THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Dongjiang Environmental Company Limited (the "**Company**"), you should at once hand this circular and the accompanying reply slips and forms of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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)

(1) WORK REPORT OF THE BOARD FOR THE YEAR OF 2025
(2) ANNUAL FINAL FINANCIAL REPORT FOR THE YEAR OF 2025
(3) FINANCIAL BUDGET REPORT FOR THE YEAR OF 2026
(4) PROFIT DISTRIBUTION PLAN FOR 2025
(5) REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT FOR 2025 AND THEIR REMUNERATION PLAN FOR 2026
(6) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
(7) PROPOSED AMENDMENTS TO MANAGEMENT MEASURES FOR REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT
(8) APPLICATION OF INTEGRATED BANK CREDIT FACILITIES FOR 2026
(9) RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2026
AND
(10) NOTICE OF ANNUAL GENERAL MEETING

The notice convening the AGM to be held at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the People's Republic of China on Monday, 29 June 2026 at 3:00 p.m. is set out on pages 54 to 55 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares of the Company) as soon as possible but in any event, not less than 24 hours before the time appointed for the holding of the AGM (i.e. 3:00 p.m. on Sunday, 28 June 2026. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

To facilitate the Company in making arrangements for the AGM, you are invited to complete the enclosed reply slip in accordance with the instructions printed thereon and return it to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares of the Company) not less than 24 hours before the time appointed for the holding of the AGM (i.e. 3:00 p.m. on Sunday, 28 June 2026). However, the completion and return of the reply slip or not will not affect your right to attend and/or vote at the AGM.

* *For identification purposes only*

28 May 2026

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

"A Share(s)"	A Share(s) in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in RMB on the Shenzhen Stock Exchange
"AGM" or "Meeting"	the 2025 annual general meeting of the Company to be held on Monday, 29 June 2026 at 3:00 p.m. (or any adjournment thereof)
"AGM Notice"	the notice convening the AGM as set out on pages 54 to 55 of this circular
"Annual Final Financial Report" or "Annual Final Financial Report for the Year 2025"	the annual final financial report for the year of 2025 proposed to be adopted by the Company at the AGM, details of which are set out in Appendix II to this circular
"Articles"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors
"Company"	東江環保股份有限公司 (Dongjiang Environmental Company Limited*), a joint stock limited company established in the PRC, whose H Shares and A Shares are listed on the Stock Exchange and on the Shenzhen Stock Exchange, respectively
"CSRC"	China Securities Regulatory Commission
"Director(s)"	director(s) of the Company
"Financial Budget Report" or "Financial Budget Report for the Year 2026"	the financial budget report for the year of 2026 proposed to be adopted by the Company at the AGM, details of which are set out in Appendix III to this circular
"form(s) of proxy"	the form(s) of proxy for the AGM dispatched to the Shareholders together with this circular
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign share(s) in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and traded in HK$ on the Stock Exchange
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	26 May 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"reply slip"	the reply slip for the AGM dispatched to the Shareholders together with this circular
"RMB"	Renminbi, the lawful currency of the PRC
"Securities and Futures Ordinance"	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong), as amended, revised and supplemented from time to time
"Share(s)"	share(s) of the Company, including A Share(s) and H Share(s), unless specified otherwise
"Shareholder(s)"	the shareholder(s) of the Company
"Shenzhen Listing Rules"	the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange
"Soho High Hope"	Jiangsu Soho High Hope Group Co., Ltd.* (江蘇蘇豪匯鴻集團股份有限公司), a company established in the PRC and listed on the Shanghai Stock Exchange (Stock Code: 600981), which is a substantial shareholder of the Company and is controlled by Jiangsu Soho Holding Group Co., Ltd.* (江蘇省蘇豪控股集團有限公司)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it in the Listing Rules
"WUYIGE"	WUYIGE Certified Public Accountants LLP
"%"	per cent.

In this circular, the English names of PRC entities are translations of their Chinese names, and are included herein for identification purposes only.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Listing Rules, the Securities and Futures Ordinance or any modification thereof and used in this circular shall, where applicable, have the meaning assigned to it under the Listing Rules, the Securities and Futures Ordinance or any modification thereof, as the case may be.

* *For identification purposes only*

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)

Executive Directors:
Mr. Wang Bi'an *(Chairman)*
Mr. Li Xiangli *(Chief Executive Officer)*
Mr. Zhu Lintao

Non-executive Directors:
Mr. Liu Xiaoxuan

Independent non-executive Directors:
Mr. Lee Kwok Tung Louis
Mr. Li Jinhui
Ms. Xiang Ling

Registered Office:
1/F, 3/F, North of 8/F, 9/F-12/F
Dongjiang Environmental Building
No. 9 Langshan Road
North Zone of Hi-tech Industrial Park
Nanshan District, Shenzhen
the PRC

Principal place of business in Hong Kong:
Suite 4201, 42/F,
Tower 1, Lippo Centre,
89 Queensway,
Admiralty,
Hong Kong

To the Shareholders

Dear Sir or Madam,

(1) WORK REPORT OF THE BOARD FOR THE YEAR OF 2025
(2) ANNUAL FINAL FINANCIAL REPORT FOR THE YEAR OF 2025
(3) FINANCIAL BUDGET REPORT FOR THE YEAR OF 2026
(4) PROFIT DISTRIBUTION PLAN FOR 2025
(5) REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT FOR 2025 AND THEIR REMUNERATION PLAN FOR 2026
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(9) RE-APPOINTMENT OF AUDITORS FOR THE YEAR 2026
AND
(10) NOTICE OF ANNUAL GENERAL MEETING

* *For identification purposes only*

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding (1) Work Report of the Board for the Year of 2025; (2) Annual Final Financial Report for the Year of 2025; (3) Financial Budget Report for the Year of 2026; (4) profit distribution plan for 2025; (5) Remuneration of Directors and Senior Management for 2025 and their Remuneration Plan for 2026; (6) proposed appointment of Non-executive Director; (7) proposed amendments to Management Measures for Remuneration of Directors and Senior Management; (8) application of integrated bank credit facilities for 2026 and (9) re-appointment of auditors for the year of 2026 and the AGM Notice.

2. WORK REPORT OF THE BOARD, ANNUAL FINAL FINANCIAL REPORT AND FINANCIAL BUDGET REPORT

Details regarding the Work Report of the Board for the Year of 2025, Annual Final Financial Report for the Year of 2025 and Financial Budget Report for the Year of 2026 are set out in Appendices I, II and III to this circular, respectively. The English versions of the Appendices are translations of the Chinese versions. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

3. PROFIT DISTRIBUTION PLAN FOR 2025

According to the Guidelines for the Supervision of Listed Companies No.3-Cash Dividends of Listed Companies (《上市公司監管指引第3 號－上市公司現金分紅》) and other relevant laws, regulations and standards documents, the Articles, and the Shareholders' Return Plan for the Next Three Years (2024-2026) of Dongjiang Environmental Company Limited* (《東江環保股份有限公司未來三年 (2024-2026年) 股東回報規劃》), considering that the Company recorded a loss for 2025, the fierce competition in the hazardous waste treatment industry in which the Company operates, and the substantial capital needs for daily operation, business expansion and project construction, in order to ensure the sustainable development and stable operation of the Company, the Board proposes that no profit distribution, no conversion of capital reserve into share capital and no dividend will be distributed for the year ended 31 December 2025.

4. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT FOR 2025 AND THEIR REMUNERATION PLAN FOR 2026

Reference is made to the Company's overseas regulatory announcement dated 27 March 2026 in relation to the remuneration of Directors and senior management for 2025 and their remuneration plan for 2026.

The remuneration of Directors and Senior Management for 2025

In 2025, the total pre-tax remuneration received by Directors and senior management from the Company amounted to RMB6.583 million (including social insurance, provident fund, enterprise annuity and other expenses borne by the Company). The details are as follows:

Name	Title	Employment Status	Total Pre-tax Remuneration Received from the Company (Including social insurance, provident fund, enterprise annuity and other benefits borne by the Company) *(RMB0'000)*
Wang Bi'an	Chairman, Executive Director	In Office	85.31
Li Xiangli	Executive Director, Chief Executive Officer	In Office	89.28
Zhu Lintao	Executive Director	In Office	36.44
Wang Shi	Non-executive Director	Resigned	14.58
Liu Xiaoxuan	Non-executive Director	In Office	0
Jia Guorong	Non-executive Director	Resigned	0
Li Jinhui	Independent Non-executive Director	In Office	15
Lee Kwok Tung Louis	Independent Non-executive Director	In Office	7.5
Xiang Ling	Independent Non-executive Director	In Office	15
Song Zhanlin	Vice president	In Office	85.29
Deng Guosong	Vice president	In Office	84.1
Zhou Lin	Vice president	In Office	48.42
Song Wenbo	Vice president	In Office	42.54
Qiao Yiwei	Secretary of the Board	In Office	88.24
Yu Fan	Executive Director	Resigned	39.1
Siu Chi Hung	Independent Non-executive Director	Resigned	7.5
Total	–	–	658.3

Note: The remuneration for 2025 includes the deferred portion of variable remuneration for the year 2024.

The remuneration plan for Directors and Senior Management for 2026

1. Valid Period: 1 January 2026 to 31 December 2026

2. Specific Plans

(1) Executive Directors

The remuneration of the Chairman shall be determined in accordance with the Company's relevant systems including the Management Measures for Remuneration of Directors and Senior Management and the Implementation Rules for Annual Performance Assessment of the Chairman and Senior Management, consisting of basic annual salary, performance-linked annual salary, tenure incentives, incremental bonuses and special incentives. Other Executive Directors who receive position-based remuneration for other positions in the Company shall not receive separate remuneration as Executive Directors.

(2) Non-executive Directors

Non-executive Directors shall not receive remuneration in their capacity as Non-executive Directors from the Company.

(3) Independent Directors

Independent Directors shall receive annual independent director allowance in the pre-tax amount of RMB150,000, paid on a monthly basis.

(4) Senior Management

The remuneration of Chief Executive Officer, Vice Presidents, Chief Financial Officer and other senior management confirmed by the Board (full-time Deputy Secretary of the Party Committee, Secretary of the Commission for Discipline Inspection, Chairman of the Trade Union and other equivalent positions shall be implemented by reference) shall be determined in accordance with *the Measures for Remuneration Management of Directors and Senior Management, Annual Performance Assessment of the Chairman and Senior Management* and related policies, consisting of basic annual remuneration, performance-linked annual remuneration, tenure incentives, incremental bonuses and special incentive income.

3. Other Provisions

(1) Remuneration of Directors and senior management shall be implemented in accordance with relevant systems of the Company. In principle, performance-based remuneration shall account for no less than 50% of the total amount of basic remuneration and performance remuneration.

(2) In accordance with relevant systems and labour contracts signed with Directors and senior management, the Company shall arrange for a certain proportion of performance remuneration to be paid after the disclosure of annual reports and completion of performance appraisals, which shall be conducted based on audited financial data.

