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中國水務集團有限公司*
China Water Affairs Group Limited

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 855)

VOLUNTARY ANNOUNCEMENT FRAMEWORK AGREEMENT RELATING TO WATER PROJECTS IN HENAN

This is a voluntary announcement made by the Company.

The Board is pleased to announce that Henan Silver Dragon, a wholly-owned subsidiary of the Company, has entered into the Framework Agreement with Qixian Government in relation to cooperation in water projects in Qixian, Henan.

Pursuant to the Framework Agreement, Henan Silver Dragon and Qixian Government shall cooperate in various projects within the region including urban-rural water supply integration and projects implementing high quality drinking water to households including pipeline direct drinking water, shared water stations and water purification equipment etc. in the urban area.

The parties shall set up a joint working group to negotiate on the concrete terms of cooperation. It is expected that the projects will be carried out either by a wholly-owned subsidiary of Henan Silver Dragon or a joint venture with Qixian Government whose shareholding is at least 51% held by Henan Silver Dragon.

The Group currently has various water supply and pipeline direct drinking water projects in Henan. The Framework Agreement represents a further development of the Group's provision of integrated water businesses including urban-rural water supply integration and pipeline direct drinking water business for better integrated city water resources management and will strengthen the synergy effect in the region and province.

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, Qixian Government is an Independent Third Party.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

“Board”	the board of directors of the Company
“Company”	China Water Affairs Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Framework Agreement”	the framework cooperation agreement entered into by Henan Silver Dragon with Qixian Government in relation to the cooperation in water projects in Qixian, Henan
“Group”	the Company and its subsidiaries
“Henan Silver Dragon”	河南銀龍供水有限公司 (Henan Silver Dragon Water Supply Co. Ltd.*), a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Qixian Government”	淇縣人民政府 (Qixian People’s Government), Henan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board
China Water Affairs Group Limited
Duan Chuan Liang
Chairman

Hong Kong, 18 October 2021

As at the date of this announcement, the Board comprises five executive Directors, being Mr. Duan Chuan Liang, Ms. Ding Bin, Ms. Liu Yu Jie, Mr. Li Zhong and Mr. Duan Jerry Linnan, three non-executive Directors, being Mr. Zhao Hai Hu, Mr. Makoto Inoue and Ms. Wang Xiaoqin, and five independent non-executive Directors, being Mr. Chau Kam Wing, Mr. Siu Chi Ming, Ms. Ho Ping, Ms. Zhou Nan and Mr. Chan Wai Cheung Admiral.

** For identification purposes only*