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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

The Board is pleased to announce that on 25 March 2026, the Board considered and approved Water Recycling Company (a wholly-owned subsidiary of the Company) to enter into with Jinzhong Urban Renewal (i) the Reclaimed Water Pipe Network Ancillary Entrustment Agreement; (ii) the Reclaimed Water Meters Agreement (Household Meters); and (iii) the Reclaimed Water Meters Agreement (Ground Meters) (collectively the "**Reclaimed Water Projects Ancillary Agreements**"), pursuant to which, Jinzhong Urban Renewal has agreed to commission, and Water Recycling Company has agreed to be engaged for, the reclaimed water pipe network ancillary facilities, household meters installation and ground meters installation of lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Dongli District, Tianjin (Langxiyuan).

IMPLICATIONS OF THE LISTING RULES

As at the date of this announcement, Tianjin Infrastructure Construction is the ultimate holding company of the Company, and Jinzhong Urban Renewal is an indirect wholly-owned subsidiary of Tianjin Infrastructure Construction. Accordingly, Jinzhong Urban Renewal is an associate of Tianjin Infrastructure Construction and is regarded as a connected person of the Company under the Listing Rules. Pursuant to Chapter 14A of the Listing Rules, the Reclaimed Water Projects Ancillary Agreements constitute connected transactions of the Company.

As all applicable percentage ratios for the transactions contemplated under the Prior Agreements, both individually and as aggregated, are below 0.1%, therefore, pursuant to Chapter 14A of the Listing Rules, the transactions contemplated under the Prior Agreements are deemed to be fully-exempt connected transactions and are exempted from the reporting and announcement requirements.

Since the transactions contemplated under the Reclaimed Water Projects Ancillary Agreements and the Prior Agreements were conducted by the Company with a connected person of the Company in respect of the same project and are of a similar nature, the transactions under the Reclaimed Water Projects Ancillary Agreements and the Prior Agreements shall be aggregated under Rule 14A.81 of the Listing Rules. As one or more of the applicable percentage ratios calculated for the transactions contemplated under the Reclaimed Water Projects Ancillary Agreements and the Prior Agreements, when aggregated, exceed 0.1% but each of them is below 5%, pursuant to Chapter 14A of the Listing Rules, the transactions are only subject to the reporting and announcement requirements and are exempted from the independent Shareholders' approval requirement.

INTRODUCTION

The Board is pleased to announce that on 25 March 2026, the Board considered and approved Water Recycling Company (a wholly-owned subsidiary of the Company) to enter into with Jinzhong Urban Renewal (i) the Reclaimed Water Pipe Network Ancillary Entrustment Agreement; (ii) the Reclaimed Water Meters Agreement (Household Meters); and (iii) the Reclaimed Water Meters Agreement (Ground Meters) (collectively the "**Reclaimed Water Projects Ancillary Agreements**"), pursuant to which, Jinzhong Urban Renewal has agreed to commission, and Water Recycling Company has agreed to be engaged for, the reclaimed water pipe network ancillary facilities, household meters installation and ground meters installation of lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Dongli District, Tianjin (Langxiyuan).

RECLAIMED WATER PROJECTS ANCILLARY AGREEMENTS

(i) Reclaimed Water Pipe Network Ancillary Entrustment Agreement

The principal terms of the Reclaimed Water Pipe Network Ancillary Entrustment Agreement are as follows:

Parties:	(a) Jinzhong Urban Renewal (as the entrusting party); and (b) Water Recycling Company (as the entrusted party).
Location of the site:	Lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Dongli District, Tianjin (Langxiyuan) (southeast to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District)
Scope of construction:	Jinzhong Urban Renewal entrusted Water Recycling Company in the construction of the ancillary primary water supply facilities in the reclaimed water zone of the site
Construction fees and payment terms:	The construction fees amount to RMB2,852,700.12, which Jinzhong Urban Renewal shall pay to Water Recycling Company on a lump sum basis within 30 days of the signing of the agreement. The abovementioned construction fees are determined by the parties on normal commercial terms after arm's length negotiation based on the construction budget with reference to, among others, the "Notice on Standardizing the Charging Standards for Construction Fees of Reclaimed Water Projects in Newly Built Residential and Public Buildings (Jin Jia Fang Di [2009] No.36)" (《關於規範新建住宅及公建再生水工程建設費收費標準的通知（津價房地[2009]36號）》), based on the floor area.