(3) In the event of retrospective restatement of financial statements, the Company shall reassess performance remuneration of Directors and senior management and medium-to-long-term incentive income, and recover any overpaid amounts accordingly.

(4) Where a director or member of senior management breaches his/her obligations and causes losses to the Company, or is at fault for illegal or irregular acts, the Company may, depending on the circumstances, reduce or suspend unpaid performance remuneration and medium-to-long-term incentive income, and fully or partially recover the aforesaid income already paid during the occurrence of such violations.

An ordinary resolution will be proposed at the AGM for the Shareholders to consider, and if thought fit, approve the remuneration of Directors and senior management for 2025 and their remuneration plan for 2026.

5. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Reference is made to the Company's announcement dated 27 April 2026 in relation, amongst others, the proposed appointment of Non-Executive Director. The Company received a letter of nomination issued by Soho High Hope, a substantial shareholder of the Company, and after reviewed by the Board, Ms. Hu Ruifang ("**Ms. Hu**") has been nominated as a candidate for appointment as a non-independent Director (non-executive Director) of the eighth session of the Board.

Subject to Shareholders' approval, the term of office of Ms. Hu as a non-executive Director will commence from the date of the AGM and end on the expiry of the term of the eighth session of the Board.

Upon Shareholders' approval of the proposed appointment of Ms. Hu, she will enter into an appointment agreement with the Company. Ms. Hu will not receive remuneration for her position as a non-executive Director.

The biographical details of Ms. Hu are set out below:

Hu Ruifang, aged 53, university graduate holding a bachelor's degree, a qualified Accountant, Auditor and Economist. Ms. Hu has successively served as assistant to general manager and deputy general manager of the Investment and Development Department of Jiangsu Overseas Enterprise Group Co., Ltd.* (江蘇省海外企業集團有限公司); chief financial officer and deputy general manager of Changzhou Zhonghai Plastic Technology Co., Ltd.* (常州鐘海塑業科技有限公司); chairman of Liaoning Litian New Materials Co., Ltd.* (遼寧麗天新材料有限公司); chairman of the board of directors and general manager of Jiangsu Overseas Group Investment and Development Co., Ltd.* (江蘇海外集團投資發展有限公司); director of Jiangsu Soho International Group Co., Ltd. * (江蘇蘇豪國際集團股份有限公司); chairman of the supervisory committee of Jiangsu Soho Fashion Group Co., Ltd.* (江蘇蘇豪時尚集團股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600287); director of Soho Litian (Liaoning) Polymer Materials Co., Ltd.* (蘇豪麗天(遼寧)高分子材料有限公司); director of Jiangsu Soho Litian Smart Storage & Circular Technology Co., Ltd.* (江蘇蘇豪麗天智儲循環科技有限公司); director of Jiangsu Soho Innovation Technology Group Co., Ltd.* (江蘇蘇豪創新科技集團有限公司); chairman and general manager of Changzhou Haiqi Polymer New Materials Co., Ltd.* (常州海企高分子新材料有限公司); supervisor of Lianyungang Duzhong Xinaoshen Spandex Co., Ltd.* (連雲港杜鐘新奧神氨綸有限公司); and chairman of the supervisory committee of Changzhou Fengsheng Optoelectronic Technology Co., Ltd.* (常州豐盛光電科技股份有限公司). Currently, Ms. Hu acts as director and general manager of Soho High Hope.

Ms. Hu possess extensive knowledge and experience in the fields of finance and management. The Board believes that she has the necessary character, integrity and experience, and that she will make positive contributions to the strategies, performance and diversity of the Board.

With the assistance and recommendation of the Nomination Committee, the Board has comprehensively reviewed and considered the structure, number of members, composition and diversity of the Board from a number of aspects, including but not limited to, gender, age, cultural and education background, skills, knowledge and experience, and decided to propose Ms. Hu for appointment as a non-executive Director at the AGM.

Save as disclosed in this circular, as at the Latest Practicable Date, Ms. Hu (i) had not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) does not have any relationship with any Directors, senior management and substantial or controlling shareholders of the Company; and (iii) does not hold any other position with the Company and its subsidiaries.

As at the Latest Practicable Date, Ms. Hu does not have interest in the shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

As at the Latest Practicable Date, except for her positions in Soho High Hope, Ms. Hu has no relationship with other Directors, senior management and Shareholders holding more than 5% of the shares of the Company, nor has she been subject to any punishment by the China Securities Regulatory Commission and other competent authorities or disciplined by any stock exchanges. She has not been publicly disclosed by the CSRC on the public inquiry platform for illegal and dishonest information in the securities and futures market and is not a dishonest person subject to enforcement action. Her qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law of China, the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, other relevant laws and regulations and the Articles of Association of the Company.

Save as disclosed above, there is no other information in relation to the proposed appointment of Ms. Hu that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and the Company is not aware of any other matter that needs to be brought to the attention of the Shareholders.

An ordinary resolution will be proposed at the AGM for Shareholders to consider and, if thought fit, approve the proposed appointment of Ms. Hu as non-executive Director of the eighth session of the Board.

6. PROPOSED AMENDMENT TO MANAGEMENT MEASURES FOR REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

In accordance with the requirements stipulated in the Code of Corporate Governance for Listed Companies issued by CSRC, Shenzhen Listing Rules, Listing Rules and other relevant regulatory laws, regulations, normative documents as well as the Articles, to further improve the remuneration management for Directors and senior management of the Company, the Remuneration Management Measures for the Chairman and Senior Management is proposed to be renamed as the Remuneration Management Measures for Directors and Senior Management, with certain clauses revised. Details of the revised Remuneration Management Measures for Directors and Senior Management are set out in Appendix IV to this circular. The English version of the Appendix IV is a translation of the Chinese version. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

An ordinary resolution will be proposed at the AGM for Shareholders to consider, and if thought fit, approve the proposed amendments to Management Measures for Remuneration of Directors and Senior Management.

7. APPLICATION OF INTEGRATED BANK CREDIT FACILITIES FOR 2026

Reference is made to the Company's overseas regulatory announcement dated 28 May 2026 in relation to application of integrated bank credit facilities for 2026. The Board approved and resolved to propose to the Shareholders for consideration, and if thought fit, approval of the proposed application for integrated credit facilities by the Company to bank(s) in the amount of not exceeding RMB16.419 billion for 2026.

In order to meet the funding needs for the production and operation of the Group, the Group intends to apply to bank(s) for integrated credit facilities in the amount of not exceeding RMB16.419 billion for 2026. The credit facilities may include but are not limited to working capital loans, non-current capital loans, acceptance bills, factoring, letter of guarantee, letter of credit issuance, bill discounting and other credit services. Details of the proposed application for integrated bank credit facilities of the Company and its subsidiaries are as follows:

No.	Name of Bank granting credit facilities	Line of credit to be applied for *(RMB100 million)*	Term of credit
1	Industrial Bank Co., Ltd., Shenzhen Branch	12.00	
2	China Merchants Bank Co., Ltd. Shenzhen Branch	10.00	
3	China CITIC Bank Co., Ltd. Shenzhen Branch	5.00	
4	HSBC Bank (China) Co., Ltd. Shenzhen Branch	5.00	
5	China Minsheng Banking Corporation Shenzhen Branch	3.00	
6	Bank of China Limited Shenzhen High-tech Zone Sub-branch	3.10	
7	Ping An Bank Co., Ltd. Shenzhen Branch	8.00	
8	Bank of Beijing Co., Ltd. Shenzhen Branch	9.20	
9	Postal Savings Bank of China Co., Ltd. Shenzhen Branch	5.29	
10	Agricultural Bank of China Co., Ltd. Shenzhen Phoenix Sub-branch	6.00	Subject to the provisions of facility agreement(s)
11	Industrial and Commercial Bank of China Co., Ltd. Shenzhen High-tech Zone Sub-branch	3.00	
12	Everbright Bank Co., Ltd. Shenzhen Branch	3.00	
13	Bank of Communications Co., Ltd. Shenzhen Branch	4.50	
14	China Guangfa Bank Co., Ltd. Shenzhen Branch	3.00	
15	Bank of Ningbo Co., Ltd. Shenzhen Branch	1.10	
16	Bank of Jiangsu Co., Ltd. Shenzhen Branch	5.00	
17	China Construction Bank Corporation Shenzhen Branch	3.00	
18	Dongguan Bank Co., Ltd. Shenzhen Branch	5.00	
19	China Zheshang Bank Co., Ltd. Shenzhen Branch	2.00	
20	The Export-Import Bank of China Shenzhen Branch	7.50	

No.	Name of Bank granting credit facilities	Line of credit to be applied for *(RMB100 million)*	Term of credit
21	China Development Bank Shenzhen Branch	5.00	Subject to the provisions of facility agreement(s)
22	China Resources Bank of Zhuhai Co., Ltd. Shenzhen Branch	5.35	
23	Shanghai Pudong Development Bank Co., Ltd. Shenzhen Branch	1.00	
24	Bohai Bank Co., Ltd., Qianhai Branch	2.00	
25	Guangdong Huaxing Bank Co., Ltd. Shenzhen Branch	2.50	
26	Hua Xia Bank Co., Ltd. Shenzhen Branch	3.00	
27	Xiamen Bank Co., Ltd. Xiamen Branch	0.09	
28	Industrial Bank Co., Ltd. Xiamen branch	0.14	
29	Xiamen Bank Co., Ltd. Haicang Sub-branch	0.80	
30	China Construction Bank Corporation Xiamen Xiang'an Sub-branch	2.70	
31	Hubei Jiangling Rural Commercial Bank Company Limited	0.20	
32	Industrial and Commercial Bank of China Limited Nanping Branch	1.60	
33	Industrial Bank Co., Ltd. Nanping branch	0.30	
34	Xiamen Bank Co., Ltd. Nanping Branch	0.12	
35	Postal Savings Bank of China Limited Nanping Yanping District Branch	0.10	
36	Industrial and Commercial Bank of China Limited Foshan Branch	3.00	
37	China Construction Bank Corporation Jieyang Branch	2.74	
38	Industrial and Commercial Bank of China Limited Jieyang Branch	1.40	
39	Hua Xia Bank Co., Ltd. Henggang Sub-branch	0.10	
40	Shanghai Pudong Development Bank Co., Ltd. Guangzhou Dongshan Sub-branch	1.65	

