

PAN ASIAN WATER SOLUTIONS LIMITED
Registration No. 197902790N

INCORPORATION OF SUBSIDIARY IN SHANGHAI, CHINA
- SHANGHAI JI XIN FLOW CONTROL CO. LTD

The Board of Directors of Pan Asian Water Solutions Limited (the "Company") wishes to announce that the Company's subsidiary, Duvalco Valves (Tianjin) Co. Ltd (DVT) has incorporated a subsidiary known as Shanghai Ji Xin Flow Control Co. Ltd (the "Subsidiary") in Shanghai, China.

DVT holds a 60% equity interest in the Subsidiary and the remaining 40% equity interest is held by a Chinese partner Mr. Wang Guan Li. Mr. Wang Guan Li is not related to any of the Company's Directors or Controlling Shareholders.

The registered capital of the Subsidiary is RMB1 million. The paid up capital to-date is RMB500,000.

The main activities of the Subsidiary include the supply of piping systems for use in water & wastewater infrastructure developments, and marine and industrial applications.

The establishment of the Subsidiary is funded through internal resources.

None of the Directors or Controlling Shareholders (as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited) of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Richard Koh Chye Heng
Executive Chairman
Date: 15 November 2010

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