

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the U.S. Securities Act, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act. The securities referred to herein will be offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.

No public offer of the securities referred to herein is being or will be made in the United States. None of the securities referred to herein will be offered to the public in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance.



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 ISSUE OF GUARANTEED BLUE BONDS

The Company proposes to issue the Bonds to certain institutional investors, which will be unconditionally and irrevocably guaranteed by CGIF.

The pricing of the Bonds, including the aggregate principal amount, the offer price and the interest rate, will be determined through a book building exercise to be conducted by Morgan Stanley, China International Capital Corporation and Barclays as the lead joint global coordinators, and as, together with HSBC and China CITIC Bank International, the joint global coordinators, the joint bookrunners and joint lead managers of the Bonds Issue. Upon finalizing the terms of the Bonds, it is expected that Morgan Stanley, China International Capital Corporation, Barclays, HSBC and China CITIC Bank International, the Company and the Guarantor will enter into the Subscription Agreement.

If the Bonds are issued, the proceeds from the offering of the Bonds are proposed to be used for repayment of certain offshore indebtedness and in accordance with the Company's green & blue finance framework.

Application has been made to the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the accuracy of any of the statements made or opinions expressed in this announcement. Approval in-principle granted by the SGX-ST for the listing of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Company, CGIF or the Bonds. No listing of the Bonds has been, or will be, sought in Hong Kong.

As no binding agreement in relation to the proposed Bonds Issue and the Guarantee has been entered into as at the date of this announcement, the proposed Bonds Issue may or may not complete. The completion of the proposed Bonds Issue is subject to, among other things, market conditions and investors' interest. 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 Bonds Issue and the Guarantee will be made by the Company should the Subscription Agreement be signed.

BACKGROUND

The Company proposes to conduct an international offering of the Bonds to certain institutional investors, which will be unconditionally and irrevocably guaranteed by CGIF. The pricing of the Bonds, including the aggregate principal amount, the offer price and the interest rate, will be determined through a book building exercise to be conducted by Morgan Stanley, China International Capital Corporation and Barclays as the lead joint global coordinators, and as, together with HSBC and China CITIC Bank International, the joint global coordinators, the joint bookrunners and joint lead managers of the Bonds Issue. The terms and conditions of the Bonds are still being determined. Upon finalising the terms of the Bonds, it is expected that Morgan Stanley, China International Capital Corporation, Barclays, HSBC and China CITIC Bank International, the Company and the Guarantor will enter into the Subscription Agreement, pursuant to which Morgan Stanley, China International Capital Corporation, Barclays, HSBC and China CITIC Bank International will be the managers of the Bonds. The Company will make a further announcement in respect of the Bonds Issue upon the execution of the Subscription Agreement.

Any Bonds to be issued and the Guarantee have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any state of the United States, or any other jurisdiction, and may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state or local securities laws. The Bonds and the Guarantee will be offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. None of the Bonds and the Guarantee will be offered to the public in Hong Kong other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any rules made under that Ordinance. None of the Bonds will be placed with any connected persons of the Company.

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

REASONS FOR THE BONDS ISSUE

The Company intends to use the net proceeds from the Bonds Issue for repayment of certain offshore indebtedness and in accordance with the Company's green & blue finance framework.

LISTING

Application has been made to the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the accuracy of any of the statements made or opinions expressed in this announcement. Approval in-principle granted by the SGX-ST for the listing of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Company, CGIF or the Bonds. No listing of the Bonds has been, or will be, sought in Hong Kong.

GENERAL

As no binding agreement in relation to the proposed Bonds Issue and the Guarantee has been entered into as at the date of this announcement, the proposed Bonds Issue may or may not complete. The completion of the proposed Bonds Issue is subject to, among other things, market conditions and investors' interest. 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 Bonds Issue and the Guarantee will be made by the Company should the Subscription Agreement be signed.

DEFINITIONS

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

“Barclays”	Barclays Bank PLC
“Board”	the board of Directors
“Bonds”	the CNY blue bonds proposed to be issued by the Company and unconditionally and irrevocably guaranteed by CGIF
“Bonds Issue”	the proposed issue of the Bonds by the Company
“CGIF”	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
“China CITIC Bank International”	China CITIC Bank International Limited

“China International Capital Corporation”	China International Capital Corporation Hong Kong Securities Limited
“CNY”	are to the Renminbi, the official currency of the PRC
“Company”	China Water Affairs Group Limited (中國水務集團有限公司), 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
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	the unconditional and irrevocable guarantee to be given by CGIF
“Guarantor”	CGIF
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Morgan Stanley”	Morgan Stanley & Co. International plc
“PRC”	the People’s Republic of China, excluding for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRIIPs”	the Packaged Retail and Insurance-based Investment Products (as defined by Regulation (EU) No 1286/2014, as amended)
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	the agreement proposed to be entered into among the Company, CGIF, Morgan Stanley & Co. International plc, China International Capital Corporation Hong Kong Securities Limited, Barclays Bank PLC, The Hongkong and Shanghai Banking Corporation Limited and China CITIC Bank International Limited, in relation to the Bonds Issue
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended

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

Hong Kong, 21 January 2025

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, three non-executive Directors, being Mr. Li Hao, Ms. Wang Xiaoqin and Ms. Liu Yu Jie, 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*