No.	Name of Bank granting credit facilities	Line of credit to be applied for *(RMB100 million)*	Term of credit
41	Agricultural Bank of China Co., Ltd. Mianyang Branch	2.46	
42	Guangzhou Rural Commercial Bank Co., Ltd. Hengqin Guangdong-Macao In-depth Cooperation Zone Branch	4.30	
43	Bank of Communications Co., Ltd. Zhuhai Branch	0.50	
44	Dongguan Rural Commercial Bank Co., Ltd. Mayong Sub-branch	0.50	
45	Industrial Bank Co., Ltd. Chenzhou Branch	5.00	
46	Postal Savings Bank of China Co., Ltd. Yongxing Ganjin Road Sub-branch	2.00	
47	BOC Financial Leasing Co., Ltd.	1.20	
48	Bank of China Co., Ltd. Yichun Branch	0.10	
49	Postal Savings Bank of China Co., Ltd. Qujiang District Sub-branch, Shaoguan	0.30	
50	Postal Savings Bank of China Co., Ltd. Shaoguan Branch	0.30	
51	Guangdong Wengyuan Rural Commercial Bank Co., Ltd. Tielong Sub-branch	0.30	Subject to the provisions of facility agreement(s)
52	Bank of Communications Co., Ltd. Shaoguan Branch	0.30	
53	Industrial and Commercial Bank of China Co., Ltd. Karamay Petroleum Branch	0.05	
54	Bank of China Co., Ltd. Karamay Baijiantan Sub-branch	0.05	
55	Kunlun Financial Leasing Co., Ltd.	1.00	
56	Bank of Jiangsu Co., Ltd. Yancheng Branch	0.10	
57	Xiamen International Bank Co., Ltd. Zhuhai Gongbei Sub-branch	3.65	
58	China CITIC Bank Co., Ltd. Nanchang Branch	1.00	
59	Bank of Beijing Co., Ltd. Nanchang Economic Development Zone Sub-branch	0.80	
60	China Everbright Bank Co., Ltd. Nanchang Zhongshanqiao Sub-branch	1.50	
61	China Merchants Bank Co., Ltd. Nanchang West Beijing Road Sub-branch	0.80	
62	Bank of China Co., Ltd. Fengcheng Sub-branch	0.50	
	Total	164.19	

The above-mentioned credit facilities include new credit facilities and the extension or renewal of the existing credit facilities, which is not the actual financing amount of the Group. The specific financing amount will be determined according to the actual funding needs of production and operation of the Group. Within the above-mentioned credit facilities and validity period, the Company can increase the scope of banks granting credit facilities or adjust the line of credit between banks granting credit facilities according to operating conditions, and the credit facilities are recurring facilities. The specific financing amount, credit period and other relevant terms will be subject to the actual needs of the Company, and the relevant agreement entered into between the banks and the Company.

Subject to Shareholders' approval, the credit line is valid from the date of approval at the AGM to the date of approval at the general meeting of the comprehensive credit line proposal for 2027. It will be proposed at the AGM that the chairman of the Board or his designated authorised agent be authorised to handle the above-mentioned relevant credit facility application matters and the signing of relevant legal documents.

8. RE-APPOINTMENT OF AUDITORS FOR THE YEAR OF 2026

In compliance with relevant requirements for state-owned enterprises and the Company's procurement management rules, the Company has selected an accounting firm through open competitive negotiation to provide audit and internal control audit services for the year 2026. In accordance with the procurement result, it is proposed to reappoint WUYIGE as the Company's auditors for 2026.

The Audit and Risk Management Committee has fully reviewed and verified the basic information, staffing arrangement, professional competence, credibility and independence of WUYIGE, and confirmed that the firm is fully capable of meeting the Company's financial audit requirements and serves the overall interests of the Company and its Shareholders. Taking into account the procurement result and recommendations put forward by the Audit and Risk Management Committee, the Board proposes to reappoint WUYIGE as the Company's auditors for the year 2026.

The proposed total audit fee for 2026 is RMB2.58 million, including RMB2.18 million for financial audit services and RMB0.40 million for internal control audit services. The aforesaid audit fees are determined through negotiations between both parties after comprehensive consideration of various factors including the Company's business scale, industry attributes, anticipated audit scope, resources deployment and estimated working hours required for audit engagements by WUYIGE. The estimated fees are largely consistent with the audit fees for 2025.

An ordinary resolution will be put forward at the AGM to approve the re-appointment of WUYIGE as the auditor and internal control auditor of the Company, for a term from the date on which the resolution is considered and approved at the AGM to the date of the 2026 annual general meeting of the Company.

9. THE AGM AND CLOSURE OF REGISTER OF MEMBERS OF H SHARES

Set out on pages 54 to 55 of this circular is the notice convening and holding the AGM at 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the PRC on Monday, 29 June 2026 at 3:00 p.m..

The register of members of H Shares will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both days inclusive), during which no transfer of H Shares will be registered, for the identification of Shareholders qualified to attend and vote at the AGM. The record date for determining shareholders eligible to attend and vote at the annual general meeting is 29 June 2026 (Monday). In order to be entitled to attend and vote at the AGM, share transfer documents accompanied by relevant H Share certificates should be lodged with the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not later than 4:30 p.m. on Tuesday, 23 June 2026. Shareholders whose names appear on the register of members of the H Shares at 4:30 p.m. on Tuesday, 23 June 2026 are entitled to attend and vote at the AGM.

The form of proxy in connection with the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return them to the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event for the form of proxy not less than 24 hours before the time appointed for holding of the AGM (i.e. 3:00 p.m. on Sunday, 28 June 2026). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

To facilitate the Company in making arrangements for the AGM, you are invited to complete the enclosed reply slip in accordance with the instructions printed thereon and return it to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares of the Company) not less than 24 hours before the time appointed for the holding of the AGM (i.e. 3:00 p.m. on Sunday, 28 June 2026). However, the completion and return of the reply slip or not will not affect your right to attend and/or vote at the AGM.

10. LISTING RULES REQUIREMENTS

According to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, resolutions put to vote at the AGM will be taken by way of poll.

11. RECOMMENDATION

Having considered the aforementioned reasons, the Directors consider that Work Report of the Board for the Year of 2025, Annual Final Financial Report for the Year of 2025, Financial Budget Report for the Year of 2026, profit distribution plan for 2025, Remuneration of Directors and Senior Management for 2025 and their Remuneration Plan for 2026, proposed appointment of Non-executive Director, proposed amendment to Management Measures for the Remuneration of Directors and Senior Management, application of integrated bank credit facilities for 2026 and re-appointment of auditors for the year of 2026 are in the interests of the Company and the Shareholders as a whole. Therefore, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the AGM.

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

Shenzhen, the PRC, 28 May 2026

* *For identification purpose only*

The Annual Final Financial Report for the Year of 2025 proposed to be adopted at the AGM is set out as follows:

DONGJIANG ENVIRONMENTAL COMPANY LIMITED*
WORK REPORT OF THE BOARD FOR THE YEAR OF 2025

In 2025, the Board of Directors of Dongjiang Environmental Company Limited (hereinafter referred to as the "**Company**") strictly abided by the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, as well as the regulatory rules issued by the China Securities Regulatory Commission and the stock exchanges in Shenzhen and Hong Kong. It earnestly exercised all powers conferred by the Company's Articles of Association and actively carried out all work centering on the Company's development strategy and annual key tasks. All directors performed their duties faithfully and diligently. With a scientific, rigorous, prudent and objective working approach, they actively participated in the decision-making of major corporate matters and strived to safeguard the legitimate rights and interests of the Company and all shareholders.

I. COMPANY OPERATIONAL PERFORMANCE IN 2025

In 2025, amidst an industry environment characterized by the reshaping of the competitive landscape and the restructuring of recycling product value, the Company adhered to its mission of "developing ecological civilization to build a better China". Centered on the strategic deployment of the "Three Pillars and Four Strengths", the Company deeply integrated reform with high-quality development, and achieved solid results in areas such as reform, innovation and management enhancement, thereby stabilizing its core business operations.

During the Reporting Period, the Company achieved operating revenue of approximately RMB3,457 million, which remained largely flat compared with last year, and the total volume of hazardous waste collected and transported increased slightly year-on-year. However, due to the persistent downturn in the market environment, revenue from harmless treatment business experienced a significant year-on-year decline. For collection and transportation prices, the average price for incinerable waste decreased by approximately 15% year-on-year; among landfill waste, the average price for flexible landfill waste and rigid landfill waste decreased by over 15% and 20% year-on-year, respectively; the average collection and transportation discount rate for recycling of metal-containing waste liquids increased by over 1%. As a result, the Company's operating profit recorded a loss of RMB1,238 million, widening by approximately RMB397 million year-on-year. Total profit recorded a loss of RMB1,340 million, widening by approximately RMB460 million year-on-year. Despite significant short-term profitability pressure, through a dedicated accounts receivable program and the implementation of various measures to increase revenue and reduce expenditure, the Company achieved operating net cash flow of RMB387 million, a year-on-year increase of 208.59%, which effectively alleviated debt pressure and provided ample liquidity for the Company's transformation and upgrade.

In expanding its comprehensive environmental services and recycling businesses, the Company accelerated its development using an asset-light model. It established joint ventures with various enterprises to carry out multiple collaborations in areas such as auto parts dismantling, energy saving transformation, environmental consulting and green and intelligent logistics. These projects are being implemented steadily. Regarding the transformation and upgrading of its existing industrial hazardous waste business, the Company promoted process development and technical improvements, and independently tackled key projects such as "production of copper chloride dihydrate by acid evaporation method", "industrialization of preparing monoammonium phosphate from waste phosphoric acid" and "industrialization research on preparing calcium fluoride from fluorine-containing waste liquid" and achieved certain progress. In addition, the Company vigorously promoted the high-value and diversified transformation of recycling products. High-end products such as nano-scale basic copper sulfate and copper hydroxide were fully brought into production, and firework-grade copper oxide achieved full production and sales, steadily enhancing the competitiveness of recycling products.

In technological innovation, the Company was awarded one second prize for Scientific and Technological Progress in Guangdong Province during the year, and continued to develop 11 research and development platforms at provincial and ministerial level or above such as national postdoctoral research stations, provincial key laboratories and engineering technology research centers, thereby establishing a multi-level and multi-type scientific research platform system covering national, provincial, ministerial, municipal and departmental levels. It also added one provincial-level "Specialization and Innovation" SME, accumulating a total of 14 such enterprises across all levels. It also deepened industry-academia-research cooperation with renowned universities such as Tsinghua University, Central South University, Shenzhen University, and South China Normal University, providing robust support for technological innovation. Throughout the year, the Company secured 56 new patents, including 15 invention patents. In particular, it obtained three U.S. patents for "A Method for Preparing Electronic-Grade Copper Chloride Dihydrate", "A Method for Recycling of Electroless Nickel Plating Waste Liquid" and "A Method for Treating Leachate from Hazardous Waste Landfills".

In talent development, the Company comprehensively built a "1+1+2+N" talent cultivation system, precisely recruited key and urgently needed talents, promoted the deployment of core R&D personnel to the front line, and established a pool of high-potential talents. During the year, it completed five rounds of open competition for 37 mid-level management positions, appointed 18 new mid-level cadres, completed rotational exchanges for 15 management personnel, certified 617 individuals in vocational skill levels, and added 2 senior technicians, filling key talent gaps within the Company. It also conducted 19 specialized training sessions, including the "Jungle Arms Training Camp" and "Dongjiang Star Training Camp", with over 1,300 participants, bringing the total training attendance for the year to more than 14,000 person-times, which established a tiered and categorized training matrix that enables precise capability development. The Company comprehensively deepened the implementation of measures in key areas such as talent cultivation, introduction, utilization, evaluation and motivation, providing talent support for its transformation and development.

