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Tianjin Capital Environmental Protection Group Company Limited
天津創業環保集團股份有限公司

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*
**(Stock Code: 1065)**

# CONNECTED TRANSACTION
# ENGINEERING DESIGN SERVICE AGREEMENT FOR PHASE II RELOCATION OF XIANYANG ROAD SEWAGE WATER TREATMENT PLANT

## ENGINEERING DESIGN SERVICE AGREEMENT

The Board hereby announces that on 12 February 2026, the Board considered and approved the signing of the Engineering Design Service Agreement between the Company and Tianjin Municipal Institute, pursuant to which, the Company has commissioned Tianjin Municipal Institute to provide engineering design services for the Phase II Relocation of Xianyang Road Sewage Water Treatment Plant.

## IMPLICATIONS OF THE LISTING RULES

As at the date of this announcement, Tianjin Infrastructure Construction is the ultimate controlling company of the Company, and Tianjin Municipal Institute is a subsidiary of a 30%-controlled company of Tianjin Infrastructure Construction. Therefore, according to the Listing Rules, Tianjin Municipal Institute is an associate of Tianjin Infrastructure Construction and is regarded as a connected person of the Company. The transactions contemplated under the Engineering Design Service Agreement constitute connected transactions for the Company.

Within the 12 months prior to entering into the Engineering Design Service Agreement, the Company and Tianjin Infrastructure Consultant entered into the Engineering Consulting Service Agreement on 26 November 2025, in relation to the Project. Tianjin Infrastructure Consultant is an indirect wholly-owned subsidiary of Tianjin Infrastructure Construction. Therefore, according to the Listing Rules, Tianjin Infrastructure Consultant is an associate of Tianjin Infrastructure Construction and is regarded as a connected person of the Company. The transactions under the Engineering Consultation Service Agreement constitute connected transactions of the Company.

As the connected transactions under both the Engineering Consultation Service Agreement and the Engineering Design Service Agreement are conducted between the Company and its connected persons for the same project and are of a similar nature, pursuant to Rule 14A.81 of the Listing Rules, the transactions under the Engineering Consultation Service Agreement and the Engineering Design Service Agreement shall be aggregated.

As one or more of the applicable percentage ratios in respect of the transactions under the Engineering Consultation Service Agreement and the Engineering Design Service Agreement, calculated individually and in aggregate, are more than 0.1% but all of them are less than 5%, the transactions under the Engineering Consultation Service Agreement and the Engineering Design Service Agreement are only subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## INTRODUCTION

Reference is made to the connected transaction announcement dated 26 November 2025 in relation to the Engineering Consultation Service Agreement for the Phase II Relocation of Xianyang Road Sewage Water Treatment Plant entered into between the Company and Tianjin Infrastructure Consultant (the "**Announcement**"). Unless the context otherwise requires, the terms used herein shall have the same meanings as defined in the Announcement.

The Board hereby announces that on 12 February 2026, the Board considered and approved the signing of the Engineering Design Service Agreement between the Company and Tianjin Municipal Institute, pursuant to which, the Company has commissioned Tianjin Municipal Institute to provide engineering design services for the Phase II Relocation of Xianyang Road Sewage Water Treatment Plant.

## ENGINEERING DESIGN SERVICE AGREEMENT

The principal terms of the Engineering Design Service Agreement are summarized as follows:

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| Parties: | (a) The Company (as the principal); and<br><br>(b) Tianjin Municipal Institute (as the designer). |
| Project Name: | Phase II Relocation of Xianyang Road Sewage Water Treatment Plant (the "**Project**") |
| Project Location: | At the junction of Chentaizi River and Duliujian River in Xiqing District, with Chentaizi Drainage River at the east, Duliujian River at the south, the former Chentaizi Village at the west, and the existing high-voltage power grid at the north. |
| Scope of Services: | Tianjin Municipal Institute shall complete the conceptual design, preliminary design (including preliminary design estimate), construction drawing design, technical specifications and drawings for equipment installation bidding, and provide on-site coordination during the construction phase. |
| Service Period: | From the date of signing the Engineering Design Service Agreement until the conclusion of the Project's warranty period. The core design period is expected to be from 15 February 2026 to 3 March 2026. |

Service Fee: The total price for the Engineering Design Service Agreement is RMB9,860,000 (tax inclusive), which shall be payable as follows:

1) Within 30 days after Tianjin Municipal Institute submits the preliminary design documents to the Company following the Engineering Design Service Agreement becoming effective, the Company shall pay 20% of the total service fee to Tianjin Municipal Institute.

