

CHINA EVERBRIGHT WATER LIMITED

(Incorporated in Bermuda with limited liability)

(Company Reg. No: 34074)

SELL BACK OPTION IN RESPECT OF THE THIRD TRANCHE CORPORATE BONDS ON THE SHANGHAI STOCK EXCHANGE

1. INTRODUCTION

The board of directors (the “**Board**”) of China Everbright Water Limited (the “**Company**”) refers to the issuance by the Company of the third tranche of RMB-denominated corporate bonds of an aggregate principal amount of RMB700,000,000 to qualified investors in mainland China (the “**Third Tranche Corporate Bonds**”) on 21 January 2019 and the listing of the Third Tranche Corporate Bonds for trading on the Shanghai Stock Exchange (the “**SSE**”) with effect from 29 January 2019.

2. SELL BACK OPTION

Pursuant to the terms of the Third Tranche Corporate Bonds and as set out in the Company’s announcement in respect of the Third Tranche Corporate Bonds dated 16 January 2019, the bondholders of the Third Tranche Corporate Bonds (the “**Third Tranche Bondholders**”) have an option to sell all or part of their Third Tranche Corporate Bonds back to the Company after the expiration of three years from the date of issuance of the Third Tranche Corporate Bonds (being 21 January 2019) (the “**Sell Back Option**”).

The selling price of the Third Tranche Corporate Bonds under the Sell Back Option is equivalent to the face value of the Third Tranche Corporate Bonds, being RMB100 per unit of the Third Tranche Corporate Bonds, provided that each Third Tranche Bondholder may only exercise the Sell Back Option in respect of at least one lot of Third Tranche Corporate Bonds (being 10 units of Third Tranche Corporate Bonds).

The Third Tranche Bondholders who wish to elect to exercise the Sell Back Option in respect of all or part of their Third Tranche Corporate Bonds are required to register on the SSE within the period from 24 December 2021 to 31 December 2021 (both dates inclusive) (the “**Registration Period**”). In the event that any Third Tranche Bondholder does not complete the registration within the Registration Period, such Third Tranche Bondholder shall be deemed to have elected to continue to hold the Third Tranche Corporate Bonds. The Third Tranche Bondholders are entitled to withdraw their registrations to exercise the Sell Back Option in the prescribed manners during the trading hours of the SSE within the period from 24 December 2021 to 17 January 2022 (both dates inclusive).

3. SETTLEMENT

The Company will sign an entrusted agency agreement with Shanghai Branch of China Securities Depository and Clearing Corporation Limited (“**CSDC Shanghai Branch**”), and entrust CSDC Shanghai Branch to carry out the settlement of the exercise of the Sell Back Option and in respect of interest payment.

Accordingly, CSDC Shanghai Branch will, on behalf of the Company, make the settlement on 21 January 2022 to the Third Tranche Bondholders who have duly exercised the Sell Back Option in accordance with the relevant procedures.

4. FURTHER INFORMATION

Further details in respect of the Third Tranche Corporate Bonds (including but not limited to the Company’s announcement on the Sell Back Option, the settlement process and the contact persons in respect of the Sell Back Option) are available on the website of the SSE at www.sse.com.cn.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

IMPORTANT NOTICE

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By Order of the Board

CHINA EVERBRIGHT WATER LIMITED

Peng Pei

Legal Counsel and Joint Company Secretary

Date: 20 December 2021