

FOR IMMEDIATE RELEASE

PRE-CONDITIONAL EXIT OFFER FOR CITIC ENVIROTECH

- Exit Offer Price of S\$0.55 per share in cash represents an attractive premium of 68.5% over the 3-month VWAP of S\$0.326
- CITIC Envirotech's Price-to-Net Asset Value¹ multiple of 1.15 implied by the Exit Offer Price exceeds its 1-year historical average
- Exit Offer presents Shareholders an attractive and liquid cash exit opportunity
- Founder Shareholders have undertaken to accept the Exit Offer

Singapore, 6 November 2019—CKM (Cayman) Company Limited ("**Offeror**" or "**CKM**") wishes to announce a Pre-Conditional Exit Offer ("**Exit Offer**") for all issued and paid-up ordinary shares ("**Shares**") of CITIC Envirotech Ltd. ("**Company**") in connection with the voluntary delisting of the Company from the Official List of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

CKM is an investment holding company incorporated in the Cayman Islands and is an indirect wholly owned subsidiary of CITIC Environment Investment Group Co Ltd ("**CITIC Environment**"). CITIC Environment is in turn a member of the CITIC Group Corporation.

The Exit Offer Price of S\$0.55 per share in cash (the "**Exit Offer Price**") represents a premium of approximately 68.5% over the 3-month volume-weighted average price ("**VWAP**"). The Price-to-Net Asset Value multiple of 1.15 implied by the Exit Offer Price exceeds the Company's 1-year historical average.

Mr. Hao Weibao, President and Vice Chairman of CITIC Environment, commented, "The Exit Offer Price provides an attractive and liquid cash opportunity for Shareholders who are not prepared to bear the business risks associated with the Company to realise a clean exit at a premium. The successful delisting of the Company will enable us, together with the management, to have a longer horizon to manage and plan the business. This offers more control and flexibility to drive the future growth of the Company."

The Offeror is of the view that the Company is unlikely to require access to Singapore capital markets to finance its operations in the foreseeable future. In addition, the Company can save on compliance and associated costs with a delisting from SGX-ST and focus resources on its business operations.

The making of the Exit Offer is subject to the approvals and requisite filings of / with PRC National Development and Reform Commission, PRC Ministry of Commerce and PRC State Administration for Foreign Exchange having been obtained within four calendar months of the joint announcement, or such Pre-Condition being waived by the Offeror. The Exit Offer and delisting are conditional on Shareholders' Approval being obtained.

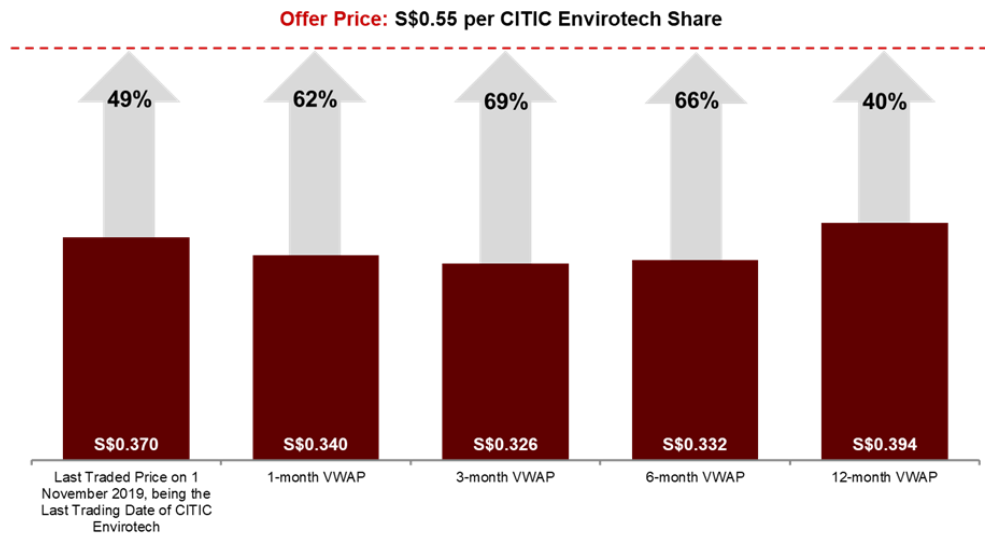
CLSA Singapore Pte Ltd is the sole financial adviser to the Offeror in respect of the Offer.

¹ The Net Asset Value calculated is adjusted for the Company's preferred equity, hybrid capital and minority interest as of 30 September 2019.

