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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

**If you have sold or transferred** all your shares in Beijing Enterprises Water Group Limited, you should at once hand this circular and the accompanying form of proxy, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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北控水務集團有限公司

BEIJING ENTERPRISES WATER GROUP LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 371)**

### **PROPOSALS FOR GENERAL MANDATE TO ISSUE AND PURCHASE SHARES, RE-ELECTION OF THE RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

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A letter from the board of directors of Beijing Enterprises Water Group Limited containing its recommendation is set out from pages 4 to 8 of this circular.

A notice convening the annual general meeting of Beijing Enterprises Water Group Limited to be held at 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 9 June 2020 at 3:00 p.m. is set out from pages 19 to 23 of this circular. A form of proxy for use at the annual general meeting of the Company is also enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)). Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting if they so wish.

#### **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

To safeguard the health and safety of shareholders of the Company and to prevent the spreading of the novel coronavirus disease (COVID-19) pandemic, the following precautionary measures will be implemented at the annual general meeting:

- (1) Compulsory body temperature screening/checks
- (2) Compulsory wearing of surgical face mask
- (3) No provision of food or beverages and no distribution of gifts

For the health and safety of shareholders of the Company, the Company would strongly encourage shareholders of the Company to exercise their right to vote at the annual general meeting by appointing the chairman of the annual general meeting as their proxy and to return their forms of proxy by the time specified above, instead of attending the annual general meeting in person.

29 April 2020

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## CONTENTS

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	<i>Page</i>
<b>Precautionary Measures for the Annual General Meeting</b> . . . . .	1
<b>Definitions</b> . . . . .	2
<b>Letter from the Board</b>	
Introduction . . . . .	4
General Mandate to Issue and Purchase Shares . . . . .	5
Final Distribution . . . . .	6
Re-election of the Retiring Directors . . . . .	6
The Annual General Meeting . . . . .	7
Voting at the Annual General Meeting . . . . .	7
Recommendation . . . . .	7
Responsibility Statement . . . . .	7
General Information . . . . .	8
<b>Appendix I – Explanatory Statement</b> . . . . .	9
<b>Appendix II – Details of Directors Proposed for Re-election</b> . . . . .	13
<b>Notice of Annual General Meeting</b> . . . . .	19

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## PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

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In consideration of the control and prevent of spreading of novel coronavirus disease (“COVID-19”) pandemic, the following precautionary measures will be implemented at the annual general meeting of the Company (“AGM”) so as to safeguard the health and safety of shareholders of the Company (“Shareholders”) who might be attending the AGM in person:

**Voting by proxy in advance of the AGM:** The Company does not in any way wish to diminish the opportunity available to Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect Shareholders from possible exposure to the COVID-19 pandemic. For the health and safety of Shareholders, the Company would strongly encourage Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy instead of attending the AGM in person. Physical attendance is not necessary for the purpose of exercising Shareholders’ rights. **Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should they subsequently so wish.**

Completed forms of proxy must be returned to the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM and any adjourned meeting thereof.

**Shareholders are strongly encouraged to cast their votes by submitting a form of proxy and appointing the chairman of the AGM as their proxy.**

Taking into account the guidelines mentioned in the “Joint Statement in relation to General Meetings in light of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation” published by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited on 1 April 2020, the Company will also implement the following additional precautionary measures at the AGM to ensure the health and safety of the attendees at the AGM:

- (1) Compulsory body temperature screening/checks will be carried out on every attendee before registration at the entrance of 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The Company reserves the right to deny entry of any person with a body temperature above the reference range quoted by the Department of Health from time to time, or is exhibiting flu-like symptoms into the AGM venue or require such person to leave the AGM venue so as to ensure the health and safety of the attendees at the AGM.
- (2) Every attendee will be compulsorily required to wear a surgical face mask throughout the AGM and every attendee will be assigned a designated seat at the time of registration to ensure social distancing.
- (3) No food or beverages will be served and no gifts will also be distributed to attendees at the AGM.

