
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, 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, 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 RE-ELECTION OF DIRECTORS;
(II) PROPOSED APPOINTMENT OF DIRECTORS;
(III) PROPOSED RE-ELECTION OF SUPERVISORS;
AND
(IV) NOTICE OF EGM**

The EGM of Yunnan Water Investment Co., Limited* will be held at 2:30 p.m. on Monday, 12 October 2020 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 14 to 16 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 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;
“Beijing OriginWater”	Beijing OriginWater Technology Co., Ltd.* (北京碧水源科技股份有限公司), a joint stock limited liability company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 300070);
“Board” or “Board of Directors”	the board of Directors;
“Chairman”	the chairman of the Company;
“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 Shares”	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 2:30 p.m. on Monday, 12 October 2020 at Conference Room 5th Floor, Yunnan Water, 2089 Haiyuan Bei Road, Gaoxin District, Kunming, Yunnan Province, the PRC;
“Group”	the Company and its subsidiaries;
“H Shares”	the issued ordinary shares at the nominal value of RMB1.00 per share in the share capital of the Company which are listed on the Main Board of the Stock Exchange;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	17 September 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“Notice of EGM”	the notice to convene the EGM as set out on pages 14 to 16 of this circular;

DEFINITIONS

“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);
“Shares”	Domestic Shares and/or H Shares;
“Shareholders”	the holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supervisor(s)”	the supervisor(s) of the Company;
“Supervisory Committee”	the supervisory committee of the Company;
“subsidiary/(ies)”	has the meaning ascribed to it under the Listing Rules;
“YMCI”	Yunnan Metropolitan Construction Investment Co., Ltd.* (雲南省城市建設投資集團有限公司), a limited liability company established in the PRC and is the sole shareholder of Yunnan Province Water Industry Investment Co., Ltd.* (雲南省水務產業投資有限公司), the Company’s controlling shareholder and one of the undertaking shareholders; and
“%”	per cent.

* For identification purposes only

EXPECTED TIMETABLE

2020

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

Suspension of registration of transfer of Shares From Monday, 5 October to
Monday, 12 October
(both dates inclusive)

Deadline for returning the proxy form for the EGM. 2:30 p.m. on Sunday, 11 October

EGM. 2:30 p.m. on Monday, 12 October

Resumption of registration of transfer of Shares. Tuesday, 13 October

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 (*Vice-Chairman, General Manager*)

Mr. Yang Fang (*Deputy General Manager*)

Non-executive Directors:

Mr. Li Jialong (*Chairman*)

Mr. He Yuanping

Ms. Li Bo

Mr. Chen Yong

Independent Non-executive Directors:

Mr. Liu Shuen Kong

Mr. Ma Shihao

Registered office and principal place

of business in the PRC:

Yunnan Water

2089 Haiyuan Bei Road

Gaoxin District

Kunming, Yunnan

the PRC

Principal place of business in Hong Kong:

Suite 3110-11

31/F, Tower 1, The Gateway, Harbour City

21 Canton Road, Tsim Sha Tsui, Kowloon

Hong Kong

Dear Sir or Madam,

**(I) PROPOSED RE-ELECTION OF DIRECTORS;
(II) PROPOSED APPOINTMENT OF DIRECTORS;
(III) PROPOSED RE-ELECTION OF SUPERVISORS;
AND
(IV) NOTICE OF EGM**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 15 September 2020 in relation to, among others, proposed re-election and appointment of Directors and Supervisors for the forthcoming session, for the consideration and approval by Shareholders.

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 RE-ELECTION OF DIRECTORS

In accordance with Article 108 of the Articles of Association, the term of office of each of the Directors is three years. Upon expiry of such term, the Directors, if eligible, may offer themselves for re-election. The Company is informed that the nomination of candidates of Directors of the third session of the Board was completed. Among the members of the second session of the Board, six Directors of the second session of the Board, except Mr. He Yuanping (non-executive Director) and Mr. Ma Shihao (independent non-executive Director), who will retire and will not stand for re-election as Directors of the third session of the Board, confirmed to stand for re-election as Directors at the EGM.

The re-election of the Directors as mentioned above shall be subject to the approval of the Shareholders at the EGM.

