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CITIC Limited
中國中信股份有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00267)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited)

The following announcement is released by CITIC Envirotech Ltd. (a subsidiary of CITIC Limited) to Singapore Exchange Limited on 28 June 2016:-

Issue of US\$180,000,000 5.45 per cent. Senior Perpetual Securities (to be consolidated and forming a Single Series with the existing US\$175,000,000 5.45 per cent. Senior Perpetual Securities issued on 27 November 2015) under the US\$750,000,000 Multicurrency Perpetual Securities Issuance Programme of CITIC Envirotech Ltd.

Hong Kong, 29 June 2016

As at the date of this announcement, the executive directors of CITIC Limited are Mr Chang Zhenming (Chairman), Mr Wang Jiong, Ms Li Qingping and Mr Pu Jian; the non-executive directors of CITIC Limited are Mr Yang Jinming, Mr Liu Yeqiao, Mr Song Kangle, Ms Yan Shuqin, Mr Liu Zhongyuan, Mr Yang Xiaoping and Mr Li Rucheng; and the independent non-executive directors of CITIC Limited are Mr Francis Siu Wai Keung, Dr Xu Jinwu, Mr Anthony Francis Neoh, Ms Lee Boo Jin, Mr Noriharu Fujita and Mr Paul Chow Man Yiu.



CITIC ENVIROTECH LTD
(Company Registration Number: 200306466G)

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ISSUE OF US\$180,000,000 5.45 PER CENT. SENIOR PERPETUAL SECURITIES (TO BE CONSOLIDATED AND FORMING A SINGLE SERIES WITH THE EXISTING US\$175,000,000 5.45 PER CENT. SENIOR PERPETUAL SECURITIES ISSUED ON 27 NOVEMBER 2015) UNDER THE US\$750,000,000 MULTICURRENCY PERPETUAL SECURITIES ISSUANCE PROGRAMME (THE "PROGRAMME") OF CITIC ENVIROTECH LTD.

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CITIC Envirotech Ltd. (the "**Issuer**") wishes to announce that it proposes to issue US\$180,000,000 5.45 per cent. senior perpetual securities (the "**Series 001 Tranche 002 Securities**") (to be consolidated and forming a single series with the existing US\$175,000,000 5.45 per cent. senior perpetual securities issued on 27 November 2015, and together with the Series 001 Tranche 002 Securities, the "**Series 001 Securities**") pursuant to the Programme. CLSA Limited, DBS Bank Ltd. and China Securities (International) Corporate Finance Company Limited have been appointed as the joint lead managers and bookrunners for the Series 001 Tranche 002 Securities.

Unless otherwise defined herein, terms used in this announcement and which are defined in the terms and conditions of the Series 001 Securities (the "**Conditions**") shall bear the same meanings ascribed to them in the Conditions.

The principal terms of the Series 001 Tranche 002 Securities will be as follows:

- (a) **Issue Size** : US\$180,000,000.
- (b) **Issue Price** : 102.715 per cent. of the principal amount of the Series 001 Tranche 002 Securities plus accrued interest from (and including) 27 May 2016 to (but excluding) 7 July 2016.
- (c) **Status** : The Series 001 Tranche 002 Securities constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.
- (d) **Maturity Date** : The Series 001 Tranche 002 Securities are perpetual and have no fixed final redemption date.
- (e) **Distribution Rate** : In respect of the period from (and including) 27 May 2016 (being the distribution commencement date of the Series 001 Tranche 002 Securities) to (but excluding) 27 November 2018 (the "**First Call Date**"), 5.45 per cent. per annum plus (if applicable) the Change of Control Margin (as defined below), payable semi-annually in arrear.

In respect of the period from (and including) the First Call Date and each date falling every three (3) years after the First Call Date (each, a "**Reset Date**") to (but excluding) the immediately following Reset Date, at a rate equivalent to the prevailing three (3)-year US Treasury Rate plus the initial credit spread of 4.243 per cent. plus the step-up margin of 5.00 per cent. plus (if applicable) the Change of Control Margin, payable semi-annually in arrear.

In the event that a Change of Control has occurred, so long as the Issuer has not already redeemed the Series 001 Tranche 002 Securities in accordance with paragraph (g) (Redemption upon a Change of Control) below, the then prevailing Distribution Rate shall be increased by 5.00 per cent. (the "**Change of Control Margin**") with effect from (and including) the Distribution Payment Date immediately following the date on which the Change of Control occurred (or, if the Change of Control occurs on or after the date which is two business days prior to the immediately following Distribution Payment Date, the next following Distribution Payment Date).

