



**CITIC ENVIROTECH LTD**  
*(Company Registration Number: 200306466G)*

---

---

### **Incorporation of Subsidiaries**

---

The Board of Directors (“Board”) of CITIC Envirotech Ltd (“CEL”, “Group” or “Company”) wishes to announce the incorporation of the following subsidiaries:

#### **A) Bazhou United Environmental Management Co., Ltd**

With reference to the announcement dated 12 June 2018 concerning the award of a RMB 650 million Build-Own-Operate (“BOO”) project in Bazhou City, Xinjiang Province, Bazhou United Environmental Management Co., Ltd, with a registered share capital of RMB 160 million has been set up to undertake this project. The subsidiary is owned by CEL and Xinjiang Tiansheng Maoyuan Environmental Protection Technology Co., Ltd with shareholdings of 60% and 40% respectively.

The project involves construction and operation of a 400,000 tons per year solid waste plant, a 50,000 tons per year hazardous waste plant and a landfill. The waste treatment facility will serve the industries in oil and petrochemical, fine chemicals, cotton, chemical fiber, printing and dyeing, mining and machinery manufacturing located in the Korla Economic and Technological Development Zone, in the capital of Bazhou City.

#### **B) Aksu United Environmental Management Co., Ltd**

With reference to the announcement dated 12 June 2018 concerning the award of a RMB 30 million upgrading and operation of an existing hazardous waste treatment facility in Aksu City, Xinjiang Province, Aksu United Environmental Management Co., Ltd, with a registered share capital of RMB 10 million has been set up to undertake this project. The subsidiary is owned by CEL and Wangchao Xinwei Environmental Protection Technology Co., Ltd, with shareholdings of 60% and 40% respectively.

The facility is a national hazardous waste and medical waste disposal centre to treat hazardous wastes in southern Xinjiang prefecture and medical wastes for eight counties in the Aksu region. The design capacity of the hazardous waste treatment facility is 12,600 tons per year, which consists of an incineration plant, a waste treatment plant and a landfill. The project comes with a service concession of 27 years.

**C) Novo Envirotech (Yingcheng) Co., Ltd and Novo Environmental Water (Yingcheng) Co., Ltd**

Novo Envirotech (Yingcheng) Co., Ltd and Novo Environmental Water (Yingcheng) Co., Ltd have been set up to undertake a Public-Private-Partnership (“PPP”) project in Yingcheng County, Hubei Province. The subsidiaries with registered share capitals of RMB 80 million and RMB 16.4 million respectively are owned by CEL and the local county government, with shareholdings of 80% and 20% respectively.

The PPP project involves 9 Build-Operate-Transfer (“BOT”) wastewater treatment plants with a total design capacity of 18,000 m<sup>3</sup>/day to treat municipal wastewater for 9 townships in Yingcheng County. The total investment amount for the project is RMB 190 million (including piping works).

The project comes with 100% minimum offtake from the local county government and a service concession of 29 years.

The aforementioned capital injections are from the proceeds of the recent placement of new ordinary shares in the capital of the Company and bank financing.

The aforementioned investments have no material effect on the net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2018.

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

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua  
Company Secretary  
2 October 2018