In accordance with the Articles of Association, the Board proposed the nomination for the re-election of Directors as follows:

- (i) Mr. Yu Long and Mr. Yang Fang as executive Director candidates of the third session of the Board;
- (ii) Mr. Li Jialong, Ms. Li Bo and Mr. Chen Yong as non-executive Director candidates of the third session of the Board; and
- (iii) Mr. Liu Shuen Kong as an independent non-executive Director candidate of the third session of the Board.

The Board would like to extend its gratitude to Mr. He Yuanping and Mr. Ma Shihao for their significant contributions made to the Company. Each of Mr. He Yuanping and Mr. Ma Shihao has confirmed that he has no disagreement with the Board and the Company and there are no matters in relation to his retirement that need to be brought to the attention of the Shareholders.

The biographical details of the above Directors stand for re-election are set out as follows:

Executive Directors Candidates

Mr. Yu Long (“**Mr. Yu**”), aged 48. Mr. Yu joined the Group in June 2011, and currently serves as an executive Director, vice chairman and the General Manager of the Company. Mr. Yu obtained a MBA degree from Guanghua School of Management, Peking University in July 2013, and is now studying as a doctor at the School of Economics and Management at University of Chinese Academy of Sciences. Mr. Yu has more than 18 years of experience in environmental and water works industry, market development, project management, investment capital management, and risk control management, and he is mainly responsible for the overall operation and management, strategic planning and business development of Yunnan Water. Mr. Yu was appointed as general manager of water works division and deputy general manager of Beijing Tsinghua Novel Environmental Protection Company Limited between July 2003 and August 2007. Mr. Yu was appointed as project management director of Kardan Water Group Limited* (凱丹水務國際有限集團) between August 2007 and July 2008. Between July 2008 and April 2009, Mr. Yu was appointed as the deputy general manager of Ruoshi (Beijing) Investment Co., Ltd.* (若石(北京)投資有限公司). Between May 2009 and October 2012, Mr. Yu was appointed as the sales director and the deputy general manager of Beijing OriginWater. Between June 2011 and August 2017, Mr. Yu served as General Manager and executive Director of the Company, and as General Manager of the Company between August

LETTER FROM THE BOARD

2017 and December 2018. Mr. Yu has served as an executive Director, vice chairman and General Manager of the Company from December 2018 till now. In addition, Mr. Yu has been appointed as chairman or director of various subsidiaries of the Company since January 2011. Mr. Yu currently owns 10,820,000 Domestic Shares and 770,000 H Shares of the Company.

Mr. Yang Fang (“**Mr. Yang**”), aged 47, joined the Group in June 2012, and currently serves as the executive Director, party secretary and deputy general manager of the Company. Mr. Yang obtained a bachelor’s degree in accounting and statistics from Yunnan University of Finance and Economics in July 1998, and further obtained an executive master’s degree in business administration from Dalian University of Technology in June 2008. Mr. Yang was qualified as a first-class enterprise human resources managing personnel in March 2009 certified by the Ministry of Labor and Social Security. Mr. Yang served as party secretary of the Company in March 2013, and he was subsequently appointed as deputy general manager of the Company in November 2014, and was appointed as the executive Director of the Company in August 2017. Mr. Yang has more than 12 years of senior management experience in water works related companies, and is mainly responsible for party building work, administrative and HR work of the Company, and he is responsible for operation and management of some regions. Mr. Yang served in various positions in YMCI, including manager of personnel and organization department, manager of the human resources department. Mr. Yang currently owns 1,750,000 Domestic Shares of the Company.

