

CHINA EVERBRIGHT WATER LIMITED

(Incorporated in Bermuda with limited liability)

(Company Reg. No: 34074)

PROPOSED ADJUSTMENT OF INTEREST RATE 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. PROPOSED ADJUSTMENT OF INTEREST RATE

As announced in the announcement in respect of the Third Tranche Corporate Bonds dated 8 January 2021, the Company is entitled to, prior to the expiration of three years from the date of issuance of the Third Tranche Corporate Bonds (being 21 January 2019) and at its discretion, adjust the interest rate in respect of the Third Tranche Corporate Bonds for the remaining two years.

In view of the existing market conditions, the Company is proposing to decrease the interest rate in respect of the Third Tranche Corporate Bonds for the period from 21 January 2022 to 20 January 2024 (both dates inclusive). The Company will issue a further announcement to announce the adjusted interest rates.

3. FURTHER INFORMATION

The Company has released on the website of the SSE at www.sse.com.cn an announcement containing further information on the proposed adjustment of interest rate in respect of the Third Tranche Corporate Bonds.

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: 15 December 2021