- (f) **Redemption at the Option of the Issuer** : The Series 001 Tranche 002 Securities are redeemable at the option of the Issuer in whole or in part (on a *pro rata* basis), on the First Call Date or on any Distribution Payment Date thereafter at the Redemption Amount, together with distribution accrued (including any Arrears of Distribution and any Additional Distribution Amount) (if any) to (but excluding) the date fixed for redemption.
- (g) **Redemption upon a Change of Control** : The Series 001 Tranche 002 Securities are redeemable at the option of the Issuer in whole, but not in part, at any time on giving no less than 30 nor more than 60 days' notice to the holders of the Series 001 Tranche 002 Securities (the "**Securityholders**") (which notice shall be irrevocable) at their Redemption Amount, (together with distribution (including any Arrears of Distribution and any Additional Distribution Amount) accrued to (but excluding) the date fixed for redemption), following the occurrence of a Change of Control.
- (h) **Other Redemption** : The Series 001 Tranche 002 Securities may also be redeemed at par upon the occurrence of certain other redemption events, namely, taxation reasons, accounting reasons, minimum amount outstanding and tax deductibility reasons.
- (i) **Distribution Discretion** : The Issuer may, at its sole discretion, elect not to pay a distribution (or to pay only part of a distribution) which is scheduled to be paid on a Distribution Payment Date by giving notice to the Trustee, the Principal Paying Agent and the Securityholders (in accordance with the Conditions) not more than 15 nor less than five (5) business days prior to a scheduled Distribution Payment Date.
- (j) **Cumulative Deferral** : The Issuer may not elect to defer any distribution if during the 12 months ending on the day before that scheduled

Distribution Payment Date, either or both of the following have occurred:

- (i) a dividend, distribution or other payment has been declared or paid on or in respect of any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations; or
- (ii) any of the Issuer's Junior Obligations has been redeemed, reduced, cancelled, bought back or acquired for any consideration or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations has been redeemed, reduced cancelled, bought back or acquired for any consideration,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Issuer and its subsidiaries (the "**Group**") or (2) as a result of the exchange or conversion of the Issuer's Specified Parity Obligations for the Issuer's Junior Obligations.

Any distribution deferred pursuant to paragraph (i) above (Distribution Discretion) shall constitute Arrears of Distribution. The Issuer may, at its sole discretion, elect to (in the circumstances set out in the Conditions) further defer any Arrears of Distribution. The Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can be deferred.

- (k) **Restrictions in the case of Non-Payment** : If on any Distribution Payment Date, payments of all distribution scheduled to be made on such date are not made in full, the Issuer shall not and shall procure that none of its subsidiaries shall:

- (i) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on, any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations; or
- (ii) redeem, reduce, cancel, buy-back or acquire for any consideration, and will procure that no redemption, reduction, cancellation, buy-back or acquisition for any consideration is made in respect of, any of the Issuer's Junior Obligations or (except on a *pro rata* basis) any of the Issuer's Specified Parity Obligations,

in each case, other than (1) in connection with any employee benefit plan or similar arrangements with or for the benefit of the employees, directors or consultants of the Group or (2) as a result of the exchange or conversion of the Issuer's Specified Parity Obligations for the Issuer's Junior Obligations, unless and until the Issuer has satisfied in full all outstanding Arrears of Distribution or the Issuer is permitted to do so by an Extraordinary Resolution (as defined in the Trust Deed) of the Securityholders.

- (l) **Redemption Price** : In the case of a Redemption upon a Change of Control, 101 per cent. of the principal amount of the Series 001 Tranche 002 Securities then outstanding. In all other cases, 100 per cent. of the principal amount of the Series 001 Tranche 002 Securities then outstanding.

The Series 001 Tranche 002 Securities are expected to be issued on 7 July 2016.

The Series 001 Tranche 002 Securities are offered by the Issuer in Singapore pursuant to exemptions invoked under Sections 274 and/or 275 of the Securities and Futures Act (Chapter 289 of Singapore).

The net proceeds arising from the issue of the Series 001 Tranche 002 Securities (after deducting issue expenses) will be used by the Issuer and/or its subsidiaries to refinance the outstanding S\$99,000,000 7.25 per cent. fixed rate notes due 2 September 2016 issued by the Issuer pursuant to its US\$300,000,000 multicurrency medium term note programme established on 13 June 2013 and for general corporate purposes, including, but not limited to, refinancing of existing borrowings, making investments and/or acquisitions, general working capital and corporate purposes.

Application will be made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in the listing and quotation of the Series 001 Tranche 002 Securities on the SGX-ST. Admission to the Official List of the SGX-ST and the listing and quotation of the Series 001 Tranche 002 Securities on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies (if any), its joint venture companies (if any), the Programme or the Series 001 Tranche 002 Securities.

This announcement and the information contained herein do not constitute an offer or invitation to purchase any securities of the Issuer.

By Order of the Board

Dr Lin Yucheng
Group CEO and Executive Director
CITIC Envirotech Ltd.

28 June 2016