Non-executive Directors Candidates

Mr. Li Jialong (“**Mr. Li**”), aged 51, joined the Group in July 2020, and currently serves as the executive Director and Chairman of the Company. Mr. Li obtained the bachelor’s degree from the Department of Geology of Kunming University of Science and Technology in July 1992. From February 1996 to April 1999, Mr. Li served as the deputy secretary and secretary to the League Committee of the Kunming University of Science and Technology. From April 1999 to February 2002, Mr. Li served in the Yunnan provincial committee of the Communist Youth League as the deputy director and the director of the general office, and the director of the Publicity Department in the Yunnan provincial committee of the Communist Youth League from February 2002 to February 2005. From February 2005 to April 2009, he acted as the county mayor and the secretary to county committee of the Communist Party Committee of Shuangbai County, Chuxiong Prefecture. He acted as the deputy head of Chuxiong People’s Government from April 2009 to May 2011. From May 2015 to March 2016, he served as the deputy secretary to Communist Party Committee and the vice chairman of Southwest Transportation Construction Group Co., Ltd.* (西南交通建設集團股份有限公司). From March 2016 to April 2020, he has been the deputy secretary to the Communist Party Committee, the general manager and the vice chairman of Yunnan Construction and Investment Holding Group Co., Ltd.* (雲南省建設投資控股集團有限公司). Mr. Li has been served as the deputy secretary to the Communist Party Committee, the president the vice chairman of YMCI from April 2020 to date. Mr. Li has been served as the director and chairman of YunNan Metropolitan Real Estate Development Co Ltd* (雲南城投置業股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600239) from 24 June 2020 to date.

Ms. Li Bo (“**Ms. Li**”), aged 44, joined the Group in August 2014, and currently serves as non-executive Director of the Company. Ms. Li obtained a master’s degree in business administration from Dalian University of Technology in Dalian in June 2008. Ms. Li has more than 13 years of senior management experience in water works industry. From August 2014 to August 2017, Ms. Li acted as shareholder representative Supervisor of the Company, and from August 2017 till now, she has been the non-executive Director of the Company. Ms. Li was appointed as the deputy manager of the investment and financing department of YMCI between April 2005 and May 2010, and was promoted

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as manager of the investment and financing department between May 2010 and May 2012. Ms. Li acted as the board office director of YMCI from May 2012 to December 2017, and she has been the Secretary to the Board and Assistant to President of YMCI since December 2017. In addition, Ms. Li has also been appointed as the director of a number of subsidiaries of YMCI since January 2014.

Mr. Chen Yong (“**Mr. Chen**”), aged 47, joined the Group in June 2019 as non-executive Director of the Company. He is a postgraduate and senior accountant. Mr. Chen obtained a bachelor’s degree in computer science from Xinjiang University (新疆大學) in July 1999 and a master’s degree in business administration from Xinjiang University of Finance and Economics in June 2009. Mr. Chen has over 26 years of extensive experience in accounting and management. From February 1992 to July 2008, Mr. Chen worked for CNPC Xinjiang Sales Company* (中國石油新疆銷售公司) and served as a deputy director of the finance department and a director of the corporate management department. Since September 2010, Mr. Chen has been the general manager of the Equity Investment Department of Kunlun Trust Co., Ltd.* (昆侖信託有限責任公司), the General Manager of the Equity Investment Department of CNPC Asset Management Co., Ltd.* (中油資產管理有限公司), the managing director of Ningbo Kunlun Xinyuan Equity Management Partnership (Limited Partnership)* (寧波昆侖信元股權管理合夥企業(有限合夥)) and an Authorized Representative of the Executive Partner of Yantai Xinzhen Tianying Equity Investment Center (Limited Partnership)* (煙台信貞添盈股權投資中心(有限合夥)). In addition, Mr. Chen has been supervisor of Shandong International Trust Co., Ltd.* (山東省國際信託股份有限公司) (a company listed on the Stock Exchange, stock code: 1697) since September 2014. He has been a director of Jiemian (Shanghai) Network Technology Co., Ltd.* (界面(上海)網路科技有限公司) since July 2016, and a director of Beijing Wuerzhilu Technology Co., Ltd.* (北京無二之旅科技有限公司) since April 2017, and a director of Beijing Weiche Technology Co., Ltd.* (北京喂車科技有限公司) since May 2017. Mr. Chen has been a director of Shandong Provincial Financial Asset Management Co., Ltd.* (山東省金融資產管理股份有限公司) since July 2018, the vice chairman of Beijing Kunlun Zhihui Technology Co., Ltd.* (北京昆侖致匯科技有限公司) since February 2018, and a director of Tianjin Climate Exchange Co., Ltd.* (天津排放權交易所有限公司) since December 2015.

