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Hua Xia Water Group Limited
華夏水務集團有限公司

(formerly known as Stream Ideas Group Limited 源想集團有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8401)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE PRODUCT SUPPLY FRAMEWORK AGREEMENT AND PAST NON-COMPLIANCE WITH THE GEM LISTING RULES

THE PRODUCT SUPPLY FRAMEWORK AGREEMENT

On 11 September 2026 (after trading hours), Guangxi Meianxin Supply Chain Management Company Limited* (廣西美安欣供應鏈管理有限公司) ("**Guangxi Meianxin**"), a non-wholly owned subsidiary of the Company, entered into the Product Supply Framework Agreement (the "**Product Supply Framework Agreement**") with Beihai Black Pearl Marine Biotechnology Company Limited* (北海黑珍珠海洋生物科技有限公司) ("**Beihai Black Pearl**"), a connected person of the Company at the subsidiary level by reason of its holding of 49% of the equity interest in Guangxi Meianxin, in relation to the purchase by the Group of skincare and beauty products (the "**Transactions**") from Beihai Black Pearl for a term commencing retrospectively on 28 November 2025 and ending on 27 November 2026. The Transactions conducted during that term before the date of this announcement, comprising the Transactions actually carried out from November 2025 to June 2026, are referred to in this announcement as the "**Historical Transactions**".

ANNUAL CAP

The Transactions are subject to a proposed annual cap of RMB10,000,000 for the entire term from 28 November 2025 to 27 November 2026 (the "**Proposed Annual Cap**"), including the portion attributable to the Historical Transactions.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The skincare and beauty products purchased under the Product Supply Framework Agreement are procured for use in promotional, marketing and advertising campaigns and customer engagement activities carried out for or in connection with the Group's existing online advertising services. The Transactions are ancillary to, and support and complement, that existing business, rather than constituting a separate product distribution or retail business.

The Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee to be included in the Circular) consider that the Transactions are conducted in the ordinary and usual course of business of the Group, and that the terms of the Product Supply Framework Agreement (including the Proposed Annual Cap) are fair and reasonable, on normal commercial terms or better, and in the interests of the Company and its shareholders as a whole.

NON-COMPLIANCE WITH THE GEM LISTING RULES

It has recently come to the attention of the Company that the Transactions in fact commenced in November 2025, before the date of the Product Supply Framework Agreement, and one or more of the applicable percentage ratios in respect of the Historical Transactions exceeded 5%. Accordingly, the Transactions constitute continuing connected transactions of the Company which are subject to the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules (the "**Chapter 20 Requirements**"). The Company did not comply with the Chapter 20 Requirements in respect of the Historical Transactions before they were conducted (the "**Non-compliance**"). The Company will seek the approval, confirmation and ratification of the Independent Shareholders at the EGM in respect of the Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term from 28 November 2025 to 27 November 2026, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them. The Transactions have ceased since July 2026 and will only resume after the Company has obtained that approval and has otherwise complied in full with the Chapter 20 Requirements.

The Company is in the course of formulating remedial actions with a view to preventing recurrence of the Non-compliance and strengthening the Group's internal control system in relation to connected transactions and continuing connected transactions, and will announce details of such remedial actions by way of a further announcement in due course.

GEM LISTING RULES IMPLICATIONS

As the applicable percentage ratios (calculated by reference to the Proposed Annual Cap) in respect of the Transactions are more than 5%, the Transactions are subject to the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Shareholders and potential investors of the Company should note that the Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term from 28 November 2025 to 27 November 2026, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them, are subject to, among other things, the approval, confirmation and ratification of the Independent Shareholders at the EGM. The Transactions may or may not be resumed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE PRODUCT SUPPLY FRAMEWORK AGREEMENT

On 11 September 2026 (after trading hours), Guangxi Meianxin, a non-wholly owned subsidiary of the Company, entered into the Product Supply Framework Agreement with Beihai Black Pearl in relation to the purchase by the Group of skincare and beauty products from Beihai Black Pearl for a term commencing retrospectively on 28 November 2025 and ending on 27 November 2026. The Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for that entire term, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them, are subject to the approval, confirmation and ratification of the Independent Shareholders at the EGM.