Attendees are requested to observe and practise good personal hygiene at all times at the AGM venue.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the AGM arrangements at short notice. Shareholders should check the Company’s website at <http://www.bewg.net> for future announcements and updates on the AGM arrangements when necessary.

**Appointment of proxy by non-registered Shareholders:** non-registered Shareholders whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 9 June 2020 at 3:00 p.m., the notice of which is set out on pages 19 to 23 of this circular
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“close associates”	has the meaning ascribed thereto under the Listing Rules
“Company”	Beijing Enterprises Water Group Limited (Stock Code: 371), a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares as set out in resolutions numbered 6 and 7 in the notice convening the AGM

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## DEFINITIONS

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“Latest Practicable Date”	23 April 2020, being the latest practicable date for ascertaining certain information referred to in this circular prior to its printing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to empower the Directors to exercise all powers of the Company to purchase Shares as set out in resolution numbered 5 in the notice convening the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Award Scheme”	the share award scheme adopted by the Company on 17 December 2018
“Share Options”	the option(s) to subscribe for Shares granted or to be granted under the share option scheme adopted by the Shareholders at the special general meeting of the Company held on 28 June 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Code on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission of Hong Kong
“%”	per cent.

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## LETTER FROM THE BOARD

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北控水務集團有限公司

BEIJING ENTERPRISES WATER GROUP LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 371)**

*Executive Directors:*

Mr. Li Yongcheng (*Chairman*)  
Mr. Jiang Xinhao  
Mr. Zhou Min (*Chief Executive Officer*)  
Mr. Li Haifeng  
Mr. Zhang Tiefu  
Mr. Ke Jian  
Ms. Sha Ning  
Mr. Tung Woon Cheung Eric  
Mr. Li Li

*Independent Non-executive Directors:*

Mr. Shea Chun Lok Quadrant  
Mr. Zhang Gaobo  
Mr. Guo Rui  
Mr. Wang Kaijun  
Dr. Lee Man Chun Raymond

*Registered office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Head office and principal place  
of business:*

Rooms 6706-07, 67th Floor  
Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

29 April 2020

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATE TO ISSUE AND PURCHASE SHARES,  
RE-ELECTION OF THE RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information and/or to seek your approval, inter alia, on (i) the granting of the Issue Mandate and the Purchase Mandate; and (ii) the re-election of the retiring Directors. A notice of the AGM containing the resolutions to be proposed at the AGM is set out on pages 19 to 23 of this circular.

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## LETTER FROM THE BOARD

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### GENERAL MANDATE TO ISSUE AND PURCHASE SHARES

At the last annual general meeting of the Company held on 31 May 2019, the Directors were granted a mandate to allot, issue and deal with the Shares not exceeding 20% of the issued share capital of the Company as at 31 May 2019 (equivalent to the then 2,002,277,174 Shares) (“**2019 Issue Mandate**”); and a general mandate to repurchase the Shares up to a maximum of 10% of the issued share capital of the Company as at 31 May 2019 (equivalent to the then 1,001,138,587 Shares) (“**2019 Purchase Mandate**”).

The 2019 Issue Mandate and the 2019 Purchase Mandate had not yet been utilized.

The 2019 Issue Mandate and the 2019 Purchase Mandate will lapse at the conclusion of the AGM.

As at the Latest Practicable Date, the total number of Shares in issue was 10,021,195,871 Shares. Ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (1) to allot, issue or deal with Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the proposed resolution at the AGM (i.e. a maximum of 2,004,239,174 Shares on the basis that no further Shares will be issued or repurchased prior to the date of the AGM) (“**Issue Mandate**”); and
- (2) to purchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of issued share capital of the Company as at the date of passing the proposed resolution at the AGM (i.e. a maximum of 1,002,119,587 Shares on the basis that no further Shares will be issued or repurchased prior to the date of the AGM) (“**Purchase Mandate**”).

