

# CHINA EVERBRIGHT WATER LIMITED

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

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## APPLICATION OF SCRIP DIVIDEND SCHEME TO INTERIM DIVIDEND FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2018 AND NOTICE OF BOOKS CLOSURE

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### 1. Introduction

As set out in the announcement dated 7 August 2018 relating to the financial results of China Everbright Water Limited (the “**Company**”) for the second quarter and half year ended 30 June 2018 (“**1HFY2018 Results Announcement**”), the Company’s scrip dividend scheme (the “**Scheme**”) will be applicable to the interim one-tier tax exempt dividend of 0.0049 Singapore dollar per ordinary share (“**Share**”) for the financial year ending 31 December 2018 (the “**1HFY2018 Interim Dividend**”).

Accordingly, the Scheme will provide holders of fully-paid ordinary shares in the Company (“**Members**”) with an option to elect to receive new Shares pursuant to the Scheme (“**New Shares**”) in lieu of the cash amount of the 1HFY2018 Interim Dividend. Entitlements to the 1HFY2018 Interim Dividend will be based on the Shares held by Members **as at 5.00 p.m. (Singapore time) on 27 August 2018** (the “**Books Closure Date**”).

**Members who wish to receive the 1HFY2018 Interim Dividend in CASH need not take any action, provided they have not previously made permanent elections under the Scheme to receive New Shares in lieu of cash. Members who have previously made such permanent elections under the Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of cash for the 1HFY2018 Interim Dividend if they do not take any action.**

### 2. Eligibility

All Members entitled to the 1HFY2018 Interim Dividend will be eligible to participate in the Scheme in respect of the 1HFY2018 Interim Dividend, subject to the restrictions on Overseas Members (as defined below).

Members with registered addresses outside Singapore (“**Overseas Members**”), and who have not provided the Company or (as the case may be) The Central Depository (Pte) Limited (“**CDP**”) with addresses in Singapore for the service of notices and documents latest **by 5.00 p.m. (Singapore time) on 17 August 2018** (being not later than five market days prior to the Books Closure Date) will not be eligible to participate in the Scheme.

**Overseas Members who wish to be eligible to participate in the Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company c/o Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place, #32-01 Singapore**

**Land Tower, Singapore 048623 or, if the Overseas Member is a CDP depositor, CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589, not later than 5.00 p.m. (Singapore time) on 17 August 2018 (Friday).**

Participation in the Scheme is subject to the requirement that such participation by a Member will not result in a breach of any other restriction on such Member's holding of Shares which may be imposed on any statute, law or regulation in force in Singapore or any other relevant jurisdiction, or by the bye-laws of the Company.

### 3. **Election Notices**

Notices of election ("**Election Notices**") are proposed to be despatched to eligible Members on or about 5 September 2018.

Eligible Members may elect to participate in the Scheme in relation to the 1HFY2018 Interim Dividend only, or they may make a permanent election to participate in the Scheme in respect of the 1HFY2018 Interim Dividend and all future dividends to which the Scheme is applied. These electives will be provided for in the Election Notices.

Eligible Members may elect to participate in the Scheme in respect of all, and not part only, of their holdings of Shares as at the Books Closure Date (except in the case of a depository agent or nominee company of a bank, merchant bank, stockbroker or other financial institution, holding Shares as custodian, who may be allowed to make an election to participate in the Scheme in respect of part only of the Shares to which each Election Notice received by it relates).

### 4. **Permanent Elections**

Eligible Members who have previously made permanent elections under the Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of the cash amount of the 1HFY2018 Interim Dividend. **They will be sent Scrip Dividend Entitlement Advices instead of Election Notices.**

Where an eligible Member has previously made a permanent election in respect of his holdings of Shares to which a Notice of Election relates, the permanent election will be effective for all future qualifying dividends unless and until a notice of cancellation in the prescribed form is received by the Company or (as the case may be) CDP.

### 5. **Issue Price**

For the purposes of the application of the Scheme to the 1HFY2018 Interim Dividend, the price at which each New Share is to be issued will be set at the average of the last dealt prices of a Share on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for each of the days on which the SGX-ST is open for trading during the period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the announcement of the 1HFY2018 Interim Dividend and ending on the Books Closure Date (both dates inclusive).

The Company will announce the Issue Price on 28 August 2018.

#### 6. Fractional Entitlements

Where the number of New Shares which may be issued to a participating Member under the Scheme includes a fraction but is not less than one, the number of New Shares to be issued will be rounded up to the nearest whole number if the fraction is 0.5 or more, and rounded down to the nearest whole number if the fraction is less than 0.5 and the fraction will be disregarded. No cash will be paid on such disregarded fraction of a share.

Where less than one New Share is to be issued to a participating Member under the Scheme, such participating Member will not, regardless of whether he has elected to do so, receive any New Share, but will instead be paid his dividend in cash. This would be the case even if he has made a permanent election previously.

#### 7. Notice of Books Closure Date and Dividend Payment Date

As set out in the 1HFY2018 Results Announcement, the Register of Transfer and Register of Members of the Company will be closed from 5.00 p.m. (Singapore time) on 27 August 2018, being the Books Closure Date, up to (and including) 28 August 2018 for the purpose of determining the entitlements of Members to the 1HFY2018 Interim Dividend of 0.0049 Singapore dollar for every Share held.

Duly completed registrable transfers of Shares received by the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. (Singapore time) on 27 August 2018 will be registered before entitlements to the 1HFY2018 Interim Dividend are determined. Members whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. (Singapore time) on 27 August 2018 will rank for the 1HFY2018 Interim Dividend.

The 1HFY2018 Interim Dividend will be paid on 11 October 2018 (the "**Dividend Payment Date**"), and the New Shares are expected to be listed and credited on 12 October 2018 (the "**Listing and Crediting Date**").

#### 8. Important Indicative Dates and Events

Members should note the following important dates and events. In the event of a change, the Company will publicly announce such change through a SGXNET announcement posted on the website of the Singapore Exchange Securities Trading Limited at <http://www.sgx.com>. All references to dates and times above are made by reference to Singapore dates and times.

<u>Indicative Date</u>	<u>Event</u>
5.00 p.m. (Singapore time) on 17 August 2018 ( <i>Friday</i> )	Last day for Overseas Members to provide Singapore addresses
21 August 2018 ( <i>Tuesday</i> )	Last day on which Shares quoted cum dividend

<u>Indicative Date</u>	<u>Event</u>
23 August 2018 ( <i>Thursday</i> )	First day on which Shares quoted ex-dividend
Between 23 to 27 August 2018 (both dates inclusive) ( <i>Thursday to Monday</i> )	Period for determining the Issue Price
5.00 p.m. (Singapore time) on 27 August 2018 ( <i>Monday</i> )	Books Closure Date
28 August 2018 ( <i>Tuesday</i> )	Announcement of Issue Price
On or about 5 September 2018 ( <i>Wednesday</i> )	Despatch of Notices of Election and Scrip Dividend Entitlement Advices
25 September 2018 ( <i>Tuesday</i> )	Last day for eligible Members to submit Notices of Election and Notices of Cancellation
11 October 2018 ( <i>Thursday</i> )	Dividend Payment Date
12 October 2018 ( <i>Friday</i> )	Listing and crediting of New Shares

9. **Scrip Dividend Scheme Statement**

A copy of the Scheme statement is set out in the Appendix to this Announcement.

By Order of the Board  
**CHINA EVERBRIGHT WATER LIMITED**

An Xuesong  
 Executive Director and Chief Executive Officer

Date: 13 August 2018