In cost reduction and efficiency enhancement, the Company introduced a special "extreme cost reduction" action plan, implemented differentiated cost-reduction strategies tailored to each enterprise and deeply promoted empowerment through technological transformation. Through initiatives such as process optimization, auxiliary material substitution, waste-to-waste treatment, reducing secondary waste generation and optimizing centralized procurement strategies, the Company achieved cumulative cost reductions of over RMB70 million in 2025. In addition, based on market conditions, it implemented 23 "extreme rate efficiency improvement" projects across its subsidiaries and branches, including projects on recycling of waste packaging materials, structural adjustment of recycling products and utilization of steam resources, which generated efficiency gains of over RMB40 million for the year.

Although the market shows signs of a slow consolidation, there has been no significant improvement in the current hazardous waste disposal industry, and the Company's operations continue to face pressure. Going forward, the Company will adopt various measures to address potential risks proactively, continuously optimize its asset structure, accelerate capital recovery, strive to enhance profitability, and build core competitiveness through technological transformation and innovation. While actively cultivating new businesses, it will persistently seek high-quality merger and acquisition targets to create new performance growth drivers through merger and acquisition. Building on its position as a leading enterprise in hazardous waste disposal, the Company aims to accelerate its transformation into an "outstanding comprehensive environmental service provider and a leading enterprise in resource recycling industry".

II. WORK PERFORMANCE OF THE BOARD OF DIRECTORS IN 2025

1. Convening of Board Meetings

In 2025, the Company held a total of eight Board meetings. The convening procedures, attendance qualifications, voting procedures, voting results and resolutions of all meetings were fully compliant with relevant laws, regulations and the Company's Articles of Association. All directors attended all Board meetings as scheduled. Details are set out as follows:

No.	Date	Session	Resolutions
1	28 March 2025	4th Meeting of the 8th Session	Proposal on the 2024 Annual Report, Summary and Annual Results
			Proposal on the 2024 Work Report of Board of Directors
			Proposal on the 2024 President's Work Report
			Proposal on the 2024 Final Financial Accounts Report
			Proposal on the 2025 Annual Financial Budget Report
			Proposal on Provision for Asset Impairment for 2024
			Proposal on the 2024 Profit Distribution Plan
			Proposal on the Evaluation Report on the Performance of Accounting Firms and Supervision Performance of the Audit and Risk Management Committee by the Board of Directors
			Proposal on the 2024 Internal Control Self-Assessment Report
			Proposal on the Ongoing Risk Assessment Report on Guangdong Rising Finance Co., Ltd.
			Proposal on Matters Relating to H-share Annual Report
			Special Report on the Deposit and Use of Raised Funds in 2024
			Proposal on Adjusting Internal Investment Structure and Investment Plan of Part of Raised Fund Investment Projects
			Proposal on Changing Special Accounts for Part of Raised Funds
			Proposal on Formulating the Working Rules for the Board Secretary
			Proposal on Using Self-owned Funds for Entrusted Wealth Management
			Proposal to Convene the 1st Extraordinary General Meeting in 2025

No.	Date	Session	Resolutions
2	25 April 2025	5th Meeting of the 8th Session	Proposal on the 2025 First Quarterly Report
			Proposal on the 2024 Environmental, Social and Governance (ESG) Report
			Proposal on Nominating Zhu Lintao as Candidate Non-independent Director of the 8th Session of the Board of Directors
			Proposal on Nominating Lee Kwok Tung Louis as Candidate Independent Director of the 8th Session of the Board of Directors
			Proposal on Appointment of Senior Management Personnel
3	23 May 2025	6th Meeting of the 8th Session	Proposal on Applying for Comprehensive Bank Credit Line for 2025
			Proposal on Reappointing Accounting Firms for 2025
			Proposal to Convene the 2024 Annual General Meeting
			Proposal on Formulating the Comprehensive Risk Management Regulations
			Proposal on Appointment of Senior Management Personnel
4	25 June 2025	7th Meeting of the 8th Session	Proposal on Electing Members of Special Committees under the 8th Session of the Board of Directors
			Proposal on Using Idle Raised Funds for Cash Management
			Proposal on Changing H-share Share Registrar
5	22 August 2025	8th Meeting of the 8th Session	Proposal on the 2025 Interim Report, Summary and Interim Results Announcement
			Special Report on the Deposit and Use of Raised Funds for the First Half of 2025
			Proposal on the Ongoing Risk Assessment Report on Guangdong Rising Finance Co., Ltd.
6	29 October 2025	9th Meeting of the 8th Session	Proposal on the 2025 Third Quarterly Report
			Proposal on Continuing Foreign Exchange Hedging Business
			Proposal on Salary Settlement for the Chairman and Senior Management for 2024

No.	Date	Session	Resolutions
7	17 November 2025	10th Meeting of the 8th Session	Proposal on Amending the Company's Articles of Association
			Proposal on Amending the Rules of Procedure for General Meetings
			Proposal on Amending the Rules of Procedure for the Board of Directors
			Proposal on Amending the Rules of Procedure for the Strategic Development Committee
			Proposal on Amending the Rules of Procedure for the Audit and Risk Management Committee
			Proposal on Amending the Rules of Procedure for the Board Nomination Committee
			Proposal on Amending the Rules of Procedure for the Remuneration and Appraisal Committee
			Proposal on Amending the Related Party Transaction Decision-making System
			Proposal on Amending the External Guarantee Management System
			Proposal on Amending the Information Disclosure Management System
			Proposal on Amending the Management System for Share Changes Held by Directors, Supervisors and Senior Management
			Proposal on Amending the Insider Information Insider Management System
			Proposal on Amending the Accountability System for Major Errors in Annual Report Information Disclosure
			Proposal on Amending the Investor Relations Management System
			Proposal on Formulating the Board Diversity and Employee Diversity Policy
			Proposal on Formulating the Market Value Management System
			Proposal on Signing Zinc Oxide Ore Sales Contract Constituting Related Party Transaction
			Proposal to Convene the 2nd Extraordinary General Meeting 2025, the 1st A-share Class Meeting 2025 and the 1st H-share Class Meeting 2025

No.	Date	Session	Resolutions
8	22 December 2025	11th Meeting of the 8th Session	Proposal on Terminating Part of Raised Fund Investment Projects and Using Surplus Raised Funds for Permanent Supplementary Working Capital
			Proposal on Completing Part of Raised Fund Investment Projects and Using Surplus Raised Funds for Permanent Supplementary Working Capital
			Proposal on Participating in Capital Increase and Share Expansion of Guangdong Embodied Intelligence Technology Co., Ltd. via Public Listing and Constituting Related Party Transaction
			Proposal on Signing Stone Material Sales Contract Constituting Related Party Transaction
			Proposal on Estimated Daily Related Party Transactions for 2026
			Proposal on Appointing Person-in-charge of Internal Audit

2. General Meeting Arrangements

In 2025, in strict compliance with the Company Law, Securities Law, the Company's Articles of Association and Rules of Procedure for General Meetings, the Board convened and held three general meetings. The Board faithfully exercised the powers conferred by general meetings and the Articles of Association, and earnestly implemented all resolutions adopted at general meetings. Details are as follows:

No.	Date	Session	Resolutions
1	23 April 2025	1st Extraordinary General Meeting 2025	Proposal on the Three-Year Shareholder Return Plan (2024-2026)
			Proposal on Amending the Rules of Procedure for the Board of Directors
			Proposal on Signing New Financial Services Agreement Constituting Related Party Transaction
			Proposal on Estimated Daily Related Party Transactions for 2025
2	25 June 2025	2024 Annual General Meeting	Proposal on 2024 Annual Report, Summary and Annual Results Announcement
			Proposal on 2024 Board of Directors Work Report
			Proposal on 2024 Supervisors Committee Work Report
			Proposal on 2024 Final Financial Accounts Report
			Proposal on 2025 Annual Financial Budget Report
			Proposal on 2024 Profit Distribution Plan
			Proposal on Electing Zhu Lintao as Executive Director of the 8th session of the Board
			Proposal on Electing Lee Kwok Tung Louis as Independent Director of the 8th session of the Board
			Proposal on Electing Ma Xujian as Non-employee Supervisor of the 8th session of the Supervisory Committee
			Proposal on Applying for Comprehensive Bank Credit Line for 2025
			Proposal on Reappointing Accounting Firm for 2025

No.	Date	Session	Resolutions
3	17 November 2025	2nd Extraordinary General Meeting 2025, 1st A-share Class Meeting 2025 and 1st H-share Class Meeting 2025	Proposal on Amending the Company's Articles of Association
			Proposal on Amending the Rules of Procedure for General Meetings
			Proposal on Amending the Rules of Procedure for the Board of Directors
			Proposal on Amending the Related Party Transaction Decision-making System
			Proposal on Amending the External Guarantee Management System

3. Performance of Special Committees of the Board of Directors

In 2025, the Audit and Risk Management Committee held 6 meetings, the Nomination Committee held 2 meetings, and the Remuneration and Appraisal Committee held 2 meetings. Within their respective mandates, all committees faithfully performed their entrusted duties. They conducted in-depth deliberations on periodic reports, internal and external audits, appointment of accounting firms, personnel appointments, remuneration and other significant matters, and put forward professional opinions and suggestions to support the Board's decision-making.

1. Audit and Risk Management Committee

During the reporting period, the Audit and Risk Management Committee strictly complied with the Company's Articles of Association and Rules of Procedure for the Audit and Risk Management Committee, and fulfilled its duties diligently. It focused on the preparation and audit of financial reports, conducted preliminary review of periodic reports to ensure the authenticity, accuracy and completeness of financial information. It maintained close communication and coordination with external auditors to supervise the independence and objectivity of audit work. The Committee continuously assessed the soundness and implementation effectiveness of the internal control system, regularly reviewed reports on financial status, operating results and internal audit work, and offered improvement proposals to steadily elevate the Company's financial management and internal control capabilities

2. Remuneration and Appraisal Committee

During the reporting period, in accordance with the Company's Articles of Association and Rules of Procedure for the Remuneration and Appraisal Committee, the Remuneration and Appraisal Committee carefully reviewed remuneration policies and assessment plans. It prioritized compliance, fairness and incentive orientation in institutional design, and offered professional views on assessment frameworks and indicator setting, ensuring relevant arrangements fit corporate realities and development needs, so as to safeguard the legitimate interests of all shareholders, especially minority shareholders. It maintained full communication with the management and human resources department, ensured complete and transparent disclosure of remuneration information, and promoted continuous optimization of the corporate incentive and restraint mechanism.

3. Nomination Committee

In accordance with the Company's Articles of Association and Rules of Procedure for the Nomination Committee, the Nomination Committee conducted prudent review on candidates' qualifications, professional backgrounds, professional competence and alignment with corporate strategies, so as to ensure standardized and transparent nomination procedures and rational candidate structure. It maintained close communication with the Board and management to align nomination work with the Board's decision-making procedures, and provided professional support for talent team building of corporate governance and operation teams.

