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**中國水務地產集團有限公司**  
**CHINA WATER PROPERTY GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2349)**

**RESULTS OF THE OPEN OFFER**

The Board is pleased to announce that the Open Offer has become unconditional at 4:00 p.m. on Tuesday, 18 October 2011.

As at 4:00 p.m. on 13 October 2011, being the latest time for acceptance of and payment for the Offer Shares, a total of 15 valid acceptances of Offer Shares have been received for a total of 230,603,280 Offer Shares, representing approximately 45.89% of the total number of the Offer Shares available for subscription under the Open Offer.

The share certificates for the Offer Shares in respect of the valid acceptances of the Offer Shares on the Application Forms, in their fully-paid form, will be despatched to the addresses (as shown on the register of members of the Company) by ordinary post on or before 24 October 2011 at the relevant Shareholders' own risks.

Dealings in the Offer Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on 26 October 2011.

Reference is made to the prospectus of the Company dated 27 September 2011 (the "**Prospectus**"). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Prospectus.

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The Open Offer was under-subscribed and accordingly, the Underwriter has taken up additional of 271,888,966 Offer Shares pursuant to its underwriting obligation under the Underwriting Agreement.

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## SHAREHOLDING STRUCTURE

The shareholding structure of the Company immediately before and after completion of the Open Offer is as follows:

<i>Shareholders</i>	<b>Immediately before completion of the Open Offer</b>		<b>Immediately after completion of the Open Offer</b>	
	<i>No. of Shares</i>	<i>Approximate Percentage</i>	<i>No. of Shares</i>	<i>Approximate Percentage</i>
<i>China Water and its concert parties</i>				
China Water	78,770,617	6.27%	382,167,830	21.73%
Good Outlook	161,330,933	12.84%	225,863,306	12.84%
Sharp Profit	119,700,000	9.53%	167,580,000	9.53%
Mr. Duan	<u>3,005,663</u>	<u>0.24%</u>	<u>4,207,928</u>	<u>0.24%</u>
<b>Subtotal:</b>	362,807,213	28.88%	779,819,064	44.34%
Other Shareholders	<u>893,423,402</u>	<u>71.12%</u>	<u>978,903,797</u>	<u>55.66%</u>
<b>Total:</b>	<u><u>1,256,230,615</u></u>	<u><u>100.00%</u></u>	<u><u>1,758,722,861</u></u>	<u><u>100.00%</u></u>

By order of the Board  
**China Water Property Group Limited**  
**Wang Wenxia**  
*Vice Chairman and Chief Executive Officer*

Hong Kong, 21 October 2011

*As at the date of this announcement, the Board comprises Ms. Wang Wenxia (Vice Chairman and Chief Executive Officer) and Mr. Ren Qian as executive Directors, Mr. Duan Chuan Liang (Chairman) and Mr. Zhou Kun as non-executive Directors and Mr. Chan Pok Hiu, Mr. Wong Chi Ming and Mr. Wang Jian as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*