

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus dated 17 December 2019 (the “**Prospectus**”) issued by Taizhou Water Group Co., Ltd.* (台州市水務集團股份有限公司) (the “**Company**”).

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This announcement is for information purpose only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities. Potential investors should read the Prospectus for detailed information about the Hong Kong Public Offering and the International Offering described below before deciding whether or not to invest in the H Shares thereby offered.

This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer to sell or solicitation to purchase or subscribe for securities in the United States or in any other jurisdictions. The H Shares have not been, and will not be, registered under the US Securities Act or any state securities laws of the United States. The securities may not be offered or sold in the United States except pursuant to registration or in accordance with an available exemption from, or an a transaction not subject to, the registration requirements of the US Securities Act. There will not, and is not currently intended, to be any offer of securities in the United States.

In connection with the Global Offering, Innovax Securities Limited, as stabilising manager (the “**Stabilising Manager**”) and/or its affiliates or any person acting for it, on behalf of the Underwriters, may effect transactions with a view to stabilising or maintaining the market price of the H Shares for a limited period after the Listing Date at a level higher than that which might otherwise prevail in the open market. However, there is no obligation on the Stabilising Manager or any person acting for it, to conduct any such stabilising action which, if commenced, will be done at the sole and absolute discretion of the Stabilising Manager or any person acting for it, and may be discontinued at any time. Any such stabilising activity is required to be brought to an end within 30 days after the last day for the lodging of applications under the Hong Kong Public Offering on 19 January 2020. Such stabilisation, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilising) Rules, as amended, made under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Potential investors should be aware that stabilising action cannot be taken to support the price of the H Shares for longer than the stabilisation period, which begins on the Listing Date and ends on the 30th day after the last day for lodging of applications under the Hong Kong Public Offering. After this date, no further stabilising action may be taken, and demand for the H Shares and therefore the price of the H Shares, could fall.

Potential investors of the Offer Shares should note that the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) shall be entitled to terminate their obligations under the Hong Kong Underwriting Agreement with immediate effect upon the occurrence of any of the events set out in “Underwriting – Underwriting arrangements and expenses – Hong Kong Public Offering – Grounds for termination” in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is currently expected to be on Tuesday, 31 December 2019).



Taizhou Water Group Co., Ltd.*
台州市水務集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 50,000,000 H Shares
Number of Hong Kong Offer Shares	: 5,000,000 H Shares
Number of International Offer Shares	: 45,000,000 H Shares
Final Offer Price	: HK\$4.22 per H Share, excluding brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%
Nominal value	: RMB1.00 per H Share
Stock code	: 1542

Sole Sponsor



Sole Global Coordinator



Joint Bookrunners and Joint Lead Managers



* for identification only

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

OFFER PRICE

- The Offer Price has been determined at HK\$4.22 per H Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

- Based on the Offer Price of HK\$4.22 per H Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and estimated expenses paid and payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$178.0 million (without taking into account any discretionary incentive fee, being an amount up to 3.1% of the aggregate Offer Price of the Offer Shares initially offered under the Global Offering).

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been slightly over-subscribed. A total of 7,387 valid applications have been received pursuant to the Hong Kong Public Offering on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and under the **White Form eIPO** service (www.eipo.com.hk) for a total of 27,350,000 Hong Kong Offer Shares, representing approximately 5.47 times of the total number of 5,000,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription is less than 15 times in the Hong Kong Public Offering, no reallocation of Offer Shares from the International Offering to the Hong Kong Public Offering has been effected. The final number of Offer Shares under the Hong Kong Public Offering is 5,000,000 Offer Shares, representing 10.0% of the Offer Shares initially available under the Global Offering.

INTERNATIONAL OFFERING

- The International Offer Shares initially offered under the International Offering have been slightly over-subscribed at approximately 1.46 times of the total number of 45,000,000 International Offer Shares initially available for subscription under the International Offering. The final number of Offer Shares under the International Offering is 45,000,000 H Shares, representing 90.0% of the total number of Offer Shares initially available under the Global Offering.

The total number of places under the International Offering is 146. A total number of nine places has been allotted five board lots of Shares or less, representing approximately 6.16% of the total number of places under the International Offering. These places have been allotted 0.1% of the Offer Shares under the International Offering.

Over-allotment Option

- In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Sole Global Coordinator for itself and on behalf of the International Underwriters, within 30 days after the last day for lodging applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Sunday, 19 January, 2020) to require the Company to issue up to 7,500,000 additional H Shares, representing 15% of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering. There is no over-allocation in the International Offering, therefore, the Over-allotment Option will not be exercised.

