
THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this supplemental circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Kunming Dianchi Water Treatment Co., Ltd., you should at once hand this supplemental circular and the enclosed revised proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this supplemental circular, 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 supplemental circular.



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)

SUPPLEMENTAL CIRCULAR TO THE CIRCULAR DATED 18 MAY 2021 IN RELATION TO THE PROPOSED APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR AND SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

This supplemental circular should be read in conjunction with the circular of the 2020 annual general meeting of the Company dated 18 May 2021 (the “**Original Circular**”). Unless the context otherwise requires, terms used in this supplemental circular shall have the same meanings as those defined in the Original Circular.

A notice convening the AGM (the “**Original Notice**”) and a supplementary notice of the AGM (the “**Supplemental Notice**”) are set out on pages 18 to 20 of the Original Circular and pages 7 to 8 of this supplemental circular, respectively, for the AGM of the Company to be held at 2:30 p.m. on Friday, 18 June 2021 at the meeting room of the Company on the 1st floor at Wastewater Treatment Plant No. 7, Kunming Dianchi Tourist Resort, Yunnan Province, the PRC as originally scheduled.

A revised proxy form for the AGM (the “**Revised Proxy Form**”) will be despatched to the Shareholders together with this supplemental circular and will replace the original proxy form for the AGM despatched to the Shareholders on 18 May 2021 (the “**Original Proxy Form**”), and the Revised Proxy Form will also be published on the HKExnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company’s website (<http://www.kmdcwt.com>).

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the Revised Proxy Form in accordance with the instructions printed thereon. For holders of H Shares, the Revised Proxy Form should be returned to Tricor Investor Services Limited and for holders of Domestic Shares, the Revised Proxy Form should be returned to the Company’s registered office and headquarters in the PRC by personal delivery or by post not less than 24 hours before the time fixed for holding the AGM (i.e., before 2:30 p.m. on Thursday, 17 June 2021) or any adjourned meeting thereof. Completion and return of the Revised Proxy Form will not preclude you from attending and voting in person at the AGM or at any other adjourned meeting should you so wish.

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING	7

DEFINITIONS

In this supplemental circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM” or “Annual General Meeting”	the 2020 annual general meeting of the Company to be held on Friday, 18 June 2021 at the meeting room of the Company on the 1st floor at Wastewater Treatment Plant No. 7, Kunming Dianchi Tourist Resort, Yunnan Province, the PRC
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board of Directors” or “Board”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“Company”	Kunming Dianchi Water Treatment Co., Ltd. (昆明滇池水務股份有限公司), a joint stock company established in the PRC with limited liability on 23 December 2010, and its H Shares are listed on the Stock Exchange (stock code: 3768)
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Domestic Shares”	ordinary shares in the Company’s capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is listed on the Main Board of the Stock Exchange and traded in Hong Kong dollars
“HKD” or “HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	26 May 2021, being the latest practicable date prior to the printing of this supplemental circular for ascertaining certain information contained in this supplemental circular
“Listing”	the listing of the H Shares of the Company on the Stock Exchange on 6 April 2017

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules
“Supervisor(s)”	supervisors of the Company

LETTER FROM THE BOARD



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)

Board of Directors:

Executive Directors:

Ms. Guo Yumei (*Chairperson*)

Mr. Chen Changyong (*General Manager*)

Mr. Luo Yun

Registered office and headquarters in the PRC:

Wastewater Treatment Plant No. 7

Kunming Dianchi Tourist Resort

Yunnan Province

the PRC

Non-executive Directors:

Ms. Song Hong

Ms. Ren Na

Ms. Yu Yanbo

Principal place of business in Hong Kong:

Room 1901, 19/F, Lee Garden One

33 Hysan Avenue

Causeway Bay, Hong Kong

Independent non-executive Directors:

Mr. Yin Xiaobing

Mr. He Xifeng

Mr. Johnson Wan

31 May 2021

To the Shareholders

Dear Sirs and Madams,

**SUPPLEMENTAL CIRCULAR TO THE CIRCULAR DATED 18 MAY 2021
IN RELATION TO THE PROPOSED APPOINTMENT OF AN INDEPENDENT
NON-EXECUTIVE DIRECTOR
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

This supplemental circular should be read in conjunction with the Original Circular. The purpose of this supplemental circular is to provide you with further information in relation to the consideration and approval of the supplemental ordinary resolution to be proposed at the AGM in relation to the proposed appointment of an independent non-executive Director and to provide you with the Supplemental Notice of the AGM.

LETTER FROM THE BOARD

2. ADDITIONAL BUSINESS PROPOSED TO BE CONSIDERED AT THE AGM

In addition to the matters as set out in the Original Circular and the Original Notice, an ordinary resolution “to consider and approve the appointment of Ms. Zheng Dongyu to serve as an independent non-executive Director” will be added at the AGM, details of the business to be transacted at the AGM are set out in the Original Notice and the Supplemental Notice immediately following this supplemental circular, which is set out on pages 7 to 8 of this supplemental circular.