The Directors will also propose a separate ordinary resolution at the AGM to add to the general mandate to issue those Shares purchased by the Company pursuant to the Purchase Mandate granted to the Directors at the AGM.

The Directors have no immediate plans to allot and issue any new Shares under the Issue Mandate.

An explanatory statement relating to the general mandate to purchase Shares is set out in Appendix I to this circular.

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## LETTER FROM THE BOARD

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### FINAL DISTRIBUTION

Subject to the approval of Shareholders at the AGM, the Directors recommended to make final distribution of HK7.8 cents per Share out of the contributed surplus of the Company, payable to Shareholders whose names appear on the register of members of the Company on Wednesday, 17 June 2020.

### RE-ELECTION OF THE RETIRING DIRECTORS

The Board currently consists of fourteen Directors, namely Mr. Li Yongcheng (Chairman), Mr. Jiang Xinhao, Mr. Zhou Min (Chief Executive Officer), Mr. Li Haifeng, Mr. Zhang Tiefu, Mr. Ke Jian, Ms. Sha Ning, Mr. Tung Woon Cheung Eric and Mr. Li Li as the executive Directors; Mr. Shea Chun Lok Quadrant, Mr. Zhang Gaobo, Mr. Guo Rui, Mr. Wang Kaijun and Dr. Lee Man Chun Raymond as the independent non-executive Directors.

Ms. Sha Ning was appointed as an executive Director on 3 January 2020. Pursuant to Bye-law 91 of the Company, Ms. Sha Ning shall hold office until the AGM and, being eligible, offers herself for re-election.

In accordance with Bye-laws 99(B), Mr. Zhang Tiefu, Mr. Zhang Gaobo, Mr. Guo Rui, Mr. Wang Kaijun and Dr. Lee Man Chun Raymond shall retire by rotation as Directors at the AGM pursuant to the Bye-laws and being eligible, will offer themselves for re-election.

As Mr. Zhang Gaobo, Mr. Guo Rui and Mr. Wang Kaijun have been serving as independent non-executive Directors for more than 9 years, their further appointments shall be subject to separate resolutions to be approved by Shareholders in accordance with code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 of Listing Rules.

The nomination committee of the Company has reviewed and assessed the independence of the above-mentioned directors and formed the view that they met the independence guidelines set out in Rule 3.13 of the Listing Rules, taking into account, among others, their ability to exercise independence of judgment in relation to the Company's matters by offering or raising independent advices and the annual confirmation of independence to the Company. The Directors are satisfied that the above-mentioned directors have served on the Board for more than 9 years, remain independent and their character, integrity, ability and experiences will continue to effectively fulfill their roles as independent non-executive Directors and be of significant benefit to the Company.

The re-election of the retiring Directors will be individually and separately voted on by the Shareholders. Details of the above retiring Directors which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.



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## **LETTER FROM THE BOARD**

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If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received in accordance with the Bye-laws and the Listing Rules after the printing of this circular, the Company will issue a supplemental circular to inform Shareholders of the details of any additional candidate proposed.

### **THE ANNUAL GENERAL MEETING**

The notice of the AGM is set out on pages 19 to 23 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, (i) the granting of the Issue Mandate and the Purchase Mandate; and (ii) the re-election of the retiring Directors.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instruction printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

### **VOTING AT THE ANNUAL GENERAL MEETING**

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the AGM must be taken by poll and the Company will then announce the results of the poll in the manner as prescribed under Rule 13.39(5) of the Listing Rules after the AGM.

### **RECOMMENDATION**

The Directors are of the opinion that (i) the granting of the Issue Mandate and the Purchase Mandate; and (ii) the re-election of the retiring Directors are in the interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions set out in the notice of the AGM contained herein.

### **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 purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that 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 document misleading.

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## LETTER FROM THE BOARD

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### GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text shall prevail over the Chinese text in this circular.

