

CHINA EVERBRIGHT WATER LIMITED

(Incorporated in Bermuda with limited liability)

(Company Reg. No: 34074)

PROPOSED ADJUSTMENT OF INTEREST RATE IN RESPECT OF THE SECOND 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 second-tranche of RMB-denominated corporate bonds (“**Corporate Bonds**”), which comprises two different types of Corporate Bonds, amounting to an aggregate principal amount of RMB800,000,000 to qualified investors in mainland China (the “**Second Tranche Corporate Bonds**”) on 16 August 2018 and the listing of the Second Tranche Corporate Bonds for trading on the Shanghai Stock Exchange (the “**SSE**”) with effect from 3 September 2018.

2. PROPOSED ADJUSTMENT OF INTEREST RATE

As announced in the announcement in respect of the Second Tranche Corporate Bonds dated 16 August 2018, the Company is entitled to, prior to the expiration of three years from the date of issuance of the Second Tranche Corporate Bonds (being 16 August 2018) and at its discretion, adjust the interest rate in respect of the Second 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 Second Tranche Corporate Bonds for the period from 16 August 2021 to 15 August 2023 (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 Second 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

An Xuesong

Executive Director and Chief Executive Officer

Date: 12 July 2021