



## **CITIC ENVIROTECH LTD**

***(Company Registration Number: 200306466G)***

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### **CITIC Envirotech Secured A Fully-Integrated Environmental Project Worth RMB 1 Billion In Anyang City, Henan Province, China**

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The Board of Directors (“Board”) of CITIC Envirotech Ltd (“CEL”, “Group” or “Company”) is pleased to announce that the Group has secured a fully-integrated environmental project worth RMB 1 billion in Anyang City, Henan Province.

The Build-Operate-Transfer (“BOT”) project involves the design, construction and operation of a 30,000 m<sup>3</sup>/day wastewater treatment plant, a 25,000 m<sup>3</sup>/day water purification plant, a 10,000 m<sup>3</sup>/day water recycling plant, a cogeneration plant with design capacities of 100 tons steam/ hour and 600,000 kwh electricity/day, and a 220,000 square meters production factory and workers dormitory.

CEL and Fengzhu Textile Technology Co., Ltd (“Fengzhu Textile”) will set up a project company with shareholdings of 90% and 10% respectively to undertake this project. Fengzhu Textile is a A-share listed company in China that specializes in cotton spinning, dyeing and finishing, knitted fabrics and bobbin yarn production. It is one of the largest knitted dyeing and finishing manufacturer and knitwear exporter in Fujian Province.

Textile printing and dyeing is one of the key industrial pillars in Anyang and the city has one of the largest fabric wholesale base in the country with more than 2,000 garment processing enterprises.

The project will commence from the third quarter of 2018 and will take two years to complete. The project comes with a service concession of 38 years and a 60% minimum offtake by the government throughout the service concession period for wastewater treatment, water purification, water recycling and cogeneration.

This is CEL’s third investment in a fully-integrated project under the circular economy initiative. In 2016, CEL secured its first circular economy Public-Private-Partnership project in Shantou Chaonan, Guangdong Province, to provide wastewater treatment, water recycling, cogeneration and related ancillary services. In 2017, CEL invested in a fully-integrated environmental and utility company in Qingyuan City, Guangdong Province, to undertake the supply of industrial water, steam and electricity, wastewater treatment and recycling service to the textile industrial park.

The capital injection of the above investment is from the proceeds of the recent placement of new ordinary shares in the capital of the Company and bank financing.

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 2018.

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  
7 June 2018