Yours faithfully,  
By Order of the Board  
**Beijing Enterprises Water Group Limited**  
**Li Yongcheng**  
*Chairman*

*The following is an explanatory statement required by the Listing Rules relating to the Purchase Mandate proposed to be granted to the Directors.*

## **1. LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised below:

The Listing Rules provide that repurchases of securities of such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by a specific approval of a particular transaction and that the securities to be purchased must be fully paid up.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 10,021,195,871 Shares. Subject to the passing of the ordinary resolution approving the grant of the Purchase Mandate and on the basis that no Shares are issued or purchased by the Company prior to the AGM, the Company will be allowed to purchase a maximum of 1,002,119,587 Shares, representing 10% of the issued share capital of the Company as at the date of passing the resolution.

## **3. FUNDING OF PURCHASES**

In purchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Bye-laws and the laws of Bermuda. The Company is empowered by its Bye-laws to purchase its Shares. The laws of Bermuda provide that the amount of capital repaid in connection with a share purchase may only be paid out of the capital paid up on the relevant shares, or from funds of the Company that would otherwise be available for dividend or distribution, or from the proceeds of an issue of shares made for the purpose. The amount of premium payable on redemption may only be paid out of either funds of the Company that would otherwise be available for dividend or distribution or out of the Company's share premium account.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the most recent published audited financial statements for the year ended 31 December 2019 of the Company in the Annual Report 2019) in the event that the Purchase Mandate was to be exercised in full at any time during the proposed purchase period.

The Directors do not propose to exercise the Purchase Mandate to such extent, as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing level of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

#### **4. REASON FOR PURCHASE**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to purchase Shares on the market. Such purchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such purchase will benefit the Company and the Shareholders as a whole.

#### **5. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda.

#### **6. EFFECT OF TAKEOVERS CODE**

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a purchase of Share(s), such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Beijing Enterprises Environmental Construction Limited ("**BE Environmental**") beneficially holds 4,121,607,070 Shares (representing approximately 41.13%) in the share capital of the Company. BE Environmental is a wholly-owned subsidiary of Beijing Enterprises Holdings Limited, which is in turn directly held as to approximately 41.06% by Beijing Enterprises Group (BVI) Company Limited, which in turn held as to 100% by Beijing Enterprises Group Company Limited.

On the assumption that no Shares are issued or purchased from the public by the Company prior to the date of the AGM, in the event that the Directors exercise the power to purchase Shares pursuant to the Purchase Mandate in full, the interests of BE Environmental in the Company would be increased from approximately 41.13% to approximately 45.70% of the total issued share capital of the Company. In the opinion of the Directors, such increase of shareholding would give rise to an obligation for BE Environmental to make a mandatory offer under Rule 26 of the Takeover Code.

As at the Latest Practicable Date, the Directors do not have any present intention to exercise the Purchase Mandate to such an extent such that the mandatory offer obligation would be triggered. Save as aforesaid, the Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of an exercise of the Purchase Mandate.

On the assumption that no Shares are issued or purchased from the public by the Company prior to the date of the AGM, in the event that the Directors exercise the power to purchase Shares pursuant to the Purchase Mandate in full, such exercise would not cause the aggregate public holding of issued Shares to be lower than the prescribed minimum percentage as determined by the Stock Exchange.

#### **7. DIRECTORS, THEIR ASSOCIATES AND CORE CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their close associates has any present intention, in the event that the relevant proposed resolution is approved by the Shareholders in the AGM, to sell Shares to the Company or its subsidiaries.

No core connected person of the Company has notified the Company that he/she has a present intention to sell shares to the Company nor has he/she undertaken not to sell any of shares held by him/her to the Company in the event that the Company is authorised to make purchases of the Shares.

