

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

CLARIFICATION ANNOUNCEMENT

Reference is made to the circular of the Company dated 3rd May, 2007 despatched to the Shareholders. The board of directors of the Company would like to clarify certain information contained therein.

CLARIFICATION

Reference is made to the circular of China Water Industry Group Limited (the “Company”) dated 3rd May, 2007 despatched to the Shareholders regarding general mandates to issue and repurchase shares, refreshment of the 10% limit on grant of options under the share option scheme, re-election of directors and notice of annual general meeting (the “Circular”). Capitalized terms used herein shall have the same meanings as defined in the Circular.

The board of directors of the Company would like to clarify that the first sentence in paragraph 3 of the biographical information of Mr. Wang Xiao Bo as set out in Appendix II to the Circular should be deleted in its entirety and substituted for “Mr. Wang has no service contract signed with the Company. He has no fixed term of service with the Company.”

By Order Of The Board
Chu Yin Yin, Georgiana
Executive Director

Hong Kong, 4th May, 2007

* *for identification purpose only*

As at the date of this announcement, the board of directors of the Company comprises Mr. Wang Chia Chin, Mr. Sze Chun Ning, Vincent, Mr. Shi De Mao, Ms. Chu Yin Yin, Georgiana, Mr. Zhong Wen Sheng, Mr. Wang Xiao Bo and Mr. Liu Bai Yue, all being the executive directors, Mr. Huang Yuan Wen and Mr. Pan Shi Ying, all being the non-executive directors and Mr. Chang Kin Man, Mr. Wu Tak Lung and Mr. Gu Wen Xuan, all being the independent non-executive directors.