

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.



**China Water Industry Group Limited**  
**中國水業集團有限公司\***  
 (formerly known as Sky Hawk Computer Group Holdings Limited)  
 (Incorporated in the Cayman Islands with limited liability)  
 (Stock code: 1129)

## COMPLETION OF PLACING OF SHARES

The Board announces that the Placing Agent has successfully placed a total of 230,000,000 existing Shares on behalf of the Vendors to 17 placees, comprising institutional and individual investors who are third parties independent of and not connected with the Group and its connected persons or any of their respective associates, at the Placing Price of HK\$0.49 per Placing Share. Completion of the Placing took place on 2 February 2007.

Reference is made to the announcement of the Company dated 1 February 2007 (the "Announcement"). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board announces that the Placing Agent has successfully placed a total of 230,000,000 existing Shares on behalf of the Vendors to 17 placees, comprising institutional and individual investors who are third parties independent of and not connected with the Group and its connected persons or any of their respective associates, at the Placing Price of HK\$0.49 per Placing Share. Of the 230,000,000 existing shares placed, 227,800,000 Shares were placed to institutional investors and 2,200,000 Shares were placed to individual investors. Completion of the Placing took place on 2 February 2007. The Placing Shares represent 19.76 % of the existing issued share capital of the Company and approximately 16.49 % of the issued share capital of the Company as enlarged by the Subscription.

To the best of the Directors' and the Placing Agent's knowledge, information and belief, having made all reasonable enquiries, the placees and their ultimate beneficial owners are third parties independent of and not connected with the Group and its connected persons or any of their respective associates.

The shareholding structure of the Company before and after the completion of the Placing and the Subscription is as follows:

Shareholder	Immediately after completion of Placing and Subscription		Immediately after completion of Placing but before completion of Subscription		Immediately after completion of Placing and Subscription	
		%		%		%
Boost Skill Investments Limited	180,000,000	15.46	135,000,000	11.59	180,000,000	12.91
Favor Jumbo Investments Limited (Note 1)	130,150,000	11.18	150,000	0.01	130,150,000	9.33
Sure Ability Limited (Note 2)	55,000,000	4.72	-	0	55,000,000	3.94
Wang Chia Chin and his associate (Note 3)	20,544,000	1.76	20,544,000	1.76	20,544,000	1.47
<b>Public Shareholders</b>						
Placees	-	0	230,000,000	19.76	230,000,000	16.49
Other Shareholders	778,806,000	66.88	778,806,000	66.88	778,806,000	55.86
	<u>1,164,500,000</u>	<u>100.00</u>	<u>1,164,500,000</u>	<u>100.00</u>	<u>1,394,500,000</u>	<u>100.00</u>

Notes:

1. a company beneficially wholly-owned by Mr. Wang Xiao Bo, an Executive Director
2. a company beneficially wholly-owned by Mr. Sze Chun Ning, Vincent, an Executive Director
3. Mr. Wang Chia Chin being an Executive Director

By Order of the Board  
**Chu Yin Yin, Georgiana**  
 Executive Director

Hong Kong, 2nd February, 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.