#### **8. SHARE REPURCHASES MADE BY THE COMPANY**

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

**9. SHARE PRICES**

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2019</b>		
April	4.98	4.73
May	4.95	4.00
June	4.79	4.04
July	4.83	4.13
August	4.29	3.90
September	4.46	3.96
October	4.21	3.90
November	4.20	3.75
December	4.05	3.79
<b>2020</b>		
January	4.12	3.45
February	3.94	3.45
March	3.74	2.69
April (up to the Latest Practicable Date)	3.09	2.90

Source: <http://www.hkex.com.hk>

**Mr. Zhang Tiefu** (“**Mr. Zhang**”), aged 57, was appointed as an executive director and a vice president of the Company in April 2009. He graduated from Jilin Industrial Institute with a bachelor’s degree of engineering in 1983. He further studied business administration in the University of International Business and Economics in 1998. He has been awarded the titles of senior engineer and senior international finance manager. He served as the senior manager in China Nation Printing Materials Corporation (中國印刷物資總公司) in 1986. He joined Beijing Enterprises Holdings Limited as manager in 2001, and is concurrently acting the director and a general manager of Beijing Bei Kong Water Production Co., Ltd. (北京北控制水有限公司) and a director of Beijing Yanjing Beer Co., Ltd. (北京燕京啤酒有限公司). He has extensive experiences in economics, market development and corporate management.

As at the Latest Practicable Date, Mr. Zhang has personal interests in 270,544 underlying Shares in respect of awarded shares granted pursuant to Share Award Scheme. Save as disclosed above, Mr. Zhang does not hold any shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Zhang does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

Pursuant to Mr. Zhang’s letter of appointment, his term of office is three years and subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Zhang’s director’s fee is to be determined by the Board with reference to the prevailing market rate, the Company’s remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. The total amount of remuneration of Mr. Zhang for the year ended 31 December 2019 was HK\$2,771,000.

Save as disclosed herein, Mr. Zhang holds no other directorships in listed public companies in the last three years preceding the date of this circular.

Mr. Zhang does not have any information which is required to be disclosed under Listing Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

**Ms. Sha Ning** (“**Ms. Sha**”), aged 49, was appointed as an executive director of the Company in January 2020 and is a vice president of Beijing Enterprises Holdings Limited (the “**BEHL**”) (Stock Code: 392), a company listed on the main board of the Stock Exchange and also serves as an executive director and a vice president of Beijing Enterprises Environment Group Limited (Stock Code: 154), a company listed on the main board of the Stock Exchange. Ms. Sha graduated from the Business and Economics Faculty of Heilongjiang Institute of Commerce in 1992, and studied Accounting in Beijing School of Business and Capital University of Economics and Business. She obtained an EMBA degree from The Hong Kong University of Science and Technology, and was granted the title of PRC Senior Accountant. Ms. Sha joined BEHL since 2001 and has accumulated extensive experience in financial management.

As at the Latest Practicable Date, Ms. Sha does not hold any shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein and as at the Latest Practicable Date, Ms. Sha does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

Pursuant to Ms. Sha’s letter of appointment, her term of office is three years and subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Ms. Sha’s director’s fee is to be determined by the Board with reference to the prevailing market rate, the Company’s remuneration policy, her duties and responsibilities with the Group and her contribution to the Group.

Save as disclosed herein, Ms. Sha holds no other directorships in listed public companies in the last three years preceding the date of this circular.

Ms. Sha does not have any information which is required to be disclosed under Listing Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters relating to her re-election that need to be brought to the attention of the Shareholders.



**Mr. Zhang Gaobo**, aged 55, was appointed as an independent non-executive director of the Company in May 2008. He is also a member of each of the audit committee and the nomination committee and chairman of the remuneration committee of the Company. He obtained a bachelor's degree in science from Henan University in 1985 and later graduated from Peking University with a master's degree in Economics in 1988. From 1988 to 1991, He worked in Hainan Provincial Government and PBOC Hainan Branch and as the chairman of Hainan Stock Exchange Centre. Since 1993, he has been a founding partner and chief executive of Oriental Patron Financial Group and is responsible for its overall general management and business development. He is also chairman and an executive director of OP Financial Limited (Stock Code: 1140), a company listed on main board of the Stock Exchange and a non-executive director of Vimetco N.V., a company listed on the London Stock Exchange from June 2007 to June 2017. He has taken up the role to serve as the vice-president of Finance Center for South-South Cooperation Limited, a non-profit international organization in Special Consultative Status with ECOSOC of the United Nations, established for the promotion of South South Cooperation since April 2014.