Cornerstone Investor

- Pursuant to the cornerstone investment agreement with the Cornerstone Investor as disclosed in “Cornerstone Investor” in the Prospectus, the Cornerstone Investor has subscribed for 12,500,000 Offer Shares, representing approximately 25% of the number of Offer Shares offered pursuant to the Global Offering or approximately 6.25% of the Company’s total issued share capital immediately upon completion of the Global Offering. Based on the Offer Price of HK\$4.22 per Offer Share, the aggregate subscription price was approximately HK\$52.75 million. Please see “Cornerstone Investor” in the Prospectus for further details of the Cornerstone Investor.
- To the best knowledge and belief of the Directors and the Company, the Cornerstone Investor and its ultimate beneficial owners are Independent Third Parties and are independent of the Company, its connected persons and their respective associates (as defined in the Listing Rules). The Cornerstone Investor makes its own independent investment decisions. The Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the cornerstone investment agreement). Immediately upon completion of the Global Offering, the Cornerstone Investor will neither have any representation on the Board nor enjoy any preferential rights in the Company as compared with other public Shareholders, and the Cornerstone Investor will not become a substantial shareholder (as defined in the Listing Rules) of the Company.

- The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Further, the Cornerstone Investor has agreed that it will not at any time during the period of six months following the Listing Date dispose of (as defined in the cornerstone investment agreement) any of the H Shares to be subscribed for by the Cornerstone Investor pursuant to the cornerstone investment agreement, nor will it agree or contract to, or publicly announce any intention to enter into a transaction with a third party for disposal thereof, as described in “Cornerstone Investor” in the Prospectus.

The Directors confirm that, to the best of their knowledge, information and belief, (i) no Offer Shares under the International Offering have been allocated to applicants who are core connected persons of the Company, the Directors, the existing Shareholders or their respective close associates within the meaning of the Listing Rules, whether in their own name or through their nominees, and the International Offering is in compliance with the Placing Guidelines; (ii) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Global Offering; (iii) none of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and Joint Lead Managers, the Underwriters or their respective affiliated companies or connected clients (as defined in the Placing Guidelines) have taken up any Shares for their own benefit under the Global Offering; (iv) there will not be any new substantial Shareholder immediately after the Global Offering within the meaning of the Listing Rules; (v) the Company’s public float percentage will satisfy the minimum percentage prescribed by the waiver granted by the Stock Exchange from strict compliance with Rule 8.08 of the Listing Rules; (vi) the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (vii) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules. The Directors further confirm that, none of the Offer Shares subscribed by the placees or the public has been financed directly or indirectly by any of the Directors, Supervisors, chief executive of the Company, Controlling Shareholders, substantial or existing shareholders or any of their subsidiaries or their respective close associates, and none of the placees and the public who has subscribed the Offer Shares is accustomed to taking instructions from any of the Directors, Supervisors, chief executive of the Company, Controlling Shareholders, substantial or existing shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it.

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for under **WHITE** and **YELLOW** Application Forms and by giving electronic application instructions to HKSCC or through the designated **White Form eIPO** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement posted on the Company's website at www.zjtzwater.com and the Hong Kong Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Monday, 30 December 2019;
- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English: www.eipo.com.hk/en/Allotment; Chinese: www.eipo.com.hk/zh-hk/Allotment) with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Monday, 30 December 2019 to 12:00 midnight on Sunday, 5 January 2020;
- by telephone enquiry line by calling (852) 2862 8669 between 9:00 a.m. and 10:00 p.m. from Monday, 30 December 2019 to Thursday, 2 January 2020; and
- in the special allocation results booklets which will be available for inspection during opening hours from Monday, 30 December 2019, Tuesday, 31 December 2019 and Thursday, 2 January 2020 at all the receiving bank's designated branches.

The level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares will be published on Monday, 30 December 2019 on the Company's website at www.zjtzwater.com and the website of the Hong Kong Stock Exchange at www.hkexnews.hk.

DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND CHEQUES

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** Application Forms or through the **White Form eIPO** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect the H Share certificate(s) (where applicable) in person may collect their H Share certificate(s) (where applicable) in person from the H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Monday, 30 December 2019 or such other date as notified by the Company in the newspapers.