(ii) Reclaimed Water Meters Agreement (Household Meters)

The principal terms of the Reclaimed Water Meters Agreement (Household Meters) are as follows:

Parties:	(a) Jinzhong Urban Renewal (as the entrusting party); and (b) Water Recycling Company (as the entrusted party).
Location of the site:	Lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Dongli District, Tianjin (Langxiyuan) (southeast to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District)
Scope of installation:	Jinzhong Urban Renewal entrusted Water Recycling Company in the purchase, installation, and routine maintenance management of reclaimed water meters (household meters) inside the main building structures of the site.
Installation fees and payment terms:	The installation fees amount to RMB839,300, which Jinzhong Urban Renewal shall pay to Water Recycling Company on a lump sum basis within 30 days of the signing of the agreement. The aforesaid installation fees was determined by the parties with reference to the unit price charges as stipulated in the Notice on Regulating the Type and Price of Reclaimed Water Meters (Jin Zhong Shui Ban Zi [2016] No. 28)*(《津中水辦字[2016]28號關於規範再生水錶錶型及價格的通知》), after arm's length negotiation and on normal commercial terms.

(iii) Reclaimed Water Meters Agreement (Ground Meters)

The principal terms of the Reclaimed Water Meters Agreement (Ground Meters) are as follows:

Parties:	(a) Jinzhong Urban Renewal (as the entrusting party); and (b) Water Recycling Company (as the entrusted party).
Location of the site:	Lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Dongli District, Tianjin (Langxiyuan) (southeast to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District)
Scope of installation:	Jinzhong Urban Renewal entrusted Water Recycling Company in the purchase, installation, and routine maintenance management of reclaimed water meters (ground meters) outside the main building structures of the site.

Installation fees and payment terms:	The installation fees amount to RMB19,405, which Jinzhong Urban Renewal shall pay to Water Recycling Company on a lump sum basis within 30 days of the signing of the agreement. The aforesaid installation fees was determined by the parties with reference to the unit price charges as stipulated in the Notice on Adjusting the Type and Price of Reclaimed Water Ground Meter (Jin Zhong Shui Ban Zi [2022] No. 47)*（《津中水辦字[2022]47號關於調整再生水地錶表型及價格的通知》), after arm's length negotiation and on normal commercial terms.

PRIOR AGREEMENTS

Within 12 months prior to the entering into of the Reclaimed Water Projects Ancillary Agreements, the Group and Jinzhong Urban Renewal have also entered into the following agreements:

(1) Water Recycling Company entered into with Jinzhong Urban Renewal (i) the Lot 9 Water Fee Settlement Agreement on 23 September 2025; and (ii) the Qingxiyuan Water Fee Settlement Agreement on 17 October 2025, respectively, pursuant to which, Jinzhong Urban Renewal has agreed to commission, and Water Recycling Company has agreed to be engaged for, the installation of metering water meters and the provision of water supply services.

(2) Tianjin Tianchuang (a wholly-owned subsidiary of the Company) entered into with Jinzhong Urban Renewal (i) the Heating Construction Project Agreement on 9 January 2026; and (ii) the Heat Supply and Usage Agreement on 26 January 2026, respectively, pursuant to which, Jinzhong Urban Renewal has agreed to commission, and Tianjin Tianchuang has agreed to be engaged for, the construction of heating facilities and the provision of heating services.

