Yucheng  
Executive Director and Chief Executive Officer

11 May 2017



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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**Notes:**

1. A member of the Company entitled to attend and vote at EGM is entitled to appoint not more than two proxies to attend and vote in his stead and a proxy need not be a member of the Company.
2. The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
3. The instrument appointing a proxy must be lodged at the Company's registered office at 80 Robinson Road, #02-00 Singapore 068898 not less than 48 hours before the time appointed for the EGM. The completion and return of the proxy form by a member will not prevent him from attending and voting in person at the EGM if he so wishes. In such event, the relevant proxy form will be deemed to be revoked.

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## PROXY FORM

### CITIC ENVIROTECH LTD.

(Company Registration Number: 200306466G)  
(Incorporated in the Republic of Singapore)

#### IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") may attend and cast his vote(s) at the EGM in person. CPF and SRS Investors who are unable to attend the EGM but would like to vote, may inform their CPF and SRS Approved Nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the EGM.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

### PROXY FORM – EXTRAORDINARY GENERAL MEETING

I/We, \_\_\_\_\_ (Name) NRIC/Passport No. \_\_\_\_\_

of \_\_\_\_\_ (Address)  
being a member/members of CITIC Envirotech Ltd. (the "**Company**"), hereby appoint:

Name	Proportion of Shareholdings	
	No. of Shares	(%)
Address		

and/or (delete as appropriate)

Name	Proportion of Shareholdings	
	No. of Shares	(%)
Address		

as my/our\* proxy/proxies\* to vote for me/us\* on my/our\* behalf at the Extraordinary General Meeting ("**EGM**") to be held on 26 May 2017 at 10:30 a.m., at Amara Hotel, Connection 2, Level 3, 165 Tanjong Pagar Road, Singapore 088539 and at any adjournment thereof. I/We\* direct my/our\* proxy/proxies\* to vote for or against the ordinary resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

	No. of Votes 'For'*	No. of Votes 'Against'*
<b>Ordinary Resolution:</b>		
To approve the proposed adoption of the Share Purchase Mandate		

\* If you wish to exercise all your votes "For" or "Against", please tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate.

Total number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Shareholder(s)  
or Common Seal of Corporate Shareholder

\* Delete where inapplicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017

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## PROXY FORM

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### Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member (other than a Relevant Intermediary\*) appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A Relevant Intermediary\* may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such an event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
6. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar at 80 Robinson Road #11-02 Singapore 068898, not less than 48 hours before the time appointed for the EGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of its attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
9. ASRS Investor may attend and cast his vote(s) at the EGM in person. SRS Investors who are unable to attend the EGM but would like to vote, may inform their SRS approved nominees to appoint the Chairman of the EGM to act as their proxy, in which case, the SRS Investors shall be precluded from attending the EGM.

\* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

### General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

### Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 11 May 2017.