2) Within 30 days after Tianjin Municipal Institute submits the construction drawing design documents to the Company, the Company shall pay 40% of the total service fee to Tianjin Municipal Institute.

3) Within 30 days after the trial operation (commissioning) assessment is completed, the Company shall pay 20% of the total service fee to Tianjin Municipal Institute.

4) Within 30 days upon as-built acceptance of the Project, the Company shall pay 10% of the total service fee to Tianjin Municipal Institute.

5) Within 30 days upon the expiration of the defect liability period, the Company shall pay 10% of the total service fee to Tianjin Municipal Institute.

The aforementioned service fee is determined based on arm's length negotiation between the parties in accordance with the project budget, taking into account, among others, the prevailing market price for relevant engineering design services and the scope of services provided.

## REASONS FOR AND BENEFITS OF ENTERING INTO THE ENGINEERING DESIGN SERVICE AGREEMENT

The Company has entered into the Engineering Design Service Agreement, which is fair priced and procedurally compliant, with Tianjin Infrastructure Consultant. This offers significant advantages for the smooth progression of the Project. Tianjin Municipal Institute possesses relevant experience and expertise in municipal infrastructure design. Entering into the Engineering Design Service Agreement will ensure the engineering quality of the Project invested in and implemented by the Company meets standards.

The Directors (including the independent non-executive Directors) consider that the terms of the Engineering Design Service Agreement are entered into in the ordinary course of the Group on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## INFORMATION OF PARTIES

The Company is principally engaged in the investment, construction, design, management, operation, technical consultation and auxiliary services of treatment facilities of sewage water, tap water and other types of water; design, construction, management, building and operation management of municipal infrastructures; licensed operation, technical consultation and auxiliary services of Southeastern Half Ring Urban Road of the Middle Ring of Tianjin; development and operation of environmental protection technology and products; leasing of self-owned properties, etc. Tianjin Investment Group is the ultimate controlling company of the Company and the sole shareholder of TMICL (the controlling shareholder of the Company), holding 100% equity interest in TMICL.

Tianjin Municipal Institute is a company incorporated in the PRC with limited liability and its scope of business includes construction engineering design, construction engineering survey, engineering construction activities, general contracting of housing construction and municipal infrastructure projects, construction project supervision and engineering cost consultation, etc. As of the date of this announcement, the 90% equity interest of Tianjin Municipal Institute is indirectly held by Guoxing Capital. The equity interest of Guoxing Capital is held as to 51% by Tianjin SASAC, the remaining 49% equity interest is held by Tianjin Infrastructure Construction.

Tianjin Infrastructure Construction is principally engaged in investment in river comprehensive development and renovation, subway trains, urban roads and bridges, underground pipeline networks, urban environment infrastructures with self-owned funds; investment planning; corporate management consultation; market construction development services; leasing of self-owned buildings; leasing of infrastructures and development and operation of utilities; construction investment consultation. As of the date of this announcement, the ultimate beneficial owner of Tianjin Infrastructure Construction is Tianjin SASAC.

## IMPLICATIONS OF THE LISTING RULES

As at the date of this announcement, Tianjin Infrastructure Construction is the ultimate controlling company of the Company, and Tianjin Municipal Institute is a subsidiary of a 30%-controlled company of Tianjin Infrastructure Construction. Therefore, according to the Listing Rules, Tianjin Municipal Institute is an associate of Tianjin Infrastructure Construction and is regarded as a connected person of the Company. The transactions contemplated under the Engineering Design Service Agreement constitute connected transactions for the Company.

Within the 12 months prior to entering into the Engineering Design Service Agreement, the Company and Tianjin Infrastructure Consultant entered into the Engineering Consulting Service Agreement on 26 November 2025, in relation to the Project. Tianjin Infrastructure Consultant is an indirect wholly-owned subsidiary of Tianjin Infrastructure Construction. Therefore, according to the Listing Rules, Tianjin Infrastructure Consultant is an associate of Tianjin Infrastructure Construction and is regarded as a connected person of the Company. The transactions under the Engineering Consultation Service Agreement constitute connected transactions of the Company.

As the connected transactions under both the Engineering Consultation Service Agreement and the Engineering Design Service Agreement are conducted between the Company and its connected persons for the same project and are of a similar nature, pursuant to Rule 14A.81 of the Listing Rules, the transactions under the Engineering Consultation Service Agreement and the Engineering Design Service Agreement shall be aggregated.