Date

11 September 2026 (after trading hours)

Parties

Purchaser: Guangxi Meianxin

Supplier: Beihai Black Pearl

Beihai Black Pearl is principally engaged in the research, development, production and sale of skincare and beauty products under its self-developed brands, and holds the requisite production licence for cosmetic products. Beihai Black Pearl is owned as to 50% by Mr. Li Yingkun (李應坤) and as to the remaining 50% by Yu Yan, an Independent Third Party.

As at the date of this announcement, the Company holds, through its wholly-owned subsidiaries, an indirect equity interest of 51% in Guangxi Meianxin, and Beihai Black Pearl directly holds the remaining 49% equity interest in Guangxi Meianxin. Mr. Li Yingkun is a director of Guangxi Meianxin.

Beihai Black Pearl, being the holder of 49% of the equity interest in Guangxi Meianxin, is a substantial shareholder of Guangxi Meianxin, which is a subsidiary of the Company, and is accordingly a connected person of the Company at the subsidiary level under the GEM Listing Rules. Mr. Li Yingkun, being a director of Guangxi Meianxin, is likewise a connected person of the Company at the subsidiary level, and Beihai Black Pearl, being a company in which he is entitled to exercise or control the exercise of 30% or more of the voting power at its general meetings, is an associate of Mr. Li Yingkun and is on that basis also a connected person of the Company at the subsidiary level.

Save as disclosed above, neither Beihai Black Pearl nor Mr. Li Yingkun is a director, chief executive or substantial shareholder of the Company, or an associate of any of them, and each of them is a connected person of the Company solely by reason of its or his connection with Guangxi Meianxin. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the holder of the remaining 50% of the equity interest in Beihai Black Pearl is Yu Yan, an Independent Third Party, and no connected person of the Company at the issuer level is entitled to exercise or control the exercise of any voting power at the general meetings of Guangxi Meianxin. Accordingly, each of Beihai Black Pearl and Mr. Li Yingkun is a connected person of the Company at the subsidiary level.

Principal Terms

Pursuant to the Product Supply Framework Agreement, Beihai Black Pearl agrees to supply, and Guangxi Meianxin agrees to purchase, skincare and beauty products under Beihai Black Pearl's self-developed brands for use in promotional, marketing and advertising campaigns and customer engagement activities carried out for or in connection with the Group's online advertising services, on the terms and subject to the conditions set out in the Product Supply Framework Agreement.

The term of the Product Supply Framework Agreement is for a period of one year commencing retrospectively on 28 November 2025 and ending on 27 November 2026. The Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them, are subject to the approval, confirmation and ratification of the Independent Shareholders at the EGM. The Product Supply Framework Agreement is renewable upon the mutual agreement of the parties in compliance with the applicable requirements under Chapter 20 of the GEM Listing Rules.

Consideration and Payment Terms

The consideration payable by Guangxi Meianxin for products purchased under the Product Supply Framework Agreement shall be determined with reference to the pricing policies described under the paragraph headed "Pricing Policies" below. Guangxi Meianxin shall pay a deposit of 40% of the relevant order value within three business days of placing an order, with the balance to be settled monthly, on or before the fifth day of each calendar month, based on actual deliveries made by Beihai Black Pearl in the preceding month, following reconciliation between the parties.

HISTORICAL TRANSACTION AMOUNTS AND PROPOSED ANNUAL CAP

Historical Transaction Amounts

The table below sets out the historical transaction amounts (being the aggregate purchase consideration paid or payable by Guangxi Meianxin to Beihai Black Pearl) for the periods indicated:

Financial Year/Period	**Transaction Amount**	**Period Covered**
Period ended 30 June 2026 (unaudited)	RMB7,764,394.80 (equivalent to approximately HK$9,084,341.9)	28 November 2025 to 30 June 2026

The historical transaction amount for the period ended 30 June 2026 set out above represents the unaudited aggregate amount of purchases made by Guangxi Meianxin from Beihai Black Pearl for the period from November 2025 to June 2026. These purchases comprised the Historical Transactions carried out during the term of the Product Supply Framework Agreement before their cessation referred to in the paragraph headed "Past Non-compliance with Chapter 20 of the GEM Listing Rules" below, and do not purport to represent a full financial year's transaction amount.