Independent non-executive Director Candidate

Mr. Liu Shuen Kong (“**Mr. Liu**”), aged 48, joined the Group in June 2018 as independent non-executive Director of the Company. Mr. Liu obtained a bachelor’s degree in accounting and a master’s degree in accounting from RMIT University of Australia in 1996 and 2002, respectively. He subsequently obtained a master’s degree in business administration from Deakin University of Australia in 2004. Mr. Liu has more than 21 years of experience in accounting, auditing and management and is a qualified accountant of CPA Australia and Hong Kong Institute of Certified Public Accountants. Mr. Liu has worked at KPMG since 1996 as a manager, senior manager and supervisor. From 1996 to 1999, he worked in the audit department of the Hong Kong office of KPMG. From 1999 to 2010, he worked in the financial advisory service department of the Guangzhou office and Shenzhen office of KPMG. From October 2010 to December 2013, Mr. Liu was chief financial officer and company secretary of Leoch International Technology Limited (a company listed on the Stock Exchange, stock code: 842). From December 2013 to May 2017, Mr. Liu was executive director, chief financial officer and company secretary of Yestock Car Rental Company Limited. Since May 2017, Mr. Liu has been the managing director of member companies of Heungkong Financial Group.

LETTER FROM THE BOARD

3. PROPOSED APPOINTMENT OF DIRECTORS

On 15 September 2020, the Board resolved to nominate Mr. Dai Richeng as a candidate for non-executive Director of the third session of the Board.

On 15 September 2020, the Board resolved to nominate Mr. Zhou Beihai and Mr. Zhong Wei as candidates for independent non-executive Director of the third session of the Board.

The biographical details of Mr. Dai Richeng, Mr. Zhou Beihai and Mr. Zhong Wei are set out as follows:

Biographical details of Mr. Dai Richeng

Mr. Dai Richeng (“**Mr. Dai**”), aged 56, holds a master degree in environmental engineering from the Department of Chemical Engineering in Nanjing University of Science and Technology and a doctoral degree in environmental engineering of the Department of Environmental Engineering from Tsinghua University. Mr. Dai has extensive experience for about 30 years in the water treatment industry. He was an engineer at the Water Pollution Research Office of the Quan Jun Environmental Science Research Centre* (全軍環境科學研究中心水污染研究室) and later acted as a senior engineer in the China Water Pollution Research Centre* (中國水污染研究中心). From 1998 to 2010, Mr. Dai acted as the general manager and senior engineer in a subsidiary principally engaged in wastewater treatment of Tsinghua Tongfang Co., Ltd.* (同方股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600100). From 2010 to 2012, he was the vice-president and senior engineer of Beijing Enterprises Water Group Limited (北控水務集團有限公司), a company listed on the Stock Exchange (stock code: 371). Mr. Dai has been the general manager of Beijing OriginWater from October 2012 to April 2016 and a director of Beijing OriginWater from April 2014 to September 2020. From March 2018 till now, he has been the general manager of Beijing OriginWater; Mr. Dai has been served as an executive director and vice chairman of the Company from June 2016 to August 2018, and a non-executive director of the Company from August 2018 to December 2018.

Biographical details of Mr. Zhong Wei

Mr. Zhong Wei (“**Mr. Zhong**”), aged 51. Mr. Zhong graduated from Nanjing University in 1990 majoring in applied physics and from Southeast University in 1994 majoring in industrial economics management. Mr. Zhong received his doctorate’s degree in 1999 from Beijing Normal University majoring in international economics. Between September 2001 and July 2004, Mr. Zhong engaged in postdoctoral research in management science at Tongji University. Mr. Zhong served as an assistant engineer at Wuxi Alarm Devices Factory from July 1990 to July 1992. Mr. Zhong worked as a lecturer at the Business School of Jiangnan University from July 1994 to July 1997. Mr. Zhong served as an associate professor of the Business School of Beijing Normal University between 1999 and 2003. Mr. Zhong has been a professor of the department of finance of the Business School of Beijing Normal University since 2003. Mr. Zhong has long been engaged in the field of finance research and has been involved in the field of macroeconomics and real estate finance. He was selected by the PRC Ministry of Education and the Beijing Supported by Program for New Century Excellent Talents in University* (北京市新世紀優秀哲學社會科學人才計劃). Mr. Zhong served as an independent director of Dongxing Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601198), and currently serves as an independent non-executive director of China Resources Land Limited (a company listed on the Stock Exchange, stock code: 1109) and Seazen Group Limited (a company listed on the Stock Exchange, stock code:1030).

