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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)

INSIDE INFORMATION

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 unaudited consolidated management accounts of the Company for the three months ended 31 March 2021 (the “**First Quarter**”) and the information currently available, the Group expects the revenue for the First Quarter to be not less than RMB12.5 million (revenue for the corresponding period last year: RMB18.74 million) and the net loss after tax for the First Quarter to be not less than RMB4 million (net loss after tax for the corresponding period last year: RMB7.63 million).

The Board of Directors consider that the decrease in the Group’s revenue as compared to the same period in 2020 is mainly due to (1) the on-going projects of 2020 were near completion stage; and (2) the new projects were in the pre-construction preparation stage, not in the revenue generation phase. The significant decrease in net loss after tax is mainly due to (1) the Group’s gross profit and gross profit margin increased in the First Quarter as compared to the same period last year as the Group undertook a one-off short-term operating project with a high gross profit margin; and (2) the Group incurred expenses of approximately RMB3 million in the same period last year due to the upgrading of the construction qualification, while there was no such expenses for the First Quarter.

The information contained in this announcement is only based on a preliminary review by the Board of the unaudited consolidated management accounts of the Group for the First Quarter and other information currently available to the Board. As at the date of this announcement, the Group's consolidated results for the First Quarter have not been finalised, and are subject to possible adjustments. Details of the financial information and performance of the Group for the First Quarter will be disclosed as and when the First Quarter 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, 20 April 2021

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.