As one or more of the applicable percentage ratios in respect of the transactions under the Engineering Consultation Service Agreement and the Engineering Design Service Agreement, calculated individually and in aggregate, are more than 0.1% but all of them are less than 5%, the transactions under the Engineering Consultation Service Agreement and the Engineering Design Service Agreement are only subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## GENERAL

As at the date of this announcement, Mr. Tang Fusheng, an executive Director, and Mr. Wang Yongwei and Mr. Li Xiaoguang, non-executive Directors, are connected persons of Tianjin Infrastructure Construction, respectively, and are considered unable to provide recommendations to the Board in an independent capacity. Therefore, they have abstained from voting on the Board resolutions approving the transactions contemplated under the Engineering Design Service Agreement. Save as aforesaid, none of the Director has a material interest in the Engineering Design Service Agreement and the transactions contemplated thereunder or is required to abstain from voting on the relevant Board resolutions.

## DEFINITIONS

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

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| "30%-controlled company" | has the meaning ascribed to it in the Listing Rules |
| "Associate(s)" | has the meaning ascribed to it in the Listing Rules |
| "Board" | the board of directors of the Company |
| "Company" | Tianjin Capital Environmental Protection Group Company Limited, a joint stock limited company established in the PRC, whose A Shares and H Shares are listed on the Shanghai Stock Exchange and the Stock Exchange, respectively |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "controlling shareholder(s)" | has the meaning ascribed to it in the Listing Rules |
| "Director(s)" | the director(s) of the Company |
| "Engineering Consultation Service Agreement" | The "Full-process Consultation Service Agreement for the Building Construction and Municipal Infrastructure Projects" entered into between the Company (as the principal) and Tianjin Infrastructure Consultant (as the trustee) in relation to the Project |

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| "Engineering Design Service Agreement" | The "Tianjin Construction Engineering Design Contract (Specialized Construction Engineering)" to be entered into between the Company (as the principal) and Tianjin Municipal Institute (as the designer) in relation to the Project |
| "Group" | the Company and its subsidiaries |
| "Guoxing Capital" | Tianjin Guoxing Capital Operation Co., Ltd.* (天津國興資本運營有限公司), a limited liability company incorporated in the PRC and a non-wholly owned subsidiary of Tianjin SASAC and a 30%-controlled company of Tianjin Infrastructure Construction |
| "Hong Kong" | Hong Kong Special Administrative Region of the PRC |
| "Listing Rules" | The Rules Governing the Listing of Securities on the Stock Exchange |
| "Percentage Ratio(s)" | has the meaning ascribed to it in the Listing Rules |
| "PRC" | The People's Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC, and Taiwan |
| "Project" | Phase II Relocation of Xianyang Road Sewage Water Treatment Plant |
| "RMB" | Renminbi, the legal currency of the PRC |
| "Share(s)" | ordinary share(s) with a nominal value of RMB1.00 each in the existing share capital of the Company |
| "Shareholder(s)" | holder(s) of the Share(s) |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Tianjin Infrastructure Construction" | Tianjin City Infrastructure Construction and Investment Group Company Limited* (天津城市基礎設施建設投資集團有限公司), the ultimate controlling company of the Company and the sole shareholder of TMICL, holding 100% equity interest in TMICL |
| "Tianjin Municipal Institute" | Tianjin Municipal Engineering Design & Research Institute* (天津市政工程設計研究總院有限公司), a limited liability company incorporated in the PRC and a non-wholly owned subsidiary of Guoxing Capital |
| "Tianjin SASAC" | the State-owned Assets Supervision and Administration Commission of Tianjin People's Government, the PRC Government Body as defined in Article 19A.04 of the Listing Rules |

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| "TMICL" | Tianjin Municipal Investment Co., Ltd.* (天津市政投資有限公司), the controlling shareholder of the Company, holding approximately 45.57% of the Company's equity |
| "%" | per cent |

By order of the Board
**Tang Fusheng**
*Chairman*

Tianjin, the PRC
12 February 2026

*As at the date of this announcement, the Board comprises three executive Directors: Mr. Tang Fusheng, Mr. Fu Xinghai (employee Director) and Ms. Nie Yanhong; three non-executive Directors: Mr. Wang Yongwei, Mr. Li Xiaoguang and Mr. Liu Tao; and three independent non-executive Directors: Ms. Liu Fei, Mr. Wang Shanggan and Mr. Xue Tao.*

* *For identification purpose only*