Water Property approved at the EGM to issue shares for its acquisition of 60% interest in a commercial and residential project in Yuhang, Hangzhou

(24 June 2010, Hong Kong) China Water Property Group Limited ("Water Property" or the "Company", together with its subsidiaries referred to as the "Group"; stock code: 02349.HK) announced that the Company today held the extraordinary general meeting in which shareholders approved the issuance of the Company's shares as part of consideration for its acquisition of a 60% equity interest in a commercial and residential project in a central business district of Yuhang, Hangzhou City, Zhejiang Province. The vendor has guaranteed to the Company that the profit before taxation from the sale of all units shall not be less than RMB400 million. In the event the guaranteed profit is not achieved, the vendor will indemnify the Company an amount equivalent to the shortfall which will be equal to the difference between the guaranteed profit and actual profit from the project.

Management of Water Property said that the acquisition of Yuhang Project enhances the Group's project development portfolio and market position in Hangzhou City following the acquisition of a 60% interest in a low-density luxury villa project at the lakeside of Qiandao Lake this year.

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About China Water Property Group Limited
China Water Property Group Limited is a diversified enterprise which engages mainly in two key businesses: (i) property development and investment in the PRC; (ii) food related business. It is listed on the main board of the Stock Exchange of Hong Kong Limited (Stock Code: 02349.HK). With the goal of becoming a leading property developer in the PRC, Water Property seeks to increase its land bank with suitable sites in a number of cities with good development potential.

Investor and Media Enquiries:

PRChina
David Shiu
Tel: 852-2522 1368
Email: dshiu@prchina.com.hk

PRChina
Eric Song
Tel: 852-2522 2823
Email: esong@prchina.com.hk