

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.



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 ANHUI

This is a voluntary announcement made by the Company.

The Board is pleased to announce that the Company has entered into the Cooperation Agreement in relation to the strategic cooperation with Bozhou Water Company on direct drinking water projects in Bozhou city, Anhui Province.

Pursuant to the Cooperation Agreement, the Company and Bozhou Water Company shall jointly invest in constructing pipeline direct drinking water supply system based on the existing water supply system in Bozhou city, Anhui Province. The projects are scheduled in phases with the aim of bringing high quality pipeline direct drinking water to basically the entire city covering households, work place, studying and other living places in five years. It is expected that the pipeline direct drinking water system will cover a population of approximately 300,000 with a daily direct drinking water supply capacity of approximately 900 tonnes. 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 by a joint venture with Bozhou Water Company whose controlling shareholding will be held by the Group.

The Company considers that the prospects of pipeline direct drinking water business in China is huge and in line with the new concept of low-carbon green development. The Group currently has pipeline direct drinking water projects in Anhui. The Cooperation Agreement represents a further development of the Group's direct drinking water business in Anhui 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, Bozhou Water Company 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
“Bozhou Water Company”	亳州市自來水公司 (Bozhou Water Supply Company Ltd.*), a stated-owned 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 the Company with Bozhou Water Company in relation to the cooperation in direct drinking water projects in Bozhou city, Anhui Province
“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, 14 March 2022

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*