

*Unless otherwise defined in this announcement, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated 13 May 2015 (the “**Prospectus**”) issued by Yunnan Water Investment Co., Limited (the “**Company**”).*

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**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)**

## **FULL EXERCISE OF THE OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option has been fully exercised by the Sole Global Coordinator, on behalf of the International Underwriter, on 10 June 2015 in respect of an aggregate of 43,128,000 H Shares (the “**Over-allotment Shares**”), representing approximately 15% of the total number of the Offer Shares initially available under the Global Offering to, among other things, cover over-allocations in the International Offering. The Over-allotment Shares will be issued and allotted by the Company at HK\$5.80 per H Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), being the Offer Price per H Share under the Global Offering.

In accordance with relevant PRC regulations regarding the transfer of state-owned shares, Yunnan Province Water Industry Investment Co., Ltd., is required to transfer to the NSSF 4,312,800 Domestic Shares, equivalent to 10% of the number of the H Shares issued by the Company pursuant to the exercise of the Over-allotment Option. The Domestic Shares transferred to the NSSF will be converted into H Shares on a one-for-one basis.

A further announcement will be made by the Company after the end of the stabilization period.

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Approval for the listing of and permission to deal in the Over-allotment Shares and the H Shares to be held by the NSSF upon the completion of the Conversion (the “**Converted H Shares**”) has already been granted by the Listing Committee of the Stock Exchange. Listing of and dealings in such Over-allotment Shares and Converted H Shares are expected to commence on the Main Board of the Stock Exchange at 9:00 a.m. on 17 June 2015.

The shareholding structure of the Company immediately before and immediately after the completion of the issue and allotment by the Company of the Over-allotment Shares is as follows:

	Immediately before the allotment and issue of the Over-allotment Shares		Immediately after the allotment and issue of the Over-allotment Shares	
	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital
<b>Domestic Shares</b>	833,812,357	72.50%	829,499,557	69.52%
<b>H Shares</b>				
NSSF	28,752,100	2.50%	33,064,900	2.77%
H Shares issued pursuant to the Global Offering	<u>287,521,000</u>	<u>25.00%</u>	<u>330,649,000</u>	<u>27.71%</u>
	<u>1,150,085,457</u>	<u>100.00%</u>	<u>1,193,213,457</u>	<u>100.00%</u>

The additional net proceeds of approximately HK\$241.1 million (US\$30.9 million) from the issue of the Over-allotment Shares after deducting the underwriting commissions, the incentive fees and transaction levy and trading fee relating to the exercise of the Over-allotment Option will be used by the Company for the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

Immediately after the allotment and issue of the Over-allotment Shares, the Company will continue to satisfy the public float requirements as prescribed by Rule 8.08(1) of the Listing Rules.

A further announcement will be made by the Company at the end of the stabilization period in connection with the Global Offering pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong).

By order of the Board of Directors  
**Yunnan Water Investment Co., Limited\***  
**Xu Lei**  
*Chairman*

Hong Kong, 10 June 2015

*As at the date of this announcement, the executive Directors are Mr. Yu Long, Mr. Liu Xujun and Mr. Huang Yunjian, the non-executive Directors are Mr. Xu Lei (Chairman), Mr. Wen Jianping, Mr. Jiao Jun, Mr. He Yuanping and Mr. Feng Zhuangzhi, and the independent non-executive Directors are Mr. Kwok For Chi, Mr. Ma Shihao, Mr. Ren Gangfeng and Mr. Hu Song.*

*\* For identification purposes only*