- H Share certificates for Hong Kong Offer Shares allotted to applicants who applied on **WHITE** Application Forms or through **White Form eIPO** service, which are either not available for personal collection, or which are available but are not collected in person within the time specified for collection, are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant applications at their own risk on or before Monday, 30 December 2019.
- Wholly or partially successful applicants who applied on **YELLOW** Application Forms or by giving electronic application instructions to HKSCC will have their H Share certificate(s) issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant as instructed by the applicants in their **YELLOW** Application Forms or any designated CCASS Participants giving **electronic application instructions** on their behalf on Monday, 30 December 2019.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.
- Applicants who applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** or **YELLOW** Application Forms and have provided all information required by their **WHITE** or **YELLOW** Application Forms may collect their refund cheque(s) (where applicable) from the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Monday, 30 December 2019 or such other date as notified by the Company in the newspapers.
- Applicants who have applied for less than 1,000,000 Hong Kong Offer Shares and have provided all information required by their **WHITE** Application Forms and applicants who have applied for less than 1,000,000 Hong Kong Offer Shares through the **White Form eIPO** service by submitting an electronic application through the designated website www.eipo.com.hk and their application is wholly or partially successful, will have their refund cheque(s) and/or share certificate(s) sent to their address on the relevant Application Form on or before Monday, 30 December 2019, by ordinary post and at their own risk.
- Wholly or partially unsuccessful applicants who have applied for less than 1,000,000 Hong Kong Offer Shares under **YELLOW** Application Forms will have their refund cheque(s) sent to the address on the relevant Application Form on or before Monday, 30 December 2019, by ordinary post and at their own risk.
- Refund cheque(s) in respect of wholly or partially successful or unsuccessful applicants using **WHITE** or **YELLOW** Application Forms, which are either not available for personal collection or which are available but are not collected in person, are expected to be despatched by ordinary post to those entitled at their own risk on or before Monday, 30 December 2019. No interest will be paid thereon.

- For applicants who have applied for the Hong Kong Offer Shares through the **White Form eIPO** service and paid the application monies through a single bank account, refund monies (if any) will be despatched to their application payment bank account in the form of e-Refund payment instructions. For applicants who have applied for the Hong Kong Offer Shares through the **White Form eIPO** service and paid the application monies through multiple bank accounts, refund monies (if any) will be despatched to the addresses specified on the **White Form eIPO** applications in the form of refund cheque(s) by ordinary post and at their own risk on or before Monday, 30 December 2019.
- Refund monies (if any) for applicants who applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants' designated bank accounts or the designated bank accounts of their broker or custodian on Monday, 30 December 2019.
- H Share certificates will only become valid certificates of title at 8:00 a.m. on Tuesday, 31 December 2019 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the paragraph headed "Underwriting – Underwriting arrangements and expenses – Hong Kong Public Offering – Grounds for termination" in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Hong Kong Offer Shares. No receipt will be issued for application monies received.

COMMENCEMENT OF DEALINGS IN THE H SHARES

- Dealings in the H Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 31 December 2019. The H Shares will be traded in board lots of 1,000 H Shares each. The stock code of the H Shares is 1542.

In view of the high concentration of shareholding in a small number of Shareholders, holders of H Shares and prospective investors should be aware that the price of the H Shares could fluctuate substantially even with a small number of H Shares traded and should exercise extreme caution when dealing in the H Shares.

OFFER PRICE

The Offer Price has been determined at HK\$4.22 per H Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$4.22 per H Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and estimated expenses paid and payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$178.0 million (without taking into account any discretionary incentive fee, being an amount up to 3.1% of the aggregate Offer Price of the Offer Shares initially offered under the Global Offering). The Company intends to use such net proceeds in accordance with the purposes set out in the section headed “Future plans and use of proceeds – Use of proceeds” in the Prospectus, as follows:

- approximately HK\$160.2 million, representing 90.0% of the net proceeds for the construction of the Taizhou Water Supply System (Phase III); and
- the remaining amount of approximately HK\$17.8 million, representing 10.0% of the net proceeds will be used to provide funding for working capital and other general corporate purposes.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

The Company announces that at the close of the application lists at 12:00 noon on Friday, 20 December, 2019, a total of 7,387 valid applications pursuant to the Hong Kong Public Offering on **WHITE** and **YELLOW** Application Forms, by giving **electronic application instructions** to HKSCC via CCASS and through the **White Form eIPO** service for a total of 27,350,000 Hong Kong Offer Shares were received, representing approximately 5.47 times of the total number of 5,000,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.

- 7,385 valid applications in respect of a total of 25,350,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$5.01 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 10.14 times of the 2,500,000 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering. The number of allottees in Pool A is 2,400; and
- Two valid applications in respect of a total of 2,000,000 Hong Kong Offer Shares for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$5.01 per H Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing 0.8 times of the 2,500,000 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering. The number of allottees in Pool B is two.

11 multiple or suspected multiple applications have been identified and rejected. No application has been rejected due to bounced cheque. No applications have been rejected due to invalid application. No application for more than 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering (that is, more than 2,500,000 H Shares) has been identified.

As the over-subscription is less than 15 times in the Hong Kong Public Offering, no reallocation of Offer Shares from the International Offering to the Hong Kong Public Offering has been effected. The final number of Offer Shares under the Hong Kong Public Offering is 5,000,000 H Shares, representing 10.0% of the Offer Shares initially available under the Global Offering. The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set forth in the paragraph “Basis of Allotment under the Hong Kong Public Offering” below.

INTERNATIONAL OFFERING

The International Offer Shares initially offered under the International Offering have been slightly over-subscribed at approximately 1.46 times of the total number of 45,000,000 International Offer Shares initially available for subscription under the International Offering. The final number of Offer Shares under the International Offering is 45,000,000 H Shares, representing 90.0% of the total number of Offer Shares initially available under the Global Offering.