The principal terms of the Lot 9 Water Fee Settlement Agreement are as follows:

Parties:	(a) Water Recycling Company (as the entrusting party); and (b) Jinzhong Urban Renewal(as the entrusted party).
Site of Service:	Northwest to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District, Tianjin (the secondary school located at Lot 9 of the urban renewal project located south to Jinzhonghe Street)
Scope of service:	Jinzhong Urban Renewal entrusted Water Recycling Company in the installation of metering water meters and the provision of water supply services in the site of service
Service fees and payment term:	In accordance with the water usage classification approved by the Tianjin Municipal Government's pricing authority, Water Recycling Company shall charge water fees to Jinzhong Urban Renewal based on its water usage category. The total service fee under the agreement amounts to approximately RMB100,000. The aforementioned fee was determined after arm's length negotiation between the parties, with reference to the historical water consumption at the site of service.

The principal terms of the Qingxiyuan Water Fee Settlement Agreement are as follows:

Parties:	(a) Jinzhong Urban Renewal (as the entrusting party); and (b) Tianjin Tianchuang (as the entrusted party).
Site of Service:	Northwest to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District, Tianjin (Qingxiyuan)
Scope of service:	Jinzhong Urban Renewal entrusted Water Recycling Company in the installation of metering water meters and the provision of water supply services in the site of service
Service fees and payment term:	In accordance with the water usage classification approved by the Tianjin Municipal Government's pricing authority, Water Recycling Company shall charge water fees to Jinzhong Urban Renewal based on its water usage category. The total service fee under the agreement amounts to approximately RMB100,000. The aforementioned fee was determined after arm's length negotiation between the parties, with reference to the historical water consumption at the site of service.

The principal terms of the Heating Construction Project Agreement are as follows:

Parties:	(a) Jinzhong Urban Renewal (as the entrusting party); and (b) Tianjin Tianchuang (as the entrusted party).
Location of the site:	Lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Tianjin (southeast to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District)
Scope of construction:	Jinzhong Urban Renewal entrusted Tianjin Tianchuang in the design and construction of the secondary heating network facilities within the project site
Construction fees and payment terms:	The construction fees amount to RMB3,006,025 (including tax). Jinzhong Urban Renewal shall pay Tianjin Tianchuang 80% of this sum within 30 days of the signing of the agreement. The remaining balance, bringing the total to 100% of the construction fees, shall be paid within 30 days after the completion and acceptance of the project and obtaining the acceptance letter issued by Tianjin Tianchuang. The abovementioned construction fees are determined by the parties on normal commercial terms after arm's length negotiation based on the construction budget with reference to, among others, the prevailing market price and volume of construction work of the relevant construction services.

The principal terms of the Heat Supply and Usage Agreement are as follows:

Parties:	(a) Tianjin Tianchuang (as the heating services provider); and (b) Jinzhong Urban Renewal (as the project developer and construction entity).
Location of heating:	Lot 8 of the urban renewal project located south to Jinzhonghe Street, Tianjin (Plot 03-02) (Qingxiyuan)
Scope of heating:	Jinzhong Urban Renewal entrusted Tianjin Tianchuang in the provision of heating services at the project site
Heating fees and payment terms:	The heating service fee amounts to RMB460,843.50. The aforementioned fees are determined by the parties after arm's length negotiation and in accordance with the Tianjin Municipal Regulations on the Administration of Heating Charges.

In addition, Tianchuang Green Energy and Jinzhong Urban Renewal entered into the Co-operation Agreement on the Construction of the Integrated Heat Supply Station Project on 14 October 2024. The agreement has a term of three years, commencing from 14 October 2024 to 14 October 2027. The Cooperation Agreement on the Construction of the Integrated Heat Supply Station Project constitutes a continuing connected transaction, with an annual transaction cap of RMB37,000,000 for the period ending 31 December 2025. For details of the transaction, please refer to the Company's announcement dated 14 October 2024.

REASONS FOR AND BENEFITS OF ENTERING INTO THE RECLAIMED WATER PROJECTS ANCILLARY AGREEMENTS

The Reclaimed Water Projects Ancillary Agreements and the transactions contemplated thereunder are in line with the scope of operations of Water Recycling Company and the Group, which are favourable to increasing the Group's revenue from its principal business and expanding its market share in the construction of ancillary facilities for reclaimed water and water supply, and will have a positive impact on the development of the Company.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Reclaimed Water Projects Ancillary Agreements are entered into in the ordinary and usual course of business of the Group on normal commercial terms, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF THE 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; license 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 Infrastructure Construction is the ultimate controlling company of the Company and the sole shareholder of TMICL (a controlling shareholder of the Company), holding 100% equity interest in TMICL.