4. Strategic Development Committee

In accordance with the Company's Articles of Association and rules of Procedure for the Strategic Development Committee, the Strategic Development Committee focused on the Company's medium and long-term development and provided strategic research and decision-making support. By keeping close track of industrial policies, market trends and technological changes, and combining with actual conditions of the Company, it participated in the deliberation of the 15th Five-Year Development Plan, laying a solid strategic foundation for the Company to seize development opportunities and achieve high-quality and sustainable development.

4. Corporate Governance

In 2025, in compliance with the Company Law, Securities Law, Guidelines for Corporate Governance of Listed Companies, Listing Rules of Shenzhen Stock Exchange and Hong Kong Stock Exchange as well as the Company's Articles of Association, the Company further improved its corporate governance structure and internal control system, steadily advanced standardized governance and fully fulfilled information disclosure obligations.

1. Shareholders and General Meetings

The Company has established a sound governance framework to ensure shareholders can fully exercise their rights on an equal footing, with shareholders enjoying corresponding rights and assuming obligations in proportion to their shareholdings. All general meetings are convened and held in full compliance with laws and regulations. To facilitate participation, both on-site and online voting channels are available while ensuring the validity of meetings.

When deliberating material matters affecting the interests of minority investors, separate vote counting is conducted for minority shareholders. Voting results are disclosed in a timely manner. On-site attendees may communicate directly with the management, effectively safeguarding shareholders' right to participate in corporate affairs and protecting the legitimate interests of all shareholders, especially minority ones.

2. Controlling Shareholders and Listed Company

In 2025, the Company maintains full independence from its controlling shareholder, actual controller and their affiliates in business operation, assets, finance, personnel and institutional setup, complying with regulatory requirements on the independence of listed companies. Controlling shareholders and actual controllers strictly regulate their conducts and exercise rights and perform obligations in accordance with laws. The Company maintains independent business operation capabilities, with the Board of Directors and internal institutions operating independently.

3. Directors and Board of Directors

The composition of the Board conforms to legal requirements and the Company's Articles of Association. All directors possess professional knowledge, competence and qualifications required for their duties, and faithfully and diligently perform their entrusted powers. All Board meetings are held in strict accordance with the Company's Articles of Association and rules of procedures for the Board. The four special committees under the Board, namely the Strategic Development Committee, Audit and Risk Management Committee, Nomination Committee, and Remuneration and Appraisal Committee, have performed their duties properly and provided professional and rational suggestions to support the Board's decision-making.

5. Performance of Independent Directors

In 2025, in accordance with the Company Law, Securities Law, the Company's Articles of Association, Measures for the Administration of Independent Directors of Listed Companies and relevant internal systems, all independent directors fulfilled their duties diligently. They attended general meetings and Board meetings, actively participated in deliberations on major corporate issues, carefully reviewed relevant documents and delivered independent, objective and impartial judgments as well as independent opinions on material matters. They conducted inspections covering corporate operation and management, senior management appointment, major investment projects, periodic reports and related party transactions, continuously supervised the implementation of Board resolutions and put forward targeted suggestions, so as to effectively safeguard the legitimate rights and interests of the Company and all shareholders.

6. Evaluation of Directors' Performance

In 2025, all directors performed their duties in strict compliance with laws, regulatory requirements and the Company's Articles of Association, made independent judgments and decisions on major issues and ensured efficient and standardized operation of the Board. All three independent directors rated themselves and each other as Competent in performance evaluations.

7. Investor Relations Management

In 2025, the Board maintained an open attitude and actively engaged with investors through diversified communication channels to collect opinions and suggestions on corporate operation and development, and help investors gain in-depth understanding of industry trends, corporate operations and future development strategies.

The Company designates Securities Times and CNINFO (www.cninfo.com.cn) as official information disclosure media and website. It has built a multi-channel communication system including dedicated hotline, exclusive email and investor interaction platform to fully protect investors' right to know and ensure equal access to corporate information for all shareholders. General meetings are held via a combination of on-site sessions and online voting to facilitate shareholder participation and guarantee shareholders' rights to know, participate and vote.

8. Information Disclosure Management

In 2025, the Board strictly followed the information disclosure guidelines issued by the CSRC and Shenzhen Stock Exchange. Based on actual business conditions, the Company issued announcements on meeting resolutions, periodic reports and major events truthfully, accurately, completely and timely, earnestly fulfilling information disclosure obligations, improving standardized operation and corporate transparency and protecting investors' interests. The Company was rated Grade B in the 2024-2025 Information Disclosure Assessment conducted by Shenzhen Stock Exchange.

III. WORK PLAN FOR 2026

In 2026, the Board of Directors will give full play to its core role in corporate governance, steadily carry out routine Board affairs, make efficient decisions on major matters, fully implement resolutions of general meetings, and ensure orderly progress in business operation and management. It will perform duties of all special committees in compliance with rules so as to safeguard shareholders' fundamental interests.

1. Strategic Guidance and Supervision on Plan Implementation

The Board will fully push forward the implementation of the 15th Five-Year Development Plan, break down medium and long-term strategic goals into annual tasks, and ensure effective alignment of all major strategic decisions. By establishing mechanisms for rolling adjustment and regular follow-up, it will dynamically monitor the progress of key projects, help the Company seize industry trends and policy opportunities, ensure the delivery of scheduled targets at the initial stage of the 15th Five-Year Plan period, and underpin the Company's high-quality and sustainable development.

2. Standardize Governance and Optimize Institutional System

The Company will further improve the operating mechanism of the Board and its special committees, keep close track of regulatory updates in Shenzhen and Hong Kong, and revise internal management systems in a timely manner to keep the corporate governance framework in line with the latest compliance requirements. It will give full play to the professional review function of special committees in audit, risk management, nomination, remuneration and other fields, continuously improve internal control systems, provide solid support for scientific decision-making of the Board, and elevate overall operational efficiency and compliance level.

3. Empower Duty Performance and Improve Decision-making Capacity

The Company will strengthen research training and capacity building for directors. By organizing on-site inspections of frontline businesses and arranging attendance at major business seminars, it will help directors gain in-depth insight into business conditions, business transformation plans, investment and M&A projects as well as relevant risk control arrangements, so as to enhance the professionalism and forward-looking vision of decision-making. It will strictly comply with regulatory training requirements for directors, focus on professional training for independent directors, strengthen their awareness of compliance and risk accountability, and comprehensively upgrade the competence and sense of responsibility of the governance team.

4. Strengthen Supervision to Promote Quality Improvement and Efficiency Enhancement

The Board will urge the management team to adhere to sound safety-oriented development philosophy, take extreme cost reduction, rapid efficiency improvement and accelerated transformation as core work priorities. It will boost overall operational efficiency and consolidate stable development foundation via refined management and information-based supervision platforms. Rigorous review will be conducted on major investments, related party transactions and other material matters to deliver scientific decision-making guidance, and accelerate the Company's transformation into a premier comprehensive environmental service provider and leading enterprise in resource recycling industry.

5. Deliver Corporate Value and Deepen Market Communication

The Company will strictly fulfill information disclosure obligations as an A+H-share listed company, ensure disclosed information is true, accurate and complete, and continuously enhance corporate governance transparency and standardization. It will further optimize investor relations management, actively convey corporate strategic positioning and operating achievements to the capital market through diversified channels, establish and improve positive feedback mechanisms for market value management, protect legitimate rights and interests of investors, and steadily raise market recognition of the Company's intrinsic value.

Board of Directors of
Dongjiang Environmental Company Limited*

27 March 2026

* *For identification purposes only*

The Annual Final Financial Report for the Year of 2025 proposed to be adopted at the AGM is set out as follows:

DONGJIANG ENVIRONMENTAL COMPANY LIMITED*
ANNUAL FINAL FINANCIAL REPORT FOR THE YEAR OF 2025

I. AUDIT OF 2025 FINANCIAL STATEMENTS OF THE COMPANY

1. The 2025 financial statements of the Company were audited by WUYIGE Certified Public Accountants LLP which issued the standard unqualified audit report. In the opinion of the auditor, "the financial statements of Dongjiang Environmental Company Limited* have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises in all material respects, and fairly reflect the consolidated and the parent company's financial position of Dongjiang Environmental Company Limited* as at 31 December 2025, the consolidated and the parent company's results of operations and cash flows for 2025."

2. Key financial data and indicators:

Unit: RMB'0,000

Item	January to December 2025	January to December 2024	Amount of change	Percentage of change
Operating revenue	345,703.05	348,666.07	-2,963.02	-0.85%
Gross profit	3,164.08	19,502.02	-16,337.94	-83.78%
Gross profit margin	0.92%	5.59%		-4.67%
Expenses of the period	78,757.83	78,266.77	491.06	0.63%
Including: Sales expenses	10,368.63	8,693.69	1,674.94	19.27%
Administrative expenses	38,134.13	39,493.32	-1,359.19	-3.44%
Research and development expenses	12,176.93	11,502.14	674.79	5.87%
Finance costs	18,078.14	18,577.62	-499.48	-2.69%
Percentage of expenses over revenue of the period	22.78%	22.45%		1.47%
Net profit	-134,357.69	-88,755.54	-45,602.15	-51.38%
Net profit margin	-38.87%	-25.46%		-13.41%
Net profit attributable to the shareholders of the listed company	-123,153.78	-80,418.59	-42,735.19	-53.14%

Item	January to December 2025	January to December 2024	Amount of change	Percentage of change
Net profit attributable to the shareholders of the listed company (net of non-recurring profit or loss)	-113,676.69	-80,976.81	-32,699.88	-40.38%
Weighted average return on net assets	-41.27%	-19.86%		-21.41%
Weighted average return on net assets (net of non-recurring profit or loss)	-38.09%	-20.00%		-18.09%
Basic earnings per share *(RMB/share)*	-1.11	-0.73	-0.38	-52.05%
Basic earnings per share *(RMB/share)* (net of non-recurring profit or loss)	-1.03	-0.73	-0.30	-41.10%

Item	31 December 2025	31 December 2024	Amount of change	As compared to the beginning of year Percentage of change
Total assets	990,762.79	1,127,847.94	-137,085.15	-12.15%
Total liabilities	708,564.61	712,758.96	-4,194.35	-0.59%
Equity attributable to the shareholders of the listed company	237,610.64	359,985.02	-122,374.38	-33.99%
Net assets per share *(RMB/share)*	2.15	3.26	-1.11	-34.05%

II. ANALYSIS ON FINANCIAL POSITION, OPERATING RESULTS AND CASH FLOW

1. Analysis of major items in balance sheet with significant changes

Unit: RMB'0,000

Item	31 December 2025	31 December 2024	Amount of change	Percentage of change
Note receivable	6,416	3,690	2,726	73.88%
Contract Assets	–	3,045	-3,045	-100.00%
Non-current assets due within one year	916	2,660	-1,744	-65.56%
Construction in progress	1,531	3,040	-1,509	-49.64%
Goodwill	37,800	68,355	-30,555	-44.70%
Short-term borrowings	164,873	119,701	45,172	37.74%
Other payables	30,414	22,322	8,092	36.25%
Long-term borrowings	129,844	230,091	-100,247	-43.57%

Explanation on significant changes:

(1) Notes Receivable: Increased by RMB27.26 million compared with the beginning of the year, mainly due to the rise in volume of notes discounted or endorsed without derecognition during the reporting period.