As at the Latest Practicable Date, Mr. Zhang Gaobo has personal interests in 800,000 underlying Shares in respect of Share Options granted. Save as disclosed above, He does not hold any shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Zhang Gaobo does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

Pursuant to Mr. Zhang Gaobo's letter of appointment, his term of office is three years and subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Zhang Gaobo's director's fee is to be determined by the Board with reference to the prevailing market rate, the Company's remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. The total amount of remuneration of Mr. Zhang Gaobo for the year ended 31 December 2019 was HK\$150,000.

Save as disclosed herein, Mr. Zhang Gaobo holds no other directorships in listed public companies in the last three years preceding the date of this circular.

Mr. Zhang Gaobo does not have any information which is required to be disclosed under Listing Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

**Mr. Guo Rui** (“**Mr. Guo**”), aged 52, was appointed as an independent non-executive director of the Company in May 2008. He is also a member of each of the audit committee, the remuneration committee and the nomination committee of the Company. Mr. Guo is the managing director of 北京明銳恒豐管理諮詢有限公司 Beijing MingRui Hengfeng Management & Consulting Co. Ltd., an investment management organisation that invests in real estate, clean energy, healthcare and pharmaceuticals, biotechnology, financial institutes, mining and manufacturing sectors. Mr. Guo was a former senior consultant of Arthur Andersen LLC from 1999 to 2001. Mr. Guo holds a bachelor’s degree of computer science (or engineering) from Peking University and a master’s degree of computer engineering from Northwestern University, U.S.A.

As at the Latest Practicable Date, Mr. Guo has personal interests in 400,000 underlying Shares in respect of Share Options granted. Save as disclosed above, Mr. Guo does not hold any shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Guo does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

Pursuant to Mr. Guo’s letter of appointment, his term of office is three years and subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Guo’s director’s fee is to be determined by the Board with reference to the prevailing market rate, the Company’s remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. The total amount of remuneration of Mr. Guo for the year ended 31 December 2019 was HK\$120,000.

Save as disclosed herein, Mr. Guo holds no other directorships in listed public companies in the last three years preceding the date of this circular.

Mr. Guo does not have any information which is required to be disclosed under Listing Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

**Mr. Wang Kaijun** (“**Mr. Wang**”), aged 59, was appointed as an independent non-executive director of the Company in August 2008. Mr. Wang holds a doctor’s degree from the Environmental Technology Department of the Wageningen Agricultural University in the Netherlands. Mr. Wang was previously appointed as the chief engineer of Beijing Municipal Research Institute of Environmental Protection (北京市環境保護科學研究院). He is now working as a professor in School of Environment, Tsinghua University (清華大學環境學院), a member of Committee of Science and Technology in Ministry of Environmental Protection and the director of State Environment Protection Engineering Center for Technology Management and Evaluation. Mr. Wang has been engaged and experienced in the relevant research, development and industrialization of sewage pollution control technologies and the evaluation of policy-making over the years. Mr. Wang has unique and innovative opinions on the academic study and has made many achievements and demonstration cases on the hydrolysis aerobic process theory, aerobic and anaerobic reactor theory and design, development and application of sewage sludge treatment and disposal technologies, planning and management of state environment protection administration system. Mr. Wang also developed the research fields on municipal sewage hydrolysis-aerobic treatment process, high performance anaerobic reactors, sewage sludge treatment and disposal, livestock manure treatment and rural environmental protection in mainland China. Mr. Wang is currently a non-executive director of the Sichuan Jinyu Automobile City (Group) Co., Ltd. (Stock Code: 000803) and an independent non-executive director of Beijing OriginWater Technology Co., Ltd. (Stock Code: 300070). Both Sichuan Junyu Automoble City (Group) Co., Ltd. and Beijing OriginWater Technology Co., Ltd. are listed on Shenzhen Stock Exchange,

