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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)

ANNOUNCEMENT ON THE GUARANTEES FOR SUBSIDIARIES' FINANCING AND AUTHORIZATION TO THE BOARD

The board (the "**Board**") of directors (the "**Directors**") of Tianjin Capital Environmental Protection Group Company Limited (the "**Company**") and all the Directors warrant that there are no false information, misleading statements or material omissions in this announcement, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents contained in this announcement.

The Board hereby announces that on 25 March 2026, the Board considered and approved that the Company is expected to provide new financing guarantees (the "**Guarantees**") with a guaranteed amount not exceeding RMB3,570,440,000 (the "**Guaranteed Amount**") to its subsidiaries (collectively, the "**Subsidiaries**" or the "**Guaranteed Parties**") within the period from the date of the 2025 annual general meeting to the date of 2026 annual general meeting of the Company based on business development plans and subject to the approval conditions.

As the total amount of external guarantees of the Company (including the amount of the Guarantees) exceeds 50% of the latest audited net assets of the Company, according to the Articles of Association of the Company, the Guarantees shall be subject to the consideration and approval by a special resolution at the 2025 annual general meeting of the Company (the "**AGM**"). The Company will despatch a circular and a notice of the AGM containing, among other things, the provision of the Guarantees for the Subsidiaries' financing by the Company to shareholders of the Company in due course.

The details of the Guarantees are as follows:

I. REASONS FOR ENTERING INTO THE GUARANTEES

The water utilities business is the principal business of the Company and the continuous key business development area of the Company; therefore, it is expected that projects on water utilities business will be obtained from time to time, and strategic new businesses, including other environmental protection businesses, will be actively developed. As such, the Company shall provide guarantee for the financing of the Subsidiaries that obtain the projects.

The Guarantees are conducive to improving the overall financing efficiency of the Company, and the Guaranteed Amount is estimated based on the Company's business development plan and the operating needs of the Subsidiaries, which is conducive to the smooth development of the financing business of the Company and the Subsidiaries. The Board therefore proposed that the shareholders shall, at the AGM, consider and approve the above-mentioned Guarantees and authorize the Board to consider and approve the specific matters of the Guarantees within the scope of the Guaranteed Amount.

II. BASIC INFORMATION AND GUARANTEED AMOUNT OF THE GUARANTEES

As of 31 December 2025, the total amount of external guarantees of the Company amounts to RMB2,826,330,000, all of which are financing guarantees to the Subsidiaries within the scope of the consolidated statements, representing approximately 27.55% of the latest audited net assets of the Company. In 2026, the Company is expected to provide new guarantees not exceeding RMB3,570,440,000 for the financing of the Subsidiaries within the scope of the consolidated statements. Each guarantee shall not exceed the Company's shareholding ratios in the Guaranteed Parties.

The Guaranteed Amount is estimated based on the current business situation of the Company. As the relevant guarantee agreements have not been entered into, the specific guarantee amount, guarantee method, guarantee period and signing time are subject to the contracts actually entered into.

The Company will monitor the guarantee balance and the performance ability of the Guaranteed Parties, strengthen management and control measures, and control the guarantee risks; meanwhile, the Company will encourage the Subsidiaries to independently finance and reduce the Company's amount of guarantee.

The Guaranteed Amount that the Company expects to provide to the Subsidiaries with an asset-liability ratio not exceeding 70% is as follows:

Unit: 0'000 Currency: RMB

No.	Name of Guaranteed Parties/Subsidiaries	Guarantee Matter	Guarantee Cap
1	Inner Mongolia Bayannur Capital Water Co., Ltd.	Borrowing from financial institutions	8,400
2	Wuhan Tianchuang Capital Environmental Protection Co., Ltd.	Borrowing from financial institutions	2,000
3	Anguo Capital Water Co., Ltd.	Borrowing from financial institutions	500
4	Fuyang Capital Water Co., Ltd.	Borrowing from financial institutions	6,500
5	Wendeng Capital Water Co., Ltd.	Borrowing from financial institutions	6,580
6	Hebei Guojin Tianchuang Sewage Treatment Co., Ltd.	Borrowing from financial institutions	1,475
7	Tianjin Tianchuang Environmental Technology Co., Ltd.	Borrowing from financial institutions, letter of performance guarantee	5,500
8	Honghu Capital Water Co., Ltd.	Borrowing from financial institutions	2,244
9	Dalian Oriental Chunliuhe Water Quality Purification Co., Ltd.	Borrowing from financial institutions	1,020
10	Jieshou Capital Water Co., Ltd.	Borrowing from financial institutions	8,701
11	Jiuquan Capital Water Co., Ltd.	Borrowing from financial institutions	27,345
12	Tianjin Tianchuang Green New Energy Technology Co., Ltd.	Borrowing from financial institutions	4,774
13	Hanshou Tianchuang Water Co., Ltd.	Borrowing from financial institutions	6,000
14	Karamay Capital Water Co., Ltd.	Borrowing from financial institutions	20,056
15	Hanshan Chuanghuan Water Co., Ltd.	Borrowing from financial institutions	1,020
16	Jiangsu Yonghui Resources Utilisation Co., Ltd.	Borrowing from financial institutions	1,050
17	Other subsidiaries within the scope of the consolidated statements *(Note 1)*	Borrowing from financial institutions, letter of performance guarantee	115,000
Subtotal of No. 1-17			**218,615**

Note 1: Other subsidiaries within the scope of the consolidated statements include existing and future new subsidiaries of the Company other than those listed in the table.

The Guaranteed Amount that the Company expects to provide to the Subsidiaries with an asset-liability ratio exceeding 70% is as follows:

Unit: 0'000 Currency: RMB

No.	Name of Guaranteed Parties	Guarantee Matter	Guarantee Cap
18	Linxia Capital Water Co., Ltd.	Borrowing from financial institutions	11,435
19	Tianjin Jinning Capital Water Co., Ltd.	Borrowing from financial institutions	3,100
20	Shibinggui Capital Water Co., Ltd.	Borrowing from financial institutions	4,154
21	Huoqiu Chuanghuan Water Co., Ltd.	Borrowing from financial institutions	1,500
22	Tianjin Jinghai Capital Water Co., Ltd.	Borrowing from financial institutions	2,400
23	Tianjin Water Recycling Co., Ltd.	Borrowing from financial institutions	840
24	Other subsidiaries within the scope of the consolidated statements *(Note 2)*	Borrowing from financial institutions, letter of performance guarantee	115,000
Subtotal of No. 18-24			**138,429**
Total of No. 1-24			**357,044**

Note 2: Other subsidiaries within the scope of the consolidated statements include existing and future new subsidiaries of the Company other than those listed in the table.

The breakdown of the guarantees referred to in the above No. 1-17 and 18-24 is as follows:

Currency: RMB Unit: 0'000

No.	Company Name	Project	Shareholding Ratio	Amount of Loans/ Letters of Guarantee	Use of Loans/ Letters of Guarantee	Guaranteed Amount
1	Anguo Capital Water Co., Ltd.	Working capital loans	100.00%	500	Supplement of the working capital	500
2	Dalian Oriental Chunliuhe Water Quality Purification Co., Ltd.	Working capital loans	51.00%	2,000	Supplement of the working capital	1,020
3	Fuyang Capital Water Co., Ltd.	Working capital loans	100.00%	6,500	Supplement of the working capital	6,500
4	Hanshan Chuanghuan Water Co., Ltd.	Working capital loans	51.00%	2,000	Supplement of the working capital	1,020
5	Hanshou Tianchuang Water Co., Ltd.	Concession Project of Hanshou County Yuanquanda Water Plant	75.00%	8,000	Replacement of Group loans	6,000
6	Hebei Guojin Tianchuang Sewage Treatment Co., Ltd.	Working capital loans	59.00%	2,500	Supplement of the working capital	1,475
7	Honghu Tianchuang Water Co., Ltd.	Honghu City Sewage Treatment Plant Upgrade and Renovation PPP Project	90.10%	2,490	Replacement of loans	2,244
8	Jieshou Capital Water Co., Ltd.	Working capital loans	87.00%	10,000	Supplement of the working capital	8,701
9	Jiuquan Capital Water Co., Ltd.	Construction of the First and Second Wastewater Treatment Plants in Suzhou District, Jiuquan City with the Public-Private Partnership (PPP) Model	88.78%	30,800	Replacement of loans	27,345
10	Karamay Capital Water Co., Ltd.	PPP Project of Karamay Second Wastewater Treatment Plant	90.00%	22,284	Project investment and construction	20,056
11	Inner Mongolia Bayannur Capital Water Co., Ltd.	Standard Enhancement and Renovation Project of Linhe No. 2 Sewage Treatment Plant	70.00%	12,000	Project investment and construction	8,400
12	Tianjin Tianchuang Environmental Technology Co., Ltd.	Working capital loans, guarantee letter for contract performance	100.00%	5,500	Supplementing working capital, project performance	5,500
13	Tianjin Tianchuang Green New Energy Technology Co., Ltd.	Tianjin Water Supply Group Co., Ltd. Photovoltaic Power Station Construction Project	100.00%	2,343	Project investment and construction	2,344

No.	Company Name	Project	Shareholding Ratio	Amount of Loans/ Letters of Guarantee	Use of Loans/ Letters of Guarantee	Guaranteed Amount
14	Tianjin Tianchuang Green New Energy Technology Co., Ltd.	Tianjin Capital User-Side Energy Storage Project for Out-of-Town Sewage Treatment Plants	100.00%	1,380	Project investment and construction	1,380
15	Tianjin Tianchuang Green New Energy Technology Co., Ltd.	Liulin Urban Renewal Parcel 71 Project	100.00%	1,050	Project investment and construction	1,050
16	Wendeng Capital Water Co., Ltd.	Phase II of In-depth Standard Enhancement and Renovation of Wendeng Sewage Treatment Project	100.00%	4,580	Project investment and construction	4,580
17	Wendeng Capital Water Co., Ltd.	Working capital loans	100.00%	2,000	Supplement of the working capital	2,000
18	Wuhan Tianchuang Capital Environmental Protection Co., Ltd.	Working capital loans	100.00%	2,000	Supplement of the working capital	2,000
19	Tianjin Jinghai Capital Water Co., Ltd.	Working capital loans	100.00%	2,400	Supplement of the working capital	2,400
20	Tianjin Jinning Capital Water Co., Ltd.	Working capital loans	100.00%	3,100	Supplement of the working capital	3,100
21	Shibinggui Capital Water Co., Ltd.	Working capital loans	95.68%	340	Supplement of the working capital	326
22	Shibinggui Capital Water Co., Ltd.	PPP Project of Shibing County Urban and Township Sewage Treatment Project	95.68%	4,000	Replacement of Group loans	3,828
23	Linxia Capital Water Co., Ltd.	Renovation and Expansion Project of Linxia City Sewage Treatment Plant	100.00%	11,435	Replacement of loans	11,435
24	Jiangsu Yonghui Resources Utilisation Co., Ltd.	Working capital loans	100.00%	1,500	Supplement of the working capital	1,500
25	Tianjin Water Recycling Co., Ltd.	Water Quality Improvement Project of Tianjin Guoneng Jinneng Thermal Power Co., Ltd.	100.00%	840	Project investment and construction	840
26	Huoqiu Chuanghuan Water Co., Ltd.	Working capital loans	100.00%	1,500	Project investment and construction	1,500
Total				143,042		127,044

