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YUNNAN WATER

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)

INSIDE INFORMATION

TENDER AWARD OF THE PPP PROJECT IN RELATION TO DOMESTIC WASTEWATER TREATMENT FOR THE GOVERNMENT LOCATIONS OF TOWNSHIPS AND TOWNS IN FUNAN COUNTY, FUYANG CITY, ANHUI PROVINCE, THE PRC

This announcement is made by Yunnan Water Investment Co., Limited* (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that, on 27 September 2018, the Company together with Yunnan Railway General Corporation* (雲南省鐵路總公司) (“**YCIH**”) and Fuyang Urban and Rural Planning and Design Institute* (阜陽市城鄉規劃設計研究院) (“**FURPDI**”) received a letter of acceptance on being formally awarded the public-private-partnership (“**PPP**”) project (the “**Project**”) in relation to the domestic wastewater treatment for the government locations of townships and towns in Funan County, which is granted by Funan County Housing and Urban-Rural Construction Bureau* (阜南縣住房和城鄉建設局) by way of public tender and is authorized by the People's Government of Fuyang City (阜陽市人民政府), Anhui Province, the People's Republic of China (the “**PRC**”). The total estimated investment amount of the Project is approximately RMB929,223,400.

Funan County is a “National Demonstration County of Beautiful Countryside Construction”. The Project is a beautiful countryside construction project and an operational asset project adopting the DBFOT (design-build-finance-operate-transfer) operation mode. The Project is a new municipal infrastructure construction project and mainly composed of the wastewater treatment plants, auxiliary wastewater pipeline networks, rainwater pipeline networks, auxiliary buildings and auxiliary equipment and intelligent water information systems at the government locations of 23 townships and towns of Funan County, Fuyang City, Anhui Province.

The Directors consider that the implementation of the Project can provide the Group with a good opportunity to further expand its business in the market of Anhui Province, enhance its profitability and improve its influence over the environmental protection industry in Anhui Province and achieve cross-regional development. The Project can make full use of the practical experience of the Group in undertaking wastewater treatment projects in other districts in Anhui Province. From a point to an area, the Group will continue to expand its footage in the environmental protection projects in Anhui Province, the PRC to enhance its profitability.

None of the Directors or substantial shareholders of the Company has any direct or indirect interest in the Project.

To the best knowledge, information and belief of the Directors after making all reasonable enquiries, YCIH, FURPDI and their respective ultimate beneficial owners (if applicable) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

As at the date of this announcement, the Company has not yet entered into any definitive agreement nor has it agreed to any terms or timeline in relation to the Project. In the event that any transaction(s) in relation to the Project, if and when materializes, constitutes notifiable transaction(s) of the Company, the Company will make further announcement(s) as and when appropriate and comply with the relevant requirements under the Listing Rules.

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

Kunming, the PRC
27 September 2018

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

* For identification purposes only