Pursuant to the International Offering, the International Offer Shares have been conditionally allocated to a total of 146 selected professional, institutional and other investors. Among the placees under the International Offering, a total of nine placees have been allotted five board lots of Shares or less, representing approximately 6.16% of the total number of 146 placees under the International Offering. These placees have been allotted approximately 0.1% of the Offer Shares under the International Offering. Apart from the Cornerstone Investor, three of the placees are also state-owned enterprises, namely Taizhou Bay Agglomeration Area Industry Leading Fund Co., Ltd.* (台州灣集聚區產業引導基金有限公司), Yuhuan Urban and Rural Construction Development Co., Ltd.* (玉環市城鄉建設開發有限公司) and Yuhuan Financial Holding Co., Ltd.* (玉環市金融控股有限公司) respectively. These four placees have been allotted approximately 39.64% of the Offer Shares under the International Offering.

Over-allotment Option

In connection with the Global Offering, the Company has granted to the International Underwriters the Over-allotment Option, exercisable by the Sole Global Coordinator for itself and on behalf of the International Underwriters, within 30 days after the last day for lodging applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Sunday, 19 January, 2020) to require the Company to issue up to 7,500,000 additional Offer Shares representing 15% of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering. There is no over-allocation in the International Offering, therefore, the Over-allotment Option will not be exercised.

Cornerstone Investor

Based on the Offer Price of HK\$4.22 per H Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the cornerstone investment agreement with the Cornerstone Investor as disclosed in headed “Cornerstone Investor” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investor has now been determined as set out below:

	Number of H Shares subscribed	Approximate percentage of the Offer Shares initially available under the Global Offering	Approximate percentage of the total issued share capital of the Company following the completion of the Global Offering
Cornerstone Investor	<u>12,500,000</u>	<u>25</u>	<u>6.25</u>

To the best knowledge and belief of the Directors and the Company, the Cornerstone Investor and its ultimate beneficial owners are Independent Third Parties and are independent of the Company, its connected persons and their respective associates (as defined under the Listing Rules), and is not an existing Shareholder nor a close associate of any of the Company’s existing Shareholders.

The Cornerstone Investor makes its own independent investment decisions. The Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the cornerstone investment agreement). Immediately upon completion of the Global Offering, the Cornerstone Investor will neither have any representation on the Board nor enjoy any preferential rights in the Company as compared with other public Shareholders, and the Cornerstone Investor will not become a substantial shareholder (as defined in the Listing Rules) of the Company.

The Offer Shares to be subscribed for by the Cornerstone Investor will rank pari passu in all respects with the other fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules.

Further, the Cornerstone Investor has agreed that, it will not at any time during the period of six months following the Listing Date (a) offer, pledge, charge, sell, lend, transfer, mortgage, contract to sell, sell any options or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of (as defined in the cornerstone investment agreement), either directly or indirectly, conditionally or unconditionally, any legal or beneficial interests in the H Shares to be subscribed pursuant to the cornerstone investment agreement (the “**Relevant Shares**”) or any securities convertible into or exercisable or exchangeable for, or

that represent any rights to receive, the Relevant Shares; (b) enter into any swaps or other arrangements that transfer to another, in whole or in part, any economic consequences of ownership of the Relevant Shares; (c) enter into any transactions directly or indirectly with the same economic effect as any transactions described in sub-paragraphs (a) and (b) above; and (d) agree or contract to, or publicly announce any intention to enter into, any transactions described in sub-paragraphs (a) and (b) above.

Placees under the International Offering

The Directors confirm that, to the best of their knowledge, information and belief, (i) no Offer Shares under the International Offering have been allocated to applicants who are core connected persons of the Company, the Directors, the existing Shareholders or their respective close associates within the meaning of the Listing Rules, whether in their own name or through their nominees, and the International Offering is in compliance with the Placing Guidelines; (ii) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Global Offering; (iii) none of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and Joint Lead Managers, the Underwriters or their respective affiliated companies or connected clients (as defined in the Placing Guidelines) have taken up any Shares for their own benefit under the Global Offering; (iv) there will not be any new substantial Shareholder immediately after the Global Offering within the meaning of the Listing Rules; (v) the Company's public float percentage will satisfy the minimum percentage prescribed by the waiver granted by the Stock Exchange from strict compliance with Rule 8.08 of the Listing Rules; (vi) the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (vii) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules. The Directors further confirm that, none of the Offer Shares subscribed by the placees or the public has been financed directly or indirectly by any of the Directors, Supervisors, chief executive of the Company, Controlling Shareholders, substantial or existing shareholders or any of their subsidiaries or their respective close associates, and none of the placees and the public who has subscribed the Offer Shares is accustomed to taking instructions from any of the Directors, Supervisors, chief executive of the Company, Controlling Shareholders, substantial or existing shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it.

