

*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.*



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)**

## **DISCLOSEABLE TRANSACTION SUPPLEMENTAL AGREEMENT**

Reference is made to the announcement of the Company dated 11 January 2018 in relation to the PPP project in Qinyang City, Henan Province, the PRC having been formally awarded to the Company together with YCIH, and the announcement of the Company dated 24 January 2018 in relation to the entering into of the Joint Venture Agreement between the Company, Qinbei Construction and YCIH, pursuant to which the parties agreed to establish the JV Company in Qinyang City, Henan Province, the PRC. The JV Company shall be responsible for the investment, financing, construction and operation maintenance businesses of the PPP Project. The JV Company had been incorporated on 24 January 2018.

Recently, the JV Company has received the Notice on Alteration of Qinyang Urban Water System Comprehensive Treatment Works PPP Project (《關於沁陽市城區水系綜合治理工程PPP項目變更的通知》) issued by Qinyang Housing and Urban-Rural Development Bureau (沁陽市住房和城鄉建設局) that the cooperation content of the PPP project was reduced from eight sub-projects to three sub-projects due to the adjustment to the implementation plan of the project. The total budget investment amount of the PPP project was then reduced from RMB1,767,973,000 to RMB737,847,500 and the registered capital of the JV Company was adjusted from RMB442,003,000 to RMB184,467,500 accordingly. On 8 March 2019, the Company, Qinbei Construction and YCIH entered into the Supplemental Agreement afresh according to the Notices, pursuant to which, the parties agreed to amend their respective amount of capital contribution in accordance with their respective shareholdings as stipulated in the Joint Venture Agreement based on the adjusted total investment amount and registered capital.

Save for the amendments as stated in this announcement, all other principal terms and conditions of the Joint Venture Agreement as disclosed in the Previous Announcement were repeated and incorporated in the Supplemental Agreement.

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules, as the entering into the Supplemental Agreement constitutes variations to the terms of the transactions previously announced under the Previous Announcement.

Reference is made to the announcement of the Company dated 11 January 2018 in relation to the PPP project in Qinyang City, Henan Province, the PRC having been formally awarded to the Company together with YCIH, and the announcement of the Company dated 24 January 2018 in relation to the entering into of the Joint Venture Agreement between the Company, Qinbei Construction and YCIH, pursuant to which the parties agreed to establish the JV Company in Qinyang City, Henan Province, the PRC (the “**Previous Announcement**”). The JV Company shall be responsible for the investment, financing, construction and operation maintenance businesses of the PPP Project. The JV Company had been incorporated on 24 January 2018.

Unless otherwise defined, all the terms used in this announcement shall have the same meanings as those defined in the Previous Announcement.

As disclosed in the Previous Announcement, pursuant to the Joint Venture Agreement, the total budget investment amount of the PPP project was RMB1,767,973,000, and it had a registered capital of RMB442,003,000, among which, RMB397,360,700, RMB44,200,300 and RMB442,000 would be contributed by the Company, Qinbei Construction and YCIH respectively in cash in accordance with their respective then shareholding in the JV Company of 89.9%, 10.0% and 0.1%.

Recently, the JV Company has received the Notice on Alteration of Qinyang Urban Water System Comprehensive Treatment Works PPP Project (《關於沁陽市城區水系綜合治理工程PPP項目變更的通知》) (the “**Notices**”) issued by Qinyang Housing and Urban-Rural Development Bureau (沁陽市住房和城鄉建設局) that the cooperation content of the PPP project was adjusted from eight sub-projects to three sub-projects due to the adjustment to the implementation plan of the project. The total budget investment amount of the PPP project was then reduced from RMB1,767,973,000 to RMB737,847,500 and the registered capital of the JV Company was reduced from RMB442,003,000 to RMB184,467,500 accordingly after its relevant departments analysed the actual situation of projects undertaken by the JV Company. On 8 March 2019, the Company, Qinbei Construction and YCIH entered into a supplemental agreement afresh according to the Notices, pursuant to which, the parties agreed to amend their respective amount of capital contribution in accordance with their respective shareholdings as stipulated in the Joint Venture Agreement based on the adjusted total investment amount and registered capital (the “**Supplemental Agreement**”).

Save for the amendments as stated in this announcement, all other principal terms and conditions of the Joint Venture Agreement as disclosed in the Previous Announcement were repeated and incorporated in the Supplemental Agreement.

## **THE SUPPLEMENTAL AGREEMENT**

The principal amendments made to the terms of the Joint Venture Agreement after the implementation of the Notices are as follows:

### **TOTAL INVESTMENT AMOUNT**

The total budget investment amount of the PPP project was RMB737,847,500.

## REGISTERED CAPITAL AND CAPITAL CONTRIBUTION

The registered capital of the JV Company was RMB184,467,500. The amount will be undertaken by the Company and the JV Partners respectively as follows:

	<b>Amount of capital contribution (RMB)</b>	<b>Shareholding percentage (%)</b>
The Company	165,836,300.00	89.9%
Qinbei Construction	18,446,700.00	10%
YCIH	184,500.00	0.1%
<b>Total</b>	<b><u>184,467,500.00</u></b>	<b><u>100%</u></b>

The procedure of changes in registration for the adjusted registered capital and total investment amount will be completed upon the signing of the Supplemental Agreement.

The terms of the Supplemental Agreement were arrived at by the parties to the Joint Venture Agreement after arm's length negotiations and on normal commercial terms. The Directors consider that the terms of the Supplemental Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## COMPLIANCE WITH THE LISTING RULES

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules, as the entering into the Supplemental Agreement constitutes variations to the terms of the transactions previously announced under the Previous Announcement.

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

Kunming, the PRC  
8 March 2019

*As at the date of this announcement, the executive Directors are Mr. Yu Long (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. Liu Shuen Kong, Mr. Hu Song and Mr. Ma Shihao.*

\* For identification purposes only