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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)

ANNOUNCEMENT

COMPLETION OF ISSUE OF 2018 MEDIUM-TERM NOTES SERIES 1

Reference is made to the Company's announcement dated 18 May 2018 in relation to the issuance of 2018 Medium-term Notes Series 1 (the "Announcement"). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

The board of directors of the Company hereby announces that the Company completed the issuance of Medium-term Notes Series 1 to qualified investors on 25 May 2018. The aggregate principal of the Medium-term Notes Series 1 is RMB3 billion, of which RMB2 billion is for a term of 5 years with the maturity date in May 2023 and coupon rate at 4.92% per annum. The remaining RMB1 billion is for a term of 7 years with the maturity date in May 2025 and coupon rate at 5.10% per annum. Two years prior to the respective maturity dates, the Company shall be entitled to adjust the coupon rate of the notes and the notes holders shall be entitled to sell back the notes to the Company.

The proceeds from the issuance of Medium-term Notes Series 1 are intended to be used for repaying the existing loans of the Company and its subsidiaries in China and general working capital purposes.

Announcement in respect of the issuance and allocation of the Medium-term Notes Series 1 has been published on the websites of China Money (www.chinamoney.com.cn) and Shanghai Clearing House (www.shclearing.com) respectively.

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

Hong Kong, 28 May 2018

As at the date of this announcement, the board of directors of the Company comprises ten executive directors, namely Mr. Li Yongcheng (Chairman), Mr. E Meng (Vice Chairman), Mr. Jiang Xinhao, Mr. Zhou Min (Chief Executive Officer), Mr. Li Haifeng, Mr. Zhang Tiefu, Ms. Qi Xiaohong, Mr. Ke Jian, 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.