



PRESS RELEASE

12 November 2014

CITIC Limited and KKR Jointly Invest in United Envirotech

- **CITIC will become the largest shareholder of UEL upon completion of the transaction with KKR as the second largest shareholder**
- **CITIC's track record and extensive networks in China will provide opportunities to expand UEL's business**
- **KKR will continue to devote its global resources and expertise to UEL**

CITIC Limited ("CITIC") and KKR jointly announce today the formation of a consortium¹ through related entities, CITIC Environment Protection Co. Ltd. and KKR China Water Investment Holdings Limited respectively, to make a pre-conditional voluntary offer ("VGO") for all the shares in United Envirotech Ltd. ("UEL"). UEL is a Singapore-listed leading membrane-based water and waste-water treatment and reclamation solution provider with businesses mainly in China's chemical, petrochemical and industrial park sectors.

The transaction allows CITIC to become the controlling shareholder of UEL through the holding of a majority interest in the consortium. This will be achieved by the consortium through the VGO subject to conditions being met, to acquire existing shares in UEL from the existing shareholders including KKR. In addition, after the VGO, the consortium will subscribe for further shares in UEL by way of a private placement totalling SGD50mn, SGD100mn or SGD150mn which will provide additional capital to UEL. The offer price values UEL at approximately SGD1.9bn on fully diluted basis. The consortium intends to maintain the listing status of UEL post transaction.

This investment allows CITIC to grow its businesses in environmental protection, an area with significant growth potential in China. The success of UEL to-date has been driven by an experienced and stable management team which will continue to lead the business with the support of CITIC and KKR. The transaction will also provide capital for UEL's further expansion. With CITIC and KKR's extensive networks and resources, it is envisaged that a further range of opportunities would be opened up for UEL.

Mr Wang Jiong, Vice Chairman and President of CITIC Limited and Chairman of CITIC Environment Protection Co. Ltd., said, "Our investment in UEL provides us a strong platform to develop in China's water and wastewater treatment sector. Environmental protection is a top priority for China, and CITIC foresees not only commercial opportunity but also societal benefit

¹ CKM (Cayman) Company Limited

from this investment. We are always seeking strategic and forward looking opportunities such as this which we believe will create value for our shareholders.”

Commenting on the joint investment, KKR’s Co-Founder, Co-Chairman and Co-CEO Henry Kravis said, “We are pleased to announce the formation of our partnership with CITIC. It is a world-class company and our experienced team on the ground in China will also leverage KKR’s global expertise and experience to make this a highly successful endeavor.”

Mr David Liu, Member of KKR, Co-Head of Asia Private Equity and CEO of KKR China, said, “Since 2011, we have been working closely with UEL’s strong management team to enhance UEL’s technological platform and expand its business through organic and inorganic activities. We look forward to continue working with UEL, and now CITIC, as a value-added partner to support its long-term growth and provide much needed water and wastewater treatment services which will play a role in addressing China’s water challenges.”

This press release should be read in conjunction with the full text of the Pre-Conditional Voluntary Offer Announcement (“the Announcement”) dated 12 November 2014, which is available on www.sgx.com.

The directors of CKM (Cayman) Company Limited (the “Consortium”) (including those who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, information relating to the UEL group), the sole responsibility of the directors of the Consortium has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this press release.

About CITIC Limited

As China’s largest conglomerate, CITIC Limited’s businesses include financial services, resources and energy, manufacturing, real estate and infrastructure, engineering contracting, and other businesses in China and overseas. With over 120,000 employees in Hong Kong, mainland China and overseas, as well as its leading market positions in sectors well matched to China’s development, deep understanding and strong expertise in the industries in which it operates, CITIC Limited is well-equipped to capture the opportunities arising from China’s continued growth. 78% owned by CITIC Group Corporation in Beijing and listed in Hong Kong (SEHK: 267), CITIC Limited is one of the largest companies on the Hang Seng Index. For more information about CITIC Limited, please visit the company website at www.citic.com.

About CITIC Environment Protection Co. Ltd.

A wholly-owned subsidiary of CITIC Limited, CITIC Environment Protection Co. Ltd. specialises in investment, operation and management of projects in the environmental protection sector. The company has a number of investments and has successfully managed water and wastewater treatment, waste disposal, industrial and municipal energy-saving projects.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE: KKR), please visit KKR's website at www.kkr.com.

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