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This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities. This announcement is not a prospectus. Potential investors should read the prospectus dated 13 May 2015 (the “**Prospectus**”) of Yunnan Water Investment Co., Limited (the “**Company**”) for detailed information about the Global Offering described below before deciding whether or not to invest in the Offer Shares.

This announcement does not constitute and is not an offer to sell or a solicitation of any offer to buy securities in Hong Kong, the United States or elsewhere. The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933 (as amended) (the “**U.S. Securities Act**”) or any state securities laws of the United States and may not be offered, sold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. There is not and it is not currently intended for there to be any public offering of securities of the Company in the United States.

In connection with the Global Offering, China Merchants Securities (HK) Co., Limited, as the stabilising manager (the “**Stabilising Manager**”), its affiliates or any person acting for it, may effect transactions with a view to stabilising or supporting the market price of the H Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilising Manager, its affiliates or any person acting for it, to conduct any such stabilising action, which, if commenced, will be done at the sole and absolute discretion of the Stabilising Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilising activity is required to be brought to an end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Such stabilisation action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilising) Rules, as amended, under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Potential investors should be aware that stabilising action cannot be taken to support the price of the H Shares for longer than the stabilisation period which begins on the Listing Date and is expected to expire on Wednesday, 17 June 2015, being the 30th day after the date of closing of the application lists under the Hong Kong Public Offering. After this date, no further stabilising action may be taken. Demand for the H Shares, and therefore the price of the H Shares, could fall.

Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Prospectus.



雲南水務投資股份有限公司
Yunnan Water Investment Co., Limited*

(a joint stock limited liability company incorporated in the People's Republic of China)

GLOBAL OFFERING

Number of Offer Shares under the Global : 287,521,000 H Shares (subject to the Offering Over-allotment Option)

Number of Hong Kong Offer Shares : 28,754,000 H Shares (subject to adjustment)

Number of International Offer Shares : 258,767,000 H Shares (subject to adjustment and the Over-allotment Option)

Maximum Offer Price : HK\$5.80 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)

Normal value : RMB1.00 per H Share

Stock code : 06839

Sole Global Coordinator, Sole Sponsor, Sole Bookrunner and Sole Lead Manager

CMS  招商证券

Application has been made to the Listing Committee of the Stock Exchange for the granting of listing of, and permission to deal in (i) the H Shares to be issued pursuant to the Global Offering (including any H Shares which may be issued pursuant to the exercise of the Over-allotment Option); and (ii) the H Shares converted from state-owned Shares which are to be held by the NSSF. Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, 27 May 2015, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Wednesday, 27 May 2015. In the event that the Over-allotment Option is exercised, an announcement will be made by the Company on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yunnanwater.cn.

The Global Offering comprises the Hong Kong Public Offering of initially 28,754,000 H Shares (subject to adjustment) and the International Offering of initially 258,767,000 H Shares (subject to adjustment and the Over-allotment Option) representing approximately 10% and 90% of the total number of Offer Shares initially being offered under the Global Offering, respectively. In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the International Underwriter, which is exercisable by the Sole Global Coordinator, to require the Company to allot and issue up to 43,128,000 Offer Shares, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering, in connection with over-allocation in the International Offering, if any, subject to the same terms and conditions as the other Offer Shares.

Subject to the granting of the approval for listing of, and permission to deal in, the H Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS with effect from the Listing Date or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the H Shares to be admitted into CCASS.

The Offer Price will not be more than HK\$5.80 per Offer Share and is expected to be not less than HK\$5.00 per Offer Share. Applicants under the Hong Kong Public Offering are required to pay, on application, the maximum Offer Price of HK\$5.80 per Offer Share plus the brokerage fee of 1%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005% payable on each Offer Share, equal to a total of HK\$5,858.45 for one board lot of 1,000 H Shares.

Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and the Application Forms.

Applicants who would like to be allotted Hong Kong Offer Shares in their own names should (i) complete and sign the **WHITE** Application Forms or (ii) submit applications online through the designated website of the **HK eIPO White Form** Service Provider at www.hkeipo.hk through the **HK eIPO White Form** service. Applicants who would like to have the allotted Hong Kong Offer Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms or (ii) give electronic application instructions to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Wednesday, 13 May 2015 until 12:00 noon on Monday, 18 May 2015 from:

1. the following office of the Sole Bookrunner:

China Merchants Securities (HK) Co., Limited	48/F., One Exchange Square Central, Hong Kong
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2. any of the branches and sub-branches of the following receiving banks:

Standard Chartered Bank (Hong Kong) Limited

District	Branch Name	Address
Hong Kong Island	Des Voeux Road Branch	Standard Chartered Bank Building, 4-4A, Des Voeux Road Central, Central
	Aberdeen Branch	Shop 4A, G/F and Shop 1, 1/F, Aberdeen Centre Site 5, No. 6-12 Nam Ning Street, Aberdeen
	Hennessy Road Branch	399 Hennessy Road, Wanchai
Kowloon	Kwun Tong Branch	G/F, 414 Kwun Tong Road, Kowloon
	San Po Kong Branch	Shop A, G/F, Perfect Industrial Building, 31 Tai Yau Street, San Po Kong

The Bank of East Asia, Limited

District	Branch name	Address
Hong Kong Island	Main Branch	10 Des Voeux Road Central, Central
	88 Des Voeux Road West Branch	Shop 2-3, G/F, Princeton Tower, 88 Des Voeux Road West, Sheung Wan
	Shaukiwan Branch	G/F, Ka Fook Building, 289-293 Shau Kei Wan Road, Shau Kei Wan
Kowloon	Prince Edward Branch	G/F, Hanley House, 776-778 Nathan Road, Prince Edward
	East Tsim Sha Tsui Branch	Shop G3-G5, G/F, East Ocean Centre, 98 Granville Road, Tsim Sha Tsui

Bank of Communications Co., Ltd. Hong Kong Branch

District	Sub-Branch name	Address
Hong Kong Island	Central District Sub-Branch	G/F., Far East Consortium Building, 125A Des Voeux Road C., Central
	Quarry Bay Sub-Branch	G/F., 981C King's Road, Quarry Bay
Kowloon	Shamshuipo Sub-Branch	Shop G1, G/F., Golden Centre, 94 Yen Chow Street, Sham Shui Po
	Jordan Road Sub-Branch	1/F., Booman Building, 37U Jordan Road
New Territories	Yuen Long Sub-Branch	Shop 2B, G/F., Man Yu Building, 2-14 Tai Fung Street, Yuen Long
	Tseung Kwan O Sub-Branch	Shop 253-255, Metro City Shopping Arcade, Phase I, Tseung Kwan O

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Wednesday, 13 May 2015 until 12:00 noon on Monday, 18 May 2015 at the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

The **WHITE** or **YELLOW** Application Forms completed in accordance with the instructions printed thereon, together with a cheque or banker's cashier order payable to "Horsford Nominees Limited — Yunnan Water Public Offer" should be deposited in the special collection boxes provided at any of the branches and sub-branches of receiving banks referred to above on such dates and during such time as specified in the Prospectus and the Application Forms.

Applicants applying through the **HK eIPO White Form** service may submit applications through the designated website at www.hkeipo.hk from 9:00 a.m. on Wednesday, 13 May 2015 until 11:30 a.m. on Monday, 18 May 2015 or such later time as described in the section headed "*How to Apply for Hong Kong Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists*" in the Prospectus (24 hours daily, except on the last application day).

CCASS Participants can input electronic application instructions from 9:00 a.m. on Wednesday, 13 May 2015 until 12:00 noon on Monday, 18 May 2015 or such later time as described in the section headed "*How to Apply for Hong Kong Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists*" in the Prospectus.

Please refer to the sections headed "*Structure of the Global Offering*" and "*How to Apply for Hong Kong Offer Shares*" in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

The Company expects to announce the final Offer Price, the level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of Hong Kong Offer Shares on Tuesday, 26 May 2015 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), and on the websites of the Company at www.yunnanwater.cn and the Stock Exchange at www.hkexnews.hk. The results of allocations (with the successful applicants' identification document numbers, where applicable) under the Hong Kong Public Offering will be made available through a variety of channels at the times and dates and in the manner specified in the section headed "*How to Apply for Hong Kong Offer Shares — 11. Publication of Results*" in the Prospectus.

The Company will not issue temporary documents of title or receipt for application fees received. Share certificates will only become valid certificates of title provided that the Hong Kong Public Offering has become unconditional in all respects and the right of termination described in the section headed “*Underwriting — Hong Kong Underwriting Arrangements — Hong Kong Public Offering — Grounds for Termination*” has lapsed, which is expected to be at 8:00 a.m. on Wednesday, 27 May 2015.

Dealings in the H Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 27 May 2015. The H Shares will be traded in board lots of 1,000 H Shares each under the Company’s stock code 06839.

By order of the Board of Directors
Yunnan Water Investment Co., Limited*
Xu Lei
Chairman

Hong Kong, 13 May 2015

As of the date of this announcement, the executive Directors are Mr. Yu Long, Mr. Liu Xujun and Mr. Huang Yunjian, the non-executive Directors are Mr. Xu Lei (Chairman), Mr. Wen Jianping, Mr. Jiao Jun, Mr. He Yuanping and Mr. Feng Zhuangzhi, and the independent non-executive Directors are Mr. Kwok For Chi, Mr. Ma Shihao, Mr. Ren Gangfeng and Mr. Hu Song.

** For identification purposes only*