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Biographical details of Mr. Zhou Beihai

Mr. Zhou Beihai (“**Mr. Zhou**”), aged 57. Mr. Zhou obtained a doctoral degree in engineering from the Department of Environmental Engineering at Tsinghua University (清華大學環境工程系) in March 1992. Mr. Zhou carried out research on solid waste landfill technology at The University of Fukuoka in Japan from March 1992 to March 1994, and conducted research on photocatalysis water treatment technology at Saitama University in Japan from January 1995 to March 1995. Mr. Zhou served as the director of the Registration and Management Centre for the solid waste under the State Administration of Environmental Protection (國家環保總局固體廢物登記管理中心) from October 1996 to August 2001, and served as diplomatic officer of science and technology at the Chinese Embassy in Japan from October 2001 to December 2004. Mr. Zhou has been appointed as the professor at the School of Energy and Environmental Engineering of University of Science and Technology Beijing since January 2005.

Save as disclosed above, all personels have not held any directorship in any publicly listed company in the past three years nor has held other major appointment and professional qualifications and do not have any relationship with any Director, senior management, substantial or controlling shareholder (as defined in the Listing Rules) of the Company.

The term of office of directors of the third session of the Board of Directors will commence upon the approval of their appointment by the Shareholders at the EGM and shall expire at the end of the third session of the Board. The Company will enter into a service contract with all the directors. The remuneration of the directors will be determined by the Board and the remuneration committee of the Company with reference to their responsibilities, the Company’s remuneration policy and the prevailing market conditions. The directors will be subject to retirement and re-election in accordance with the Articles of Association upon expiry of their term of office.

As at the Latest Practicable Date, save as disclosed above, all members do not hold any shares of the Company nor has any other interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning the appointment of the new Directors that 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.

4. PROPOSED RE-ELECTION OF SUPERVISORS

In accordance with Article 136 of the Articles of Association, the term of office of each of the Supervisors is three years, and if eligible, they may offer themselves for re-election. The Company is informed that the nomination of candidates of Supervisors of the third session of the Supervisory Committee was completed. Among the members (excluding Employee Representative Supervisors) of the second session of the Supervisory Committee, all of them confirmed to stand for re-election as Supervisors at the EGM.

The re-election of the Supervisors as mentioned above shall be subject to the approval of the Shareholders at the EGM.

In accordance with the Articles of Association, the Board proposed the nomination for the re-election of Mr. Long Limin and Mr. Zhu Zhen as Shareholder representative Supervisor candidates of the third session of the Supervisory Committee; and the nomination for the re-election of Mr. Tan Hairui and Ms. Zhang Ling as independent Supervisor candidates of the third session of the Supervisory Committee.

LETTER FROM THE BOARD

In addition, the employee representative Supervisors of the Supervisory Committee of the Company will be elected democratically by the Company's employee representatives.

The biographical details of the above Supervisors stand for re-election are set out as follows:

Shareholder Representative Supervisors Candidates

Mr. Long Limin (“**Mr. Long**”), aged 53, joined the Group in August 2017 as a shareholder representative Supervisor of the Company and Chairman of the Supervisory Committee. Mr. Long obtained a bachelor's degree in engineering from Chongqing University in 1991 and a master's degree in business administration from Tsinghua University in 2004. Between 1991 and 2000, Mr. Long acted as deputy factory director of Beijing Plumbing Equipment Factory 1 (北京市水暖器材一廠). Between 2000 and 2010, Mr. Long served as vice general manager of TsingHua TongFang Artificial Environment Co., Ltd* (清華同方人工環境有限公司). Between 2010 and 2011, Mr. Long was the director of operation and the manager of procurement department of Beijing OriginWater. Between 2011 and 2013, Mr. Long served as the general manager of Shandong Yashi Co., Ltd.* (山東雅士股份有限公司). Between 2013 and 2016, Mr. Long was the director of enquiry and procurement department of Beijing OriginWater. From 2016 to March 2018, Mr. Long was the director of operation planning centre of Beijing OriginWater. From March 2018 to September 2020, Mr. Long served as a director of Beijing OriginWater, and he has been the deputy general manager of Beijing OriginWater since March 2018.