As at the Latest Practicable Date, Mr. Wang has personal interests in 2,000,000 underlying Shares in respect of Share Options granted. Save as disclosed above, Mr. Wang does not hold any shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein and as at the Latest Practicable Date, Mr. Wang does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

Pursuant to Mr. Wang’s letter of appointment, his term of office is three years and subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Mr. Wang’s director’s fee is to be determined by the Board with reference to the prevailing market rate, the Company’s remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. The total amount of remuneration of Mr. Wang for the year ended 31 December 2019 was HK\$120,000.

Save as disclosed herein, Mr. Wang holds no other directorships in listed public companies in the last three years preceding the date of this circular.

Mr. Wang does not have any information which is required to be disclosed under Listing Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

**Dr. Lee Man Chun Raymond** (“**Dr. Lee**”), aged 49, *CPPCC National Committee, SBS JP*, was appointed as an independent non-executive director of the Company in June 2017. He was conferred the Honorary Degree of Doctor of Laws in 2014 and holds a bachelor’s degree in Applied Science from the University of British Columbia in Canada. Dr. Lee is the chairman of Lee & Man Paper Manufacturing Limited, a company listed on main board of the Stock Exchange (Stock Code: 2314). From 2004 to 2017, Dr. Lee was an independent non-executive director of the listed company, Bossini International Holdings Limited (Stock Code: 592), a company listed on main board of the Stock Exchange. Dr. Lee was awarded the “Young Industrialist Award of Hong Kong 2002” and received an award for “2003 Hong Kong Ten Outstanding Young Persons Selection Awardees”. He is also the chairman of Raymond Lee Charitable Foundation since 2017. Since December 2013, Dr. Lee was appointed as the member of Standing Committee, All-China Federation of Returned Overseas. Dr. Lee is currently appointed as president of Centum Charitas Foundation. Dr. Lee has over 25 years of operational experience in paper manufacturing and is experienced in professional formula of paper making and product development.

As at the Latest Practicable Date, Dr. Lee does not hold any shares, underlying shares or debenture of the Company and/or its associated corporation within the meaning of Part XV of the SFO.

Save as disclosed herein and as at the Latest Practicable Date, Dr. Lee does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company as defined in the Listing Rules.

Pursuant to Dr. Lee’s letter of appointment, his term of office is three years and subject to retirement and being eligible for re-election at the AGM in accordance with the Bye-laws.

Dr. Lee’s director’s fee is to be determined by the Board with reference to the prevailing market rate, the Company’s remuneration policy, his duties and responsibilities with the Group and his contribution to the Group. The total amount of remuneration of Dr. Lee for the year ended 31 December 2019 was HK\$120,000.

Save as disclosed herein, Dr. Lee holds no other directorships in listed public companies in the last three years preceding the date of this circular.

Dr. Lee does not have any information which is required to be disclosed under Listing Rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders.

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## NOTICE OF ANNUAL GENERAL MEETING

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北控水務集團有限公司  
BEIJING ENTERPRISES WATER GROUP LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 371)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Meeting**”) of the shareholders of Beijing Enterprises Water Group Limited (the “**Company**”) will be held at 66th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Tuesday, 9 June 2020 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

#### ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of the directors and of the auditors of the Company for the year ended 31 December 2019.
2. To make final distribution of HK7.8 cents per share out of the contributed surplus of the Company.
3. (a) To re-elect, each as a separate resolution, the following persons as directors of the Company (each a “**Director**”, together with all other directors of the Company, the “**Directors**”):
  - (i) Mr. Zhang Tiefu as an executive Director;
  - (ii) Ms. Sha Ning as an executive Director;
  - (iii) Mr. Zhang Gaobo as an independent non-executive Director;
  - (iv) Mr. Guo Rui as an independent non-executive Director;
  - (v) Mr. Wang Kaijun as an independent non-executive Director; and
  - (vi) Dr. Lee Man Chun Raymond as an independent non-executive Director.
- (b) To authorise the board of directors of the Company to fix the directors’ remuneration.

