



CHINA EVERBRIGHT WATER LIMITED

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of China Everbright Water Limited (the “**Company**”) will be held at Pan Pacific Singapore, Ocean 4-5, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on Monday, 25 April 2016 at 9.30 am to transact the following businesses:-

AS ORDINARY BUSINESS

1. To receive and consider the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2015 and the Auditors’ Report thereon.

(Resolution 1)
2. To declare a final tax exempt 1-Tier dividend of S\$0.0035 for the financial year ended 31 December 2015 as recommended by the Directors.

(Resolution 2)
3. To approve the payment of Directors’ fees of S\$207,500 for the financial year ended 31 December 2015. (2014 : S\$200,000/-)

(Resolution 3)
4. To re-elect the following Directors retiring pursuant to the Company’s Bye-Laws, and who, being eligible, will offer themselves for re-election:-

(a) Mr. Chen Tao [retiring pursuant to Bye-Law 85(6)];

(Resolution 4a)

(b) Mr. Zhai Haitao [retiring pursuant to Bye-Law 85(6)];

(Resolution 4b)

(See Explanatory Note i)

(c) Mr. Lim Yu Neng Paul [retiring pursuant to Bye-Law 86(1)]; and

(Resolution 4c)

(See Explanatory Note ii)

(d) Ms. Cheng Fong Yee [retiring pursuant to Bye-Law 86(1)].

(Resolution 4d)

(See Explanatory Note iii)

5. To re-appoint Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

(Resolution 5)
- AS SPECIAL BUSINESS
- To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:
6. Authority to allot and issue shares

(a) That, pursuant to Company’s Bye-laws, and the listing rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

(i) issue shares in the capital of the Company (“**Shares**”) whether by way of right, bonus or otherwise;

(ii) make or grant offers, agreements or options that might or would require Shares to be issued or other transferable rights to subscribe for or purchase Shares (collectively, “**Instruments**”) including but not limited to the creation and issue of warrants, debentures or other instruments convertible into Shares;

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(b) (notwithstanding THAT the authority conferred by the shareholders may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while the authority was in force. provided always that:

(i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares excluding treasury shares of the Company, of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed twenty per cent. (20%) of the total number of issued Shares excluding treasury shares of the Company, and for the purpose of this resolution, the issued share capital shall be the total number of issued Shares excluding treasury shares at the time this resolution is passed, after adjusting for;

a) new Shares arising from the conversion or exercise of any convertible securities, or

b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the listing manual of the SGX-ST (the “**Listing Manual**”); and

c) any subsequent bonus issue, consolidation or subdivision of Shares, and

(ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(See Explanatory Note iv)

(Resolution 6)

7. Authority to allot and issue Shares under the China Everbright Water Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”).

That authority be and is hereby given to the Directors to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the Scrip Dividend Scheme.

(See Explanatory Note v)

(Resolution 7)

8. Authority to grant options and issue Shares under the China Everbright Water Limited Employee Share Option Scheme. (formerly known as the HanKore Employee Share Option Scheme)

That, the Directors of the Company be and are hereby empowered to offer and grant options, and to allot and issue from time to time such number of Shares as may be required to be issued or transferred pursuant to the exercise of options granted under the China Everbright Water Limited Employee Share Option Scheme (the “**Scheme**”) provided always that the aggregate number of Shares in respect of which such options may be granted and which may be issued pursuant to the Scheme shall not exceed fifteen per cent. (15%) of the total number of issued Shares excluding treasury shares of the Company from time to time.

(See Explanatory Note vi)

(Resolution 8)

9. Renewal 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 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 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, 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 ten 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.

(See Explanatory Note vii)

(Resolution 9)

10. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

WANG TIANYI  
Executive Director and Chairman  
8 April 2016  
Singapore

Notes:

1. A member of the Company (other than The Central Depository (Pte) Limited) entitled to attend and vote at the Annual General Meeting and who holds two or more Shares shall be entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

2. Where a member appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy respectively.

3. The instrument appointing a proxy or proxies must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

4. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the Share Registrar’s office at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 48 hours before the time set for the Annual General Meeting.

Explanatory Notes:-

i. Mr. Zhai Haitao will, upon re-election as a Director of the Company, remain as Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual. The detailed information of Mr. Zhai Haitao can be found at page 17 of the Annual Report.

ii. Mr. Lim Yu Neng Paul will, upon re-election as a Director of the Company, remain as Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual. The detailed information of Mr. Lim Yu Neng Paul can be found at page 16 of the Annual Report.

iii. Ms. Cheng Fong Yee will, upon re-election as a Director of the Company, remain as Chairman of the Remuneration Committee and a member of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual. The detailed information of Ms. Cheng Fong Yee can be found at page 16 of the Annual Report.

iv. The ordinary resolution 6 proposed in item 6 is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue Shares and convertible securities in the Company up to an amount not exceeding in aggregate fifty per cent. of the total number of issued Shares excluding treasury shares of the Company, of which the total number of Shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed twenty per cent. of the total number of issued Shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

v. Pursuant to the Special General Meeting of the Company held on 28 October 2005, the shareholders of the Company approved the passing of the ordinary resolution relating to the Scrip Dividend Scheme. In the circular dated 11 October 2005, the Scrip Dividend Scheme provides members with the option to elect to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. The Ordinary Resolution 7 proposed in item 7, if passed, will empower the Directors of the Company to allot and issue Shares pursuant to the terms and conditions of the Scrip Dividend Scheme.

vi. The ordinary resolution 8 proposed in item 8 above, if passed, will empower the Directors of the Company, to offer and grant options and to allot and issue or transfer Shares upon the exercise of such options in accordance with the Scheme not exceeding fifteen per cent. of the total number of issued Shares excluding treasury shares of the Company from time to time.

vii. 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 ten per cent. of its issued Shares as at 31 March 2016, 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 2015 and certain assumptions, are set out in paragraph 2.7 of the Company’s Letter to Shareholders dated 8 April 2016.

Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (ii) warrants that where the shareholder discloses the personal data of the shareholder’s proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder 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) 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 shareholder’s breach of warranty.