

**CITIC Envirotech Ltd.**

Company Registration No: 200306466G

Company Address: 10 Science Park Road #01-01 The Alpha Singapore 117684

Tel: (65) 6774 7298 Fax: (65) 6774 8920

**Immediate Release**

**CITIC Envirotech Ltd. Announces Placement of New Shares to New Resources LLC  
Raising Approximately SGD 70.7 Million in Gross Proceeds**

**Singapore 28 December 2017** – CITIC Envirotech Ltd. (“**CEL**” or the “**Company**”, SGX: CEE), a leading membrane-based integrated environmental solutions provider, announced that it has entered into a definitive agreement (“**Placement Agreement**”) with New Resources LLC (“**New Resources**”) pursuant to which CEL proposes to issue an aggregate of 83,216,080 new ordinary shares in the capital of CEL (“**Placement Shares**”) at a placement price of S\$0.85 per Placement Share (“**Placement Price**”). The Placement Price of S\$0.85 is at a premium of 14.8% to the weighted average price of S\$0.7407 for trades done on the ordinary shares in the capital of CEL (“**Shares**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 27 December 2017, being the last full market day on which the Shares were traded prior to the date the Placement Agreement was signed.

New Resources is an investment holding company incorporated in Cayman Islands. Its shareholders are China InnoVision Capital GP Limited and 山东高速光控北京投资基金管理中心（有限合伙）(Shandong Hi-speed CE Beijing Investment Fund Management Center (Limited Partnership)).

“We are excited to have China InnoVision Capital GP Limited and Shandong Hi-speed CE Beijing Investment Fund Management Center (Limited Partnership) as our long-term value-added partners, they share the optimistic long-term view with the Company on its fast-growing prospects. They are willing to accept the 14.8% premium. Their investment will allow us to achieve further growth at a crucial time in the development of the China environmental industry,” said Dr. Lin Yucheng, CEO and Executive Director of CEL.

Mr. Zhao Fu, Founder and CEO of China InnoVision Capital GP Limited, said, “We are very pleased to have the opportunity to partner with CEL. We are confident that CEL, under the leadership of Dr. Lin and with the support from CITIC Group, will continue to leverage on its world class technology to deliver strong growth and develop into a leading player with global footprint in the environmental protection industry.”

Mr. Yin Lianchen, General Manager of 山东高速光控北京投资基金管理中心（有限合伙）(Shandong Hi-speed CE Beijing Investment Fund Management Center (Limited Partnership)), said: “We are very pleased to be a partner of CEL. Our team has its focus directed at the environmental protection industry and sewage treatment industry. CEL is a fast growing company and we express our confidence in the future of the Company.”

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**About China InnoVision Capital GP Limited**

China InnoVision Capital GP Limited (“**IVC**”) is a China focused private equity firm founded in 2017 by Mr. Zhao Fu, a former senior executive from KKR. The key founders of IVC have on average approximately 15 years of experience working in the global / Chinese leading investment firms. The team has been focusing on TMT, consumer/retail, finance and environmental protection sectors, with deep industry insights and proven track record. Since its establishment, IVC has successfully invested into industry leading companies like Lianjia, China Unionpay Merchants Services (China UMS), Uxin, Channel Soft, IDREAMSKY, etc. Mr. Zhao was one of the first team members in KKR Asia when he joined in 2006 and played a significant role in a number of successful and innovative investments at KKR and Morgan Stanley previously, including CITIC Envirotech, Far East Horizon, China Modern Dairy, 58 Daojia, Tarena Education, Rundong Auto, Sino Prosperity Real Estate Platform, Mengniu Dairy, Ping An Insurance, Belle International, Paradise Retail, China International Capital Corporation, etc.

**About 山东高速光控北京投资基金管理中心（有限合伙） (Shandong Hi-speed CE Beijing Investment Fund Management Center (Limited Partnership))**

山东高速光控北京投资基金管理中心（有限合伙） (Shandong Hi-speed CE Beijing Investment Fund Management Center (Limited Partnership)) is jointly established by Shandong Hi-speed Group Co., Ltd (“**SDHS**”) and China Everbright Limited (“**CE**”), and mainly invests in energy saving, environmental protection, infrastructure construction, clean energy, sewage treatment and other industries.

SDHS is a solely state-owned comprehensive enterprise group, with the characteristics of modernisation, internationalisation and high-efficiency. The fund leaders are managed by Shandong Provincial Committee and the State-owned Assets Supervision, with Administration Committee of Shandong Province fulfilling the responsibilities of the investors. It is mainly engaged in investment, construction, operation and management of highways, bridges, railways, rail transits, harbours, shipping and logistic, and also sets foot in construction, building material, information, financing, real estate and other sectors related to its main business.

CE (stock code: 165.HK) was established in Hong Kong in 1997. As a member of China Everbright Group, CE is China’s leading cross-border investment and asset management company. It manages private equity funds, venture capital funds, sector focus funds, mezzanine funds, fund of funds, fixed income and equity funds. CE utilises its strong capital strength and cultivates a number of high-growth-potential enterprises together with its investors. While closely following the development requirements of Chinese companies, it also seamlessly merges the best in overseas technologies with the Chinese market, providing diversified financial services for its Chinese clients involved in overseas investment.

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**About CITIC Envirotech Ltd.**

CITIC Envirotech Ltd (“**CEL**”), formerly known as United Envirotech Ltd, is a leading membrane-based integrated environmental solutions provider which specialises in the manufacturing of high quality membrane products and the application of membrane technologies for water and wastewater treatment and recycling. Its principal activities also include design, fabrication, installation and commissioning of water and wastewater systems using its proprietary advanced membrane technologies such as the Membrane Bioreactor (“**MBR**”) technology. CEL has designed and built several of the largest industrial wastewater treatment plants in Asia using the MBR technology. CEL undertakes both turnkey and water investment projects (TOT/BOT/BOO), as well as provides treatment plant operation and maintenance services. Through its wholly-owned subsidiary, Memstar Pte Ltd, the Group is one of the largest PVDF hollow fibre membrane manufacturers in the world.

In August 2011, KKR became a strategic investor of CEL after injecting a US\$113.8 million convertible bond investment and a follow-on equity investment of US\$40 million in January 2013. KKR is a leading global investment firm with more than US\$126 billion in assets under management.

In April 2015, CITIC joined KKR as a strategic investor of CEL and became its largest shareholder after making a joint voluntary unconditional offer with KKR. CITIC Limited is China’s largest conglomerate operating domestically and overseas, with businesses in financial services, resources and energy, manufacturing, engineering, contracting and real estate, as well as other services.

In November 2016, CRF Envirotech Co., Ltd. completed the acquisition of the entire stake held by KKR China Water Investment Limited in CITIC Envirotech Ltd, and became its second largest shareholder. CRF Envirotech Co., Ltd is a joint venture between CRF Envirotech Fund L.P. and China Reform Soochow Overseas Fund I L.P., which are in turn sponsored mainly by China Reform Holdings Corporation Ltd (“**CRHC**”). CRHC, a wholly stated-owned investment company plays a unique and crucial role in China's state-owned assets management and restructuring process.

CEL was listed on the Mainboard of the SGX-ST on 22 April 2004.

For more information, please log on [www.citicenvirotech.com](http://www.citicenvirotech.com)

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**Issued by CITIC Envirotech Ltd.**