BASIS OF ALLOTMENT UNDER THE HONG KONG PUBLIC OFFERING

Valid applications made by the public on **WHITE** and **YELLOW** Application Forms and through giving electronic application instructions to HKSCC via CCASS or to the **White Form eIPO** Service Provider under the **White Form eIPO** service will be conditionally allocated on the basis set out below:

Number of Hong Kong Offer Shares applied for	Number of Valid Applications	Basis of Allotment/ Ballot	Approximate percentage allotted of the total number of Hong Kong Offer Shares applied for
Pool A			
1,000	4,900	980 out of 4,900 to receive 1,000 Shares	20.00%
2,000	1,307	447 out of 1,307 to receive 1,000 Shares	17.10%
3,000	209	101 out of 209 to receive 1,000 Shares	16.11%
4,000	139	88 out of 139 to receive 1,000 Shares	15.83%
5,000	145	109 out of 145 to receive 1,000 Shares	15.03%
6,000	77	67 out of 77 to receive 1,000 Shares	14.50%
7,000	15	1,000 Shares	14.29%
8,000	27	1,000 Shares plus 3 out of 27 to receive additional 1,000 Shares	13.89%
9,000	145	1,000 Shares plus 31 out of 145 to receive additional 1,000 Shares	13.49%
10,000	182	1,000 Shares plus 51 out of 182 to receive additional 1,000 Shares	12.80%
15,000	32	1,000 Shares plus 22 out of 32 to receive additional 1,000 Shares	11.25%
20,000	59	1,000 Shares plus 53 out of 59 to receive additional 1,000 Shares	9.49%
25,000	15	2,000 Shares	8.00%
30,000	26	2,000 Shares plus 8 out of 26 to receive additional 1,000 Shares	7.69%
35,000	19	2,000 Shares plus 13 out of 19 to receive additional 1,000 Shares	7.67%
40,000	10	3,000 Shares	7.50%
45,000	8	3,000 Shares plus 2 out of 8 to receive additional 1,000 Shares	7.22%
50,000	15	3,000 Shares plus 6 out of 15 to receive additional 1,000 Shares	6.80%
60,000	10	4,000 Shares	6.67%
70,000	5	4,000 Shares plus 2 out of 5 to receive additional 1,000 Shares	6.29%

Number of Hong Kong Offer Shares applied for	Number of Valid Applications	Basis of Allotment/ Ballot	Approximate percentage allotted of the total number of Hong Kong Offer Shares applied for
80,000	3	5,000 Shares	6.25%
90,000	6	5,000 Shares plus 3 out of 6 to receive additional 1,000 Shares	6.11%
100,000	15	6,000 Shares	6.00%
150,000	1	7,000 Shares	4.67%
200,000	11	8,000 Shares	4.00%
250,000	1	9,000 Shares	3.60%
300,000	1	10,000 Shares	3.33%
400,000	1	12,000 Shares	3.00%
500,000	1	14,000 Shares	2.80%
Total	7,385		
Pool B			
1,000,000	2	1,000,000 Shares	100.00%
Total	2		

The final number of Offer Shares comprised in the Hong Kong Public Offering is 5,000,000 H Shares, representing 10.0% of the Offer Shares in the Global Offering.

The final number of Offer Shares available in the International Offering is 45,000,000 H Shares, representing 90.0% of the Offer Shares in the Global Offering.

RESULTS OF ALLOCATIONS

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for under **WHITE** and **YELLOW** Application Forms and by giving electronic application instructions to HKSCC or through the designated **White Form eIPO** service, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of the Hong Kong Offer Shares successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement posted on the Company's website at www.zjtzwater.com and the Hong Kong Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on Monday, 30 December 2019;

- from the designated results of allocations website at www.iporesults.com.hk (alternatively: English: www.eipo.com.hk/en/Allotment; Chinese: www.eipo.com.hk/zh-hk/Allotment) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Monday, 30 December 2019 to 12:00 midnight on Sunday, 5 January 2020;
- by telephone enquiry line by calling (852) 2862 8669 between 9:00 a.m. and 10:00 p.m. from Monday, 30 December 2019 to Thursday, 2 January 2020; and
- in the special allocation results booklets which will be available for inspection during opening hours from Monday, 30 December 2019, Tuesday 31 December 2019 and Thursday, 2 January 2020 at all the receiving bank’s designated branches at the addresses set out below.

