

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.



雲南水務投資股份有限公司
Yunnan Water Investment Co., Limited*

(a joint stock limited liability company incorporated in the People's Republic of China)
(Stock code: 6839)

(I) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
(II) PROPOSED PROVISION OF GUARANTEES BY THE GROUP;
AND
(III) RESIGNATION OF DIRECTOR AND PROPOSED
APPOINTMENT OF DIRECTOR

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance and Rule 13.09 of the Listing Rules.

(I) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Due to the operational and strategic development needs of the Company, the Board proposed to make certain amendments to the Articles of Association about the Company's domicile. The proposed amendments to the Articles of Association are set out as follows:

Existing Article 3:

Company's domicile: 16th Floor, Block A, He Cheng International, 1088 Haiyuan Zhong Road, Gaoxin District, Kunming, Yunnan.

Postal code: 650106

Tel: (+86) 871-67209927

Fax: (+86) 871-67209871

The existing Article 3 of the Articles of Association be deleted in its entirety and replaced with the followings:

Amended Article 3:

Company's domicile: Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan.

Postal code: 650106

Tel: (+86) 871-67209927

Fax: (+86) 871-67209871

The proposed amendments to the Articles of Association above shall be subject to the approval by the Shareholders at the AGM by way of a special resolution and the obtaining of any required approval or endorsement from, or registration with, the relevant regulatory authorities.

Since the Company is a company established in the PRC and the official Articles of Association are in the Chinese language, the above proposed amendments are unofficial English language translation (the "**English Translation**") of the official proposed amendments in the Chinese language (the "**Official Amendments**"), which are set out in the Chinese language version of this announcement. Accordingly, in the event of any inconsistency between the English Translation and the Official Amendments, the Official Amendments shall prevail.

(II) PROPOSED PROVISION OF GUARANTEES BY THE GROUP

On 13 April 2018, the Board has resolved to seek approval from the Shareholders at the AGM for the various guarantees as follows:

- (a) The Company will provide guarantees to the credit business and other businesses of banks and other financial institutions of onshore subsidiaries controlled by the Company, and provide guarantees to the credit business and other businesses of banks and other financial institutions of offshore subsidiaries controlled by the Company pursuant to the relevant requirements of the PRC;

- (b) Guarantees to the credit business and other businesses of banks and other financial institutions will be provided by onshore and offshore subsidiaries controlled by the Company to each other pursuant to the relevant requirements of the PRC; and
- (c) The Company will provide guarantees to the credit business and other businesses of banks and other financial institutions of the onshore associated companies of the Company, and provide guarantees to the credit business and other businesses of banks and other financial institutions of the offshore associated companies of the Company pursuant to the relevant requirements of the PRC.

According to the relevant provisions under Article 62 of the Articles of Association, the provision of guarantees contemplated under paragraphs (a), (b) and (c) above is subject to approval by the Shareholders on a case-by-case basis. The Board, however, believes that granting an one-off approval by the Shareholders for the provision of the relevant guarantees by the Company and its subsidiaries will enable the members of the Group to have greater flexibility in obtaining timely credit financing.

As such, at the AGM, approval by way of special resolution will be sought from the Shareholders in relation to the provision of the guarantees contemplated under paragraphs (a) and (b) above by the Company and its subsidiaries with a total amount not exceeding RMB1 billion; the provision of the guarantees contemplated under paragraph (c) above by the Company with a total amount not exceeding RMB1 billion. For the avoidance of doubt, the provision of guarantee by the Company and its subsidiaries contemplated under paragraphs (a), (b) and (c) above is irrelevant to all the other existing guarantees provided by the Company and its subsidiaries.

The respective approval limit of guarantees mentioned above is only the contemplated and maximum amount of guarantees to be provided. The specific amount of guarantee transactions shall be subject to the guarantee agreement(s) signed with the relevant financial institutions. The Company will comply with the relevant applicable requirements of the Listing Rules upon the signing of the relevant guarantee agreement(s).

The provision of above-mentioned guarantees will be carried out strictly in compliance with the requirements of the relevant laws and regulations of the PRC and the Stock Exchange and the Articles of Association.

The above-mentioned authorization shall remain valid and effective from the date on which the resolution for the provision of guarantees by the Group has been considered and approved by the Shareholders at the AGM to the date on which the annual general meeting is due to be convened in 2019.

(III) RESIGNATION OF DIRECTOR AND PROPOSED APPOINTMENT OF DIRECTOR

Mr. Kwok For Chi (“**Mr. Kwok**”) was originally elected as an independent non-executive Director of the second session of the Board at the 2017 first extraordinary general meeting of the Company held on 28 August 2017. On 13 April 2018, the Board received a resignation letter from Mr. Kwok stating that due to his other work commitments, Mr. Kwok resigned as an independent non-executive Director of the second session of the Board, member and chairman of the Audit Committee and member of the Compliance Committee with effective upon the conclusion of the AGM.

Mr. Kwok confirmed that he has no disagreement with the Company, the Board and the Supervisory Committee, respectively, and there were no other matters relating to his resignation that needed to be brought to the attention of the Stock Exchange and the Shareholders.

The Board would like to take this opportunity to thank Mr. Kwok for his valuable contributions to the Company during his term of office.