Proposed Annual Cap

The Proposed Annual Cap for the Transactions for the entire term from 28 November 2025 to 27 November 2026, including the portion attributable to the Historical Transactions, is set out below:

Period	**Proposed Annual Cap**
28 November 2025 to 27 November 2026	RMB10,000,000

Basis for the Proposed Annual Cap

In arriving at the Proposed Annual Cap, the Directors have taken into account, among other things, (i) the historical transaction amounts between Guangxi Meianxin and Beihai Black Pearl referred to above, which form part of the utilisation of the Proposed Annual Cap for the entire term; (ii) the anticipated requirements for skincare and beauty products for use in promotional, marketing and advertising campaigns and customer engagement activities carried out for or in connection with the Group's existing online advertising services, having regard to the anticipated development of that business and the related campaign plans; (iii) the target procurement amount of RMB10,000,000 contemplated under the Product Supply Framework Agreement for the one-year term; (iv) the prevailing and expected market prices and availability of skincare and beauty products in the PRC; and (v) a buffer to accommodate possible fluctuations in procurement requirements and pricing during the term of the Product Supply Framework Agreement.

PRICING POLICIES

The prices for the products purchased by Guangxi Meianxin from Beihai Black Pearl under the Product Supply Framework Agreement are determined with reference to the prevailing market prices for comparable skincare and beauty products, after arm's length negotiation between the parties, and having regard to Beihai Black Pearl's standard tax-inclusive price list for the relevant products and Guangxi Meianxin's preferential purchase pricing arising from the purchase target under the Product Supply Framework Agreement. The terms of the Transactions, including the pricing terms, shall be no less favourable than those available to Beihai Black Pearl's other independent third party distributors or customers for comparable products and quantities, and the Group will not offer, and Beihai Black Pearl will not be offered, terms more favourable to Beihai Black Pearl than those offered by or to independent third parties for comparable transactions.

To ensure that the pricing terms of the Transactions remain fair and reasonable and are on normal commercial terms or better, the Group has adopted the following practical steps: (i) prior to placing each order, the relevant business unit of Guangxi Meianxin will obtain and compare at least two to three quotations or price references from independent third party suppliers of comparable skincare and beauty products, where available, to benchmark the prices offered by Beihai Black Pearl; (ii) the finance department of the Group will conduct a periodic review, on at least a quarterly basis, of Beihai Black Pearl's price list and the prevailing market prices for comparable products, to ascertain that the prices charged remain competitive and consistent with market levels; (iii) the finance department will perform a monthly reconciliation of the aggregate amount of the Transactions against the Proposed Annual Cap and against the quotations and price references obtained; and (iv) the finance department will verify the relevant invoices and supporting documents against the agreed pricing terms before authorising payment to Beihai Black Pearl.

The Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee to be included in the Circular) consider that the pricing policies and the internal control measures described above are fair and reasonable, are on normal commercial terms or better, and are in the interests of the Company and its shareholders as a whole.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Company is an investment holding company and the Group is principally engaged in the provision of online advertising services, comprising social viral service, engager service, mass blogging service and other related business.

The skincare and beauty products purchased under the Product Supply Framework Agreement are procured for the purposes of, and are ancillary to, the Group's online advertising business. The products are intended for use in promotional, marketing and advertising campaigns and customer engagement activities carried out for or in connection with the Group's online advertising services, rather than for the purpose of carrying on a separate product distribution or retail business. Beihai Black Pearl is a licensed manufacturer of skincare and beauty products with established research, development and production capabilities.

The Directors consider that sourcing products from Beihai Black Pearl enables the Group to secure a stable and reliable supply of products at preferential pricing and to leverage on Beihai Black Pearl's product development capabilities and brand recognition for those campaigns and activities, thereby supporting and complementing the Group's existing online advertising business.

