

**CHINA EVERBRIGHT WATER LIMITED**

(Company Registration No.: 34074)  
(Incorporated in Bermuda)

**NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** a Special General Meeting of China Everbright Water Limited (the "Company") will be held at Pan Pacific Singapore, Pacific 1, Level 1, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 15 December 2015 at 10.00 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:-

**AS SPECIAL RESOLUTION**

**Resolution 1:**

**APPROVAL OF THE SHARE PREMIUM REDUCTION**

That subject to compliance with section 46(2) of the Companies Act 1981 of Bermuda (as amended) (the "Bermuda Companies Act"),

- (a) the entire amount standing to the credit of the share premium account of the Company be reduced to nil (the "Share Premium Reduction");
- (b) the credit amount arising from the Share Premium Reduction be transferred to the contributed surplus account of the Company (the "Contributed Surplus Account");
- (c) the directors of the Company (the "Directors") be and are hereby authorised to utilise and apply any credit balance in the Contributed Surplus Account in accordance with the bye-laws of the Company, as amended from time to time, and all applicable laws (including the application of any credit balance to set off against accumulated losses of the Company), as and when the Directors may consider appropriate; and
- (d) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the Share Premium Reduction) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the Share Premium Reduction.

**AS ORDINARY RESOLUTION:**

**Resolution 2:**

**APPROVAL OF THE SHARE BUY-BACK MANDATE**

That:

- (a) the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued shares in the share capital of the Company ("Shares") not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
  - (i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("SGX-ST"); and/or
  - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall, as required under the listing manual of the SGX-ST, satisfy all the conditions prescribed by section 76C of the Companies Act, Chapter 50 of Singapore,

in accordance with the Bermuda Companies Act and all other laws and regulations and rules of the SGX-ST as may for the time being be applicable (the "Share Buy-back Mandate");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
  - (i) the date on which the next Annual General Meeting of the Company is held;
  - (ii) the date on which the next Annual General Meeting of the Company is required by law to be held; and
  - (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

"Average Closing Price" means the average of the closing market prices of the Shares over the last five market days on which the Shares were transacted on the SGX-ST, before the date of the market purchase by the Company, or as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

"Maximum Limit" means that number of Shares representing 10 per cent. of the total number of issued Shares as at the date of the passing of this Resolution (excluding any treasury shares); and

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses), which shall not exceed:

- (i) in the case of a market purchase of a Share, five per cent. above the Average Closing Price; and
- (ii) in the case of an off-market purchase of a Share, five per cent. above the Average Closing Price; and

- (d) the Directors and each of them be hereby authorised to complete and do all such acts and things (including, but not limited to, executing all such agreements and documents as may be required in connection with this Resolution and the Share Buy-back Mandate) as they or he/she may consider necessary, desirable or expedient or in the interests of the Company to give effect to this Resolution and the Share Buy-back Mandate.

By Order of the Board

Wang Tianyi

Executive Director and Chairman

20 November 2015

**Notes:**

1. A member of the Company (other than The Central Depository (Pte) Limited) entitled to attend and vote at a meeting of the Company and who holds two or more Shares shall be entitled to appoint not more than two proxies to attend and vote instead of him.
2. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the number of his Shares to be represented by each proxy respectively.
3. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Singapore Share Transfer Agent Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for the Special General Meeting.
4. The instrument appointing a proxy or proxies shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
5. The Company intends to use internal sources of funds, external borrowings or a combination of internal resources and external borrowings, to finance the purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, the manner in which the purchase or acquisition is funded, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10 per cent. of its issued Shares as at 12 November 2015, at a purchase price equivalent to the Maximum Price per Share, based on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2014 and certain assumptions, are set out in paragraph 3.6 of the Company's Circular to Shareholders dated 20 November 2015.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Special General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Special General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Special General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.