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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 STRATEGIC COOPERATION AGREEMENT RELATING TO DIRECT DRINKING WATER PROJECTS IN CHONGQING

This is a voluntary announcement made by the Company.

The Board is pleased to announce that Chongqing Silver Dragon, a non-wholly owned subsidiary of the Company, has entered into the Cooperation Agreement with Chongqing Property Management Association in relation to the cooperation in direct drinking water projects in Yongchuan District, Chongqing.

Chongqing Property Management Association is a registered social organisation with corporate legal status approved by the Civil Affairs Bureau of Yongchuan District, Chongqing and under the supervision of Chongqing Yongchuan Housing and Urban-Rural Development Commission. Its members mainly consist of property management companies and other related companies. Currently it has over 100 corporate members covering approximately 250 residential areas in Yongchuan District with a population of approximately 500,000. The scope of activities of Chongqing Property Management Association includes putting forward the demands and opinions of the property management industry to the relevant government authorities, establishing code of conduct for self-regulation of the industry and safeguarding the legitimate interest of its members.

Pursuant to the Cooperation Agreement, Chongqing Property Management Association will procure certain council members to form a company which will be responsible for promoting direct drinking water in the 250 residential areas in Yongchuan District. Chongqing Silver Dragon will be responsible for constructing direct drinking water machine room, equipment and pipe network etc. in the residential areas.

The Group currently has water supply and pipeline direct drinking water projects in Chongqing. The Cooperation Agreement represents a further development of the Group's direct drinking water business in Chongqing 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, Chongqing Property Management Association 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
“Chongqing Property Management Association”	重慶市永川區物業管理協會 (Chongqing Yongchuan Real Property Management Association*), a social organisation established in the PRC
“Chongqing Silver Dragon”	重慶市永川區橋立銀龍水業有限公司 (Chongqing Yongchuan Qiaoli Silver Dragon Water Affairs Co. Ltd.*), a non-wholly owned subsidiary of the Company established in the PRC
“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
“Cooperation Agreement”	the strategic cooperation agreement entered into by Chongqing Silver Dragon with Chongqing Property Management Association in relation to the cooperation in direct drinking water projects in Yongchuan District, Chongqing
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of 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

“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, 25 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*