

Unless otherwise defined herein, capitalized terms in this announcement shall have the same meanings as those defined in the prospectus dated Tuesday, 21 March 2017 (the “**Prospectus**”) issued by Luzhou Xinglu Water (Group) Co., Ltd.* (the “**Company**”).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) 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.

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 for detailed information about the Hong Kong Public Offering and the International Offering described below before deciding whether or not to invest in the H Shares thereby offered.

This announcement is not for release, publication, and distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of an offer or solicitation to purchase or subscribe for securities in the United States or in any other jurisdictions. The Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended from time to time (the “**U.S. Securities Act**”), or any state securities laws of the United States, and may not be offered, sold, pledged or transferred or delivered within the United States unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act or any state securities laws of the United States. The Offer Shares may only be offered and sold outside of the United States in offshore transactions in accordance with Regulation S under the U.S. Securities Act. The Company has not intended and does not intend to make any public offer of securities in the United States.

In connection with the Global Offering, BOCOM International Securities Limited, as the stabilizing manager (the “**Stabilizing Manager**”), its affiliates or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing 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 Stabilizing Manager, its affiliates or any person acting for it, to conduct any such stabilizing action, which, if commenced, will be done at the sole and absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilizing 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 stabilization 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 Stabilizing) Rules, as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). The details of the intended stabilization and how it will be regulated under the Securities and Futures Ordinance are set forth in the section headed “Structure of the Global Offering” in the Prospectus.

Potential investors should be aware that stabilizing action cannot be taken to support the price of the H Shares for longer than the stabilization period which begins on the Listing Date and is expected to expire on Sunday, 23 April 2017, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. After this date, no further stabilizing action may be taken, demand for the H Shares, and therefore the price of the H Shares, could fall.



Luzhou Xinglu Water (Group) Co., Ltd.*

瀘州市興瀘水務（集團）股份有限公司

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

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	214,940,000 H Shares (comprising 195,400,000 H Shares to be offered by the Company and 19,540,000 Sale Shares to be offered by the Selling Shareholders, subject to the Over-allotment Option)
Number of Hong Kong Public Offer Shares	:	21,494,000 H Shares (subject to adjustment)
Number of International Offer Shares	:	193,446,000 H Shares (comprising 173,906,000 H Shares to be offered by the Company and 19,540,000 Sale Shares to be offered by the Selling Shareholders, subject to adjustment and the Over-allotment Option)
Maximum Offer Price	:	HK\$2.53 per H Share, plus a brokerage of 1.0%, an SFC transaction levy of 0.0027% and a Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal value	:	RMB1.00 per H Share
Stock code	:	2281

Sole Sponsor and Sole Global Coordinator



Joint Bookrunners and Joint Lead Managers



Application has been made by the Company to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in the H Shares to be issued pursuant to the Global Offering (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option). Dealings in the H Shares on the Main Board are expected to commence at 9:00 a.m. on Friday, 31 March 2017.

The Global Offering comprises the Hong Kong Public Offering of 21,494,000 H Shares (subject to adjustment), representing 10% of the total Offer Shares, and the International Offering of an aggregate of 193,446,000 H Shares (comprising 173,906,000 H Shares to be offered by the Company and 19,540,000 Sale Shares to be offered by the Selling Shareholders, subject to adjustment and the Over-allotment Option), representing 90% of the total Offer Shares. The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to adjustment as described in the section headed “Structure of the Global Offering” in the Prospectus.

The Company and the Selling Shareholders are expected to grant to the International Underwriters, exercisable by the Sole Global Coordinator (on behalf of the International Underwriters), the Over-allotment Option, which will be exercisable from the Listing Date until 30 days after the last day for the lodging of applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 32,241,000 additional H Shares, representing up to 15% of the H Shares initially being offered under the Global Offering, at the same price per Offer Share under the International Offering, to cover over-allocations in the International Offering, if any.

In the event the Over-allotment Option is exercised, an announcement will be made by the Company on the Company’s website at www.lzss.com and the website of the Hong Kong Stock Exchange at www.hkexnews.hk.

Subject to the granting of the approval for listing of, and permission to deal in, the H Shares on the Hong Kong 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 CCASS with effect from the date of commencement of dealings in the H Shares on the Hong Kong Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Hong Kong 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\$2.53 per Offer Share and is currently expected to be not less than HK\$2.30 per Offer Share, unless otherwise announced. Applicants for the Hong Kong Public Offer Shares are required to pay, on application, the maximum Offer Price of HK\$2.53 per Offer Share together with brokerage of 1.0%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK\$2.53 per Offer Share.