Mr. Zhu Zhen (“**Mr. Zhu**”), aged 35, joined the Group in August 2017 as a shareholder representative Supervisor. Mr. Zhu obtained his master's degree in law from Tsinghua University in September 2009. Mr. Zhu has almost 10 years of experience in law and investment related industries. Mr. Zhu was the deputy general manager of the auditing and legal department of YMCI from October 2013 to September 2016, and he was promoted as the general manager of the legal department of YMCI in September 2016. Mr. Zhu has also acted as the general manager of the leisure industry department under the investment and management center of YMCI since 2018. In addition, Mr. Zhu has served as director and supervisor in various subsidiaries of YMCI since September 2014.

Independent Supervisors Candidates

Mr. Tan Hairui (“**Mr. Tan**”), aged 49, joined the Group in January 2015 as an independent Supervisor of the Company. Mr. Tan obtained a bachelor's degree in economics from Yunnan Finance and Trade College (now known as Yunnan University of Finance and Economics) in July 1993. Mr. Tan obtained the certificate as a registered accountant issued by Accountant Examination Committee of Ministry of Finance of the PRC in April 1999 and a Lawyer's License in August 2004. Mr. Tan has more than 19 years of working experience in large-scale enterprises, and he is mainly responsible for supervising the Directors, managers and other management personnel to ensure compliance with laws and regulations, the Articles of Association and the resolutions of Shareholders' meetings. Mr. Tan was the deputy manager of the financial department of Yunda Science & Technology Industry Company from 2000 to December 2001. Mr. Tan joined Yunnan Hengxin Law Firm as trainee solicitor and lawyer from January 2002 to August 2007. Mr. Tan joined the Yunnan Quzhi Law Firm as lawyer between September 2007 and March 2009. Mr. Tan worked in Yunnan Geyuan Law Firm as a lawyer from March 2009 to January 2018. Since January 2018, Mr. Tan has been working in Beijing Yingke (Kunming) Law Firm (北京盈科(昆明)律師事務所) as a lawyer.

LETTER FROM THE BOARD

Ms. Zhang Ling (“**Ms. Zhang**”), aged 44, joined the Group in January 2018 as an Independent Supervisor of the Company. Ms. Zhang is the deputy professor and Master’s tutor of law school of Yunnan University of Finance and Economics and director of the collaborated regional resources law research center of law school of Yunnan University of Finance and Economics. Ms. Zhang obtained her law degree in July 1997 at Wuhan University and master degree in international business law and European Union law at University of Sheffield in November 2004. Since September 2005, Ms. Zhang has been working at the law school of Yunnan University of Finance and Economics, responsible for teaching, research and application of law. Ms. Zhang had published dozens of professional academic papers on law, held discussions on national social topics and research on provincial laws. She was invited by the Legal Affairs Office of the State Council* (國務院法制辦), the Ministry of Civil Affairs* (民政部) and the Ministry of Foreign Affairs* (外交部) to participate in the amendments of two laws and regulations and legislative consultation. She has received the research award of Yunnan Philosophical Social Science Society* (雲南省哲學社會科學研究獎勵) twice. In addition, Ms. Zhang had approximately 21 years of solid experience in the legal field. Since she was qualified as a practicing lawyer in November 1999, Ms. Zhang had worked in five different law firms in Yunnan Province and is currently working on part-time basis at Yunnan Baqian Law Firm* (雲南八謙律師事務所).

Save as disclosed above, all personels have not held any directorship in any publicly listed company in the past three years nor has held other major appointment and professional qualifications and do not have any relationship with any Director, senior management, substantial or controlling shareholder (as defined in the Listing Rules) of the Company.

The term of office of Supervisors of the third session of the Supervisory Committee will commence upon the approval of their appointment by the Shareholders at the EGM and shall expire at the end of the third session of the Supervisory Committee. The Company will enter into a service contract with all the Supervisors. The remuneration of the Supervisors will be determined by the Board and the remuneration committee of the Company with reference to their responsibilities, the Company’s remuneration policy and the prevailing market conditions. The Supervisors will be subject to retirement and re-election in accordance with the Articles of Association upon expiry of their term of office.

