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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)

ANNOUNCEMENT

Stock Code: 5998

**PROPOSED ISSUANCE OF SENIOR NOTES DUE 2016
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH
THE HK\$350,000,000 12.5% SENIOR NOTES DUE 2016
ISSUED ON 28 NOVEMBER 2013)**

Reference is made to the announcements of the Company dated 20 November 2013 and 28 November 2013 in respect of the Original Notes Issue.

The Company proposes to conduct a further international offering of the Additional Notes on the terms and conditions of the Original Notes, save for the issue date and the offer price.

Details of the Additional Notes Issue, including the aggregate principal amount and the offer price for the Additional Notes, will be determined through a book building exercise to be conducted by Guotai Junan as the sole global coordinator, sole lead manager and sole bookrunner. The completion of the Additional Notes Issue is subject to market conditions and investor interest. Upon finalizing the terms of the Additional Notes, the Company, among others, will enter into the Purchase Agreement with Guotai Junan, together with other related transaction documents, pursuant to which the Company will issue and sell to Guotai Junan as the initial purchaser of the Additional Notes. The Company will make further announcement in respect of the Additional Notes Issue upon the execution of the Purchase Agreement.

The net proceeds of the Additional Notes Issue is intended to be used for the Company's existing and new property projects (including construction costs and land premiums) and for general corporate purposes.

The Original Notes are listed on the Stock Exchange. The Company will procure that the Additional Notes will also be listed on the Stock Exchange upon issue.

As the Additional Notes Issue may or may not materialize, investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED ADDITIONAL NOTES ISSUE

Introduction

Reference is made to the announcements of the Company dated 20 November 2013 and 28 November 2013 in respect of the Original Notes Issue.

The Company proposes to conduct a further international offering of the Additional Notes on the terms and conditions of the Original Notes, save for the issue date and the offer price.

Details of the Additional Notes Issue, including the aggregate principal amount and the offer price for the Additional Notes, will be determined through a book building exercise to be conducted by Guotai Junan as the sole global coordinator, sole lead manager and sole bookrunner. The completion of the Additional Notes Issue is subject to market conditions and investor interest. Upon finalizing the terms of the Additional Notes, the Company, among others, will enter into the Purchase Agreement with Guotai Junan, together with other related transaction documents, pursuant to which the Company will issue and sell to Guotai Junan as the initial purchaser of the Additional Notes. The Company will make further announcement in respect of the Additional Notes Issue upon the execution of the Purchase Agreement.

The Additional Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States unless pursuant to an exemption from, or in a transaction not subject to the registration requirements of, the Securities Act. The Additional Notes will be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. None of the Additional Notes, if issued, will be offered to the public in Hong Kong.

Use of Proceeds for the proposed Additional Notes Issue

The net proceeds of the Additional Notes Issue is intended to be used for the Company's existing and new property projects (including construction costs and land premiums) and for general corporate purposes.

Listing

The Original Notes are listed on the Stock Exchange. The Company will procure that the Additional Notes will also be listed on the Stock Exchange upon issue.

GENERAL

As the Additional Notes Issue may or may not materialize, investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Additional Notes”	the senior notes proposed to be issued by the Company which, if issued, are proposed to be consolidated and form a single series with the Original Notes
“Additional Notes Issue”	the proposed issue of the Additional Notes by the Company
“Company”	China Water Property Group Limited (中國水務地產集團有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange
“Guotai Junan”	Guotai Junan Securities (Hong Kong) Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Original Notes”	the HK\$350,000,000 12.5% senior notes due 2016 issued by the Company on 28 November 2013
“Original Notes Issue”	the issue of the Original Notes by the Company
“Purchase Agreement”	a purchase agreement proposed to be entered into, among others, the Company and Guotai Junan in relation to the Additional Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	the United States of America

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

Hong Kong, 5 May 2014

As at the date of this announcement, the board of Directors of the Company 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.