Tianjin Infrastructure Construction is principally engaged in the 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 consultancy; market construction development services; leasing of self-owned properties; leasing of infrastructures and development and operation of utilities; construction investment consultation. As at the date of this announcement, the ultimate beneficial owner of Tianjin Infrastructure Construction is Tianjin SASAC.

Water Recycling Company is a direct wholly-owned subsidiary of the Company. Its business scope includes the construction and operation of urban water supply, drainage, sewage treatment and recycled water utilization projects.

Tianjin Tianchuang is a direct wholly-owned subsidiary of the Company engaging in emerging energy technology R&D; environmental consulting services; energy conservation management services; technical services, technology development, technical consulting, technical exchange, technology transfer, technology promotion; property management; cooling and heating services.

Jinzhong Urban Renewal is an indirect wholly-owned subsidiary of TMICL, the controlling shareholder of the Company, which is principally engaged in the property sector. As at the date of this announcement, the entire interest in Jinzhong Urban Renewal is indirectly held by Tianjin Infrastructure Construction, the ultimate holding company of the Company and the sole shareholder of TMICL.

IMPLICATIONS OF THE LISTING RULES

As at the date of this announcement, Tianjin Infrastructure Construction is the ultimate holding company of the Company, and Jinzhong Urban Renewal is an indirect wholly-owned subsidiary of Tianjin Infrastructure Construction. Accordingly, Jinzhong Urban Renewal is an associate of Tianjin Infrastructure Construction and is regarded as a connected person of the Company under the Listing Rules. Pursuant to Chapter 14A of the Listing Rules, the Reclaimed Water Projects Ancillary Agreements constitute connected transactions of the Company.

As all applicable percentage ratios for the transactions contemplated under the Prior Agreements, both individually and as aggregated, are below 0.1%, therefore, pursuant to Chapter 14A of the Listing Rules, the transactions contemplated under the Prior Agreements are deemed to be fully-exempt connected transactions and are exempted from the reporting and announcement requirements.

Since the transactions contemplated under the Reclaimed Water Projects Ancillary Agreements and the Prior Agreements were conducted by the Company with a connected person of the Company in respect of the same project and are of a similar nature, the transactions under the Reclaimed Water Projects Ancillary Agreements and the Prior Agreements shall be aggregated under Rule 14A.81 of the Listing Rules. As one or more of the applicable percentage ratios calculated for the transactions contemplated under the Reclaimed Water Projects Ancillary Agreements and the Prior Agreements, when aggregated, exceed 0.1% but each of them is below 5%, pursuant to Chapter 14A of the Listing Rules, the transactions are only subject to the reporting and announcement requirements and are exempted from the independent Shareholders' approval requirement.

GENERAL MATTERS

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 with Tianjin Infrastructure Construction and are deemed to be unable to provide recommendation opinion to the Board in an independent capacity, and as such, they have abstained from voting on the board resolution approving the Reclaimed Water Projects Ancillary Agreements and the transaction contemplated thereunder. Save as aforesaid, none of the Directors has a material interest in the Reclaimed Water Projects Ancillary Agreements and the transaction contemplated thereunder or is required to abstain from voting on the relevant board resolution.

