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中國水業集團有限公司*
CHINA WATER INDUSTRY GROUP LIMITED

(Incorporated in Cayman Islands with limited liability)

(Stock code: 1129)

VOLUNTARY ANNOUNCEMENT

STRATEGIC COOPERATION FRAMEWORK AGREEMENT

This is a voluntary announcement made by the Company.

The Board announced that on 23 July 2019 (after trading hours), the Company and Guangdong Kangbai entered into the SC Agreement, pursuant to which the parties to the SC Agreement agreed to strategically cooperate in water treatment field and projects in respect of tap water supply, industrial wastewater purification and recycle and urban wastewater purification and recycle with a term of five years.

INTRODUCTION

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SC AGREEMENT

Date

23 July 2019

Parties

The Company

Guangdong Kangbai

* *for identification purpose only*

The principles of cooperation

Pursuant to the SC Agreement, Company and Guangdong Kangbai shall explore a long-term and stable strategic cooperation relationship and cooperate in water treatment field and projects in respect of tap water supply, industrial wastewater purification and recycle and urban wastewater purification and recycle.

Term

The SC Agreement shall have a term of 5 years commencing from the date of execution of the SC Agreement. Extension of the SC Agreement shall be agreed among the parties to the SC Agreement in a separate agreement upon expiration of the SC Agreement.

INFORMATION OF GUANGDONG KANGBAI

Guangdong Kangbai is a company incorporated in the PRC and principally engages in wholesale business. Guangdong Kangbai possesses capability of technical feasibility study, design, installation, testing and operation of top-notch international SPR efficient wastewater purification and recycle technology and equipment system, which have been successfully applied to various fields. Such technology has successively obtained National Technology Advancement Award, been accredited as the Best Practical Technology by the State Administration of Environmental Protection and acquired an invention patent in the U.S.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, Guangdong Kangbai and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR THE COOPERATION

The Group principally engages in (i) provision of water supply and sewage treatment services; (ii) construction of water supply and sewage treatment infrastructure; and (iii) investment and operation of new energy and renewable energy projects.

Guangdong Kangbai has advanced technology in water treatment fields covering tap water supply, industrial wastewater purification and recycle and urban wastewater purification and recycle. By entering into the SC Agreement with the Company and Guangdong Kangbai would provide the Group with advanced equipment system and technologies for the Group's future investment in the water supply and sewage treatment projects.

Accordingly, the Directors (including the independent non-executive Directors) consider that the possible cooperation under the SC Agreement is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

This announcement is voluntarily made by the Company. None of the applicable percentage ratio(s) as set out in Rule 14.07 of the Listing Rules in respect of the SC Agreement exceeds 5%, the SC Agreement therefore do not constitute notifiable transaction of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Company”	China Water Industry Group Limited (stock code: 1129), a company incorporated in Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Guangdong Kangbai”	Guangdong Kangbai Industrial Co., Ltd.* (廣東康柏實業有限公司), a company incorporated in the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of the Company and the connected persons (has the meaning ascribed thereto in the Listing Rules) of the Company and is not a connected person (has the meaning ascribed thereto in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SC Agreement”	a strategic co-operation framework agreement entered into between the Company and Guangdong Kangbai on 23 July 2019, in relation to the strategic cooperation among the parties
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“U.S.”	United States
“%” or “per cent.”	percentage or per centum

By Order of the Board
China Water Industry Group Limited
Mr. Lin Yue Hui
Chairman and CEO

Hong Kong, 23 July 2019

As at the date of this announcement, the Board comprises Mr. Lin Yue Hui (Chairman and CEO), Mr. Liu Feng, Ms. Chu Yin Yin, Georgiana, Ms. Deng Xiao Ting, Mr. Zhong Wei Guang and Mr. Ho Chi Ho, all being executive Directors, and Mr. Wong Siu Keung, Joe, Mr. Guo Chao Tian and Ms. Qiu Na all being independent non-executive Directors.