
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your licensed stockbroker or registered dealer in securities, bank, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Yunnan Water Investment Co., Limited*, you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the bank, licensed stockbroker or registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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YUNNAN WATER

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)

(Stock code: 6839)

**(I) RESIGNATION OF DIRECTOR AND
PROPOSED APPOINTMENT OF DIRECTOR;
(II) PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURE FOR THE BOARD MEETING;
AND
(III) NOTICE OF EGM**

The EGM of Yunnan Water Investment Co., Limited* will be held at 10:00 a.m. on Wednesday, 10 November 2021 at Conference Room 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC. A notice convening the EGM is set out on pages 7 to 8 of this circular. The proxy form for the EGM is enclosed herewith, and the same is also published on the website of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.yunnanwater.cn).

Whether or not you are able to attend the EGM, you are advised to complete and sign and return as soon as possible the enclosed proxy form in accordance with the instructions printed thereon. The proxy form for holders of H Shares should be returned to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, located at 54th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, and the proxy form for holders of Domestic Shares should be returned to the secretariat of the Board located at 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC by no later than 24 hours before the time appointed for convening the EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM, or any adjourned meeting, in person if you so wish.

* For identification purposes only

CONTENTS

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	2
LETTER FROM THE BOARD	3
1. INTRODUCTION	3
2. RESIGNATION OF DIRECTOR AND PROPOSED APPOINTMENT OF DIRECTOR.	4
3. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE BOARD MEETING	5
4. EGM	5
5. RECOMMENDATION	6
6. VOTING BY POLL	6
7. RESPONSIBILITY STATEMENT	6
NOTICE OF EGM	7

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Yunnan Water Investment Co., Limited* (雲南水務投資股份有限公司), a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Stock Exchange (stock code: 6839)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are subscribed for or credited as paid up in RMB
“EGM”	the extraordinary general meeting of the Company to be held at 10:00 a.m. on Wednesday, 10 November 2021 at Conference Room 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Notice of EGM”	the notice to convene the EGM as set out on pages 7 to 8 of this circular
“PRC”	the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure for the Board Meeting”	the rules of procedure for the Board meeting of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the Domestic Share(s) and/or the H Share(s)
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supervisory Committee”	the supervisory committee of the Company
“%”	per cent

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EXPECTED TIMETABLE

2021

Deadline for registration of transfer of Shares in order to be
eligible for attending and voting at the EGM 4:30 p.m. on Thursday, 4 November

Suspension of registration of transfer of Shares From Friday, 5 November to
Wednesday, 10 November
(both dates inclusive)

Deadline for returning the proxy form for the EGM. 10:00 a.m. on Tuesday, 9 November

EGM. 10:00 a.m. on Wednesday, 10 November

Resumption of registration of transfer of Shares. Thursday, 11 November

LETTER FROM THE BOARD



YUNNAN WATER

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)

(Stock code: 6839)

Executive Directors:

Mr. Yu Long (*Acting chairman, General Manager*)

Ms. Ling Hui

Non-executive Directors:

Mr. Dai Richeng

Mr. Chen Yong

Mr. Liu Hui

Independent Non-executive Directors:

Mr. Liu Shuen Kong

Mr. Zhong Wei

Mr. Zhou Beihai

**Registered office and principal place
of business in the PRC:**

Yunnan Water

2089 Haiyuan Bei Road

Gaoxin District

Kunming, Yunnan Province

the PRC

Principal place of business in Hong Kong:

Suites 3110–11, 31/F, Tower 1

The Gateway, Harbour City

21 Canton Road, Tsim Sha Tsui, Kowloon

Hong Kong

To the Shareholders

Dear Sir or Madam,

**(I) RESIGNATION OF DIRECTOR AND
PROPOSED APPOINTMENT OF DIRECTOR;
(II) PROPOSED AMENDMENTS TO THE RULES OF
PROCEDURE FOR THE BOARD MEETING;
AND
(III) NOTICE OF EGM**

1. INTRODUCTION

Resolutions will be proposed at the EGM for the Shareholders to consider and approve, among other matters, (I) the resignation of Director and the proposed appointment of Director; and (II) proposed amendments to the Rules of Procedure for the Board Meeting.

The purpose of this circular is to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions at the EGM.

* *For identification purposes only*

LETTER FROM THE BOARD

2. RESIGNATION OF DIRECTOR AND PROPOSED APPOINTMENT OF DIRECTOR

Reference is made to the announcement of the Company dated 30 September 2021 in relation to, among other things, the resignation of Director and the proposed appointment of Director. The Board hereby announces that Ms. Ling Hui (“**Ms. Ling**”) tendered her resignation as an executive Director due to her other commitments which require more of her time and energy, with effect upon the conclusion of the EGM.

