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DONGJIANG ENVIRONMENTAL COMPANY LIMITED*

東江環保股份有限公司

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: **00895**)

OVERSEAS REGULATORY ANNOUNCEMENT

The document attached hereof is the “Dongjiang Environmental Company Limited* Announcement on the Progress of Planning of Major Assets Restructuring” posted on the website of Shenzhen Stock Exchange by Dongjiang Environmental Company Limited*”.

By order of the Board

Dongjiang Environmental Company Limited*

Tan Kan

Chairman

Shenzhen, the PRC, 5 July 2021

As at the date of this announcement, the Board of Directors of the Company comprises two executive Directors, being Mr. Tan Kan and Mr. Lin Peifeng; three non-executive Directors, being Mr. Tang Yi, Ms. Shan Xiaomin and Mr. Jin Yongfu; and three independent non-executive Directors, being Mr. Li Jinhui, Mr. Siu Chi Hung and Ms. Guo Suyi.

** For identification purpose only*

DONGJIANG ENVIRONMENTAL COMPANY LIMITED***東江環保股份有限公司****ANNOUNCEMENT ON THE PROGRESS OF PLANNING OF
MAJOR ASSETS RESTRUCTURING**

The Company and all members of its board of directors guarantee the truthfulness, accuracy and completeness of the information disclosed, and that there is no false statement, misleading representation or material omission.

Dongjiang Environmental Company Limited* (the “**Company**”) proposes to acquire 70% equity interest in Chenzhou Xiongfeng Environment Technology Company Limited* (郴州雄風環保科技有限公司, “**Xiongfeng Environment**”) held by Beijing Hi-Fortune Union Technology Company Limited* (北京瀚豐聯合科技有限公司, “**Hi-Fortune Union**”) in cash. The Company is required to regularly disclose relevant progress every 10 trading days in accordance with the Administrative Measures for Major Assets Restructuring of Listed Companies (上市公司重大資產重組管理辦法), the Guidelines on Information Disclosure of Listed Companies on the Shenzhen Stock Exchange No. 2-Suspension and Resumption of Trading (深圳證券交易所上市公司信息披露指引第2號——停復牌業務) and other relevant regulations. Details are as follows:

I. Overview of the Planning of Major Assets Restructuring

On 31 December 2020, the Company convened the 2nd meeting of the seventh session of the board of directors, at which the “Resolution on Planning of Material Asset Restructuring and Signing of the Agreement of Intent on Acquisition of Equity Interest” was considered and approved. It was approved that the Company may enter into the Agreement of Intent on Acquisition of Equity Interest with Hi-Fortune Union, so as to confirm relevant matters relating to the acquisition of 70% equity interest in Xiongfeng Environment.

For details, please refer to “Indicative Announcement on Planning of Major Asset Restructuring and Signing the Agreement of Intent on Acquisition of Equity Interest” (Announcement No.: 2021-02), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-03), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-04), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-09), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-13), “Announcement on the Progress of Planning

of Major Assets Restructuring” (Announcement No.: 2021-15), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-25), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-26), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-33), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-38), “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-39) and “Announcement on the Progress of Planning of Major Assets Restructuring” (Announcement No.: 2021-41) disclosed by the Company on the Securities Times, China Securities Journal, Securities Daily and the CNINFO (<http://www.cninfo.com.cn>) on 4 January 2021, 16 January 2021, 30 January 2021, 20 February 2021, 6 March 2021, 20 March 2021, 6 April 2021, 20 April 2021, 7 May 2021, 22 May 2021, 5 June 2021 and 22 June 2021 respectively.

II. Progress of the Planning of Major Assets Restructuring

The Company engaged relevant intermediaries such as financial advisors, legal advisors, accounting firms, and professional valuer and were actively furthering the work in relation to the major asset reorganization. As at the date of this announcement, the specific transaction plans and terms remain subject to further negotiation, discussion and finalization with the other parties, and there are still uncertainties in the transaction considerations and transaction arrangements. The Company will perform the corresponding approval procedures and its information disclosure obligations in a timely manner in strict accordance with the relevant laws and regulations after the related works have been completed.

III. Warnings of Risks

1. The Agreement of Intent on Acquisition of Equity Interest entered into by two parties is merely an agreement of intent, and the specific transaction proposal and transaction terms are subject to the formal agreement to be entered into by both parties.

2. The transaction is currently still at the preliminary planning stage, pending further discussion and negotiation on specific transaction proposals. There are relatively substantial uncertainties as to the relevant matters, and the decision-making and approval process shall be conducted in accordance with relevant laws and regulations, the articles of association of the Company and other requirements. There are uncertainties as to whether the above approval(s) can be obtained and the time at which such approvals are eventually obtained.

3. The Company will continue to strictly perform its information disclosure obligations based on the relevant regulations. The information disclosure media designated by the Company include Securities Times, Securities Daily, China Securities Journal and the CNINFO

(<http://www.cninfo.com.cn>). All information regarding the Company is subject to the information disclosed in the above-mentioned designated media.

Investors are advised to invest in a rational manner and pay attention to investment risks.

This announcement is hereby made.

The board of directors of Dongjiang Environmental Company Limited*

6 July 2021

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