As at the Latest Practicable Date, all personels do not hold any shares of the Company nor has any other interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning the appointment of the new Supervisors that 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

5. POSTPONED RE-ELECTION OF DIRECTORS AND SUPERVISORS

The term of office of the second session of the Board and the Supervisory Committee of the Company was expired on 28 August 2020. As the appointment of the candidates for Directors of the third session of the Board and the candidates for Supervisors of the third session of the Supervisory Committee of the Company has not been completed, in order to maintain the continuity of the work of the Board and the Supervisory Committee, the election of the Board and the Supervisory Committee of the Company for the new session will be postponed, and the term of office of members of special committees under the second session of Board and senior management of the Company will be postponed accordingly. The Company will complete the election of the Board and the Supervisory Committee for the new session as soon as possible and will perform the relevant information disclosure obligation in a timely manner. Prior to completion of the election of the Board and the Supervisory Committee for the new session, all members of the second session of the Board, the Supervisory Committee and senior management of the Company will continue to perform their respective duties and responsibilities in accordance with the requirements of laws, administrative regulations and the Articles of Association. The postponed election of the Board and the Supervisory Committee for the new session will not affect the normal operation of the Company.

6. EGM

The EGM will be held at 2:30 p.m. on Monday, 12 October 2020 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 14 to 16 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.

In order to determine the Shareholders who are entitled to attend and vote at the EGM, the registers of members of the Company will be closed from Monday, 5 October 2020 to Monday, 12 October 2020 (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 Wednesday, 30 September 2020 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 Wednesday, 30 September 2020 are eligible to attend and vote at the EGM.

7. RECOMMENDATION

The Board is of the view that the proposed re-election and appointment of Directors and Supervisors are in the best 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

8. 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 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.

9. 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 document 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*
Li Jialong
Chairman

Kunming, the PRC
22 September 2020

* *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 2:30 p.m. on Monday, 12 October 2020 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 22 September 2020.

Ordinary Resolution

1. To consider and approve the proposed re-appointment of Mr. Yu Long to be an executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
2. To consider and approve the proposed re-appointment of Mr. Yang Fang to be an executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
3. To consider and approve the proposed re-appointment of Mr. Li Jialong to be a non-executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
4. To consider and approve the proposed re-appointment of Ms. Li Bo to be a non-executive Director, and to authorize the Board to determine her remuneration and to execute a service contract with her on and subject to such terms and conditions as the Board shall think fit.
5. To consider and approve the proposed re-appointment of Mr. Chen Yong to be a non-executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
6. To consider and approve the proposed re-appointment of Mr. Liu Shuen Kong to be an independent non-executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
7. To consider and approve the proposed appointment of Mr. Dai Richeng to be a non-executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.

NOTICE OF EGM

8. To consider and approve the proposed appointment of Mr. Zhou Beihai to be an independent non-executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
9. To consider and approve the proposed appointment of Mr. Zhong Wei to be an independent non-executive Director, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
10. To consider and approve the proposed re-appointment of Mr. Long Limin to be a Shareholder representative Supervisor, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
11. To consider and approve the proposed re-appointment of Mr. Zhu Zhen to be a Shareholder representative Supervisor, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
12. To consider and approve the proposed re-appointment of Mr. Tan Hairui to be an independent Supervisor, and to authorize the Board to determine his remuneration and to execute a service contract with him on and subject to such terms and conditions as the Board shall think fit.
13. To consider and approve the proposed re-appointment of Ms. Zhang Ling to be an independent Supervisor, and to authorize the Board to determine her remuneration and to execute a service contract with her on and subject to such terms and conditions as the Board shall think fit.

By Order of the Board
Yunnan Water Investment Co., Limited*
Li Jialong
Chairman

Kunming, the PRC
22 September 2020

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 Monday, 5 October 2020 to Monday, 12 October 2020 (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 Wednesday, 30 September 2020.

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 Shareholder 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(s) 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 authorization documents, 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 appears 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*