(2) Contract Assets: Decreased by RMB30.45 million compared with the beginning of the year, mainly attributable to the reclassification of project funds to accounts receivable in the reporting period.

(3) Non-current assets due within one year: Decreased by RMB17.44 million compared with the beginning of the year, mainly due to the collection of project proceeds during the reporting period.

(4) Construction in Progress: Decreased by RMB15.09 million compared with the beginning of the year, mainly as ongoing projects were transferred to fixed assets in the reporting period.

(5) Goodwill: Decreased by RMB305.55 million compared with the beginning of the year, mainly because the Company recognised goodwill impairment provisions for its acquired subsidiaries during the reporting period.

(6) Short-term Borrowings: Increased by RMB451.72 million compared with the beginning of the year, primarily resulting from debt structure adjustment which led to higher one-year bank borrowings in the reporting period.

(7) Other Payables: Increased by RMB80.92 million compared with the beginning of the year, mainly owing to recognition of corresponding liabilities for payment obligations pursuant to litigation judgments in the reporting period.

(8) Long-term Borrowings: Decreased by RMB1,002.47 million compared with the beginning of the year, mainly due to the Company's repayment of bank loans during the reporting period.

2. Business operation

Operating revenue: In 2025, the Company achieved operating revenue of RMB3,457.03 million (2024: RMB3,486.66 million), representing a decrease of RMB29.63 million or 0.85% year-on-year. The overall operating revenue remained generally stable. Specifically, revenue from sales of resource utilization products rose by approximately 20.88% year-on-year to RMB1,572.91 million (2024: RMB1,301.25 million); revenue from industrial waste treatment and disposal dropped by about 21.52% to RMB734.09 million (2024: RMB935.40 million); revenue from precious and rare metal recycling business fell by around 16.32% to RMB717.91 million (2024: RMB858.02 million).

Net profit: The net profit attributable to owners of the parent company was RMB -1,231.54 million in 2025 (2024: RMB -804.19 million), representing a decrease of 53.14% as compared to last year. The non-recurring profit and loss adjusted net profit attributable to owners of the parent company was RMB -1,136.77 million (2024: RMB -809.77 million), a year-on-year decrease of 40.38%.

The decline in profits was mainly attributable to the domestic macroeconomic environment. The competitive landscape of the hazardous waste industry saw no notable improvement, and the industry as a whole remained under substantial operational pressure. Continuous downward adjustment in pricing for harmless disposal business dragged down the gross profit margin year-on-year and resulted in net loss. In addition, in light of industry trends and actual business conditions, the Company recognised asset impairment losses and credit impairment losses for relevant assets in the current period, as well as losses arising from litigation judgments. All the above factors exerted a material adverse impact on the annual profit.

Earnings per share: Basic earnings per share for 2025 was RMB -1.11, down 52.05% year-on-year. The non-recurring items adjusted basic earnings per share was RMB -1.03, representing a decrease of RMB0.30 per share or 41.10% compared with RMB -0.73 in the prior year.

3. Expenses of the period

Unit: RMB'0,000

Item	January to December 2025	January to December 2024	Amount of change	Percentage of change
Sales expenses	10,369	8,694	1,675	19.27%
Administrative expenses	38,134	39,493	-1,359	-3.44%
Research and development expenses	12,177	11,502	675	5.87%
Finance costs	18,078	18,578	-500	-2.69%
Total	78,758	78,267	491	0.63%
Percentage of expenses over revenue of the period	22.78%	22.45%	/	0.33%

(1) Sales expenses amounted to RMB103.69 million, representing an increase of 19.27% as compared with the previous year and an increase of 0.51 percentage point as a percentage of revenue. The increase in sales expenses was mainly driven by higher salaries and remuneration for sales and marketing staff during the reporting period.

(2) Administrative expenses amounted to RMB381.34 million, representing a decrease of 3.44% as compared with the previous year and a decrease of 0.30 percentage point as a percentage of revenue. The decline was attributable to effective cost control implemented by the Company.

(3) Research and development expenses amounted to RMB121.77 million, representing an increase of 5.87% as compared with the previous year and an increase of 0.22 percentage point as a percentage of revenue. The increase in research and development expenses was mainly due to increased investment in research and development projects.

(4) Finance costs amounted to RMB180.78 million, representing a decrease of RMB5 million or 2.69% as compared with the previous year and a decrease of 0.1 percentage point as a percentage of revenue, which was mainly due to the lower comprehensive financing cost of interest-bearing liabilities.

4. Cash flow indicator

Unit: RMB'0,000

Item	2025	2024	Amount of change	Percentage of change
Net cash flows from operating activities	38,703	12,542	26,161	208.59%
Net cash flows from investing activities	-16,461	-12,437	-4,024	32.36%
Net cash flows from financing activities	-13,887	-22,357	8,470	-37.89%
Effect of foreign exchange rate changes on cash and cash equivalents	1	101	-100	-99.01%
Net increase in cash and cash equivalents	8,357	-22,150	30,507	-137.73%
Add: Balances of cash and cash equivalents at the beginning of period	101,631	123,781	-22,150	-17.89%
Balances of cash and cash equivalents at the end of period	109,987	101,631	8,356	8.22%
Net cash flows from operating activities per share *(RMB/share)*	0.35	0.11	0.24	/
Net cash flows per share *(RMB/share)*	0.08	-0.2	0.28	-140.00%

(1) In 2025, the net operating cash flow of the Company was RMB387.03 million, representing an increase of RMB261.61 million as compared with the previous year, which was mainly attributed to higher cash collections from growing revenue of industrial waste resource utilization business and the recovery of receivables related to government funds during the reporting period.

(2) In 2025, the net cash outflow from investment activities of the Company was RMB164.61 million, representing an increase of RMB40.24 million in outflow compared with the previous year, mainly resulting in reduced cash inflows from fewer redemptions of structured deposits.

(3) In 2025 net cash outflows from financing activities of the Company amounted to RMB138.87 million, representing a decrease of RMB84.70 million as compared with the outflow of last year, which was mainly due to an increase in new borrowings obtained during the reporting period.

5. Other significant items

Unit: RMB'0,000

Item	2025	2024	Amount of change	Percentage of change
Other income	3,600	5,064	-1,464	-28.91%
Investment income	-894	362	-1,256	-346.96%
Credit impairment loss	-3,544	-5,865	2,321	39.57%
Impairment loss for assets	-41,862	-19,334	-22,528	-116.52%
Disposal gain on asset	88	439	-351	-79.95%
Income tax expenses	325	753	-428	-56.84%

(1) Other income decreased by RMB14.64 million over the previous period, mainly due to the reduction of government grants during the reporting period.

(2) Investment income decreased by RMB12.56 million as compared with the previous period, primarily resulting from the recognition of debt restructuring losses in the current period.

(3) Credit impairment loss decreased by RMB23.21 million as compared with the previous period, mainly because more individual credit impairment provisions were accrued in the same period of last year.

(4) Impairment loss for assets increased by RMB225.28 million as compared with the provision in the previous period, which was mainly attributable to increased provisions made for goodwill and fixed assets impairment during the period.

(5) Disposal gain on asset decreased by RMB3.51 million as compared with the previous period, as gains generated from disposal of land use rights were higher in the corresponding period last year.

(6) Income tax expenses decreased by RMB4.28 million as compared with the previous period, mainly owing to the decline in total profit for the reporting period.

III. GENERAL FINANCIAL INDICATORS

Item	Financial indicators	31 December 2025	31 December 2024	Year-on-year change
Solvency indicators	Current ratio	0.73	0.92	-0.19
	Quick ratio	0.58	0.72	-0.14
	Gearing ratio	71.52%	63.20%	8.32%

Item	Financial indicators	January to December 2025	January to December 2024	Year-on-year change
Assets management indicators	Accounts receivables turnover days	93	107	-14
	Inventories turnover days	75	87	-12
	Total assets turnover days	1,165	1,227	-62
Profitability indicators	Net return on total assets	-12.68%	-7.57%	-5.11%
	Weighted average return on net assets	-41.27%	-19.86%	-21.41%
	Weighted average return on net assets (net of non-recurring profit or loss)	-38.09%	-20.00%	-18.09%

Dongjiang Environmental Company Limited*

27 March 2026

* *For identification purposes only*

The Financial Budget Report for the Year of 2026 proposed to be adopted at the AGM is set out as follows:

DONGJIANG ENVIRONMENTAL COMPANY LIMITED*
FINANCIAL BUDGET REPORT FOR THE YEAR OF 2026

I. EXPLANATION FOR PREPARATION OF BUDGET

This budget is prepared by the Company based on the principle of prudence, together with market situation and business expansion plan according to the requirements of the consolidated statements and based on the Company's budget and the business development plan of each business segment, waste treatment and disposal plan, production and sales plan of recycled products and rare and precious metals for Year 2026. This budget is prepared based on the assumption that the operation plans of the Company are completed on time and in volume as specified in the plans.

The budget was prepared after summarizing the operation condition in 2025 and analyzing the circumstances of the operation in 2026, and in line with the Company's corporate development strategy with full regard to the impacts of factors, including market environment, business expansion and sales prices during the budget period. This budget includes the parent company, its controlled subsidiaries and branches.

II. BASIC ASSUMPTIONS

1. No material changes in the applicable current national and local laws, regulations and rules with which the Company complies.

2. No material changes in social and economic environment of the place of principal operations and relevant regions of business of the Company.

3. No adverse impacts will arise from material changes in objective factors including severe shortage in transportation, telecommunication, water and electricity and raw materials which will affect production and operation of the Company in 2026.

4. Fluctuation of the credit interest rate, taxation policy regarding production and operation of the Company are within normal range.

5. No material changes in the existing production organization structure of the Company, completion and commencement for production of the planned investment projects will take place on schedule.

6. No material adverse impacts on the Company due to other force majeure and unforeseeable factors.

III. KEY INDICATORS OF THE BUDGET OF 2026

The net profit attributable to the parent company is expected to record a year-on-year loss reduction of no less than 20% in 2026.

IV. SPECIAL NOTICE

The budget is a control indicator for internal management for the Company's business plan in 2026, but does not represent the Company's profit forecast in 2026. Whether the budget could be realized depends on a number of factors including changes in market conditions and the efforts of the operation team, and is subject to a high degree of uncertainties, and investors should pay special attention to such factors.

