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*This announcement is not an offer of securities for sale or the solicitation of an offer to buy securities in the United States or in any country or jurisdiction in which any such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such country or jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or local securities laws. Any public offering of securities to be made in the United States will be made by means of a prospectus that will contain detailed information about the company making the offer and its management and financial statements. The Company has not registered and does not intend to register any of the Additional Notes in the United States.*

*The communication of this announcement and any other documents or materials relating to the issue of the Additional Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom’s Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”)), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as “**relevant persons**”). In the United Kingdom, the Additional Notes offered hereby are only available to, and any investment or investment activity to which this announcement relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this announcement or any of its contents.*



中國水務集團有限公司*

China Water Affairs Group Limited

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 855)

**PROPOSED ISSUANCE OF ADDITIONAL
USD DENOMINATED SENIOR NOTES
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES
WITH THE US\$150,000,000 5.875% SENIOR NOTES
DUE 2030 ISSUED ON 22 OCTOBER 2025)**

The Company proposes to conduct an international offering of additional USD denominated senior notes (the “**Additional Notes**”), to be consolidated and form a single series with its US\$150,000,000 5.875% Senior Notes due 2030 issued on 22 October 2025 (the “**Original Notes**”).

The pricing of the Additional Notes, including the aggregate principal amount and the Issue Price, will be determined through a book building exercise to be conducted by Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited and Mizuho Securities Asia Limited as the joint global coordinators, and are, together with China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, the joint bookrunners and joint lead managers of the Proposed Additional Notes Issue. Upon finalising the terms of the Additional Notes, it is expected that the Company, the Subsidiary Guarantors, and the initial purchasers named therein will enter into the Purchase Agreement.

The net proceeds, after deducting the underwriting discounts and commissions and other estimated expenses payable by the Company in connection with this offering, will be used to fund the Concurrent Offer to Purchase and repay certain other offshore indebtedness. Subject to the foregoing, the Company plans to use an amount equal to the gross proceeds from the offering to finance or refinance, in whole or in part, Eligible Green Projects, particularly water supply projects, in accordance with the Green & Blue Finance Framework.

Approval-in-principle has been received from the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. Approval in-principle for the listing and quotation of the Additional Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes. The SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Additional Notes has been sought in Hong Kong.

Concurrently with the Proposed Additional Notes Issue, the Company is conducting the Concurrent Offer to Purchase. The Company intends to finance the Concurrent Offer to Purchase with proceeds from the Proposed Additional Notes Issue and its internal funding.

As no binding agreement in relation to the Proposed Additional Notes Issue has been entered into as at the date of this announcement, the Proposed Additional Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Proposed Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED ADDITIONAL NOTES ISSUE

Introduction

The Company proposes to conduct an international offering of the Additional Notes, to be consolidated and form a single series with the Original Notes.

The pricing of the Additional Notes, including the aggregate principal amount and the Issue Price, will be determined through a book building exercise to be conducted by Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, China CITIC Bank International Limited, Guotai Junan Securities (Hong Kong) Limited, Haitong International Securities Company Limited, The Hongkong and Shanghai Banking Corporation Limited and Mizuho Securities Asia Limited as the joint global coordinators, and are, together with China Galaxy International Securities (Hong Kong) Co., Limited, CLSA Limited, CMBC Securities Company Limited, Mashreqbank psc, SMBC Nikko Securities (Hong Kong) Limited and Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, the joint bookrunners and joint lead managers of the Proposed Additional Notes Issue. As at the date of this announcement, the terms and conditions of the Proposed Additional Notes Issue are still being determined. Upon finalising the terms of the Additional Notes, it is expected that the Company, the Subsidiary Guarantors, and the initial purchasers named therein will enter into the Purchase Agreement. The Company will make a further announcement in respect of the Proposed Additional Notes Issue upon the execution of the Purchase Agreement.

No PRIIPs key information document (KID) has been prepared as distribution to retail is prohibited in the European Economic Area.

No PRIIPs key information document (KID) has been prepared as not available to retail in the United Kingdom.

The Additional Notes have not been, and will not be, registered under the U.S. Securities Act. The Additional Notes will only be offered in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act. None of the Additional Notes will be offered to the public in Hong Kong.

Reasons for the Proposed Additional Notes Issue

The net proceeds, after deducting the underwriting discounts and commissions and other estimated expenses payable by the Company in connection with this offering, will be used to fund the Concurrent Offer to Purchase and repay certain other offshore indebtedness. Subject to the foregoing, the Company plans to use an amount equal to the gross proceeds from the offering to finance or refinance, in whole or in part, Eligible Green Projects, particularly water supply projects, in accordance with the Green & Blue Finance Framework.

Listing

Approval-in-principle has been received from the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. Approval in-principle for the listing and quotation of the Additional Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes. The SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Additional Notes has been sought in Hong Kong.

Concurrent Offer to Purchase

Concurrently with the Proposed Additional Notes Issue, the Company is conducting the Concurrent Offer to Purchase. The Company intends to finance the Concurrent Offer to Purchase with proceeds from the Proposed Additional Notes Issue and its internal funding.

GENERAL

As no binding agreement in relation to the Proposed Additional Notes Issue has been entered into as at the date of this announcement, the Proposed Additional Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Proposed Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Additional Notes”	the additional USD denominated senior notes proposed to be issued by the Company and to be consolidated and form a single series with the Original Notes
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“Board”	the board of directors of the Company
“Company”	China Water Affairs Group Limited (stock code: 855), an exempted company incorporated under the laws of the Cayman Islands and continued as an exempted company in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Concurrent Offer to Purchase”	the concurrent offer to purchase that the Company commenced on 27 April 2026 to purchase for cash its outstanding 4.85% senior notes due 2026 (ISIN: XS2320779213)
“Director(s)”	the director(s) of the Company
“Eligible Green Projects”	eligible green projects as defined in the Green & Blue Finance Framework
“Green & Blue Finance Framework”	the Group’s Green & Blue Finance Framework which has been developed to detail how the Company and its subsidiaries intend to issue green financing transactions to fund projects and developments that will deliver environmental benefits to support its business strategy and green and sustainability vision, particularly those related to improving the environmental performance of buildings, landscapes and the communities in which they are located, as well as the health of their respective users
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Price”	the final price at which the Additional Notes will be sold
“Original Notes”	US\$150,000,000 5.875% senior notes due 2030 issued by the Company on 22 October 2025
“PRC” or “China”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Proposed Additional Notes Issue”	the proposed issue of the Additional Notes by the Company

“Purchase Agreement”	the agreement proposed to be entered into by and among the Company, the Subsidiary Guarantors and the initial purchasers named therein, in relation to the Proposed Additional Notes Issue
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	certain subsidiaries of the Company which provide unconditional and irrevocable guarantees to secure the Company’s obligations under the Additional Notes
“United States”	the United States of America
“USD” or “US\$”	United States dollar(s)
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“%”	per cent

By Order of the Board
China Water Affairs Group Limited
Duan Chuan Liang
Chairman

Hong Kong, 27 April 2026

As at the date of this announcement, the Board comprises four executive Directors, being Mr. Duan Chuan Liang, Ms. Ding Bin, Mr. Li Zhong and Mr. Duan Jerry Linnan, four non-executive Directors, being Mr. Li Hao, Mr. Bai Li, Mr. Xu Yan and Ms. Wang Xiaoqin, and four independent non-executive Directors, being Mr. Chau Kam Wing, Mr. Siu Chi Ming, Ms. Ho Ping and Mr. Xiao Zhe.

* *For identification purposes only*