CMB Wing Lung Bank Limited

Region	Branch	Address
Hong Kong Island	Head Office	45 Des Voeux Road Central, Central, Hong Kong
	Kennedy Town Branch	28 Catchick Street, Kennedy Town, Hong Kong
	North Point Branch	361 King’s Road, North Point, Hong Kong
	Aberdeen Branch	201 Aberdeen Main Road, Aberdeen, Hong Kong
Kowloon	Mongkok Branch	Basement, CMB Wing Bank Centre, 636 Nanthan Road, Mongkok, Kowloon

Applicants applying through their designated CCASS Participants (other than CCASS Investor Participants) can arrange with their designated CCASS Participants to advise them of the number of Offer Shares allocated under their applications. Successful CCASS Investor Participants can check the number of Offer Shares allocated to them via the CCASS Phone System and CCASS Internet System on Monday, 30 December 2019 or from the activity statement that will be made available by HKSCC to them showing the number of Hong Kong Offer Shares credited to their CCASS Investor Participant stock accounts.

SHAREHOLDING CONCENTRATION ANALYSIS

Set out below is a summary of allotment results under the Global Offering:

- top 1, 5, 10 and 25 of the places out of the International Offering, total Offer Shares and total issued share capital of the Company upon Listing:

Placee	Subscription	H Shares held following the Global Offering	Subscription as % of International Offering	Subscription as % of total Offer Shares	% of total issued share capital
Top 1	12,500,000	12,500,000	27.78%	25.00%	6.25%
Top 5	27,605,000	27,605,000	61.34%	55.21%	13.80%
Top 10	29,100,000	29,100,000	64.67%	58.20%	14.55%
Top 25	32,550,000	32,550,000	72.33%	65.10%	16.28%

- top 1, 5, 10 and 25 of all the holders of the H Shares of the Company (the “**H Shareholders**”) out of the International Offering, total Offer Shares and total issued share capital of the Company upon Listing:

H Shareholders	Subscription	H Shares held following the Global Offering	Subscription as % of International Offering	Subscription as % of total Offer Shares	% of total issued share capital
Top 1	12,500,000	12,500,000	27.78%	25.00%	6.25%
Top 5	28,070,000	28,070,000	62.38%	56.14%	14.04%
Top 10	30,620,000	30,620,000	68.04%	61.24%	15.31%
Top 25	34,120,000	34,120,000	75.82%	68.24%	17.06%

- top 1, 5, 10 and 25 of all the Shareholders out of the International Offering, total Offer Shares and total issued share capital of the Company upon Listing:

Shareholders	Subscription	Shares held following the Global Offering	Subscription as % of International Offering	Subscription as % of total Offer Shares	% of total issued share capital
Top 1	–	43,260,000	0.00%	0.00%	21.63%
Top 5	–	129,880,000	0.00%	0.00%	64.94%
Top 10	24,960,000	174,960,000	55.47%	49.92%	87.48%
Top 25	32,540,000	182,540,000	72.31%	65.08%	91.27%

In view of the high concentration of shareholding in a small number of Shareholders, holders of H Shares and prospective investors should be aware that the price of the H Shares could fluctuate substantially even with a small number of H Shares traded and should exercise extreme caution when dealing in the H Shares.

Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份
C5465417	1000						
G1683119	3000						
K0548200	2000						
K4860233	1000						
K5239338	1000						
K5320127	1000						
K7790112	1000						
P1340275	1000						
Y2345771	1000						

Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number(s) 證件號碼	HKPO Shares Allocated 獲配發股份
A3693832	1000000						
Z2450527	1000						