Ms. Ling has confirmed that she has no disagreement with the Company, the Board and the Supervisory Committee respectively, and there were no other matters relating to her resignation that needed to be brought to the attention of the Stock Exchange and the Shareholders.

The Board would like to take this opportunity to thank Ms. Ling for her valuable contributions to the Company during her term of office.

At the same time, the Board proposes to nominate Mr. Zhou Zhimi (“**Mr. Zhou**”) to be an executive Director candidate of the third session of the Board. The biographical details of Mr. Zhou are set out below:

Mr. Zhou Zhimi (“**Mr. Zhou**”), aged 47, obtained a bachelor’s degree in statistics from Shanxi University of Finance and Economics in July 1999. Mr. Zhou has over 22 years of experience in corporate finance management. From July 1999 to March 2006, Mr. Zhou worked in Yunnan Beifang Optical Electronics Group Co., Ltd.* (雲南北方光學電子集團有限公司); from August 2005 to March 2011, Mr. Zhou served as the deputy director in the finance, accounting and audit department of Yunnan Yunguang Development Co., Ltd.* (雲南雲光發展有限公司); from March 2011 to June 2014, Mr. Zhou successively served as the deputy manager and the manager in the finance department of Yunnan Province Water Industry Investment Co., Ltd.* (雲南省水務產業投資有限公司), and also acted as the chief financial controller of its subsidiary; from June 2014 to September 2015, Mr. Zhou served as the manager of the finance department of the Company, and also the chief financial controller of various subsidiaries; from September 2015 to date, Mr. Zhou served as the deputy financial controller of the Company, and successively served as the deputy general manager of its associated company and the financial controller of Shanghai Center of the Company.

As at the date of this circular, Mr. Zhou directly holds 325,000 Domestic Shares of the Company.

Save as disclosed above, Mr. Zhou confirms that (i) he has not held any position in the Group or any other directorship in any other publicly listed companies in the past three years; (ii) he does not have any other major appointment and professional qualifications; (iii) he has no relationship with any Directors, Supervisors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) he does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters relating to the appointment of Mr. Zhou which need to be brought to the attention of the Shareholders and the Stock Exchange and there are no other matters which shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

LETTER FROM THE BOARD

3. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE BOARD MEETING

According to the operational and management needs of the Company, to better carry out the work related to the Board, it is proposed to amend the Rules of Procedure for the Board Meeting. In particular:

No.	Original Provision	Amended Provision	Explanatory Statement
1	Article 13 Members of the special committees shall all consist of Directors nominated by the chairman and approved by the Board, and shall be accountable to the Board. Conveners of the special committees shall be nominated by the chairman and approved by the Board.	Article 13 Members of the special committees shall be nominated by the chairman and approved by the Board, and shall be accountable to the Board. Conveners of the special committees shall be nominated by the chairman and approved by the Board.	In order to better perform the functions of the Company's compliance committee, the Company intends to set up certain non-director positions in the compliance committee, and therefore delete the statement that the special committee all shall consist of Directors.
2	Article 20 Board meetings shall be in the form of either regular meetings or extraordinary meetings. At least two meetings of the Board shall be held in each year. Meetings of the Board shall be convened by the chairman of the Board.	Article 20 Board meetings shall be in the form of either regular meetings or extraordinary meetings. At least four meetings of the Board shall be held in each year. Meetings of the Board shall be convened by the chairman of the Board.	In view of the Company's Articles of Association, which stipulated that at least four meetings of the Board shall be held in each year, the relevant provisions of the Rules of Procedure for the Board Meeting have been unified.

4. EGM

The EGM will be held at 10:00 a.m. on Wednesday, 10 November 2021 at Conference Room 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC. The Notice of EGM is set out on pages 7 to 8 of this circular. The proxy form for the EGM is enclosed herewith.

Whether or not you are able to attend the EGM, you are advised to complete and sign and return as soon as possible the enclosed proxy form in accordance with the instructions printed thereon. The proxy form for holders of H Shares should be returned to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, located at 54th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, and the proxy form for holders of Domestic Shares should be returned to the secretariat of the Board located at 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC by no later than 24 hours before the time appointed for convening the EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the EGM, or any adjourned meeting, in person if you so wish.

LETTER FROM THE BOARD

In order to determine the Shareholders' eligibility to attend and vote at the EGM, the registers of members of the Company will be closed from Friday, 5 November 2021 to Wednesday, 10 November 2021 (both dates inclusive) during which registration for transfer of Shares will be suspended. Holders of H Shares who intend to attend and vote at the EGM shall deliver all transfer forms together with the relevant share certificates to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at or before 4:30 p.m. on Tuesday, 9 November 2021 in order to be eligible to attend and vote at the EGM.

