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GUANGDONG INVESTMENT LIMITED
(粵海投資有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0270)

VOLUNTARY ANNOUNCEMENT

The board of directors (the “Board”) of Guangdong Investment Limited (the “Company”) has noted from public information available on the Hong Kong Legislative Council’s website regarding the discussions on water supply from Guangdong Province to Hong Kong between the government of the Hong Kong Special Administrative Region (the “HKSAR Government”) and the government of Guangdong Province (the “Guangdong Provincial Government”).

By way of background, the supply of water to Hong Kong from Guangdong Province is regulated by an agreement (the “Hong Kong Water Supply Agreement”) between the HKSAR Government and the Guangdong Provincial Government which sets out the principal terms of such water supply (including water supply volume and water tariff). Pursuant to a concession agreement dated 18 August 2000 entered into between Guangdong Yue Gang Water Supply Company Limited (“WaterCo”, a subsidiary of the Company) and the Guangdong Provincial Government, the Guangdong Provincial Government has, amongst other things, granted to WaterCo the right to supply water to Hong Kong.

The current Hong Kong Water Supply Agreement for 2015 to 2017 was concluded on 28 May 2015 and it will expire on 31 December 2017.

According to public information available on the Hong Kong Legislative Council's website, the Panel on Development of the Legislative Council will discuss a proposal in relation to the terms of the Hong Kong Water Supply Agreement for 2018 to 2020 (the "Proposal"). Based on the proposed annual supply ceiling to be approved between the two governments, the Proposal includes, amongst others, the terms: (1) annual water purchase costs for 2018 to 2020 of HK\$4,792.59 million, HK\$4,807.00 million and HK\$4,821.41 million, respectively (2017: HK\$4,778.29 million); and (2) requirements on water quality. The implementation of the Proposal is subject to final agreement between the HKSAR Government and the Guangdong Provincial Government.

Shareholders and investors are recommended to exercise caution in dealing in or exercising their rights in relation to the securities in the Company.

This announcement is made by the Company on a voluntary basis.

By Order of the Board
HUANG Xiaofeng
Chairman

Hong Kong, 21 November 2017

As at the date of this announcement, the Board of the Company comprises four Executive Directors, namely, Mr. HUANG Xiaofeng, Mr. WEN Yinheng, Mrs. HO LAM Lai Ping, Theresa and Mr. TSANG Hon Nam; five Non-Executive Directors, namely, Mr. CAI Yong, Mr. ZHANG Hui, Ms. ZHAO Chunxiao, Mr. LAN Runing and Mr. LI Wai Keung; and five Independent Non-Executive Directors, namely, Dr. CHAN Cho Chak, John, Dr. the Honourable LI Kwok Po, David, Mr. FUNG, Daniel R., Dr. the Honourable CHENG Mo Chi, Moses and Mr. WU Ting Yuk, Anthony.