
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) PROPOSED APPOINTMENT OF DIRECTOR;

(II) PROPOSED CHANGE OF AUDITORS;

AND

(III) NOTICE OF EGM

The EGM of Yunnan Water Investment Co., Limited* will be held at 10:00 a.m. on Monday, 30 January 2023 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 17/F, Far East Finance Centre, 16 Harcourt Road, 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

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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 Monday, 30 January 2023 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
“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
“Supervisor(s)”	the supervisor(s) of the Company
“%”	per cent

* For identification purposes only

EXPECTED TIMETABLE

2023

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, 19 January

Suspension of registration of transfer of Shares From Friday, 20 January to
Monday, 30 January
(both dates inclusive)

Deadline for returning the proxy form for the EGM.....10:00 a.m. on Sunday, 29 January

EGM..... 10:00 a.m. on Monday, 30 January

Resumption of registration of transfer of Shares..... Tuesday, 31 January

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*)
Mr. Zhou Zhimi

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) PROPOSED APPOINTMENT OF DIRECTOR;
(II) PROPOSED CHANGE OF AUDITORS;
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 proposed appointment of Director; and (II) the proposed change of auditors.

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. PROPOSED APPOINTMENT OF DIRECTOR

Reference is also made to the announcement of the Company dated 28 December 2022 in relation to, among other things, the proposed appointment of Director. The Board hereby announces that it proposes to nominate Mr. Mei Wei (“**Mr. Mei**”) to be a non-executive Director candidate of the third session of the Board. The biographical details of Mr. Mei are set out below:

Mr. Mei, aged 52, was awarded a bachelor’s degree in water conservancy and hydropower engineering construction by Gezhouba Hydropower Engineering College (葛洲壩水電工程學院) in July 1992, and became a senior engineer in water conservancy engineering in November 2013. Mr. Mei has more than 22 years of rich management experience in the environmental protection industry. From May 2000 to March 2003, Mr. Mei served as the deputy director of the Yunnan Institute of Water & Hydropower Engineering Investigation, Design and Research (雲南省水利水電勘測設計研究院). From March 2003 to May 2008, Mr. Mei successively served as the deputy dean and dean of the Water Conservancy Branch of Yunnan Institute of Water & Hydropower Engineering Investigation, Design and Research (雲南省水利水電勘測設計研究院水利分院). From May 2008 to June 2009, Mr. Mei served as the executive deputy dean of Niulanjiang Branch of Yunnan Institute of Water & Hydropower Engineering Investigation, Design and Research (雲南省水利水電勘測設計研究院牛欄江分院). From June 2009 to January 2022, Mr. Mei successively served as the deputy dean, executive deputy dean and dean of Yunnan Institute of Water & Hydropower Engineering Investigation, Design and Research. Since January 2022, Mr. Mei has served as the secretary of the Party Committee and chairman of Yunnan Green Environmental Protection Industry Group Co., Ltd.* (雲南省綠色環保產業集團有限公司), a controlling shareholder of the Company.

Save as disclosed above, Mr. Mei confirms that (i) he did not take up any position in the Group nor 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 does not have any 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 Securities and Futures Ordinance.

Save as disclosed above, there are no other matters concerning the appointment of Mr. Mei 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.

3. PROPOSED CHANGE OF AUDITORS

Pursuant to the Measures for the Auditing of Annual Financial Accounts of Yunnan Provincial Enterprises (Trial) (Yun Guo Zi Cai [2020] No. 145) (《雲南省省屬企業年度財務決算審計工作辦法(試行)》(雲國資財[2020]145號)) in respect of the restrictions on the term of years of audit services that an accounting firm can provide, the Company proposed to cease to re-appoint PricewaterhouseCoopers (“**PwC**”) as the international auditor of the Company. PwC has retired as auditor of the Company at the conclusion of the annual general meeting of the Company convened on 30 June 2022. PwC has confirmed to the Board that there are no matters in relation to their resignations that need to be brought to the attention of the Shareholders. The Board and the Audit Committee have confirmed that there are no disagreements or outstanding matters between the Company and PwC, and the Company is not aware of any other matters relating to the proposed change of auditor that need to be brought to the attention of the Shareholders. The Board would like to express its gratitude to PwC for its professional services rendered to the Company over the years. The Company will publish further announcement(s) as and when appropriate to inform the Company’s securities holders and potential investors of the progress of the appointment of auditor.

LETTER FROM THE BOARD

In accordance with the relevant regulations of procurement management, the Company has engaged the domestic auditor and the international auditor for the year of 2022 by the way of public tenders. Based on the tender result after the completion of the public tender procedure and with reference to the relevant provisions of the *Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors* issued by the Financial Reporting Council of Hong Kong, the Board has resolved the proposed appointments of Da Hua Certified Public Accountants LLP (大華會計師事務所(特殊普通合夥)) and Moore Stephens CPA Limited (大華馬施云會計師事務所有限公司) as the domestic auditor and the international auditor of the Company for the year of 2022, respectively (the “**Proposed Appointments**”), whose terms of office shall become effective upon approval by the Shareholders at the EGM and until the conclusion of the next annual general meeting of the Company. The Board will also propose to the Shareholders at the EGM to authorize the Board to determine the remuneration of the auditors based on their actual audit work.

4. EGM

The EGM will be held at 10:00 a.m. on Monday, 30 January 2023 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 17/F, Far East Finance Centre, 16 Harcourt Road, 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.

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, 20 January 2023 to Monday, 30 January 2023 (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 Thursday, 19 January 2023 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, 19 January 2023 are eligible to attend and vote at the EGM.

5. RECOMMENDATION

The Board is of the view that (I) the proposed appointment of Director; and (II) the proposed change of auditors, 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.

LETTER FROM THE BOARD

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
5 January 2023

* *For identification purposes only*

NOTICE OF EGM



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 Monday, 30 January 2023 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 5 January 2023.

ORDINARY RESOLUTIONS

1. PROPOSED APPOINTMENT OF DIRECTOR

To consider and approve the proposed appointment of Mr. Mei Wei as a non-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 CHANGE OF AUDITORS

To consider and approve the resolution in relation to the proposed change of auditors.

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

Kunming, the PRC
5 January 2023

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.
- (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, 20 January 2023 to Monday, 30 January 2023 (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 Thursday, 19 January 2023.

NOTICE OF EGM

- (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:
- 17/F, Far East Finance Centre, 16 Harcourt Road, 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*