



**CITIC ENVIROTECH LTD**

*(Company Registration Number: 200306466G)*

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**Acquisition of 81.4815% Shareholding Interest in Rongcheng Xinhai Huanya Environmental Technology Co., Ltd in Shandong Province, China**

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The Board of Directors (“Board”) of CITIC Envirotech Ltd (“CEL”, “Group” or “Company”) wishes to announce that the Company has acquired 81.4815% shareholding interest in Rongcheng Xinhai Huanya Environmental Technology Co., Ltd (“Xinhai”) from Watertech Pte Ltd for a consideration of SGD13.4 million. The consideration was arrived at on a willing buyer, willing seller basis.

Xinhai currently operates a 40,000m<sup>3</sup>/day industrial cum municipal wastewater treatment plant in Rongcheng city, Shandong province.

Following the acquisition, CEL owns 81.4815% of Xinhai while the existing shareholder, Rongcheng City Xinhai Investment Co., Ltd, owns the remaining 18.5185%.

The above acquisition does not constitute a discloseable transaction as defined in Chapter 10 of the Listing Manual of the SGX-ST.

The capital injection for the above acquisition will be from internal resources and bank borrowings.

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 2019.

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

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua  
Company Secretary  
24 September 2019