Identification Document Number (s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number (s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number (s) 證件號碼	HKPO Shares Allocated 獲配發股份	Identification Document Number (s) 證件號碼	HKPO Shares Allocated 獲配發股份
K2497948	1000	V1247476	1000	Y0502799	1000		
K3010724	1000	V137169A	1000	Y0606063	1000		
K3337774	2000	V1449664	1000	Y0659817	1000		
K3616282	1000	VCL010533	1000	Y0929393	1000		
K3685063	1000	VCL013016	3000	Y115901A	1000		
K3733602	3000	VCL015251	2000	Y1401767	2000		
K4078632	2000	VCL015611	1000	Y2917198	1000		
K4452496	2000	VCL020045	1000	Y3440077	1000		
K4454871	1000	VCL022029	1000	Y3794006	1000		
K4522605	1000	VCL02281X	1000	Y3929548	1000		
K4871081	1000	VCL02558X	1000	Y4084037	1000		
K5214041	1000	VCL030419	1000	Y7902822	1000		
K5253861	1000	VCL032836	1000	Z0146154	1000		
K6166318	1000	VCL034149	1000	Z1250818	1000		
K6266711	1000	VCL040325	1000	Z140645	1000		
K6401791	2000	VCL040359	1000	Z181021A	1000		
K6581102	2000	VCL040751	1000	Z1989309	1000		
K7844689	2000	VCL041232	1000	Z2105315	1000		
K7942192	3000	VCL042523	1000	Z2144221	1000		
K8017964	3000	VCL042724	1000	Z2185580	2000		
K9008209	1000	VCL05002X	1000	Z2242916	1000		
K9030581	2000	VCL050612	1000	Z2486912	1000		
M0191251	1000	VCL054033	2000	Z2581869	2000		
M0725558	1000	VCL059347	1000	Z2825857	1000		
M1123535	1000	VCL060015	1000	Z3780733	1000		
M1685282	1000	VCL060046	1000	Z3875238	1000		
M2131906	1000	VCL070823	1000	Z3928374	1000		
M2761039	2000	VCL071516	1000	Z6591478	1000		
M366567A	1000	VCL072022	1000	Z6613056	1000		
M5330209	1000	VCL080836	1000	Z680062A	1000		
M5945203	1000	VCL081016	1000	Z8156922	1000		
M777449A	1000	VCL086522	1000				
OS182420	1000	VCL090062	1000				
OS182748	1000	VCL091939	1000				
OS186535	1000	VCL092019	1000				
OS190432	1000	VCL09361X	1000				
OS192839	1000	VCL110078	1000				
OS194230	1000	VCL114025	1000				
OS197641	1000	VCL121535	1000				
OS202401	1000	VCL121954	1000				
OS204460	1000	VCL123317	1000				
OS207869	1000	VCL125414	1000				
P1739526	1000	VCL131825	1000				
P2021815	1000	VCL13332X	1000				
P3319923	1000	VCL141513	1000				
P3849868	1000	VCL143055	1000				
P5037895	1000	VCL14486X	1000				
P5547680	2000	VCL146676	1000				
P5948065	6000	VCL151172	1000				
P6167075	1000	VCL152020	1000				
P6620446	1000	VCL152815	1000				
P7621551	2000	VCL160055	1000				
P7896119	2000	VCL162126	1000				
P8049657	1000	VCL163512	1000				
R018849	1000	VCL164111	1000				
R0934495	1000	VCL172917	1000				
R1219420	2000	VCL173211	1000				
R1366288	2000	VCL174513	1000				
R1681361	1000	VCL181011	1000				
R2237333	3000	VCL181646	1000				
R3556459	1000	VCL18281X	1000				
R3781126	1000	VCL19001X	1000				
R3790079	2000	VCL190336	1000				
R3851051	2000	VCL200014	1000				
R3851280	2000	VCL200054	1000				
R4081268	4000	VCL211611	1000				
R4285807	1000	VCL222031	1000				
R4638351	1000	VCL233539	1000				
R501002A	3000	VCL24022X	1000				
R5433877	3000	VCL253620	1000				
R5433915	2000	VCL260416	1000				
R5945398	1000	VCL262843	1000				
R6084523	1000	VCL263018	1000				
R7037561	1000	VCL267561	1000				
R7668359	12000	VCL280034	1000				
R8328780	1000	VCL286066	1000				
R8333113	1000	VCL290313	1000				
R8398649	1000	VCL294372	1000				
R8652219	2000	VCL300018	1000				
R899215A	1000	VCL311629	1000				
V0023493	1000	VCL312420	1000				
V0040428	1000	VCL5532	1000				
V0309001	1000	VCL7123	1000				
V0367109	1000	VCL7258	3000				
V0376701	1000	W73479961	3000				
V0898708	1000	XC672840	1000				
V0942200	1000	Y023249A	1000				
V1139061	1000	Y0439361	1000				

DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND MONIES

Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more on **WHITE** Application Forms or through **White Form eIPO** service and have provided all information required and whose applications are wholly or partially successful, may collect their H Share certificate(s) in person from the H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Monday, 30 December 2019 or such other date as notified by the Company. Applicants being individuals who are eligible for personal collection cannot authorise any other person to make collection on their behalf. Corporate applicants who are eligible for personal collection must attend by sending their authorised representatives each bearing letters of authorisation from their corporation stamped with the respective corporation's chop. Both individuals and authorised representatives (as applicable) must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. If such applicants do not collect their H Share certificate(s) personally within the time specified for collection, the H Share certificates will be despatched promptly to the address specified in their Application Forms or application instructions by ordinary post at their own risk.

H Share certificates for Hong Kong Offer Shares allotted to applicants using **WHITE** Application Forms or the **White Form eIPO** service which have applied for less than 1,000,000 Hong Kong Offer Shares, are expected to be despatched to those entitled to the address specified on the relevant **WHITE** Application Forms or in the relevant application instructions through the **White Form eIPO** service by ordinary post at their own risk on or before Monday, 30 December 2019.

Wholly or partially successful applicants on **YELLOW** Application Forms will have their H Share certificate(s) issued in the name of HKSCC Nominees and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or their designated CCASS Participant's stock accounts as instructed by the applicants in the **YELLOW** Application Forms on Monday, 30 December 2019, or in the event of contingency, on any other date determined by HKSCC or HKSCC Nominees.