The additional resolution will be proposed at the AGM and passed as an ordinary resolution as follows:

“To consider and approve the appointment of Ms. Zheng Dongyu to serve as an independent non-executive Director”

In order to enable you to have a better understanding of the additional ordinary resolution to be proposed at the AGM and to make an informed decision in the circumstance where sufficient and necessary information is available, we have provided detailed information in this supplemental circular.

3. TO CONSIDER AND APPROVE THE APPOINTMENT OF MS. ZHENG DONGYU TO SERVE AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

References are made to the announcements of the Company dated 9 February 2021 and 25 February 2021 in relation to, among other things, the proposed removal of an independent executive Director and the announcement of the Company dated 26 May 2021 in relation to the proposed appointment of an independent executive Director. As Mr. He Xifeng (“**Mr. He**”), an independent non-executive Director, was allegedly involved in a bribery case and was arrested, therefore, the Company has not been able to contact Mr. He and he was incapable of properly performing his duties. As considered and approved at the 100th meeting of the first session of the Board held on 9 February 2021, Mr. He was proposed to be removed from all his duties with the Company (including his duties as an independent non-executive Director, the chairman of the Remuneration and Appraisal Committee, a member of the Nomination Committee and a member of the Audit Committee of the Company). As considered and approved by the Company at the 109th meeting of the first session of the Board held on 26 May 2021, Ms. Zheng Dongyu (鄭冬渝) (“**Ms. Zheng**”) was proposed to serve as an independent non-executive Director during the first session of the Board.

Biographical details of Ms. Zheng are as follows:

Zheng Dongyu, aged 64, graduated from the Southwest University of Political Science and Law (西南政法大學) with a bachelor of laws degree in July 1984 and obtained a master’s degree from the School of Law of Peking University (北京大學) in December 1998.

LETTER FROM THE BOARD

Ms. Zheng served as a lecturer at the School of Law of Yunnan University (雲南大學) from August 1984 to December 2012. She currently serves as a two-level teaching supervisor of the schools and colleges of Yunnan University, a leader of the teaching supervision team of the School of Law, an independent director of Kunming Automation Whole Set of Equipment Business Co., Ltd (昆明自動化成套集團股份有限公司) (a company listed on the National Small and Medium-sized Enterprise Share Transfer System, stock code 832848) and an independent director of Yunnan Gold Mining Group Co., Ltd. (雲南黃金礦業集團股份有限公司).

Ms. Zheng served as an independent director of Yunnan Nantian Electronics Information Co., Ltd (雲南南天電子信息產業股份有限公司) (a company listed on Shenzhen Stock Exchange, stock code 000948), Yunnan Yuntianhua Co., Ltd (雲南雲天化股份有限公司) (a company listed on Shanghai Stock Exchange, stock code 600096) and Huaneng Lancang River Hydropower Inc. (華能瀾滄江水電股份有限公司) (a company listed on Shanghai Stock Exchange, stock code 600025).

The appointment of Ms. Zheng as an independent non-executive Director will come into effect upon the Shareholders approve the resolution of her appointment at the AGM. At that time, the Company will enter into a director service agreement with Ms. Zheng for a term commencing from the day when the above resolution is considered and approved at the AGM to the day when the election of the next session of the Board is completed. Ms. Zheng will receive remuneration of RMB150,000 (before tax) per annum from the Company during her term as an independent non-executive Director during the first session of the Board.

To the best knowledge of the Directors of the Company, save as disclosed above: (1) Ms. Zheng did not hold any directorship in public companies whose securities are listed in Hong Kong or any overseas securities markets in the past three years; (2) Ms. Zheng is not connected to any Director, Supervisor, senior management, substantial shareholder or controlling shareholder of the Company; (3) before Ms. Zheng's appointment as an independent non-executive Director comes into effect, she does not hold any other positions in the Company or any other member companies of the Group to which the Company belongs; and (4) as at the Latest Practicable Date, Ms. Zheng does not have any interests in the Shares of the Company or the Company's associated corporations (as defined in Part XV of the SFO).

Save as disclosed above, there is no other information that needs to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters in relation to Ms. Zheng that need to be brought to the attention of the Shareholders.

4. THE AGM

For details of other resolutions to be proposed at the AGM, closure of register of members, eligibility to attend the AGM, registration procedures and other related matters, please refer to the Original Notice.

The Revised Proxy Form is also enclosed. The Revised Proxy Form will also be available on the HKExnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (<http://www.kmdcwt.com>).

LETTER FROM THE BOARD

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the Revised Proxy Form in accordance with the instructions printed thereon. For holders of H Shares, the Revised Proxy Form should be returned to Tricor Investor Services Limited and for holders of Domestic Shares, the Revised Proxy Form should be returned to the Company's registered office and headquarters in the PRC by personal delivery or by post not less than 24 hours before the time fixed for holding the AGM (i.e. before 2:30 p.m. on Thursday, 17 June 2021) or any adjourned meeting thereof. Completion and return of the Revised Proxy Form will not preclude you from attending and voting in person at the AGM or at any other adjourned meeting should you so wish.

