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**GREAT WATER
GREAT WATER HOLDINGS LIMITED**

建禹集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8196)

PROFIT WARNING

This announcement is made by Great Water Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the interim unaudited consolidated management accounts of the Company for the six months ended 30 June 2020 (“**Interim Period**”) and the information currently available, the Group expects its interim net loss after tax to be not less than RMB10 million, representing a significant increase from the net loss after tax of approximately RMB4.8 million for the corresponding period last year.

The Board considers that the net loss after tax is mainly attributable to (1) a slump in new demands for domestic water supply and water treatment facilities due to the negative economic growth in the People’s Republic of China for the first half of 2020 as a result of the outbreak of COVID-19; (2) a delay in the commencement of projects since the end of the Spring Festival holidays in 2020 as a result of the COVID-19; (3) additional costs for projects in progress, which was required to cope with the dual requirements of epidemic prevention and work schedules concurrently due to a shortage of manpower as a result of the COVID-19 policies; and (4) the absence of the one-off revenue of approximately RMB 4,578,000 recorded from the disposal of a subsidiary during the corresponding period last year while no such revenue was recorded for this year.

The information contained in this announcement is only based on a preliminary review by the Board on the unaudited consolidated management accounts of the Group for the Interim Period and other information currently available to the Board. As at the date of this announcement, the Group’s consolidated results for the Interim Period have not been finalised, and are subject to possible adjustments. Details of the financial information and performance of the Group for the Interim Period will be disclosed as and when the interim results of the Company is announced.

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
Great Water Holdings Limited
XIE Yang
Chairman

Guangzhou, PRC, 24 July 2020

As at the date of this announcement, the executive directors of the Company are Mr. XIE Yang and Mr. HE Xuan Xi; the non-executive director of the Company is Ms. GONG Lan Lan and the independent non-executive directors of the Company are Ms. BAI Shuang, Mr. HA Cheng Yong and Mr. TSE Chi Wai.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and be posted on the website of the Company at www.greatwater.com.cn.