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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)**

# PROFIT WARNING AND INSIDE INFORMATION

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 of directors of the Company (the "**Board**") 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 six months ended 30 June 2020 (the "**First Half of 2020**") and the information currently available to the Board, it is expected that the Group may record a net profit for the period of not more than approximately HK$43 million for the First Half of 2020 as compared to the net profit for the period of approximately HK$49.90 million for the six months ended 30 June 2019 (the "**First Half of 2019**"). Profit attributable to owners of the Company for the First Half of 2020 is expected to be not more than approximately HK$2.00 million as compared to profit attributable to owners of the Company approximately HK$26.30 million in the corresponding period in 2019. Such decrease in profit attributable to owners of the Company for the period was mainly due to the absence of gain on disposal of associates which occurred in First Half of 2019.

Except for the foregoing, the Group's business operations continued to run steadily, and both revenue and gross profit for the First Half of 2020 increased as compared to the First Half of 2019.

* *For identification purpose only*

The Company is still in the process of finalising its unaudited consolidated financial statements for the First Half of 2020. The information contained in this announcement is only based on preliminary assessment made by the Board with reference to the information currently available, which has not been reviewed or audited by the auditors of the Company and may be subject to change. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the First Half of 2020, which are expected to be published on 28 August 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, 17 August 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.*