The Directors (excluding the independent non-executive Directors whose views will be set out in the letter from the Independent Board Committee to be included in the Circular) consider that the terms of the Product Supply Framework Agreement (including the Proposed Annual Cap) are fair and reasonable, are on normal commercial terms or better, and that the Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, Beihai Black Pearl directly holds 49% of the equity interest in Guangxi Meianxin, a non-wholly owned subsidiary of the Company, and is therefore a substantial shareholder of a subsidiary of the Company and a connected person of the Company at the subsidiary level. Mr. Li Yingkun is a director of Guangxi Meianxin and is accordingly also a connected person of the Company at the subsidiary level, and Beihai Black Pearl is in addition an associate of Mr. Li Yingkun. Neither Beihai Black Pearl nor Mr. Li Yingkun is a connected person of the Company at the issuer level. Accordingly, the Transactions constitute continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

As the applicable percentage ratios (calculated by reference to the Proposed Annual Cap) in respect of the Transactions are more than 5%, the Transactions are subject to the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The Company will convene the EGM for the purpose of considering and, if thought fit, approving, confirming and ratifying the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term. Beihai Black Pearl and its associates, and any other shareholder of the Company with a material interest in the Product Supply Framework Agreement and the Transactions, will be required to abstain from voting on the relevant resolution(s) at the EGM.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the approval, confirmation and ratification of the Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them.

VBG Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed, with the approval of the Independent Board Committee, as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the approval, confirmation and ratification of the Product Supply

Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them.

The Circular, containing, among other things, further details of those matters, a letter from the Independent Board Committee, a letter from the Independent Financial Adviser and a notice convening the EGM, is expected to be despatched to the shareholders of the Company on or before 5 October 2026, in accordance with the requirements under Chapter 20 of the GEM Listing Rules.

As at the date of this announcement, none of the Directors has a material interest in the Transactions, the Product Supply Framework Agreement or the Proposed Annual Cap. No Director was required to abstain from voting on the Board resolution approving the entering into of the Product Supply Framework Agreement and approving, confirming and ratifying the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term.

PAST NON-COMPLIANCE WITH CHAPTER 20 OF THE GEM LISTING RULES

It has recently come to the attention of the Company that the Transactions between Guangxi Meianxin and Beihai Black Pearl in fact commenced in November 2025, during the term of the Product Supply Framework Agreement but before such agreement was entered into and before the Company identified Beihai Black Pearl as a connected person of the Company. The Transactions actually carried out from November 2025 to June 2026 constitute the Historical Transactions. Upon aggregating the relevant transaction amounts, the aggregate transaction amount of the Historical Transactions has exceeded HK$3,000,000.

As the applicable percentage ratios in respect of the aggregated Historical Transactions are more than 5%, the Historical Transactions were accordingly subject to the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Due to an inadvertent oversight and a misunderstanding on the part of the relevant personnel of the Group as to the requirement to aggregate connected transactions with the same connected person under Chapter 20 of the GEM Listing Rules, the Company failed to identify in a timely manner that the Historical Transactions constituted non-exempt continuing connected transactions of the Company, and consequently failed to comply with the Chapter 20 Requirements in respect of the Historical Transactions before they were conducted.

The Company confirms that the Non-compliance arose from an inadvertent oversight rather than any intention to conceal the Transactions or to circumvent the requirements of the GEM Listing Rules. Upon becoming aware of the Non-compliance, the Company immediately (i) suspended and ceased the Transactions with effect from July 2026; (ii) conducted an internal review of the relevant transactions and the Group's connected persons; and (iii) engaged external professional advisers to assist the Company in assessing the Non-compliance and in preparing this announcement and the Circular. The Company regrets that the Non-compliance occurred and wishes to assure the shareholders of the Company that it is committed to full compliance with the GEM Listing Rules going forward.

