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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)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

This announcement is made by Yunnan Water Investment Co., Limited* (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of the Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

In accordance with relevant provisions and requirements set out in the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (Guo Han [2019] No. 97) and the Company Law of the People's Republic of China and in consideration of actual conditions of the Company, the board of directors (the “**Board**”) of the Company proposes to amend relevant articles of the articles of association of the Company (the “**Articles of Association**”) (the “**Proposed Amendments**”). Details of the Proposed Amendments are set out as follows:

Article No.	Original Article	Amended Article
Article 29	The Company may, according to provisions of laws, administrative regulations, Listing Rules of Hong Kong Stock Exchange and the Articles of Association and subject to the approval of the relevant governing authority of the State, repurchase its shares under the following circumstances: ... (3) granting shares as an incentive to its employees; ...	The Company may, according to provisions of laws, administrative regulations, Listing Rules of Hong Kong Stock Exchange and the Articles of Association and subject to the approval of the relevant governing authority of the State, repurchase its shares under the following circumstances: ... (3) granting shares as an incentive to its employees for employee stock ownership plan or share option incentive scheme; ...

Article No.	Original Article	Amended Article
Article 33	<p>Where shares are repurchased lawfully pursuant to sub-paragraph (1) of Article 29 of the Articles of Association, such shares shall be cancelled within 10 days from the date of repurchase; in case of repurchase pursuant to sub-paragraphs (2) and (4) of Article 29 of the Articles of Association, such shares shall be transferred or cancelled within 6 months thereafter; in case of repurchase pursuant to sub-paragraph (3) of Article 29 of the Articles of Association, such shares shall not be more than 5% of the total issued share capital of the Company; funds used for repurchase shall be financed out of profits after tax of the Company; repurchased shares shall be transferred to the employees within one year.</p>	<p>Where shares are repurchased lawfully pursuant to sub-paragraph (1) of Article 29 of the Articles of Association, such shares shall be cancelled within 10 days from the date of repurchase; in case of repurchase pursuant to sub-paragraphs (2) and (4) of Article 29 of the Articles of Association, such shares shall be transferred or cancelled within 6 months thereafter; in case of repurchase pursuant to sub-paragraph (3) of Article 29 of the Articles of Association, such shares shall not be more than 5% of the total issued share capital of the Company; funds used for repurchase shall be financed out of profits after tax of the Company; repurchased shares shall be transferred to the employees within one year the total shares of the Company held by the Company itself shall not exceed 10% of its total issued shares, and such shares shall be transferred or cancelled within 3 years.</p>

Article No.	Original Article	Amended Article
Article 68	<p>To convene a general meeting, the Company shall give written notices 45 days before the date of the meeting (including the date), informing all registered shareholders of the matters proposed to be considered at the meeting and the date and place of the meeting. Shareholders who will attend the meeting shall return the written replies of attendance to the Company 20 days before the date of the meeting.</p> <p>The notice of a general meeting shall be served on the shareholders (whether or not entitled to vote at the meeting), by delivery or prepaid airmail to their addresses as shown in the register of shareholders. For the holders of domestic shares, notice of the meeting may be issued by way of public notice.</p> <p>As stated above, the public announcement of notices of general meetings shall be published in one or more newspapers designated by the securities governing authority of the State Council during 45 days to 50 days prior to the date of the meeting. Upon the publication of announcement, all holders of Domestic Shares shall be deemed to have received notice of the relevant shareholders' meeting. The notice of a general meeting served on the shareholders of overseas listed foreign shares shall be published through the website of or in one or more newspapers designated by the Hong Kong Stock Exchange. Upon the publication of announcement, all shareholders of overseas listed foreign shares shall be deemed to have received notice of the relevant general meeting.</p>	<p>To convene a general meeting, the Company shall give written notices 20 45 days before the date of the annual general meeting and 15 days before the date of the extraordinary general meeting. (including the date), The Company shall inform informing all registered shareholders of the matters proposed to be considered at the meeting and the date and place of the meeting. Shareholders who will attend the meeting shall return the written replies of attendance to the Company 20 days before the date of the meeting.</p> <p>The notice of a general meeting shall be served on the shareholders (whether or not entitled to vote at the meeting), by delivery or prepaid airmail to their addresses as shown in the register of shareholders. For the holders of domestic shares, notice of the meeting may be issued by way of public notice.</p> <p>As stated above, the public announcement of notices of general meetings shall be published in one or more newspapers designated by the securities governing authority of the State Council at the time when such notices are issued during 45 days to 50 days prior to the date of the meeting. Upon the publication of announcement, all holders of Domestic Shares shall be deemed to have received notice of the relevant shareholders' meeting. The notice of a general meeting served on the shareholders of overseas listed foreign shares shall be published through the website of or in one or more newspapers designated by the Hong Kong Stock Exchange. Upon the publication of announcement, all shareholders of overseas listed foreign shares shall be deemed to have received notice of the relevant general meeting.</p>

