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

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1129)

POSITIVE PROFIT ALERT 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 (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 period ended 30 June 2021 (the "**First Half of 2021**") and the information currently available to the Board, it is expected that the Group may record an unaudited consolidated net profit ranging from approximately HK$110 million to HK$130 million for the First Half of 2021 as compared to the unaudited consolidated net profit of approximately HK$42.62 million for the six months ended 30 June 2020 (the "**First Half of 2020**"). As a result of the increase in unaudited consolidated net profit for the First Half of 2021, the Company may record a profit attributable to owners of the Company of not more than approximately HK$90 million for the First Half of 2021 as compared to profit attributable to owners of the Company approximately HK$2.23 million for the First Half of 2020.

Comparing with the First Half of 2020, the Board considers that such increase in the unaudited consolidated net profit for the First Half of 2021 were principally attributable to: (i) a gain on disposal of subsidiary; (ii) an increase in net realized and unrealized gain of financial assets at fair value through profit or loss; and (iii) an increase in share of profit of associates.

* *For identification purposes only*

The Company is still in the process of finalising its unaudited consolidated financial statements for the First Half of 2021. 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 audited by the auditors of the Company nor reviewed by the audit committee of the Company, and is subject to further adjustments. Shareholders and potential investors are advised to refer to the details of the Group's financial results for the First Half of 2021, which are expected to be published on 30 August 2021.

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. Zhu Yongjun
Chairman and Executive Director

Hong Kong, 13 August 2021

As at the date of this announcement, the Board comprises Mr. Zhu Yongjun (Chairman), Ms. Chu Yin Yin, Georgiana, Ms. Deng Xiao Ting and Mr. Hu Siyun, all being executive Directors, and Mr. Wong Siu Keung, Joe, Ms. Qiu Na and Mr. Lam Cheung Shing, Richard, all being independent non-executive Directors.