As a remedial measure, the Board has approved, confirmed and ratified the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term from 28 November 2025 to 27 November 2026, and the Company will convene the EGM to seek the approval, confirmation and ratification of the Independent Shareholders in respect of those matters. The relevant resolution will expressly cover the Historical Transactions and the portion of the Proposed Annual Cap attributable to them. Such approval, confirmation and ratification does not alter the fact that the Non-compliance has occurred, nor does it relieve the Company of its obligation to implement the remedial measures described in this announcement. The Transactions will only resume after the Company has obtained the approval of the Independent Shareholders at the EGM and has otherwise complied in full with the Chapter 20 Requirements, including obtaining the advice of the Independent Board Committee and the Independent Financial Adviser and despatching the Circular.

The Company is in the course of formulating remedial actions with a view to preventing recurrence of the Non-compliance and strengthening the Group's internal control system in relation to connected transactions and continuing connected transactions, and will announce details of such remedial actions by way of a further announcement in due course.

INTERNAL CONTROL POLICY

The Group has adopted, or will adopt, an internal control policy in relation to connected transactions and continuing connected transactions generally, having regard to the requirements under Chapter 20 of the GEM Listing Rules, comprising, among other things, the measures described below.

The Company will maintain and regularly update a register of connected persons of the Company and its subsidiaries, which will be circulated to the finance department and relevant operational departments of the Group, so that any dealings or proposed dealings with a person on the register can be promptly identified and flagged for assessment. Before entering into a business relationship with a new counterparty, the relevant business unit will conduct a screening exercise, by reference to the register of connected persons and other available information, to ascertain whether the counterparty or its associates is a connected person of the Group.

Once a transaction has been identified as a connected transaction or continuing connected transaction, the finance department will record and input the transaction in the Group's accounting system, so that the aggregate amount of transactions with each connected person can be readily identified, monitored and reported. The finance department will monitor, on a monthly basis, the aggregate amount of each continuing connected transaction against the applicable annual cap, with early-warning thresholds set at 80% and 90% of the relevant annual cap. Where a threshold is reached, the finance department will promptly escalate the matter to the chief financial officer, the company secretary and, where appropriate, the Board, and the relevant business unit will be required to suspend further transactions with the relevant connected person if the aggregate amount is about to exceed the applicable annual cap, pending further review and, if required, compliance with the applicable requirements under Chapter 20 of the GEM Listing Rules.

The independent non-executive Directors will conduct an annual review of the continuing connected transactions of the Group, and the auditors of the Company will conduct an annual review of such transactions and provide a letter to the Board confirming, among other things, whether the transactions have been entered into in accordance with the relevant agreements and within the applicable annual caps, in each case in accordance with the requirements under Chapter 20 of the GEM Listing Rules. The Company's compliance adviser will also be consulted, where appropriate, on the identification and treatment of connected transactions and continuing connected transactions.

The Company will provide periodic training to the Directors, senior management and relevant responsible staff on the requirements under Chapter 20 of the GEM Listing Rules and the Group's internal control policy described above, and will maintain adequate records of all connected transactions and continuing connected transactions, and of the internal control measures applied in respect thereof, for such period as may be required under the GEM Listing Rules and applicable laws.

BOARD APPROVAL, EGM AND DESPATCH OF CIRCULAR

The Board has approved the entering into of the Product Supply Framework Agreement and has approved, confirmed and ratified the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term from 28 November 2025 to 27 November 2026. As none of the Directors has a material interest in the Transactions, no Director was required to abstain from voting on the relevant Board resolutions. The Company will seek the approval, confirmation and ratification of the Independent Shareholders at the EGM in respect of the Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them.

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of those matters, and VBG Capital Limited has been appointed, with the approval of the Independent Board Committee, as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in that regard. The Circular, containing, among other things, further details of those matters, a letter from the Independent Board Committee, a letter from the Independent Financial Adviser and a notice convening the EGM, is expected to be despatched to the shareholders of the Company on or before 5 October 2026, in accordance with the requirements under Chapter 20 of the GEM Listing Rules.