Article No.	Original Article	Amended Article
Article 69	<p>The Company shall calculate, according to the written replies received 20 days before the date of the meeting, the number of shares carry voting rights that the shareholders attending the meeting represent. The Company can convene a general meeting if the number of shares carrying voting rights represented by shareholders intending to attend attain more than one half of total number of shares carrying voting rights. If not, the Company shall make an announcement, within 5 days, once again notifying the shareholders of the matters proposed to be considered and the date and place of the meeting. Once an announcement has been so made, the Company may convene the general meeting.</p> <p>An extraordinary general meeting may not decide on matters not specified in the above mentioned notice.</p>	<p>The Company shall calculate, according to the written replies received 20 days before the date of the meeting, the number of shares carry voting rights that the shareholders attending the meeting represent. The Company can convene a general meeting if the number of shares carrying voting rights represented by shareholders intending to attend attain more than one half of total number of shares carrying voting rights. If not, the Company shall make an announcement, within 5 days, once again notifying the shareholders of the matters proposed to be considered and the date and place of the meeting. Once an announcement has been so made, the Company may convene the general meeting.</p> <p>An extraordinary general meeting may not decide on matters not specified in the above mentioned notice.</p>

Article No.	Original Article	Amended Article
Article 97	<p>Written notice of a class meeting shall be given by the Company 45 days prior to the date of the meeting to notify all the registered shareholders holding shares of that class of the matters to be considered at the meeting and the date and place of the meeting. A shareholder who intends to attend the meeting shall deliver a written reply confirming his attendance at the class meeting to the Company 20 days prior to the date of the meeting. The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of that class.</p> <p>The Company can convene a class shareholders' meeting, if the number of shares of the class carrying voting rights represented by shareholders intending to attend represents more than one half of the total number of such shares of the Company. If not, the Company shall make an announcement, within five days, once again notifying the shareholders of the matters proposed to be considered and the date and place of the meeting. Once an announcement has been so made, the Company may convene the class shareholders' meeting.</p>	<p>The Written notice of a class meeting shall be given by the Company within the period specified in Article 68 of the Articles of Association 45 days prior to the date of the meeting to notify all the registered shareholders holding shares of that class of the matters to be considered at the meeting and the date and place of the meeting. A shareholder who intends to attend the meeting shall deliver a written reply confirming his attendance at the class meeting to the Company 20 days prior to the date of the meeting. The quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of that class.</p> <p>The Company can convene a class shareholders' meeting, if the number of shares of the class carrying voting rights represented by shareholders intending to attend represents more than one half of the total number of such shares of the Company. If not, the Company shall make an announcement, within five days, once again notifying the shareholders of the matters proposed to be considered and the date and place of the meeting. Once an announcement has been so made, the Company may convene the class shareholders' meeting.</p>

The Board is of the opinion that the Proposed Amendments are in the interest of the Company and shareholders of the Company (the “**Shareholders**”) as a whole.

The Proposed Amendments shall be subject to the approval by the Shareholders at the annual general meeting by way of a special resolution and the obtaining of any required approval or endorsement from, or registration with, the relevant regulatory authorities. The Company will put forward, among other things, the special resolution for the Shareholders to consider and, if thought fit, approve the Proposed Amendments, at the forthcoming annual general meeting of the Company (the “**AGM**”). A circular containing, among others things, details of the Proposed Amendments and the notice of the AGM, will be despatched to the Shareholders as soon as practicable.

The filings with the relevant authorities in the PRC in respect of the Proposed Amendments will be made after the passing of the relevant special resolution by the Shareholders at the AGM. The Proposed Amendments will take effect on the date on which the Proposed Amendments are approved at the AGM.

Save for the Proposed Amendments, the contents of other sections and articles of the Articles of Association remain unchanged. Changes in section and article numbering of the Articles of Association as a result of the Proposed Amendments shall be adjusted accordingly.

The Proposed Amendments is prepared in Chinese, and the English version is therefore a translation only. In the event of any discrepancy between the English translation and the Chinese version of the Articles of Association, the Chinese version shall prevail.

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

Kunming, the PRC
3 April 2020

As at the date of this announcement, the executive directors of the Company are Mr. Yu Long (Vice Chairman), Mr. Yang Fang, the non-executive directors of the Company are Mr. Yang Tao (Chairman), Ms. Li Bo, Mr. He Yuanping and Mr. Chen Yong, and the independent non-executive directors of the Company are Mr. Liu Shuen Kong, Mr. Hu Song and Mr. Ma Shihao.

* *For identification purposes only*