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*The communication of this announcement and any other documents or materials relating to the issue of the Additional Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, the Additional Notes offered hereby are only available to, and any investment or investment activity to which this announcement relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this announcement or any of its contents.*

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)

ISSUANCE OF ADDITIONAL US$150,000,000 5.875% SENIOR NOTES DUE 2030 (TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE US$150,000,000 5.875% SENIOR NOTES DUE 2030 ISSUED ON 22 OCTOBER 2025)

Reference is made to the announcement dated 27 April 2026 (the "**Announcement**"). Capitalized terms used in this announcement shall have the same meanings as defined in the Announcement unless the context requires otherwise.

On 28 April 2026, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited, Mizuho Securities Asia Limited, China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, as initial purchasers, in connection with the issue and sale of additional 5.875% senior notes due 2030 (the "**Additional Notes**") in the aggregate principal amount of US$150,000,000 (the "**Additional Notes Issue**"). The Additional Notes will be consolidated and form a single series with the US$150,000,000 5.875% Senior Notes due 2030 issued on 22 October 2025 (the "**Original Notes**").

The gross proceeds from the Additional Notes Issue will be approximately US$143.0 million. The net proceeds, after deducting the underwriting discounts and commissions and other estimated expenses payable by the Company in connection with this offering, will be used to fund the Concurrent Offer to Purchase and repay certain other offshore indebtedness. Subject to the foregoing, the Company plans to use an amount equal to the gross proceeds from the offering to finance or refinance, in whole or in part, Eligible Green Projects, particularly water supply projects, in accordance with the Green & Blue Finance Framework.

Approval-in-principle has been received from the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. Approval in-principle for the listing and quotation of the Additional Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes. The SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Additional Notes has been sought in Hong Kong.

It is expected that completion of the Additional Notes Issue will take place on 7 May 2026.

As the conditions precedent to completion of the Purchase Agreement may or may not be satisfied and the Purchase Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

Reference is made to the Announcement. Capitalized terms used in this announcement shall have the same meanings as defined in the Announcement unless the context requires otherwise.

INTRODUCTION

The Board is pleased to announce that on 28 April 2026, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited, Mizuho Securities Asia Limited, China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, as initial purchasers, in connection with the Additional Notes Issue in the aggregate principal amount of US$150,000,000.

THE PURCHASE AGREEMENT

Date: 28 April 2026

Parties to the Purchase Agreement

a) the Company;

b) the Subsidiary Guarantors; and

c) Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited, Mizuho Securities Asia Limited, China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, as initial purchasers.

Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited and Mizuho Securities Asia Limited are the joint global coordinators, and are, together with China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, the joint bookrunners and joint lead managers in respect of the offer and sale of the Additional Notes. They are also the initial purchasers of the Additional Notes.

No PRIIPs key information document (KID) has been prepared as distribution to retail is prohibited in the European Economic Area.

No PRIIPs key information document (KID) has been prepared as not available to retail in the United Kingdom.

The Additional Notes have not been, and will not be, registered under the U.S. Securities Act. The Additional Notes will only be offered in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act. None of the Additional Notes will be offered to the public in Hong Kong.

PRINCIPAL TERMS OF THE ADDITIONAL NOTES

The principal terms of the Additional Notes are the same as those of the Original Notes, other than with respect to the following:

Additional Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of US$150,000,000, to be consolidated and form a single series with the Original Notes. The Additional Notes will mature on 22 October 2030, unless earlier redeemed in accordance with the terms thereof.

Issue Price

The issue price of the Additional Notes will be 95.384% of the principal amount of the Additional Notes plus accrued interest from (and including) 22 April 2026 to (but excluding) 7 May 2026.

Issue Date

7 May 2026.

First Interest Period

The Additional Notes will bear interest from and including 7 May 2026 at a rate of 5.875% per annum, payable semi-annually in arrears on 22 October and 22 April of each year, commencing on 22 October 2026.

USE OF PROCEEDS

The net proceeds, after deducting the underwriting discounts and commissions and other estimated expenses payable by the Company in connection with this offering, will be used to fund the Concurrent Offer to Purchase and repay certain other offshore indebtedness. Subject to the foregoing, the Company plans to use an amount equal to the gross proceeds from the offering to finance or refinance, in whole or in part, Eligible Green Projects, particularly water supply projects, in accordance with the Green & Blue Finance Framework.

LISTING AND RATING

Approval-in-principle has been received from the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. Approval in-principle for the listing and quotation of the Additional Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes. The SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Additional Notes has been sought in Hong Kong.

The Additional Notes are expected to be rated "Ba1" by Moody's Investors Service and "BB+" by Standard & Poor's Global Rating Services. A credit rating is not a recommendation to buy, sell or hold securities and maybe subject to suspension, reduction or withdrawal at any time by the relevant rating organisation.

GENERAL

The completion of the Purchase Agreement is subject to certain conditions which may or may not be satisfied and the Purchase Agreement may be terminated upon the occurrence of certain events.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"Additional Notes"	the additional 150,000,000 5.875% senior notes due 2030 (to be consolidated and form a single series with the Original Notes)
"Additional Notes Issue"	the issue of the Additional Notes by the Company
"Board"	the board of directors of the Company
"Company"	China Water Affairs Group Limited (stock code: 855), an exempted company incorporated under the laws of the Cayman Islands and continued as an exempted company in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Concurrent Offer to Purchase"	the concurrent offer to purchase that the Company commenced on 27 April 2026 to purchase for cash its outstanding 4.85% senior notes due 2026 (ISIN: XS2320779213)
"Director(s)"	the director(s) of the Company
"Eligible Green Projects"	eligible green projects as defined in the Green & Blue Finance Framework
"Green & Blue Finance Framework"	the Group's Green & Blue Finance Framework which has been developed to detail how the Company and its subsidiaries intend to issue green financing transactions to fund projects and developments that will deliver environmental benefits to support its business strategy and green and sustainability vision, particularly those related to improving the environmental performance of buildings, landscapes and the communities in which they are located, as well as the health of their respective users
"Group"	the Company and its subsidiaries from time to time
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Original Notes"	US$150,000,000 5.875% senior notes due 2030 issued by the Company on 22 October 2025

"PRC" or "China"	the People's Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan for the purpose of this announcement
"Purchase Agreement"	the purchase agreement dated 28 April 2026 entered into by and among the Company, the Subsidiary Guarantors and Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited, Mizuho Securities Asia Limited, China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch as initial purchasers in relation to the Additional Notes Issue
"SGX-ST"	Singapore Exchange Securities Trading Limited
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary Guarantors"	certain subsidiaries of the Company which provide unconditional and irrevocable guarantees to secure the Company's obligations under the Additional Notes
"United States"	the United States of America
"USD" or "US$"	United States dollar(s)
"U.S. Securities Act"	the United States Securities Act of 1933, as amended
"%"	per cent

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

Hong Kong, 29 April 2026

As at the date of this announcement, the Board comprises four executive Directors, being Mr. Duan Chuan Liang, Ms. Ding Bin, Mr. Li Zhong and Mr. Duan Jerry Linnan, four non-executive Directors, being Mr. Li Hao, Mr. Bai Li, Mr. Xu Yan and Ms. Wang Xiaoqin, and four independent non-executive Directors, being Mr. Chau Kam Wing, Mr. Siu Chi Ming, Ms. Ho Ping and Mr. Xiao Zhe.

* *For identification purposes only*