GENERAL

Shareholders and potential investors of the Company should note that the Product Supply Framework Agreement, the Transactions and the Proposed Annual Cap for the entire term from 28 November 2025 to 27 November 2026, including the Historical Transactions and the portion of the Proposed Annual Cap attributable to them, are subject to, among other things, the approval, confirmation and ratification of the Independent Shareholders at the EGM. The Transactions may or may not be resumed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Beihai Black Pearl"	Beihai Black Pearl Marine Biotechnology Company Limited* (北海黑珍珠海洋生物科技有限公司), a company established in the People's Republic of China with limited liability, owned as to 50% by Mr. Li Yingkun (李應坤) and as to the remaining 50% by Yu Yan, an Independent Third Party, holding 49% of the equity interest in Guangxi Meianxin and a connected person of the Company at the subsidiary level under Chapter 20 of the GEM Listing Rules
"Board"	the board of Directors
"Chapter 20 Requirements"	the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules applicable to the Transactions
"Circular"	the circular to be despatched by the Company to the shareholders of the Company containing, among other things, further details of the approval, confirmation and ratification of the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term, a letter from the Independent Board Committee, a letter from the Independent Financial Adviser and a notice convening the EGM
"Company"	Hua Xia Water Group Limited 華夏水務集團有限公司 (formerly known as Stream Ideas Group Limited 源想集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM (stock code: 8401)
"connected person(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, confirming and ratifying the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term

"GEM"	GEM operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"Guangxi Meianxin"	Guangxi Meianxin Supply Chain Management Company Limited* (廣西美安欣供應鏈管理有限公司), a company established in the People's Republic of China with limited liability, and a non-wholly owned subsidiary of the Company in which the Company indirectly holds a 51% equity interest, and of which Mr. Li Yingkun (李應坤) is a director
"Historical Transactions"	the Transactions conducted during the term of the Product Supply Framework Agreement before the date of this announcement, comprising the Transactions actually carried out from November 2025 to June 2026
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	the independent board committee of the Company, comprising all the independent non-executive Directors, established to advise the Independent Shareholders in respect of the approval, confirmation and ratification of the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term
"Independent Financial Adviser"	VBG Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, appointed with the approval of the Independent Board Committee as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the approval, confirmation and ratification of the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term
"Independent Shareholders"	the shareholders of the Company other than those who are required under the GEM Listing Rules to abstain from voting on the relevant resolution(s) to be proposed at the EGM to approve, confirm and ratify the Product Supply Framework Agreement, the Transactions, including the Historical Transactions, and the Proposed Annual Cap for the entire term

"Independent Third Party"	a person or company which, and the ultimate beneficial owner(s) of which, is or are third parties independent of the Company and its connected persons
"Non-compliance"	the Company's failure to comply with the Chapter 20 Requirements in respect of the Historical Transactions before they were conducted, as described in this announcement
"percentage ratio(s)"	has the meaning ascribed to it under the GEM Listing Rules
"PRC"	the People's Republic of China
"Product Supply Framework Agreement"	the framework agreement proposed to be entered into between Guangxi Meianxin and Beihai Black Pearl on 11 September 2026 (after trading hours) in relation to the Transactions, with a term commencing retrospectively on 28 November 2025 and ending on 27 November 2026
"Proposed Annual Cap"	the proposed annual cap for the Transactions for the entire term from 28 November 2025 to 27 November 2026, including the portion attributable to the Historical Transactions, further details of which are set out in this announcement
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Transactions"	the continuing connected transactions between Guangxi Meianxin and Beihai Black Pearl in relation to the purchase of skincare and beauty products by Guangxi Meianxin from Beihai Black Pearl during the term of the Product Supply Framework Agreement for the purposes of, and as ancillary to, the Group's existing online advertising business, including the Historical Transactions, as described in this announcement

"%"	per cent.
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
Hua Xia Water Group Limited
Yam Yuet Hang
Chairman

Hong Kong, 11 September 2026

As at the date of this announcement, the Board comprises Mr. Yam Yuet Hang, Ms. Cai Ying, Mr. Lee Wing Leung Garlos, Mr. Zhang Yu and Mr. Wong Tsz Tuk Alexis as executive Directors; and Mr. Kwan Chi Hong, Mr. Yiu Chun Wing and Ms. Wang Ting as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on 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 Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.hwaxiawater.com.

* *For identification purposes only*