

CHINA EVERBRIGHT WATER LIMITED

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

APPLICATION OF SCRIP DIVIDEND SCHEME TO FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AND NOTICE OF BOOKS CLOSURE

1. Introduction

As set out in the announcement dated 20 February 2019 relating to the full year results of China Everbright Water Limited (the “**Company**”) for the financial year ended 31 December 2018, the Company’s scrip dividend scheme (the “**Scheme**”) will be applicable to the final one-tier tax exempt dividend of 0.0050 Singapore dollar per ordinary share (“**Share**”) for the financial year ended 31 December 2018 (the “**FY2018 Final Dividend**”), subject to the approval of Members (as defined below) at the Annual General Meeting of the Company to be held on 12 April 2019 (“**AGM**”) for the FY2018 Final Dividend and the allotment and issue of new Shares (the “**New Shares**”) pursuant to the Scheme.

Accordingly, the Scheme will provide persons registered in the Register of Members of the Company or, as the case may be, the Depository Register (as defined in the Scheme Statement) as holders of fully-paid ordinary shares in the Company (“**Members**”) with an option to elect to receive New Shares in lieu of the cash amount of the FY2018 Final Dividend. Entitlements to the FY2018 Final Dividend will be based on the Shares held by Members **as at 5.00 p.m. (Singapore time) on 17 April 2019** (the “**Books Closure Date**”).

Members who wish to receive the FY2018 Final 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 FY2018 Final Dividend if they do not take any action.

2. Eligibility

All Members entitled to the FY2018 Final Dividend will be eligible to participate in the Scheme in respect of the FY2018 Final 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 9 April 2019** (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 9 April 2019 (Tuesday).

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 by 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 30 April 2019.

Eligible Members may elect to participate in the Scheme in relation to the FY2018 Final Dividend only, or they may make a permanent election to participate in the Scheme in respect of the FY2018 Final 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 FY2018 Final 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 FY2018 Final 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 FY2018 Final Dividend and ending on the Books Closure Date (both dates inclusive).

The Company will announce the Issue Price on 18 April 2019.

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**

NOTICE IS HEREBY GIVEN that the Register of Transfer and Register of Members of the Company will be closed from 5.00 p.m. (Singapore time) on 17 April 2019, being the Books Closure Date, up to (and including) 18 April 2019 for the purpose of determining the entitlements of Members to the FY2018 Final Dividend of 0.0050 Singapore dollar for every Share held, subject to the approval of Members for the FY2018 Final Dividend at the AGM.

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 17 April 2019 will be registered before entitlements to the FY2018 Final 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 17 April 2019 will rank for the FY2018 Final Dividend.

The FY2018 Final Dividend, if so approved by Members, will be paid on 4 June 2019 (the “**Dividend Payment Date**”). For participating Members who are Depositors, the New Shares are expected to be listed and credited on the Singapore Exchange Securities Trading Limited on 4 June 2019 (the “**Listing and Crediting Date**”). In other cases, certificates for the Shares will be despatched to participating Members, at their risk, at their registered addresses in Singapore on 4 June 2019.

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 9 April 2019 (<i>Tuesday</i>)	Last day for Overseas Members to provide Singapore addresses
15 April 2019 (<i>Monday</i>)	Last day on which Shares quoted cum dividend
16 April 2019 (<i>Tuesday</i>)	First day on which Shares quoted ex-dividend
Between 16 to 17 April 2019 (both dates inclusive) (<i>Tuesday to Wednesday</i>)	Period for determining the Issue Price
5.00 p.m. (Singapore time) on 17 April 2019 (<i>Wednesday</i>)	Books Closure Date
18 April 2019 (<i>Thursday</i>)	Announcement of Issue Price
On or about 30 April 2019 (<i>Tuesday</i>)	Despatch of Notices of Election and Scrip Dividend Entitlement Advices
22 May 2019 (<i>Wednesday</i>)	Last day for eligible Members to submit Notices of Election and Notices of Cancellation
4 June 2019 (<i>Tuesday</i>)	Dividend Payment Date Listing and crediting of New Shares for participating Members who are Depositors Despatch of certificates for Shares of participating Members who are not Depositors

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: 2 April 2019