All Shareholders listed in the register of members of the Company as at the close of business on Thursday, 4 November 2021 are eligible to attend and vote at the EGM.

5. RECOMMENDATION

The Board is of the view that (I) the resignation of Director and the proposed appointment of Director; and (II) proposed amendments to the Rules of Procedure for the Board Meeting, are in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions as set out in the Notice of EGM.

6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, voting by any Shareholders at a general meeting shall be by way of poll, except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the general meeting shall require each of the resolutions proposed at the EGM to be voted on by way of poll according to the Articles of Association.

During voting by way of poll, each Shareholder who attends in person or by proxy (or if the Shareholder is a company, then its officially authorized representative) may have one vote for each Share recorded under his/her/its name as set out in the register of members of the Company. The Company will announce the poll results after the EGM in the manner as stipulated under Rule 13.39(5) of the Listing Rules.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purposes of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board
Yunnan Water Investment Co., Limited*
Yu Long
Acting Chairman

Kunming, the PRC
21 October 2021

* *For identification purposes only*

NOTICE OF EGM



YUNNAN WATER

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)

(Stock code: 6839)

NOTICE OF EGM

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Yunnan Water Investment Co., Limited* (雲南水務投資股份有限公司) (the “Company”) will be held at 10:00 a.m. on Wednesday, 10 November 2021 at Conference Room 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC to consider and, if thought fit, approve the following resolutions. Unless the context otherwise requires, capitalized terms used in this notice shall have the same meanings as defined in the circular of the Company dated 21 October 2021.

ORDINARY RESOLUTIONS

1. PROPOSED APPOINTMENT OF DIRECTOR

To consider and approve the proposed appointment of Mr. Zhou Zhimi as an executive Director of the third session of the Board, to authorize the Board to determine his remuneration, and to enter into a service contract with him on and subject to such terms and conditions as the Board shall think fit.

2. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE BOARD MEETING

To consider and approve the resolution in relation to the proposed amendments to the Rules of Procedure for the Board Meeting.

By order of the Board
Yunnan Water Investment Co., Limited*
Yu Long
Acting Chairman

Kunming, the PRC
21 October 2021

Notes:

- (1) Pursuant to the Listing Rules, voting on all resolutions at a general meeting shall be by way of poll. The poll results of the EGM will be published on the websites of the Stock Exchanges and the Company in accordance with the requirements of the Listing Rules.

NOTICE OF EGM

- (2) For the purpose of ascertaining eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 5 November 2021 to Wednesday, 10 November 2021 (both dates inclusive) during which registration for transfer of shares will be suspended. Holders of H Shares who intend to attend and vote at the EGM shall deliver all transfer forms together with the relevant share certificates to the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at or before 4:30 p.m. on Tuesday, 9 November 2021.
- (3) Any Shareholder who is entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy needs not be a Shareholder. If the Shareholder appoints more than one proxy, his/her proxies may only vote by poll.
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing. If the Shareholder is a legal entity, then the relevant appointing document must be either under seal or under the hand of its director or attorney duly authorized. If the instrument appointing a proxy is signed by a person duly authorized by the Shareholder, the powers of attorney or other instruments of authorization shall be notarized.
- (5) The proxy form together with the power of attorney or other instruments of authorization, if any, must be delivered to the secretariat of the Board located at the principal place of business of the Company in the PRC (for holders of Domestic Shares) or the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited (for holders of H Shares) not later than 24 hours before the time appointed for the holding of the EGM or any adjourned meeting thereof (as the case may be) in order to be effective.
- (6) The H Share registrar of the Company in Hong Kong is Tricor Investor Services Limited and its address and contact information are as follows:

54th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong
Tel: (+852) 2980 1333
Fax: (+852) 2810 8185
- (7) The address and contact information of the principal place of business of the Company in the PRC are as follows:

Principal place of business in the PRC:
Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC

Contact information:
Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC
Contact person: Ms. Guo Jia
Tel: (+86) 871 6720 9927
Fax: (+86) 871 6720 3907
- (8) Pursuant to the Articles of Association, for joint registered Shareholders consisting of two or more persons, only the Shareholder whose name appear first on the register of members of the Company is entitled to receive this notice, attend the EGM and exercise the entire voting rights conferred by the relevant Shares, and this notice shall be deemed to have served all such joint registered Shareholders.
- (9) The EGM is expected to last for no more than half a day. Shareholders who attend the EGM in person or their proxies shall be responsible for their own travelling and accommodation expenses. Shareholders or their proxies who attend the EGM must produce their identity documents for identification.

* *For identification purposes only*