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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)

SUPPLEMENTAL ANNOUNCEMENT POTENTIAL CONNECTED TRANSACTION POTENTIAL CAPITAL INJECTION INTO EMBODIMENT INTELLIGENCE BY WAY OF TAKING PART IN THE PUBLIC TENDER

Reference is made to the announcement of Dongjiang Environmental Company Limited* (the "**Company**") dated 22 December 2025 in relation to the Potential Capital Injection (the "**Announcement**"). Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement, unless the context requires otherwise.

The Company wishes to provide further information on the Potential Capital Injection.

BASIC BUSINESS PLAN OF EMBODIMENT INTELLIGENCE

The Company understands that Embodiment Intelligence was established based on the "Notice on the Guangdong Province's Development Plan of "1+1+N" Embodiment Intelligence Training Ground System" (《廣東省"1+1+N"具身智能訓練場體系建設方案的通知》) issued by the Office of the Leading Group for Innovation and Development of Artificial Intelligence and Robotics Industry in Guangdong Province (廣東省人工智能與機器人產業創新發展工作領導小組辦公室). The first "1" represents one core hub in Guangdong, namely the Guangdong Embodiment Intelligence Training Centre; the second "1" represents one Shenzhen demonstration window, namely the Shenzhen Embodiment Intelligence Demonstration Zone; with "N" number of vertical sub-training centres.

The path of "government guidance, demand-driven, phasal implementation, and continuous and repeated computations" is to be followed, i.e. to construct a large-scale, high-quality, multi-scenario embodiment intelligence information set, build full-chain technical capabilities for embodiment intelligence from training to application, promote the extension of robots from industrial automation to diverse scenarios such as urban services, smart homes, and medical and health care, accelerate technology transition from the laboratory to large-scale mass production, and coordinate and integrate training resources and data within Guangdong Province. By 2027, it is to be built into a "1+1+N" embodiment intelligence training ground system of Guangdong with distinctive advantages, outstanding comprehensive service capabilities and a leading role in the industry, forming a demonstrative and leading "Guangdong solution", and making Guangdong a global innovation hub for embodiment intelligence, a source of embodiment intelligence standards, and a pioneering manufacturing base for large-scale applications. The development of embodiment intelligence falls within the areas supported and encouraged by the Government, the Company would therefore be able to seize the opportunity presented by the Potential Capital Injection to participate in the development of embodiment intelligence.

The current project development period for Embodiment Intelligence is two years, mainly divided into two phases. The first phase involves initial setup: firstly, developing capabilities of the main training ground, including training floor, testing floor, scenario floor and service floor, as well as daily operations; and secondly, basic capabilities of the management centre, primarily including capabilities of information management centre, standards development and verification, and infrastructure. The second phase focuses on advancing and improving the capabilities of the embodiment intelligence training ground, conducting routine operations, and completing all development tasks. It is expected that Embodiment Intelligence will commence operations and business development after completion of the Potential Capital Injection.

As a shareholder of Embodiment Intelligence, the Company will enjoy the rights of a shareholder in accordance with Embodiment Intelligence's articles of association, including but not limited to right to vote, express opinions, obtain Embodiment Intelligence's financial statements and communicate with Embodiment Intelligence's management.

The Company will also adopt the following internal control measures to safeguard the interests of the Company and its Shareholders: (i) the management of the Company will regularly review and evaluate the progress of development and performance of Embodiment Intelligence, including but not limited to obtaining financial results, operating information and other information; and (ii) connected persons (including Guangdong Rising Holdings Group and its associates) who have material interest in the Potential Capital Injection will avoid conflict of interest, including but not limited to abstaining from voting on resolution(s) of the Board relating to the Potential Capital Injection and Embodiment Intelligence.

REASONS FOR AND BENEFITS OF THE POTENTIAL CAPITAL INJECTION

In making the decision for the amount of capital injection of RMB12 million, the Board has taken into account, amongst others, the following factors: (i) the business of Embodiment Intelligence is currently a nationally encouraged strategic emerging industry; (ii) the Company's financial strength; and (iii) the Company's business strategy and risk management measures. The Board believes that the planned capital injection amount of RMB12 million represents a small proportion of the Company's net assets (representing only 0.33% of the Company's audited consolidated net assets a sat 31 December 2024), which is expected to have a minimal impact on the Company's production and operation. The Company will be able to seize an early investment opportunity to invest in a project with multiple advantages and potential. In addition, the project will strictly comply with the requirements of state-owned asset management, and hence the relevant risks are manageable.

The total initial investment for Embodiment Intelligence is RMB300 million, which will be funded by the registered capital of Embodiment Intelligence after the completion of the public tender. Embodiment Intelligence proposes to increase its registered capital by the amount of RMB138 million, representing 46% enlarged shareholding in Embodiment Intelligence, with the subscription price no less than RMB1/registered capital of RMB1. Under the Potential Capital Injection, the Company intends to invest no more than RMB12 million to subscribe for no more than 4% of the equity interest in Embodiment Intelligence. If the final subscription price is RMB1/RMB1 registered capital, it will be equal to the capital price of the original shareholders (RMB 1/ registered capital of RMB1). As the original shareholders have not yet paid up in full their subscribed registered capital, the book value of Embodiment Intelligence as at 15 November 2025 was RMB41,999,900. After the registered capital being fully paid up by the original shareholders, Embodiment Intelligence's equity value would be RMB162 million.

As stated in the Announcement, the Potential Capital Injection will provide a strategic fulcrum for the digital transformation of the environmental protection business of the Company. As a pioneer in the hazardous waste treatment and disposal industry, the Company has accumulated extensive practical experience in the large-scale management of multiple production bases and the full-process production and operation. It is anticipated that through cooperation with Embodiment Intelligence, the Company may leverage its accumulated information resources and technical reserves to develop valuable solutions, so as to meet the dual needs of internal production efficiency and external market expansion.

In light of the above, the Company is of the view that the Potential Capital Injection is an attractive investment opportunity. Although Embodiment Intelligence is still in an early stage of development, the Company sees the Potential Capital Injection as a valuable opportunity for the Group to acquire equity interest in Embodiment Intelligence at a lower valuation and investment cost (it is expected that the price of the Potential Capital Injection will be based on the valuation of the equity of Embodiment Intelligence, which is essentially the capital value of Embodiment Intelligence). The Company is confident in Embodiment Intelligence's good future growth prospects and its ability to generate long-term returns for the Shareholders. Accordingly, the Board considers that the Potential Capital Injection and the amount of capital injection are fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

Further announcement(s) will be made by the Company in relation to any material development in connection with the Potential Capital Injection as and when appropriate.

As at the date of this announcement, no binding agreement in relation to the Potential Capital Injection has been entered into and the Potential Capital Injection may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Dongjiang Environmental Company Limited*
Wang Bi'an
Chairman

Shenzhen, the PRC
16 January 2026

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Wang Bi'an, Mr. Li Xiangli and Mr. Zhu Lintao; three non-executive Directors, being Mr. Wang Shi, Mr. Liu Xiaoxuan and Mr. Jia Guorong; and three independent non-executive Directors, being Mr. Lee Kwok Tung Louis, Mr. Li Jinhui and Ms. Xiang Ling.

** For identification purposes only*