III. APPROVAL CONDITIONS FOR THE GUARANTEES

1) The guarantee matters referred to in items 1-17 and 18-24 above (not exceeding the cap of their guarantee amounts), upon occurrence, shall be approved by the Meeting of the General Manager's Office of the Company;

2) The guarantee limits for the guarantee matters referred to in items 1-17 and 18-24 above (excluding other subsidiaries within the scope of the consolidated financial statements) may be transferred between them within their respective limits, or the guarantee limit for a particular guaranteed party may be increased within the annual aggregate guarantee limit; however, both require the approval of the meeting of the general manager's office of the Company;

3) The Guaranteed Amount for the Subsidiaries with an asset-liability ratio exceeding 70% can be transferred to the Subsidiaries with an asset-liability ratio not exceeding 70%, subject to the approval of the meeting of the general manager's office of the Company; the transfer of the Guaranteed Amount in the opposite direction is not allowed;

4) The approval of the Company's Board and shareholders' meeting is not required for the guarantees in the above three situations;

5) For the guarantees described in No. 17 and No. 24, the Board is authorized to carry out the approval procedures under the following conditions:

   (1) The amount of guarantee shall not exceed the Company's shareholding ratio in the subsidiaries;

   (2) The guarantee agreement is on normal commercial terms;

   (3) In the case of guarantee for a new company or a company merger, the income level of the target project shall meet the investment requirements and standards of the Company;

   (4) The Guaranteed Parties shall operate in a regulated manner and the risks are controllable;

   (5) The Guaranteed Amount for the Subsidiaries with an asset-liability ratio exceeding 70% can be transferred to the Subsidiaries with an asset-liability ratio not exceeding 70%, while the transfer of the amount in the opposite direction is not allowed;

   (6) Other matters required to be disclosed in accordance with relevant rules, regulations or provisions;

6) The authorization period is from the date of 2025 annual general meeting to the date of 2026 annual general meeting of the Company; and

7) For guarantees exceeding the above-mentioned limit of RMB3,570,440,000, the approval procedures of the Board and the shareholders' meeting of the Company shall be performed in accordance with relevant procedures.