Applications for the Hong Kong Public Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus, the Application Forms and the designated website (www.eipo.com.hk) in relation to the White Form eIPO. Applicants who would like to have the allotted Hong Kong Public Offer Shares registered in their own names should either (i) complete and sign the **WHITE** Application Forms, or (ii) submit applications online through the designated website of the **White Form eIPO** Service Provider at www.eipo.com.hk under the **White Form eIPO** service. Applicants who would like to have the allotted Hong Kong Public Offer Shares registered in the name of HKSCC Nominees 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 Form, may be obtained during normal business hours from 9:00 a.m. on Tuesday, 21 March 2017, until 12:00 noon on Friday, 24 March 2017 from:

1. the following address of the Hong Kong Underwriters:

BOCOM International Securities Limited

9/F, Man Yee Building
68 Des Voeux Road Central
Central
Hong Kong

First Capital Securities Limited

Unit 4512, 45/F., The Center
99 Queen's Road Central
Hong Kong

Haitong International Securities Company Limited

22/F Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

2. any of the following branches of the receiving bank:

Bank of Communications Co., Ltd. Hong Kong Branch

District	Branch Name	Address
Hong Kong Island	Central District Sub-Branch	G/F., Far East Consortium Building, 125A Des Voeux Road C., Central
	King's Road Sub-Branch	G/F., Kailey Court, 67-71 King's Road
Kowloon	Shan Shui Po Sub-Branch	Shop G1-G3, G11-G13, G19-G21, G/F., Golden Centre, 94 Yen Chow Street, Sham Shui Po
	Wong Tai Sin Sub-Branch	Shop N118, 1/F., Temple Mall North, 136 Lung Cheung Road, Wong Tai Sin
	Kwun Tong Sub-Branch	Shop E, Block G & H, G/F., East Sun Industrial Centre, 16 Shing Yip Street, Kwun Tong
New Territories	Sheung Shui Sub-Branch	Shops 1010-1014, G/F., Sheung Shui Centre, Sheung Shui

Copies of the Prospectus, together with the **YELLOW** Application Form, may be obtained during normal business hours from 9:00 a.m. on Tuesday, 21 March 2017 until 12:00 noon on Friday, 24 March 2017 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or your stockbroker, who may have such Application Forms and the Prospectus available.

The **WHITE** or **YELLOW** Application Form completed in accordance with the instructions printed thereon, together with a cheque or banker's cashier order payable to "**Bank of Communications (Nominee) Co. Ltd. — Xinglu Water Public Offer**" attached should be deposited in the special collection boxes provided at any of the branches of the receiving banks referred to above on such dates and during such time as specified in the Application Forms.

Applicants applying by **White Form eIPO** may submit applications through the **White Form eIPO** service at www.eipo.com.hk from 9:00 a.m. on Tuesday, 21 March 2017 until 11:30 a.m. on Friday, 24 March 2017 or such later time as described in the section "How to Apply for Hong Kong Public 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 Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Tuesday, 21 March 2017	—	9:00 a.m. to 8:30 p.m.⁽¹⁾
Wednesday, 22 March 2017	—	8:00 a.m. to 8:30 p.m.⁽¹⁾
Thursday, 23 March 2017	—	8:00 a.m. to 8:30 p.m.⁽¹⁾
Friday, 24 March 2017	—	8:00 a.m.⁽¹⁾ to 12:00 noon

Note:

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Tuesday, 21 March 2017 until 12:00 noon on Friday, 24 March 2017 (24 hours daily, except on the latest application day) or such later time as described in the section "How to Apply for Hong Kong Public Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists" in the Prospectus.

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

The Company expects to publish the announcement on the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Public Offer Shares under the Hong Kong Public Offering (i) in the South China Morning Post (in English); (ii) in the Hong Kong Economic Times (in Chinese); (iii) on the website of the Hong Kong Stock Exchange (www.hkexnews.hk); and (iv) on the Company's website (www.lzss.com) on or before Thursday, 30 March 2017. The results of allocations and the Hong Kong Identity Card/passport/Hong Kong business registration numbers of successful

applicants under the Hong Kong Public Offering will be available through a variety of channels from Thursday, 30 March 2017 as described in the section headed “How to Apply for Hong Kong Public 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 at 8:00 a.m. on Friday, 31 March 2017 provided that the Global Offering has become unconditional in all respects and the right of termination described in the section “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination” in the Prospectus has not been exercised. Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence at 9:00 a.m. on Friday, 31 March 2017. The H Shares will be traded in board lots of 1,000 H Shares each. The stock code of the Company is 2281.

By order of the Board of Directors
Luzhou Xinglu Water (Group) Co., Ltd.*
ZHANG Qi
Chairman

Hong Kong, 21 March 2017

As at the date of this announcement, the executive Directors of the Company are Mr. Zhang Qi, Mr. Wang Junhua, and Mr. Liao Xingyue; the non-executive Directors of the Company are Mr. Chen Bing, Ms. Xu Yan, and Mr. Yang Ronggui; and the independent non-executive Directors of the Company are Mr. Gu Ming’an, Mr. Lin Bing, and Mr. Cheng Hok Kai, Frederick.

* *For identification purposes only*