DEFINITIONS

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

"associate(s)"	has the same meaning as ascribed to them under the Listing Rules
"Board"	the board of Directors of the Company
"China" or "PRC"	the People's Republic of China, but for the purposes of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Company"	Tianjin Capital Environmental Protection Group Company Limited, a joint stock company incorporated in the PRC with limited liability, the A Shares and H Shares of which are listed on the Shanghai Stock Exchange and the Stock Exchange, respectively
"connected person(s)"	has the same meaning as ascribed to them under the Listing Rules
"controlling shareholder(s)"	has the same meaning as ascribed to them under the Listing Rules
"Co-operation Agreement on the Construction of the Integrated Heat Supply Station Project"	Co-operation Agreement on the Construction of the Integrated Heat Supply Station Project entered into between Jinzhong Urban Renewal (as the entrusting party) and Tianchuang Green Energy (as the entrusted party) on 14 October 2024, details of the transaction were set out in the Company's announcement dated 14 October 2024
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Heat Supply and Usage Agreement"	The Tianjin Newly Constructed Housing Warranty Period Heat Supply and Usage Agreement entered into between Tianjin Tianchuang (as the entrusted party) and Jinzhong Urban Renewal (as the entrusting party) on 26 January 2026

"Heating Construction Project Agreement"	the Tianjin New Residential and Public Building Heating Secondary Network (Overhead/Buried) Construction Project Agreement entered into between Tianjin Tianchuang (as the entrusted party) and Jinzhong Urban Renewal (as the entrusting party) on 9 January 2026
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Jinzhong Urban Renewal"	Tianjin Jinzhong Urban Renewal Construction Development Company Limited*（天津金鐘城市更新建設發展有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Tianjin Infrastructure Construction, the ultimate holding company of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Lot 9 Secondary School Water Fee Settlement Agreement"	the Northwest to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District (the secondary school located at Lot 9 of the urban renewal project located south to Jinzhonghe Street) Water Fee Settlement Agreement entered into between Water Recycling Company (as the entrusted party) and Jinzhong Urban Renewal (as the entrusting party) on 23 September 2025
"percentage ratio(s)"	has the same meaning as ascribed to them under the Listing Rules
"Prior Agreements"	Lot 9 Secondary School Water Fee Settlement Agreement, Qingxiyuan Water Fee Settlement Agreement, the Heating Construction Project Agreement and the Heat Supply and Usage Agreement
"Qingxiyuan Water Fee Settlement Agreement"	the Northwest to the intersection of North Shangjiang Road and Zhaoguli Street, Dongli District (Qingxiyuan) Water Fee Settlement Agreement entered into between Water Recycling Company (as the entrusted party) and Jinzhong Urban Renewal (as the entrusting party) on 17 October 2025
"Reclaimed Water Projects Ancillary Agreements"	the Reclaimed Water Pipe Network Ancillary Entrustment Agreement, the Reclaimed Water Meters Agreement (Household Meters) and the Reclaimed Water Meters Agreement (Ground Meters) proposed to be entered into between Water Recycling Company and Jinzhong Urban Renewal in relation to lot 7 (02-15) of the urban renewal project located south to Jinzhonghe Street, Dongli District, Tianjin (Langxiyuan)
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of 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
"Tianchuang Green Energy"	Tianjin Tianchuang Green Energy Investment Management Co., Ltd.*(天津天創綠能投資管理有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of the Company
"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), an ultimate holding company of the Company and the sole shareholder of TMICL, is interested as to 100% equity interest of TMICL
"Tianjin SASAC"	State-owned Assets Supervision and Administration Commission of Tianjin People's Government, a PRC Governmental Body as defined in Rule 19A.04 of the Listing Rules
"Tianjin Tianchuang"	Tianjin Tianchuang Shengcheng New Energy Co., Ltd.*(天津天創盛城新能源有限公司), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of the Company
"TMICL"	Tianjin Municipal Investment Co., Ltd.*(天津市政投資有限公司), a controlling shareholder of the Company, holding approximately 45.57% equity interest in the Company
"Transactions"	the transactions contemplated under the Reclaimed Water Projects Ancillary Agreements, the Prior Agreements and the Ancillary Heating and Cooling Supply Construction Transaction
"Water Recycling Company"	Tianjin Water Recycling Co., Ltd.*(天津中水有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of the Company, its scope of business includes the construction and operation of urban water supply, drainage, sewage treatment and recycled water utilization projects
"%"	per cent

By order of the Board
Tang Fusheng
Chairman

Tianjin, the PRC
25 March 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.