Important: The Revised Proxy Form will replace the Original Proxy Form. Shareholders who have completed and duly returned the Original Proxy Form should note that the Original Proxy Form is no longer valid for use at the AGM and you are required to complete and return it in accordance with the instructions printed on the Revised Proxy Form.

5. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the Chairman of the AGM will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions (including the additional resolution) at the AGM.

6. RECOMMENDATIONS

The Board considers that the resolutions (including the additional resolution) proposed at the AGM are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of those proposed resolutions at the AGM.

Yours faithfully,
Guo Yumei
Chairperson

SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING



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)

SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING

References are made to (i) the circular of the annual general meeting (the “AGM”) of Kunming Dianchi Water Treatment Co., Ltd. (the “Company”) dated 18 May 2021 (the “Original AGM Circular”); and (ii) the notice of the AGM dated 18 May 2021 (the “Original Notice”).

In accordance with the relevant provisions of the articles of association of the Company and as required by the actual circumstances of the Company, the 2020 AGM is scheduled to be held at 2:30 p.m. on Friday, 18 June 2021 at the meeting room of the Company on the 1st floor at Wastewater Treatment Plant No.7, Kunming Dianchi Tourist Resort, Yunnan Province, the PRC to consider and, if thought fit, pass the following additional resolution in addition to the ordinary resolutions set out in the Original Notice and renumber the special resolutions No. 9, No. 10 and No. 11 of the Original Notice as No. 10, No. 11 and No. 12. Unless the context otherwise requires, terms used in the supplemental notice shall have the same meanings as those defined in the Original Notice.

ORDINARY RESOLUTION

9. To consider and approve the appointment of Ms. Zheng Dongyu to serve as an independent non-executive Director

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

Kunming, the PRC
31 May 2021

Notes:

1. For more information on the additional ordinary resolution (i.e. resolution No. 9), please refer to the Company's supplemental circular for the 2020 AGM dated 31 May 2021.
2. **Important:** As the proxy form sent together with the Original Notice (the “Original Proxy Form”) did not contain the additional resolution set out in the supplemental notice of the AGM, a revised proxy form (the “Revised Proxy Form”) has been prepared for this purpose. The Revised Proxy Form will replace the Original Proxy Form. Shareholders who have submitted such proxy form in accordance with the instructions on the Original Proxy Form should note that the Original Proxy Form will not be valid for the AGM.

SUPPLEMENTAL NOTICE OF 2020 ANNUAL GENERAL MEETING

Shareholders wishing to appoint a proxy to attend the meeting on their behalf in accordance with the instructions set out below are required to submit the Revised Proxy Form.

3. According to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, all votes on the resolutions to be proposed at the AGM (including the additional resolution) will be taken by way of poll. Results of the poll voting will be published on the Company's website at www.kmcdwt.com and the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the AGM.
4. Any Shareholder entitled to attend and vote at the AGM of the Company is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a Shareholder of the Company.
5. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company's registered office and headquarters in the PRC (for holders of Domestic Shares) or the H Share Registrar of the Company, Tricor Investor Services Limited (for holders of H Shares), at least 24 hours before the AGM (i.e. before 2:30 p.m. on 17 June 2021) or any adjourned meeting thereof. Tricor Investor Services Limited is located at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the Revised Proxy Form will not preclude a Shareholder from attending and voting at the AGM or any adjourned meeting thereof should he/she so wish.
6. As stated in the Original AGM Circular and the Original Notice of the Company dated 18 May 2021, for the purpose of determining the list of holders of H Shares who are entitled to attend the AGM, the H Share register of members of the Company will be closed from Friday, 28 May 2021 to Friday, 18 June 2021 (both days inclusive). The holders of H Shares who wish to attend the AGM are required to submit the share certificates together with the transfer documents to the H Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 27 May 2021 for registration. Holders of H Shares who are registered with Tricor Investor Services Limited on or before the above date are entitled to attend the AGM.

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, 24 June 2021 to Tuesday, 29 June 2021 (both days inclusive). In order to be qualified for the Final Dividend (subject to approval of Shareholders), the holders of unregistered H Shares are required to submit the transfer documents to the H Share Registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 23 June 2021.
7. In case of joint shareholdings, the vote of the senior joint Shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
8. The AGM is expected to be held for less than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
9. A Shareholder or his proxy should produce proof of identity when attending the AGM.
10. The Company's registered office and headquarters in the PRC is No. 7 Wastewater Treatment Plant, Kunming Dianchi National Tourist Resort, Yunnan Province, the PRC.
11. All references to dates and time in this supplemental notice are to Hong Kong dates and time.

As of the date of this supplemental notice, the Board comprises Ms. Guo Yumei, Mr. Chen Changyong and Mr. Luo Yun, as executive Directors; Ms. Song Hong, Ms. Ren Na and Ms. Yu Yanbo, as non-executive Directors; and Mr. Yin Xiaobing, Mr. He Xifeng and Mr. Johnson Wan, as independent non-executive Directors.