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## OZNER WATER INTERNATIONAL HOLDING LIMITED

浩澤淨水國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2014)

### SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the annual report of Ozner Water International Holding Limited (the “**Company**”) for the year ended 31 December 2019 (the “**Annual Report**”). Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Annual Report.

Further to the information disclosed in the Annual Report, the Company wishes to provide to the Shareholders and the potential investors with the following additional information in relation to the breakdown of other expenses in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

#### OTHER EXPENSES

The Company recorded other expenses of RMB1,056.9 million and RMB62.9 million for the years ended 31 December 2019 and 2018, respectively. The detailed breakdown of the other expenses is set out as follows:

	Year ended 31 December	
	2019	2018
	RMB'000	RMB'000
Foreign exchange differences, net	5,375	10,805
Impairment of goodwill	223,765	—
Impairment of investments in associates	80,969	—
Impairment of trade receivables	112,553	4,239
Impairment of financial assets included in prepayments, other receivables and other assets	236,897	—
Impairment of property, plant and equipment	58,402	—
Impairment of other intangible assets	51,674	—
Provision/(reversal) for write-down of inventories	74,687	(7,300)
Loss on disposal of revenue-generating assets	143,844	8,789
Loss on disposal of items of property, plant and equipment	2,420	1,590
Fair value change on derivative financial instruments	18,726	—
Research and development expenditure	35,738	38,752
Others	11,833	5,977
	<u>1,056,883</u>	<u>62,852</u>

The above additional information does not affect other information contained in the Annual Report and, save as disclosed in this announcement, the remaining contents of the Annual Report remain unchanged.

By Order of the Board  
**Ozner Water International Holding Limited**  
**XIAO Shu**  
*Chairman and Chief Executive Officer*

Hong Kong, 31 July 2020

*As at the date of this announcement, the executive Directors are XIAO Shu, ZHOU Guanxuan, TAN Jibin and LI Honggao; and the independent non-executive Directors are LAU Tze Cheung Stanley, BAO Jiming, CHAN Yuk Sing Gilbert, and GU Jiuchuan.*