

CITIC ENVIROTECH LTD

(Company Registration Number: 200306466G)

CITIC Envirotech Invested RMB 378 Million In An Environmental Company in Qingyuan City, Guangdong Province, China

The Board of Directors (“Board”) of CITIC Envirotech Ltd (“CEL”, “Group” or “Company”) is pleased to announce that the Group has invested in a fully-integrated environmental and utility company, namely CITIC Environment (Qingyuan) Technology Development Co., Ltd (“CITIC Qingyuan”) in Qingyuan City, Guangdong Province.

CEL will acquire 60% of CITIC Qingyuan for RMB 378 million while the current owner of CITIC Qingyuan, who is an individual shareholder, holds the remainder 40% shareholding. CITIC Qingyuan undertakes the supply of industrial water, steam and electricity and provides wastewater treatment and recycling services to the textile industrial park. The existing treatment capacities for the wastewater treatment and water supply is 22,000 m³/day each, while electricity supply is 300,000 kwh/day, steam supply 1,400 ton/day and heating oil 3,500 GJ/day.

Due to the rapidly expanding industrial park, it is expected that CITIC Qingyuan will immediately undertake phase two of the project to expand its environmental facilities to meet the increasing demand. In particular, CEL’s membrane bio-reactor (MBR) technology will be employed in the expansion and recycling of wastewater.

The acquisition of a fully-integrated project to provide water, wastewater treatment, steam and power generation is in line with CEL’s key strategic thrust to embark on the Circular Economy initiative. That is to work with industrial parks to achieve an efficient and self-sustained economy within the parks.

The capital injection of the above investment is from the proceeds of the issuance of the US\$180,000,000 senior perpetual securities pursuant to its US\$750,000,000 multicurrency perpetual securities issuance programme and bank financing.

The above acquisition does not constitute a discloseable transaction as defined in Chapter 10 of the Listing Manual of the SGX-ST.

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 2017.

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

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company Secretary
6 September 2017