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)

POSITIVE PROFIT ALERT

This announcement is made by China Water Industry Group Limited (the "**Company**", together with its subsidiaries as the "**Group**") in pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to inform shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 (the "**FY2019**") and the information currently available to the Board, it is expected that the Group may record an unaudited consolidated net profit in the range of approximately HK$130.00 million to HK$150.00 million for the FY2019 as compared to the audited consolidated net profit of approximately HK$65.58 million for the year ended 31 December 2018 (the"**FY2018**").

Comparing with the FY2018, the Board considers that such increase in the consolidated net profit were principally attributable to: (i) the sustained growth in gross profit generated from renewable energy business as the increase in supply of on-grid electricity and certain new renewable energy projects commenced operation in the FY2019; (ii) the increase in gross profit arising from construction service for sewage treatment projects; and (iii) gain on the completion of disposal of associates.

The Company is still in the process of finalising its annual results for the FY2019. The information contained in this announcement is only a preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the FY2019 which has neither been reviewed by the audit committee nor auditors of the Company and is subject to possible adjustments upon further review. Shareholders and potential investors of the Company are advised to read carefully further details of the preliminary unaudited financial results of the Group for the FY2019 which will be published on 30 March 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 18 March 2020

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

* *For identification purpose only*