Dongjiang Environmental Company Limited*
27 March 2026

* *For identification purpose only*

DONGJIANG ENVIRONMENTAL COMPANY LIMITED* MANAGEMENT MEASURES FOR REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

CHAPTER 1 GENERAL PROVISIONS

Article 1 To further enhance the standard of management of Dongjiang Environmental Company Limited (the "**Company**"), and to establish and improve incentive and restrictions mechanisms that fully leverage the motivation and creativity of directors and senior management personnel, thereby generating greater benefits for the Company and its shareholders, the Company has formulated the "Management Measures for Remunerations of Directors and Senior Management Personnel" (these "**Measures**") in accordance with the principles of proportional responsibility, authority, and benefits, and pursuant to the relevant provisions of the "Company Law", the "Code of Corporate Governance for Listed Companies" and the "Articles of Association" taking into consideration the Company's actual circumstances and industry characteristics.

Article 2 These Measures apply to directors and senior management personnel of the Company ("**Directors and Senior Management Personnel**"). Senior management personnel refer to the president, vice presidents, chief financial officer, board secretary and other senior management personnel as recognized by the "Articles of Association". They shall not apply to non-executive directors and independent directors who receive no remuneration from the Company. The Party Committee secretary, full-time deputy Party Committee secretary, Discipline Inspection Commission secretary, and Trade Union chairman of the Company may refer to these Measures for execution. The allowance scheme for independent directors shall be separately reviewed and approved by the general meeting of shareholders.

Article 3 The principles of remuneration management are:

(1) Persisted compliance with laws and regulations. Remuneration management must adhere to laws, regulations and relevant regulations.

(2) Efficiency first, fairness considered. The remuneration level for Directors and Senior Management Personnel should be reasonably determined based on market orientation, industry attributes and the Company's development, ensuring that the allocation of duties is proportional to responsibility, authority, and benefits.

(3) Performance-oriented, combining incentives and restrictions. Hold tight to the principal of "increase in performance remuneration, increase in remuneration" and "decline in performance remuneration, decline in remuneration", completing the distribution inventive and restrictions mechanism for Directors and Senior Management Personnel based on a linkage between remuneration and performance results. To develop a remuneration mechanism under which remuneration is determined based on performance, individual performance is bundled with team performance and the magnitude of improvement in remuneration is determined by the magnitude of improvement in performance.

Article 4 Annual comprehensive assessment results shall be determined based on the weightings of Party building and business performance assessment results, which shall be director's tenure-based and contract-based assessment results, which in turn shall be used to confirm the remuneration for Directors and Senior Management Personnel. This system combines annual and tenure-based assessments, integrating result assessment with process assessment, and links assessment outcomes with remuneration.

Article 5 The Remuneration and Appraisal Committee of the Board of Directors shall be the administrative body responsible for implementing these Measures. The human resources department, finance management department, securities and legal affairs department and other relevant departments shall coordinate with the Remuneration and Appraisal Committee to carry out remuneration schemes.

Remuneration schemes for Directors and Senior Management Personnel shall be formulated by the Remuneration and Appraisal Committee, specifying the determining criteria and specific components. The remuneration scheme for directors shall be determined and disclosed by the general meeting of shareholders. The remuneration scheme for senior management personnel shall be approved by the Board of directors, reported to the general meeting and disclosed accordingly.

Performance appraisal of Directors and Senior Management Personnel shall be organized by the Remuneration and Appraisal Committee. The Company may entrust a third party to conduct such appraisal. A director shall recuse himself/herself when the Board or the Remuneration and Appraisal Committee assesses his/her performance or discusses his/her remuneration.

CHAPTER 2 DETERMINATION OF REMUNERATION COMPOSITION AND ASSESSMENT COEFFICIENTS

Article 6 The remuneration for Directors and Senior Management Personnel consists of five components: basic annual remuneration, performance annual remuneration, tenure incentive, incremental reward, and specific reward.

Article 7 Basic Annual Remuneration

(1) Definition of Basic Remuneration

Basic annual remuneration represents the basic annual income of Directors and Senior Management Personnel, reflecting the value of their positions and meeting basic living needs. Their basic annual remuneration of shall not exceed the benchmark rate of 40% of the sum of the basic annual remuneration and performance annual remunerations.

(2) Determination of Basic Remuneration

The basic annual salary of directors is set at three times the average wage of on-the-job employees in non-private entities in Shenzhen for the year prior to the commencement of their term of office, and shall remain unchanged in principle during the term. The basic salary distribution coefficient is 1 for the chairman, 0.95 for the president and 0.9 for deputy senior management. The basic annual remuneration is fixed and not affected by comprehensive assessment results, and is paid annually.

Article 8 Performance Annual Remuneration

(1) Definition of Performance Annual Remuneration

Performance annual remuneration is a variable income linked to annual comprehensive assessment coefficient and performance adjustment coefficient, determined with reference to total profit. The performance annual remuneration of Directors and Senior Management Personnel should in principle be not lower than 60% of the benchmark rate of the sum of the basic annual remuneration and performance annual remuneration.

(2) Determination of Performance Annual Remuneration

Performance Annual Remuneration = Base of Performance Annual Remuneration × Annual Comprehensive Assessment Coefficient × Scale Adjustment Coefficient × Individual Distribution Coefficient.

The base amount of directors' performance annual salary is 4.5 times the average salary of on-the-job employees in urban non-private units of Guangzhou in the year preceding the commencement of the term of office.

The comprehensive assessment coefficient of director is determined based on the comprehensive assessment score and assessment rating, which shall be not higher than 1.2. The total score consists of Party building assessment and business performance assessment, with respective weights of 30% and 70%.

Table 1: Table showing details of Annual Comprehensive Assessment Scores and Assessment Coefficient

Assessment Rating	Assessment Score	Comprehensive Assessment Coefficient
Excellent	95 (inclusive) and above	1.0-1.2
Competent	85 (inclusive) -94	0.75-0.95
Basically Competent	80 (inclusive) -84	0.5-0.7
Incompetent	Below 80	0

The scale adjustment coefficient is determined based on the completion status and actual amount of the annual total profit target, which shall be not higher than 1.2, and calculated via linear interpolation.

Table 2: Table showing details of Annual Assessed Total Profit and Scale Adjustment Coefficient

Annual Assessed Total Profit P (RMB'0,000)			Scale Adjustment Coefficient
P<0	Increased Loss	ΔP≥5000	0.6
		0<ΔP<5000	0.6-0.7
	Reduced Loss	0<ΔP<5000	0.7
		5000≤ΔP<10000	0.7-1
		ΔP≥10000	1.1
P>0	0≤P<10000		1(inclusive)-1.02
	10000≤P<55000		1.02(inclusive)-1.11
	55000≤P<100000		1.11(inclusive)-1.2
	P>100000		1.2

For distribution of performance annual remuneration to Directors and Senior Management Personnel, the performance annual distribution coefficient is determined based on personal tenure-based and contract-based assessment results. For individuals assessed as excellent or competent, the distribution coefficient is 0.95 for the general manager (president), 0.6-0.9 for other deputy responsible persons, using the Chairman of the Board's performance annual remuneration as the base. For individuals assessed as basically competent, the general manager's (president) coefficient shall not exceed 0.75, and other deputy responsible persons' coefficient shall not exceed 0.6. Individuals assessed as incompetent shall not receive performance annual remuneration.

Article 9 Tenure Incentive

(1) Definition of Tenure Incentive

Tenure incentives refer to income linked to the performance assessment results of the tenure of Directors and Senior Management Personnel, which shall be determined based on the tenure performance assessment results and shall be within 10% of the total annual remuneration level of the Directors and Senior Management Personnel during his/her tenure. Directors and Senior Management Personnel with a comprehensive tenure assessment level of basically competent or above are eligible for tenure incentives.

(2) Determination of Tenure Incentive

Tenure Incentives = (Basic Annual Remuneration during the Tenure + Performance Annual Remuneration during the Tenure) × 10% × Tenure Incentive Distribution Coefficient.

For tenure assessment results of excellent or competent, the tenure inventive distribution coefficient is 1; for tenure assessments results of basically competent, the tenure inventive distribution coefficient is 0.6; for tenure assessments results of incompetent, the tenure inventive distribution coefficient is 0 and no tenure incentive shall be awarded.

(3) Rules for Payment of Tenure Incentive

If the tenure is not completed due to personal reasons, no tenure incentive shall be given. If the tenure is not completed for non-personal reasons, the tenure incentive income based on the tenure assessment results and actual time/contribution in the office of senior management shall be given.

Tenure incentives cease if any of the following occurs during the tenure:

1. Falsification or concealment of financial conditions.

2. Major personal decision-making errors, significant safety incidents, major or above environmental pollution incidents, major quality incidents, legal dispute losses, etc., causing substantial economic loss or negative impact and loss of state-owned assets.

3. Serious violations of discipline and law, for which responsibility is pursued by disciplinary inspection and supervision departments or judicial authorities.

Article 10 Incremental Reward

(1) Definition of Incremental Rewards

Incremental reward refers to the bonus granted under guaranteed cash flow conditions. It applies when the company fulfills the assessed total profit target and its audited net profit attributable to shareholders rises against the average figure calculated on the same basis over the preceding three years. The reward is calculated based on the portion by which the audited net profit attributable to shareholders (excluding non-recurring gains and other items) exceeds the corresponding target value, including deficit reduction.

(2) Rules for Provisioning Incremental Rewards

The total annual incremental reward for Directors and Senior Management Personnel is provisioned based on the degree of excess achieved in the assessed net profit attributable to the parent company, segmented and proportionally allocated as follows:

Total Incremental Reward = Σ (Excess Portion of Non-Recurring Profit Deducted Net Profit Attributable to Shareholders × Provision Proportion)

Table 3: Table of details of Actual Growth Rate over Target Profit and Responsible Person Incremental Reward Provisioning Ratio

Assessment Net Profit Growth Rate Attributable to the Parent Company (%)	Provisioning Ratio for Incremental Reward
(0,50]	3%
(50,100]	5%
> 100	7%

Director's distribution amount shall not exceed 1.5 times the average incremental reward for the senior management. The specific proportion and distribution coefficient are executed after Board approval.

(3) The incremental rewards for Directors and Senior Management Personnel shall be executed according to these measures. The incremental rewards for other personnel shall be allocated by the Company in accordance with relevant policies and its internal system(s). Incremental rewards that have been provisioned according to these measures shall not be used for repeated incentives for the same individual for the same incentive matter.