IV. FINANCIAL CONDITIONS OF THE GUARANTEED PARTIES

Currency: RMB Unit: 0'000

For the year ended 31 December 2025

No.	Name of Guaranteed Parties/Subsidiaries	Total assets	Net assets	Liabilities	Current assets	Current liabilities	Revenue	Net profit	Assets liability ratio
1.	Anguo Capital Water Co., Ltd.	5,400.68	4,536.98	863.70	4,005.32	565.70	1,150.49	125.11	15.99%
2.	Dalian Oriental Chunliuhe Water Quality Purification Co., Ltd.	23,451.94	12,413.93	11,038.01	8,195.11	4,125.48	3,560.41	385.40	47.07%
3.	Fuyang Capital Water Co., Ltd.	86,338.95	71,371.04	14,967.91	62,943.19	6,184.50	9,683.09	3,248.90	17.34%
4.	Hanshan Chuanghuan Water Co., Ltd.	22,174.99	7,248.70	14,926.29	2,991.49	1,572.64	4,334.33	357.55	67.31%
5.	Hanshou Tianchuang Water Co., Ltd.	15,647.24	6,082.93	9,564.31	3,341.26	1,055.31	1,211.84	12.66	61.12%
6.	Hebei Guojin Tianchuang Sewage Treatment Co., Ltd.	49,962.76	29,872.87	20,089.89	21,501.04	11,032.68	7,267.48	1,795.81	40.21%
7.	Honghu Tianchuang Water Co., Ltd.	9,726.09	5,267.47	4,458.63	3,771.80	2,220.37	2,197.64	180.69	45.84%
8.	Jieshou Capital Water Co., Ltd.	110,766.90	50,257.50	60,509.39	38,340.06	17,245.11	13,109.02	4,086.16	54.63%
9.	Jiuquan Capital Water Co., Ltd.	77,503.65	31,740.91	45,762.74	31,122.08	6,150.80	6,500.13	2,547.38	59.05%
10.	Karamay Capital Water Co., Ltd.	35,452.29	12,740.65	22,711.64	5,790.39	256.43	5,245.33	599.20	64.06%
11.	Inner Mongolia Bayannur Capital Water Co., Ltd.	119,938.45	117,784.89	2,153.56	40,363.06	2,153.56	10,231.35	1,391.52	1.80%
12.	Tianjin Tianchuang Environmental Technology Co., Ltd.	8,171.84	4,636.36	3,535.48	7,435.61	3,535.48	3,374.86	23.59	43.26%
13.	Tianjin Tianchuang Green New Energy Technology Co., Ltd.	26,409.61	10,513.78	15,895.83	4,296.73	2,556.38	2,514.98	865.74	60.19%
14.	Wendeng Capital Water Co., Ltd.	20,178.64	14,076.39	6,102.25	11,075.26	3,635.72	5,587.83	761.11	30.24%
15.	Wuhan Tianchuang Capital Environmental Protection Co., Ltd.	27,086.06	23,579.43	3,506.62	11,223.83	3,506.62	1,134.06	1,519.16	12.95%
16.	Tianjin Jinghai Capital Water Co., Ltd.	10,162.43	1,031.07	9,131.36	5,683.85	2,057.36	1,040.17	-549.34	89.85%
17.	Tianjin Jinning Capital Water Co., Ltd.	11,475.34	2,651.49	8,823.85	6,770.00	6,631.93	1,381.43	39.11	76.89%
18.	Shibinggui Capital Water Co., Ltd.	11,381.08	2,591.40	8,789.68	2,371.44	3,574.61	600.06	-193.44	77.23%
19.	Linxia Capital Water Co., Ltd.	30,523.46	7,481.21	23,042.25	12,017.74	2,335.08	3,374.49	232.59	75.49%
20.	Jiangsu Yonghui Resources Utilisation Co., Ltd.	14,154.19	4,244.45	9,909.74	5,383.41	7,909.74	6,119.48	99.45	70.01%
21.	Tianjin Water Recycling Co., Ltd.	173,166.81	44,526.00	128,640.81	41,893.54	70,684.87	22,189.49	5,802.01	74.29%
22.	Huoqiu Chuanghuan Water Co., Ltd.	7,546.53	1,123.50	6,423.03	2,004.34	2,371.20	1,471.18	103.76	85.11%