In the meantime, the Board proposed to nominate Mr. Liu Shuen Kong (廖船江) (“**Mr. Liu**”) to be the independent non-executive Director candidate of the second session of the Board. The biographical details of Mr. Liu are set out below:

Mr. Liu, aged 46. Mr. Liu obtained a bachelor’s degree in accounting and a master’s degree in accounting from RMIT University of Australia in 1996 and 2002, respectively. He subsequently obtained a master’s degree in business administration from Deakin University of Australia in 2004 and is now studying as a doctor majoring in management at Newcastle university of Australia. Mr. Liu has more than 20 years of experience in accounting, auditing and management and is a qualified accountant of CPA Australia and Hong Kong Institute of Certified Public Accountants. Mr. Liu has worked at KPMG since 1996 as a manager, senior manager and supervisor. From 1996 to 1999, he worked in the audit department of the Hong Kong office of KPMG. From 1999 to 2010, he worked in the financial advisory service department of the Guangzhou office and Shenzhen office of KPMG. From October 2010 to December 2013, Mr. Liu was chief financial officer and company secretary of Leoch International Technology Limited (a company listed on the Stock Exchange, stock

code: 842). From December 2013 to May 2017, Mr. Liu was executive director, chief financial officer and company secretary of Yestock Car Rental Company Limited. Since May 2017, Mr. Liu has been the managing director of Heungkong Financial Group Limited.

Save as disclosed above, Mr. Liu confirms that (i) he did not take up any position in the Group nor any other directorship in any other publicly listed companies in the past three years; (ii) he did not have any other major appointment and professional qualifications; (iii) he did not have any relationship with any Directors, Supervisors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) he did not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning the appointment of Mr. Liu which need to be brought to the attention of the Shareholders and the Stock Exchange and there are no other matters which shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The resolution in respect of the appointment of Mr. Liu as an independent non-executive Director for the second session of the Board will be proposed at the AGM for consideration and approval by the Shareholders. The term of office of Mr. Liu shall commence upon the approval of the appointment by the Shareholders at the AGM and shall terminate upon the expiry of the second session of the Board. The Shareholders will also consider and, if thought appropriate, approve the authority granted to the Board to determine his remuneration at the AGM with reference to his responsibilities, the Company's remuneration policies and the market conditions. In the event that Mr. Liu is appointed as independent non-executive Director at the AGM, the Company will enter into a service agreement with Mr. Liu. Mr. Liu will be subject to retirement and re-election in accordance with the Articles of Association upon expiry of his term of office.

(IV) THE AGM

The AGM is expected to be held on 13 June 2018 by the Company for the purpose of seeking approvals from the Shareholders, among others, on (i) proposed amendments to the Articles of Association; (ii) the special resolution on the provision of the relevant guarantees by the Group; and (iii) the ordinary resolution on the proposed appointment of Mr. Liu as an independent non-executive Director. Voting at the AGM will be carried out by way of poll.

A circular containing information relating to, among others, (i) proposed amendments to the Articles of Association; (ii) the details on the provision of guarantees by the Group; and (iii) the proposed appointment of Mr. Liu as an independent non-executive Director, together with the notice of the AGM, will be despatched to Shareholders in due course in accordance with the relevant requirements under the Listing Rules and the Articles of Association.

(V) DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the meaning below in this announcement:

“AGM”	the annual general meeting which is expected to be held on 13 June 2018 of the Company for the purposes of approving, among others, (i) proposed amendments to the Articles of Association; (ii) the special resolution on the provision of the relevant guarantees by the Group; and (iii) the ordinary resolution on the proposed appointment of Mr. Liu as an independent non-executive Director;
“Articles of Association”	articles of association of the Company;
“Audit Committee”	the audit committee of the Company;
“Board”	the board of Directors;
“Company”	Yunnan Water Investment Co., Limited* (雲南水務投資股份有限公司), a joint stock limited liability company incorporated in PRC, its H Shares are listed on the Main Board of the Stock Exchange;
“Compliance Committee”	the compliance committee of the Company;
“Director(s)”	the director(s) of the Company;
“Domestic Share(s)”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are subscribed for or credited as paid up in RMB;
“Group”	the Company and its subsidiaries;

“H Shares”	the overseas listed foreign-invested ordinary shares of the Company with a nominal value of RMB1.00 per share in the share capital of the Company, which are listed on the Main Board of the Stock Exchange (stock code: 6839) and subscribed for and traded in Hong Kong dollars;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong Special Administrative Region of the PRC, Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shares”	the Domestic Shares and/or the H Shares;
“Shareholders”	the holder(s) of the share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supervisor(s)”	the supervisor(s) of the Company;
“Supervisory Committee”	the supervisory committee of the Company; and
“% ”	per cent.

By order of the Board
Yunnan Water Investment Co., Limited*
Yang Tao
Chairman

Kunming, the PRC
13 April 2018

As at the date of this announcement, the executive Directors are Mr. Dai Richeng (Vice-chairman) and Mr. Yang Fang, the non-executive Directors are Mr. Yang Tao (Chairman), Ms. Li Bo, Mr. He Yuanping and Mr. Feng Zhuangzhi, and the independent non-executive Directors are Mr. Kwok For Chi, Mr. Hu Song and Mr. Ma Shihao.

* *For identification purposes only*