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## NOTICE OF ANNUAL GENERAL MEETING

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4. To re-appoint Messrs. Ernst & Young as auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.
5. As a special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT**

- (A) subject to paragraph (B) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase its own shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) or any other stock exchange as amended from time to time, be and is hereby, generally and unconditionally approved;
- (B) the aggregate nominal amount of shares of the Company to be purchased by the Company pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly; and
- (C) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company (“**Bye-laws**”) or the Companies Act 1981 of Bermuda (as amended) or any other applicable law to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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6. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT**

- (A) subject to paragraph (C) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company), which would or might require the exercise of such powers be and is hereby, generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options (including bonds, warrants, and debentures convertible into shares of the Company), which would or might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and to be issued by the Directors pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereafter defined), or (ii) an issue of shares under any option scheme or similar arrangement for the time being adopted by the Company and/or its subsidiaries for the grant or issue of shares or rights to acquire shares in the capital of the Company, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares in accordance with the Bye-laws of the Company, or (iv) the exercise of right of subscription or conversion under the terms of any warrants, option, bond or convertible bond issued by the Company, or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or the Companies Act 1981 of Bermuda (as amended) or any other applicable law to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares or issue of options to subscribe for shares open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the law of, or the requirements of any recognised regulatory body or any stock exchange, in any territory applicable to the Company).”

7. As special business, to consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT** the general mandate granted to the Directors pursuant to resolution numbered 6 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company pursuant to the exercise by the Directors of the powers of the Company to purchase such shares since the granting of such general mandate referred to in the above resolution numbered 5, provided that such amount shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of passing of this resolution.”

By Order of the Board  
**Beijing Enterprises Water Group Limited**  
**Li Yongcheng**  
*Chairman*

Hong Kong, 29 April 2020



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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. The register of members will be closed from Thursday, 4 June 2020 to Tuesday, 9 June 2020 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting of the Company to be held on Tuesday, 9 June 2020, all properly completed transfers forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 3 June 2020.
2. The register of members will be closed from Monday, 15 June 2020 to Wednesday, 17 June 2020 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for entitlement to the proposed final distributions, all property completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 12 June 2020.
3. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more shares entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and vote instead of him/her. In case of a recognised clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) and/or proxy(ies) at the Meeting and vote in its stead. A proxy need not be a member of the Company.
4. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof.
5. Completion and return of the proxy form in respect of the proposed ordinary resolutions for the Meeting will not preclude a member from attending and voting in person at the Meeting (or any adjournment thereof) should he/she so wishes and in such event, the proxy form for the Meeting will be deemed to have been revoked.
6. With regard to item no. 3.(a) in this notice of the Meeting, the Board proposes that the retiring Directors namely, Mr. Zhang Tiefu, Ms. Sha Ning, Mr. Zhang Gaobo, Mr. Guo Rui, Mr. Wang Kaijun and Dr. Lee Man Chun Raymond be re-elected as Directors. Details of these Directors are set out in Appendix II to the circular to Shareholders dated 29 April 2020. The re-election of the retiring Directors will be individually and separately voted on by the Shareholders.
7. As at the date of this notice of the Meeting, the board of Directors comprises nine executive directors, namely, Mr. Li Yongcheng (Chairman), Mr. Jiang Xinhao, Mr. Zhou Min (Chief Executive Officer), Mr. Li Haifeng, Mr. Zhang Tiefu, Mr. Ke Jian, Ms. Sha Ning, Mr. Tung Woon Cheung Eric and Mr. Li Li and five independent non-executive directors, namely, Mr. Shea Chun Lok Quadrant, Mr. Zhang Gaobo, Mr. Guo Rui, Mr. Wang Kaijun and Dr. Lee Man Chun Raymond.