H Share certificates for Hong Kong Offer allotted to applicants giving **electronic application instructions** to HKSCC via CCASS will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or their designated CCASS Participant's stock accounts as instructed by them electronically, on Monday, 30 December 2019, or in case of contingency, on any other date determined by HKSCC or HKSCC Nominees.

Applicants applying through a designated CCASS Participant (other than a CCASS Investor Participant) using **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC via CCASS should check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them (if they applied by giving electronic application instructions to HKSCC via CCASS) with that CCASS Participant.

Applicants applying as a CCASS Investor Participant on **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC via CCASS should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Monday, 30 December 2019 or any other date as shall be determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Hong Kong Offer Shares to the CCASS Investor Participant's stock accounts, the applicant may check the new account balance (and the amount of refund monies payable to them if they apply by giving **electronic application instructions** to HKSCC via CCASS) via CCASS Phone System and the CCASS Internet System (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC will also make available to such applicants activity statements showing the number of Offer Shares credited to their CCASS Investor Participant's stock accounts and (for CCASS Investor Participants applying by giving **electronic application instructions** to HKSCC) the amount of refund monies credited to their respective designated bank accounts.

Applicants on **WHITE** or **YELLOW** Application Forms who have applied for 1,000,000 Hong Kong Offer Shares or more and have provided all information required by their **WHITE** or **YELLOW** Application Forms, may collect their refund cheque(s) (where applicable) in person from the H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Monday, 30 December 2019. Applicants being individuals who are eligible for personal collection cannot authorise any other person to make collection on their behalf. Corporate applicants who are eligible for personal collection must attend by their authorised representatives each bearing letters of authorisation from their corporation stamped with the respective corporation's chop. Both individuals and authorised representatives (as applicable) must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. If such applicants do not collect their refund cheque(s) personally within the time specified for collection, the refund cheque(s) will be despatched promptly to the addresses specified in their Application Forms by ordinary post at their own risk.

Refund cheques for applicants on **WHITE** or **YELLOW** Application Forms which have applied for less than 1,000,000 Hong Kong Offer Shares, are expected to be despatched to the addresses specified on their Application Forms by ordinary post at their own risk on or before Monday, 30 December 2019.

For applicants who have applied through the **White Form eIPO** service and paid the application monies from a single bank account, refund monies (if any) will be despatched to their application payment bank account in the form of e-Auto Refund payment instructions on Monday, 30 December 2019. For applicants who have applied through the **White Form eIPO** service and paid the application monies through multiple bank accounts, refund monies (if any) in the form of refund cheque(s) will be despatched to the address as specified in their **White Form eIPO** service application instructions by ordinary post and at their own risk on or before Monday, 30 December 2019.

For applicants who have applied by giving **electronic application instructions** to HKSCC to apply on their behalf, all refund monies (if any) are expected to be credited to their designated bank accounts (if the applicants have applied as a CCASS Investor Participant) or the designated bank account of their broker or custodian on Monday, 30 December 2019.

H Share certificates for the Offer Shares will only become valid certificates of title at 8:00 a.m. on Tuesday, 31 December 2019, provided that (i) the Global Offering has become unconditional in all respects; and (ii) the right of termination as described in the section headed "Underwriting – Underwriting arrangements and expenses – Hong Kong Public Offering – Grounds for termination" in the Prospectus has not been exercised.

The Company will not issue any temporary documents of title in respect of the H Shares. No receipt will be issued for sums paid on application.

PUBLIC FLOAT

Immediately following the completion of the Global Offering, not less than 25% of the total issued share capital of the Company will be held by the public in compliance with the requirements under Rules 8.08 and 8.24 of the Listing Rules.

COMMENCEMENT OF DEALINGS

Assuming that the Global Offering becomes unconditional in all respects at or before 8:00 a.m. on Tuesday, 31 December 2019, dealings in the H Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 31 December 2019. The H Shares will be traded in board lots of 1,000 H Shares each. The stock code of the H Shares is 1542.

Holders of H Shares and potential investors should be aware that the concentration of holders of H Shares may affect the liquidity of the H Shares in the secondary market. Consequently, holders of H Shares and potential investors are advised to exercise caution when dealing in the H Shares.

By order of the Board of Directors
Taizhou Water Group Co., Ltd.*
台州市水務集團股份有限公司
Yan Chuanhua
Chairman and Executive Director

Hong Kong, 30 December 2019

As at the date of this announcement, the executive Directors are Mr. Yan Chuanhua and Mr. Zhang Junzhou; the non-executive Directors are Mr. Wang Haiping, Mr. Wang Haibo, Ms. Fang Ya, Mr. Yu Yangbin, Mr. Ye Jianhua, Ms. Huang Yuyan, Mr. Yang Yide and Mr. Guo Dingwen; and the independent non-executive Directors are Mr. Zheng Jianzhuang, Ms. Hou Meiwen, Mr. Li Wai Chung, Ms. Lin Suyan and Mr. Wang Yongyue.