Currency: RMB Unit: 0'000

		As at 28 February 2026					For the two months ended between 1 January 2026 and 28 February 2026		
No.	**Company Name**	**Total assets**	**Net assets**	**Liabilities**	**Current assets**	**Current liabilities**	**Revenue**	**Net profit**	**Assets liability ratio**
1.	Anguo Capital Water Co., Ltd.	5,416.59	4,641.03	775.56	4,043.06	477.56	226.56	53.87	14.32%
2.	Dalian Oriental Chunliuhe Water Quality Purification Co., Ltd.	23,488.65	12,505.24	10,983.41	8,402.53	4,063.56	546.28	91.30	46.76%
3.	Fuyang Capital Water Co., Ltd.	84,542.21	72,109.48	12,432.73	62,015.88	3,649.32	1,530.76	738.44	14.71%
4.	Hanshan Chuanghuan Water Co., Ltd.	22,198.83	7,454.36	14,744.47	3,317.96	1,390.83	684.35	205.66	66.42%
5.	Hanshou Tianchuang Water Co., Ltd.	15,558.38	6,067.83	9,490.55	3,344.00	981.55	193.84	-15.10	61.00%
6.	Hebei Guojin Tianchuang Sewage Treatment Co., Ltd.	49,810.09	30,384.12	19,425.98	21,522.89	10,391.87	1,203.42	511.25	39.00%
7.	Honghu Tianchuang Water Co., Ltd.	9,787.42	5,458.50	4,328.92	3,925.35	2,126.67	442.00	191.03	44.23%
8.	Jieshou Capital Water Co., Ltd.	112,627.39	51,070.11	61,557.28	40,461.90	18,256.44	2,093.93	812.61	54.66%
9.	Jiuquan Capital Water Co., Ltd.	78,043.83	32,151.95	45,891.88	31,668.45	4,001.20	985.43	411.04	58.80%
10.	Karamay Capital Water Co., Ltd.	35,743.36	12,897.28	22,846.08	6,359.55	291.44	864.96	156.03	63.92%
11.	Inner Mongolia Bayannur Capital Water Co., Ltd.	120,222.61	118,329.96	1,892.65	41,253.96	1,892.65	1,490.01	545.07	1.60%
12.	Tianjin Tianchuang Environmental Technology Co., Ltd.	8,736.25	4,521.47	4,214.78	7,984.96	4,214.78	225.46	-114.89	48.24%
13.	Tianjin Tianchuang Green New Energy Technology Co., Ltd.	26,696.76	10,644.38	16,052.39	4,678.98	2,712.93	320.12	130.60	60.13%
14.	Wendeng Capital Water Co., Ltd.	20,109.45	14,236.87	5,872.58	11,107.95	3,906.05	681.01	160.47	29.20%
15.	Wuhan Tianchuang Capital Environmental Protection Co., Ltd.	26,679.85	23,461.41	3,218.44	10,804.02	3,218.44	210.70	-118.02	12.06%
16.	Tianjin Jinghai Capital Water Co., Ltd.	10,104.98	1,045.60	9,059.38	5,745.91	1,985.38	173.57	14.53	89.65%
17.	Tianjin Jinning Capital Water Co., Ltd.	11,531.25	2,304.31	9,226.94	6,841.29	6,585.59	102.21	102.25	80.02%
18.	Shibinggui Capital Water Co., Ltd.	11,249.63	2,788.38	8,461.25	7,559.15	3,261.25	108.81	3.55	75.21%
19.	Linxia Capital Water Co., Ltd.	30,624.29	7,699.76	22,924.53	12,255.23	2,217.36	525.50	218.54	74.86%
20.	Jiangsu Yonghui Resources Utilisation Co., Ltd.	13,418.45	3,933.23	9,485.22	4,739.45	7,485.22	0.05	-311.22	70.69%
21.	Tianjin Water Recycling Co., Ltd.	172,092.53	45,938.42	126,154.11	40,424.61	67,983.62	4,176.42	1,412.42	73.31%
22.	Huoqiu Chuanghuan Water Co., Ltd.	8,848.52	1,187.87	7,660.65	3,319.50	3,608.82	166.43	64.37	86.58%

V. THE COMPANY'S DECISION-MAKING PROCEDURES FOR THE GUARANTEES

As at 31 December 2025, the total amount of external guarantees of the Company amounted to RMB2,826,330,000 (excluding the amount of the Guarantees), all of which were financing guarantees to the wholly-owned and controlling subsidiaries within the scope of the consolidated statements of the Company, representing approximately 27.55% of the latest audited net assets of the Company.

As at the date of this announcement, the total amount of external guarantees of the Company amounted to RMB6,503,620,000 (including the amount of Guarantees), all of which were financing guarantees to the wholly-owned and controlling subsidiaries within the scope of the consolidated statements of the Company, representing approximately 63.39% of the latest audited net assets of the Company as at 31 December 2025, and there is no overdue guarantee.

As the total amount of external guarantees of the Company (including the amount of the Guarantees) exceeds 50% of the latest audited net assets of the Company, according to the Articles of Association of the Company, the Guarantees shall be subject to the consideration and approval by a special resolution at the AGM.

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.