

CHINA EVERBRIGHT WATER LIMITED

(Incorporated in Bermuda with limited liability)

(Company Reg. No: 34074)

ADJUSTMENT OF INTEREST RATE IN RESPECT OF THE FIRST 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 first tranche of RMB-denominated corporate bonds of an aggregate principal amount of RMB1,000,000,000 (the “**First Tranche Corporate Bonds**”) to qualified investors in the People’s Republic of China (excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan, for the purpose of this Announcement) (the “**PRC**”) on 24 July 2017 and the listing of the First Tranche Corporate Bonds for trading on the Shanghai Stock Exchange (the “**SSE**”) with effect from 7 August 2017.

2. ADJUSTMENT OF INTEREST RATE

As announced in the announcement in respect of the First Tranche Corporate Bonds dated 21 July 2017, the Company is entitled to, prior to the expiration of three years from the date of issuance of the First Tranche Corporate Bonds (being 24 July 2017) and at its discretion, adjust the interest rate in respect of the First Tranche Corporate Bonds for the remaining two years.

In view of the existing market conditions and the Company’s existing conditions, the Company has decided to adjust the interest rate in respect of the First Tranche Corporate Bonds from 4.55 per cent. per annum to 3.28 per cent. per annum for the period from 24 July 2020 to 23 July 2022 (both dates inclusive) (the “**Remaining Term**”) and payable by way of simple interest on an annual basis. The interest on the First Tranche Corporate Bonds for the Remaining Term will be paid by the Company on 24 July 2021 and 24 July 2022 (or if any such date falls on a statutory holiday in the PRC, the following trading day).

3. FURTHER INFORMATION

Further details in respect of the First Tranche Corporate Bonds (including the Company's announcement on the adjustment of interest rate) are available on the website of the SSE at www.sse.com.cn.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form a part of any offer, solicitation or invitation to sell, issue, purchase or subscribe for securities in any jurisdiction. No securities of or relating to the Company have been or will be registered under the securities laws of any jurisdiction. No public offering of securities will be made in any jurisdiction where such an offering is restricted or prohibited. No money, securities or other consideration is being solicited by this announcement or the information contained herein and, if sent in response to this announcement or the information contained herein, will not be accepted.

By Order of the Board

CHINA EVERBRIGHT WATER LIMITED

An Xuesong

Executive Director and Chief Executive Officer

Date: 24 June 2020