KEY TERMS OF THE EXIT OFFER

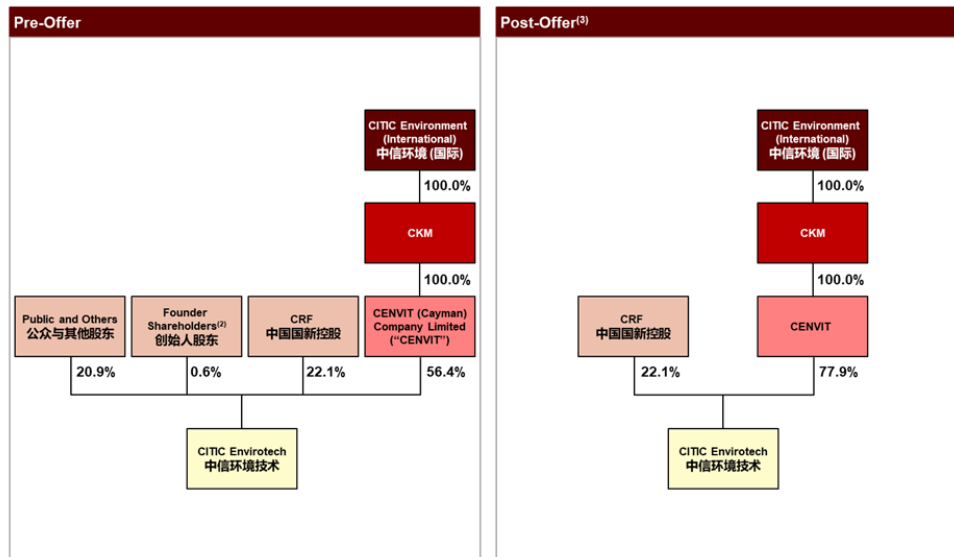
- Exit Offer Price of S\$0.55 in cash per Share, valuing the Company at c.S\$1.34 billion
- Exit Offer Price represents a premium of 68.5% over the 3-month VWAP of S\$0.326

Exit Offer Price Analysis – Attractive Premium to Historical Prices



Source: Bloomberg as at 1 November 2019

Potential Pro forma Shareholding Structure of CITIC Envirotech⁽¹⁾



Note (1): The figures do not factor in the potential dilutive effect of options. As at the date of the Pre-Conditional Exit Offer Announcement, there were 7,857,200 options outstanding
 (2): Founder Shareholders refer to Dr. Lin Yucheng and Ms. Pan Shuhong
 (3): Assuming all shareholders other than CENVIT and CRF accept the Exit Offer

- Exit Offer presents Shareholders with an attractive and liquid cash exit opportunity
- Offeror intends to privatise and delist the Company from the SGX-ST.

This press release should be read in conjunction with the pre-conditional offer announcement dated 6 November 2019 jointly issued by the Company and the Offeror, a copy of which is available on <http://www.sgx.com>. Further details on the Exit Offer will be set out in the Exit Offer Document to be despatched to Shareholders of the Company in due course.

The directors of the Offeror (including any who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), the responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this press release.

Investor and media enquiries relating to the Exit Offer should be directed to:

CLSA Singapore Pte Ltd
Corporate Finance and Capital Markets
T: +65 6416 7888

Tulchan Communications LLP
Tok Chong Yap / Jonathan Yeoh
E: projectteam@tulchangroup.com
T: +65 6222 3765

About CKM (Cayman) Company Limited (“CKM”)

CKM is an investment holding company incorporated in the Cayman Islands and is an indirect wholly-owned subsidiary of CITIC Environment Investment Group Co., Ltd (“**CITIC Environment**”). CITIC Environment is in turn a member of the CITIC Group Corporation which comprises one of the largest PRC state-owned conglomerates and international conglomerates, with diverse interests in businesses in the PRC and internationally ranging from financial, securities and brokerage services, resources and energy, manufacturing, real estate and infrastructure to engineering contracting.

About CITIC Envirotech Limited (“CITIC Envirotech”)

CITIC Envirotech Limited (“**CITIC Envirotech**”), formerly known as United Envirotech Ltd, is one of the leading integrated environmental protection solutions provider primarily engaged in environmental services, including engineering, investment in water assets, river restoration, wastewater treatment and water recycling, hazardous waste treatment, sludge management, integrated environmental services, ecological restoration, operation and maintenance services and membrane manufacturing.

CITIC Envirotech is a pioneer and leader in Membrane Bioreactor (“**MBR**”) technology and it has an established track record in both large-scale municipal and industrial MBR projects. CITIC Envirotech’s wholly-owned subsidiary, Memstar Pte Ltd, is one of the world’s largest manufacturers of the membrane used in MBR technology. CITIC Envirotech’s MBR technology provides excellent treated water quality with small footprint and CITIC Envirotech has built up a track record with more than 100 MBR references in various parts of China and in Southeast Asia.

CITIC Envirotech was listed on SGX Mainboard on 22 April 2004.