

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Kunming Dianchi Water Treatment Co., Ltd.

昆明滇池水务股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3768)

POLL RESULTS OF THE ANNUAL GENERAL MEETING, DISTRIBUTION OF 2017 FINAL DIVIDEND, AND CHANGE OF MEMBERS OF THE BOARD OF DIRECTORS AND ITS AUDIT COMMITTEE

POLL RESULTS OF THE ANNUAL GENERAL MEETING

The Board hereby announces the poll results in respect of the resolutions proposed at the AGM held on Friday, 22 June 2018. All resolutions were duly passed.

DISTRIBUTION OF 2017 FINAL DIVIDEND

The final dividend of the Company for the year ended 31 December 2017 will be distributed on Wednesday, 8 August 2018.

CHANGE OF MEMBERS OF THE BOARD AND ITS AUDIT COMMITTEE

The Board hereby announces Ms. Ma Ce has been elected as a non-executive director of the Company and Mr. He Xifeng has been appointed as a member of the Audit Committee by the Board. Mr. Zeng Feng, former non-executive Director of the Company, will cease to be a non-executive Director and a member of the Audit Committee, upon the coming into effect of the appointment of Ms. Ma Ce.

Reference is made to the circular (the “**Circular**”) and the notice of the annual general meeting (the “**AGM**”) of Kunming Dianchi Water Treatment Co., Ltd. (the “**Company**”) dated 27 April 2018. Unless otherwise defined in this announcement, the capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

I. POLL RESULTS OF THE AGM

The board of directors (the “**Board**”) of the Company is pleased to announce that the AGM has been convened at the Company’s meeting room on the 1st floor at the Wastewater Treatment Plant No.7, Kunming Dianchi Tourist Resort, Yunnan Province, the PRC at 2:30 p.m. on Friday, 22 June 2018 and the resolutions set out below were duly passed by way of poll. The AGM was convened by the Board and chaired by Ms. Guo Yumei, the Chairperson. The AGM has been held in accordance with the requirements of the Company Law of the PRC and the Articles of Association.

As at the date of the AGM, the total number of issued shares of the Company (the “**Share(s)**”) is 1,029,111,000 Shares, including 689,088,000 Domestic Shares and 340,023,000 H Shares, representing 100% of the total issued share capital of the Company, all of which entitle the holders to attend and vote for or against the resolutions put forward at the AGM (the “**AGM Resolutions**”) based on their shareholdings. Shareholders holding an aggregate of 891,063,000 voting Shares, representing approximately 86.59% of the total number of issued Shares, attended the AGM either in person or by proxy. No shareholder was required to abstain from voting on any of the AGM Resolutions. There was no Share entitling the holder to attend and vote only against the AGM Resolutions. All the AGM Resolutions were put to vote by way of poll. Tricor Investor Services Limited, the Company’s H share registrar in Hong Kong, was appointed as the scrutineer of the AGM for the purpose of vote-taking of the poll at the AGM.

The poll results in respect of the AGM Resolutions are as follows:

ORDINARY RESOLUTIONS		Votes (%)		Attending and Voting Number of Shares
		For	Against	
1.	To consider and approve the Report of the Board of the Company for 2017.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
2.	To consider and approve the Report of the Board of Supervisors of the Company for 2017.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
3.	To consider and approve the final accounts of the Company for 2017.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
4.	To consider and approve the audited financial statements of the Company and the independent auditors’ report for the year ended 31 December 2017.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
5.	To consider and approve the profit distribution plan of the Company for 2017.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
6.	To consider and approve the annual financial budget plan of the Company for 2018.	891,063,000 (100.00%)	0 (0.00%)	891,063,000

ORDINARY RESOLUTIONS		Votes (%)		Attending and Voting Number of Shares
		For	Against	
7.	To consider and approve the authorization to the Board to determine the domestic and international auditors of the Company for the year 2018 and their remunerations.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
8.	To elect Ms. Ma Ce as a non-executive Director of the Company.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
SPECIAL RESOLUTIONS		Votes (%)		Attending and Voting Number of Shares
		For	Against	
9.	To consider and approve the amendments to the Articles of Association.	891,063,000 (100.00%)	0 (0.00%)	891,063,000
10.	To consider and approve the granting of the general mandate to the Board to issue, allot and deal with additional Domestic Shares/H Shares not exceeding 20% of the total number of issued Domestic Shares and H Shares of the Company, respectively, and authorise the Board to make such amendments as it deems appropriate to the provisions of the Articles of Association, so as to reflect the new capital structure upon additional allotment and issuance of Shares pursuant to such mandate.	891,063,000 (100.00%)	0 (0.00%)	891,063,000

As more than one half of the votes were cast in favour of the ordinary resolutions numbered 1 to 8 above, these resolutions were duly passed.

As more than two-thirds of the votes were cast in favour of the special resolutions numbered 9 to 10 above, these resolutions were duly passed.

II. DESCRIPTION ON DISTRIBUTION OF 2017 FINAL DIVIDEND

At the AGM, the profit distribution plan for 2017 of the Company has been duly approved by the Shareholders, the full text of which has been set out in the Circular. The Board hereby also makes the following descriptions relating to the distribution of 2017 final dividend:

The Company will distribute the final dividend of RMB0.1527 per Share (tax inclusive) in cash for the year ended 31 December 2017 (the “**Final Dividend**”), for an aggregate amount of RMB157,145,249.70 (tax inclusive). The Final Dividend will be distributed in cash on Wednesday, 8 August 2018 to the Shareholders whose names appeared on the register of members of the Company on Tuesday, 3 July 2018 (the “**Record Date**”).

