

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY  
HELD AT 10 SCIENCE PARK ROAD, #01-01 THE ALPHA, SINGAPORE 117684  
AND VIA WEBCAST ON MONDAY 8 JUNE 2020 AT 2.00 P.M.**

**PRESENT**

**DIRECTORS:**

Hao Weibao  
Wang Song  
Chong Weng Chiew  
Bi Jingshuang  
Sun Lei

**IN ATTENDANCE / BY INVITATION:**

As per the attendance record maintained by the Company.

**SHAREHOLDERS:**

As per the attendance record maintained by the Company.

*All capitalised terms, unless otherwise defined, shall have the meanings ascribed in the circular of the Company dated 15 May 2020 in relation to the Selective Capital Reduction ("**Circular**").*

**QUORUM**

The Chairman welcomed the shareholders to the Extraordinary General Meeting ("**EGM**") of the Company and informed that he has been nominated by the Directors to be the Chairman of this Meeting.

As a quorum was present, the Chairman declared the EGM open at 2.00 p.m..

**NOTICE**

With the consent of the EGM, the notice convening the EGM was taken as read.

Corporate Republic Advisory Pte. Ltd. has been appointed as the Company's scrutineer for the EGM.

The validity of the proxies submitted by the Shareholders by the submission deadline of 2.00 p.m. on 6 June 2020 has been reviewed and the votes of all such valid proxies have been counted and verified.

The Chairman informed that in his capacity as Chairman of this EGM, he has been appointed by numerous shareholders as proxy and will be voting in accordance with their instructions.

## **SPECIAL RESOLUTION: TO APPROVE THE SELECTIVE CAPITAL REDUCTION**

1. The Chairman proceeded to explain that the EGM has been convened to seek Shareholders' approval for the Selective Capital Reduction to be undertaken by the Company pursuant to Section 78G of the Companies Act and to cancel all the Shares held by Eligible Shareholders, being all shareholders of the Company other than CENVIT (Cayman) Company Limited, CRF Envirotech Co., Ltd. and New Resources LLC.
2. The Chairman further went on to explain that the Selective Capital Reduction will enable Eligible Shareholders to exit in cash their investment in the Shares at S\$0.55 in cash per Share, considering the lack of a public market for the Shares subsequent to the Company's delisting from the SGX-ST on 23 January 2020 pursuant to an exit offer by CKM (Cayman) Company Limited at the same price of S\$0.55 in cash per Share, amidst the severe adversity of COVID-19 pandemic. Subsequent to the Selective Capital Reduction taking effect, the Company will also cease to be a public company, which will enhance flexibility and discretion of management in adapting Group operations to challenging market environment and circumstances. Novus Corporate Finance Pte. Ltd. has been appointed as the independent financial adviser to advise Eligible Shareholders on the Selective Capital Reduction. The Chairman highlighted that their advice is set out in Section 5 and Appendix 1 of the Circular.
3. The Chairman noted that each of CENVIT (Cayman) Company Limited, CRF Envirotech Co., Ltd., New Resources LLC, and parties acting in concert with them, have abstained and will not vote on the special resolution relating to the Selective Capital Reduction.
4. The Chairman said that the Company had, in the Circular provided a link for Shareholders to submit any questions in relation to this EGM by 2.00 p.m. on 5 June 2020. Before putting the motion to vote, the Chairman responded on the substantial questions received in respect of this motion.
5. Questions received from Shareholders and the responses provided can be found in **Annex A** to these minutes.
6. The Chairman announced the results of the votes to the special resolution as follows:

Number of Shares voted for	:	18,469,924	-	98.0002%
Number of Shares voted against	:	376,900	-	1.9998%

Based on the results, the Chairman declared the motion carried and it was RESOLVED:

**"THAT:**

- (a) the Selective Capital Reduction on the terms set out in the circular to shareholders of the Company dated 15 May 2020 be approved; and
- (b) the directors of the Company and each of them be and is hereby authorised to do all such acts and things and to execute all such documents as they or he/she may consider necessary, expedient or desirable to give effect to the Selective Capital Reduction."

## **CONCLUSION**

There being no other business to transact, the Chairman declared the EGM closed at 2.15 p.m. and thanked everyone for their attendance.

**CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD**

**DR. CHONG WENG CHIEW  
CHAIRMAN**

## ANNEX A

### Extraordinary General Meeting of the Company – Questions and Answers

**1. What is your outlook of the profitability of wastewater treatment companies in China?**

In view of the COVID-19 pandemic, as well as the ongoing trade and political tensions between the US and China, the current overall macroeconomic outlook for all industries is challenging.

**2. Do you see your competitors, for example, China Everbright, delisting?**

Any plans which our competitors may have for delisting would be commercially confidential and as such we are not in a position to know whether any of our competitors have any plans for delisting at this point in time.

**3. How would the recently held 22 May CPC meeting affect or change the business?**

The Group is not aware of any material change in regulations or policies which will affect the industry in the immediate term.

**4. It is noted that CRF and New Resources will continue to retain their shares in CITIC Envirotech Ltd, together with CENVIT. Please clarify the reason for CENVIT calling for this EGM**

The extraordinary general meeting of Shareholders is being called by CITIC Envirotech Ltd., and not CENVIT.

The reasons for the Selective Capital Reduction are set out in paragraph 3 of the Circular to Shareholders.

More particularly, the Selective Capital Reduction will enable Eligible Shareholders to exit in cash their investment in the shares at the same price as that of the Exit Offer, considering the lack of public market for the Shares subsequent to CITIC Envirotech Ltd.'s delisting from the SGX-ST and amidst the severe adversity of the COVID-19 pandemic.

**5. Can I continue to hold on to my Shares in CITIC Envirotech Ltd. even if the Selective Capital Reduction is approved since the rights of compulsory acquisition under Section 215 of the Companies Act are not applicable in the context of the Selective Capital Reduction, as mentioned in your document?**

Assuming the Selective Capital Reduction is approved, all Shareholders of CITIC Envirotech Ltd., other than CENVIT, CRF and New Resources, will have their shares cancelled in consideration of cash payment of S\$0.55 per Share and cease to be Shareholders. No further action is required to be taken by Eligible Shareholders, once Shareholders' approval has been obtained for the Selective Capital Reduction at the EGM. Payment will be made to the Eligible Shareholders by way of cheques despatched by ordinary post to their registered addresses within seven business days of the Selective Capital Reduction becoming effective. There is also no option for Eligible Shareholders (other than CENVIT, CRF and New Resources) to retain their Shares.

As all Shares by Eligible Shareholders will be compulsorily cancelled in the event the Selective Capital Reduction becomes effective and they need not tender their shares to accept an offer, the right of compulsory acquisition does not apply in the context of a Selective Capital Reduction.

**6. What is the legal basis of the Selective Capital Reduction?**

As stated in the circular to shareholders, the Selective Capital Reduction is being undertaken by CITIC Envirotech Ltd. pursuant to Section 78G of the Companies Act of Singapore. Accordingly, the Selective Capital Reduction is required to be approved by the Shareholders of CITIC Envirotech Ltd. by way of special resolution at the EGM and by the High Court of Singapore.

When the Court Order is granted by the High Court of Singapore, a copy of the Court Order must be lodged with the Registrar of Companies within 90 days. The Selective Capital Reduction will become effective after such lodgement.

**7. Why is the EGM being held virtually, as Shareholders may prefer to attend physically to have their questions answered?**

This EGM can only be held virtually due to regulations implemented pursuant to the ongoing COVID-19 pandemic. In accordance with the guidelines for alternative arrangements for the holding of general meetings, the Company has provided shareholders with the opportunity to submit their questions via email or the pre-registration website up to 72 hours prior to the general meeting.

**8. What are your plans subsequent to the Selective Capital Reduction?**

The Company's current focus in the midst of the COVID-19 pandemic, is to continue its existing business activities, taking into account macroeconomic factors. There are no plans to immediately introduce any major changes to the businesses of the Company or any other Group Company.

**9. Can the Company share its financial performance for first quarter of 2020?**

For purposes of this Selective Capital Reduction, the Company has provided its unaudited consolidated financial statements of the Group for FY2019, which is appended to the Circular for Shareholders' consideration.

There is no requirement for the Company to prepare and announce such quarterly results subsequent to its delisting from the SGX-ST. The dissemination of such interim financial results is also subject to restrictions under the Singapore Code on Takeovers and Mergers in the context of the Selective Capital Reduction.

As disclosed in the Circular, the Group's financial position is impacted by the circumstances surrounding the ongoing COVID-19 global pandemic.

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