In accordance with the Articles of Association, the dividends shall be denominated and declared in Renminbi. The dividends payable to holders of Domestic Shares shall be paid in Renminbi and the dividends payable to holders of H Shares shall be paid in Hong Kong dollars. The actual amount of H Share dividends distributed in Hong Kong dollars is calculated according to the average benchmark exchange rate of Renminbi against Hong Kong dollars as published by the People’s Bank of China within one week prior to the date of AGM (i.e. RMB0.8201 against HK\$1), being a cash dividend of HK\$0.1862 per Share (tax inclusive).

For the purpose of determining the list of holders of H Shares who are entitled to the Final Dividend, the H Share register of members of the Company will be closed from Thursday, 28 June 2018 to Tuesday, 3 July 2018 (both days inclusive). In order to be qualified for the Final Dividend for the year ended 31 December 2017, the holders of unregistered H Shares of the Company are required to submit the transfer documents to the H Share Registrar of the Company, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 27 June 2018.

The Company has appointed Bank of Communications Trustee Limited as the receiving agent in Hong Kong (the “**Receiving Agent**”) which will receive from the Company on behalf of holders of H shares final dividends declared. The final dividend will be paid by the Receiving Agent and the dividend cheques will be posted by the H share registrar of the Company, Tricor Investor Services Limited, by ordinary mail to holders of H shares entitled to receive the dividend at their own risk on Wednesday, 8 August 2018.

III. WITHHOLDING AND PAYMENT OF INCOME TAX ON DIVIDENDS

i. Enterprise Income Tax Payable by Non-resident Enterprise Shareholders

Pursuant to the Enterprise Income Tax Law of the PRC and its implementation rules, which came into force on 1 January 2008 and other relevant rules, where the Company distributes the 2017 Final Dividend to non-resident enterprise Shareholders whose names appear on the register of members for H Shares of the Company as at the Record Date, it is required to withhold enterprise income tax at the rate of 10%. Any H Shares registered in the name of non-individual registered Shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organisations or groups, will be treated as Shares being held by non-resident enterprise Shareholders, and consequently will be subject to the withholding of the enterprise income tax.

ii. **Individual Income Tax Payable by Non-resident Individual Shareholders**

According to regulations of the State Administration of Taxation (Guo Shui Han [2011] No. 348) and relevant laws and regulations, if the individual holders of H Shares are residents of Hong Kong or Macau or other countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these Shareholders. If the individual holders of H Shares are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will assist them to make applications to seek entitlement of the relevant agreed preferential treatments pursuant to the relevant tax treaty. If the individual holders of H Shares are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty. If the individual holders of H Shares are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or those countries which have not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of these Shareholders.

The Company will determine the resident status of the individual holders of H Shares based on the registered address as recorded in the register of members of the Company as at the Record Date (the “**Registered Address**”). If the resident status of any individual holders of H Shares is not in consistency with that indicated by the Registered Address, such individual holders of H Shares shall notify the Company’s H Share registrar not later than 4:30 p.m. on Wednesday, 27 June 2018, and provide relevant supporting documents to the Company’s H Share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

The Shareholders are advised to read the above information carefully, and if anyone would like to change the identity of the Shareholder, please enquire about the relevant procedures with the nominees or trustees. The Company is neither obligated nor responsible for ascertaining the identity of the Shareholders. In addition, the Company will withhold the enterprise income tax and the individual income tax in strict compliance with the relevant laws or regulations and the registered information on the H Shares register of members of the Company as at the Record Date. The Company will not entertain, or take any responsibilities for, any requests or claims in relation to any delay or inaccuracies in ascertaining the identity of the Shareholders or any disputes over the mechanism of withholding of the enterprise income tax and the individual income tax.

IV. CHANGE OF MEMBERS OF THE BOARD AND ITS AUDIT COMMITTEE

At the AGM, Ms. Ma Ce was elected as a non-executive Director of the first session of the Board. The appointment of Ms. Ma Ce shall come into effect immediately after the conclusion of the AGM and until the expiry of the term of the first session of the Board. For the details of Ms. Ma Ce's biography and the determination of her remuneration, please refer to the announcement of the Company dated 26 March 2018 and the Circular. As at the date of this announcement, there has been no change in such information.

Mr. Zeng Feng, former non-executive Director of the Company, will cease to be a non-executive Director of the Company and a member of the Audit Committee after the appointment of Ms. Ma Ce took effect.

On the same day of the AGM, the Board passed a resolution in relation to appointing Mr. He Xifeng as a member of the audit committee of the Board (the "**Audit Committee**"). His appointment shall be valid from the date of this announcement until the expiry of the term of the first session of the Board. The composition of the Audit Committee is as follows:

Mr. Wong Man Chung Francis (*Chairperson*)
Mr. Yin Xiaobing
Mr. He Xifeng

By order of the Board
Kunming Dianchi Water Treatment Co., Ltd.
Guo Yumei
Chairperson

Kunming, the PRC, 22 June 2018

As at the date of this announcement, the Board comprises Ms. Guo Yumei and Mr. Luo Yun, as executive Directors; Ms. Ma Ce and Ms. Song Hong, as non-executive Directors; and Mr. Wong Man Chung Francis, Mr. Yin Xiaobing and Mr. He Xifeng, as independent non-executive Directors.