(4) Rules for Payment of Incremental Rewards

The Company shall not implement incremental rewards if any of the following occurs:

1. In the event of a major risk incident, significant or higher production safety incident, major or higher environmental pollution accident, major quality incident, or violations of rules and regulations;

2. In the event that the primary auditing firm issues a qualified opinion, adverse opinion, disclaimer of opinion, or other non-standard audit opinions on the Company's annual financial report, or any other situation that significantly impacts the fairness of financial information;

3. Negative cash flow or significant negative impact on the Company's day-to-day business operations;

4. The Company's operating performance assessment score is below 80;

5. The Company's overall assessment result is rated as incompetent or below;

6. Other situations deemed inappropriate for the disbursement of incremental rewards.

Directors and Senior Management Personnel shall not participate in the disbursement of incremental rewards, and any deferred payments from previous years shall no longer be paid if any of the following occurs:

1. The individual's tenure-based and contract-based assessment results are rated as incompetent;

2. Violation of corporate management systems resulting in major disciplinary action;

3. Being sanctioned by relevant authorities due to serious violations of discipline and law;

4. Being responsible for major decision-making errors, significant asset losses, significant or higher production safety incidents, or major or higher environmental pollution incidents;

5. Being dismissed or having their labour contract terminated due to personal reasons;

6. Other situations where continued participation in the disbursement of incremental rewards is not permitted.

Article 11 Specific rewards refer to rewards that which could be applied for to the board of directors of the Company when outstanding achievements or substantial contributions have been made in areas such as innovation-driven initiatives, capital operations, major project investments, asset revitalization, and fulfilment of social responsibilities. The specific reward amount and distribution plan shall be implemented after being considered and approved by the board of directors.

Article 12 All remunerations and rewards are income before tax and do not include expenses that the Company is required to bear, such as social security and pension contributions paid for the individual. Personal income tax will be withheld and paid by the Company in accordance with the law, and the Company shall not bear the individual's personal income tax.

Article 13 The social insurance, housing provident fund, and other benefits for Directors and Senior Management Personnel shall be implemented in accordance with national policies and relevant local policies. Welfare benefits such as enterprise annuities shall be executed according to the Company's relevant regulations, and the contribution ratio shall not exceed the national standards. The housing provident fund contribution ratio shall not exceed 12%, and the contribution base shall not exceed three times the average monthly wage of employees in non-private units in urban areas of the enterprise's location for the previous year.

Article 14 The Company may adopt medium and long-term incentive measures including equity incentives for listed company, equity dividends for technology-oriented enterprises, incremental incentives and project co-investment, to further improve the long-term incentive and restraint mechanism. Relevant measures shall be executed after review and approval according to regulations.

CHAPTER 3 REMUNERATION REALIZATION

Article 15 The basic annual remuneration of Directors and Senior Management Personnel shall be paid on a monthly basis. The performance annual remuneration is settled annually for each assessment year. If the target tasks are completed according to the timeline, up to 50% of the estimated performance annual remuneration can be prepaid monthly. If the timeline is not met, performance annual remuneration shall not be prepaid. During the annual remuneration settlement, the prepaid portion will be adjusted based on the assessment results according to the principle of refunding excess or compensating for shortfalls.

Article 16 Where the Company has a decline in economic benefits or lower operating performance compared with the previous year, the performance annual remuneration of Directors and Senior Management Personnel shall in principle decrease or stay flat. In case of newly incurred operating losses in the current year, their performance annual remuneration shall be reduced proportionately based on the loss scale.

Article 17 Tenure incentives are paid within 2 years after the tenure assessment ends, disbursement being 60% in the first year after the term ends (post-audit) and 40% in the following year in principle.

Article 18 Incremental rewards are disbursed using a deferred method, paid out over three years in a ratio of 3:3:4.

To avoid short-term behaviour and encourage stable growth of the enterprise, if there are significant fluctuations during the disbursement period resulting in the annual target profit not being met, the excess portion of the assessed net profit attributable to the parent company from previous years needs to be revised. The remaining disbursement amount for incremental rewards will be recalculated. The actual value achieved will be based on the cumulative excess portion of the revised assessed net profit attributable to the parent company, and the target value will be based on the target profit for the year in which the incremental reward was initially given.

Article 19 The performance distribution coefficient for Senior Management Personnel can be adjusted based on the challenge level of the performance targets and their achievement. If the enterprise's overall assessment is excellent, the individual assessment is also excellent, and their work performance is particularly outstanding, the upper limit of the distribution coefficient can exceed 0.9 but must not exceed 1.5. The specific distribution coefficient will be implemented after review and approval by the board of directors.

Article 20 The Company shall not pay the remunerations of Directors and Senior Management Personnel beyond the approved standards. Directors and Senior Management Personnel shall not receive any other remuneration-related income, including wages, bonuses, allowances or subsidies, other than the remuneration stipulated in these Measures.

Article 21 Disbursement of Remunerations in Specific Circumstances:

(1) If, due to work-related needs, the Company decides to change the position of a Directors and Senior Management Personnel, their remuneration for that year will be calculated based on the period of their tenure. Remuneration shall be paid in accordance with the new position criteria starting from the month following the adjustment. Apart from the annual remuneration accrued based on the actual months worked in the position that year, they shall not receive any remuneration from the Company.

(2) If a director or senior management personnel resigns for personal reasons, their basic annual remuneration and performance annual remuneration will be calculated and paid based on their working duration and status of performance targets. Tenure incentives for assessment periods that have not been completed will no longer be given.

(3) If a director or senior management personnel is dismissed for prejudicing the interests of the enterprise or for violations of regulations and discipline, their performance annual remuneration, tenure incentives, and incremental rewards for that year will not be given, subject to relevant regulations.

(4) If a director or senior management personnel is absent due to illness, their basic annual remuneration will be issued at 80% during the sick leave period, and their performance annual remuneration will be handled according to relevant regulations. If the sick leave exceeds the stipulated medical period, the labour contract may be terminated in accordance with national regulations. If they are unable to work due to a work-related injury, the relevant national and provincial/municipal regulations will apply.

(5) When a director or senior management personnel reaches the statutory retirement age and retires, they will receive their pension according to regulations. In addition to the performance annual remuneration, tenure incentives, specific rewards, incremental rewards, and long-tenure incentives shall accrue based on the actual months worked in the position that year, they shall not continue to receive any further remuneration.

Article 22 The determination and payment of performance remuneration and medium-to-long-term incentive income for directors and senior management shall be mainly based on performance appraisal, which shall be conducted against audited financial data.

CHAPTER 4 REMUNERATION MANAGEMENT AND SUPERVISION

Article 23 Directors and senior management personnel shall not receive any form of remuneration, such as wages, bonuses, or allowances, from wholly-owned, controlled, or affiliated enterprises, or any other units outside of the Company where they hold concurrent positions. If, due to specific circumstances, they need to receive remuneration from subsidiary enterprises or other social organizations, the full amount must be handed over to the Company and must not be kept for personal use.

Article 24 Remuneration Clawback

Remuneration clawback also apply to retired, repositioned, or resigned management personnel, including but not limited to the following situations:

(1) If disciplined or subjected to administrative penalties for violations of regulations, the annual performance remuneration and tenure incentive income for that year will be deducted in accordance with relevant regulations based on the nature of the penalty.

(2) If suspected of violations of discipline or law and subject to detention or criminal detention, arrest, or other coercive measures by disciplinary inspection and supervision authorities or judicial authorities, remuneration payments will be suspended during this period; if suspected of violations of discipline or law and investigated by disciplinary inspection and supervision authorities or judicial authorities but not subjected to the aforementioned measures, and if unable to perform duties normally, remuneration payments will be temporarily suspended during the period of inability to perform duties. During this period, living expenses will be provided at a rate not exceeding the monthly basic annual remuneration. If found guilty of violations of discipline or law and held criminally responsible, the entire performance annual remuneration for that year and all tenure incentive income for the current term will be fully deducted, and corresponding responsibilities will be pursued in accordance with the accountability system for Accountability System for Party Conduct and Clean Government Construction.

(3) If there are violations such as unauthorized determination of remunerations, receiving remuneration for part-time work, or enjoying welfare benefits, disciplinary actions, organizational measures, and economic penalties will be imposed in accordance with relevant regulations, and the illicitly obtained income will be recovered.

(4) If significant economic losses or major adverse impacts are caused to the enterprise during the employment period, the responsible personnel will be held accountable in accordance with the law and regulations based on the severity of the situation. Depending on the circumstances, part or all of the performance annual remuneration and tenure incentives disbursed during the relevant period will be recovered, and any unpaid portions will be withheld.

(5) If the enterprise is found to have falsified operational or financial data, the performance annual remuneration and tenure incentives for the company's primary responsible person for that year will be canceled, and their eligibility to receive incremental rewards for that year will also be revoked. In severe cases, strict accountability will be pursued in accordance with relevant regulations. Where the Company restates financial reports due to misstatements such as financial fraud, it shall promptly reassess performance remuneration and medium and long-term incentive income (if any), and recover excessively disbursed amounts accordingly.

(6) If income is obtained through violations of party and national policies, laws, administrative regulations, financial policies, accounting standards, and company regulations, or through fraud, the illicit income will be reclaimed. Additionally, relevant responsible persons will be held accountable according to the law and regulations. Depending on the nature and severity of the violations, appropriate party disciplinary actions, administrative sanctions, and economic penalties will be imposed.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

Article 25 Market-oriented remuneration distribution mechanism shall apply to professionally recruited managers.

Article 26 Matters not covered herein shall be governed by applicable national laws, regulations, normative documents and the Company's articles of association. In case of inconsistency with newly issued regulatory rules, the latest provisions shall prevail.

Article 27 These Measures shall take effect upon review and approval by the Board of Directors and shareholders' general meeting.

* *For identification purpose only*

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)

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 annual general meeting (the "**AGM**") of Dongjiang Environmental Company Limited* (the "**Company**") will be held at Meeting Room, 11th Floor, Dongjiang Environmental Building, No. 9 Langshan Road, Nanshan District, Shenzhen, the People's Republic of China (the "**PRC**") on 29 June 2026 (Monday) at 3:00 p.m. for the purpose of considering, and if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. The resolution regarding the annual report for the year 2025 of the Company, its extract and annual result announcement;

2. The resolution regarding the report of the board of directors for the year 2025;

3. The resolution regarding the annual final financial report for the year 2025;

4. The resolution regarding the financial budget report for the year 2026;

5. The resolution regarding the profit distribution plan for the year 2025;

6. The resolution regarding confirming the remuneration of the directors and senior management for 2025 and their remuneration plan for 2026;

7. The resolution regarding the election of Hu Ruifang as a non-executive director of the eighth session of the board of directors;

8. The resolution regarding the amendments of the Management Measures for Remuneration of Directors and Senior Management;

* *For identification purpose only*

9. The resolution regarding the application of integrated bank credit facilities for 2026; and

10. The resolution regarding the re-appointment of accounting firm for the year 2026.

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

Shenzhen, the PRC
28 May 2026

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

Notes:

1. For the purpose of identification of shareholders who are qualified to attend and vote at the AGM, the register of members of H shares of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both days inclusive) during which period no transfer of shares can be effected. The record date for determining the eligibility of the Shareholders to attend and vote at the AGM will be 29 June 2026. In order to be entitled to attend and vote at the AGM, all transfer document accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H shares) not later than 4:30 p.m. on Tuesday, 23 June 2026.

2. Holders of H shares whose names appear on the register of members of H shares of the Company at 4:30 p.m. on Tuesday, 23 June 2026 are entitled to attend and vote at the AGM.

3. Holders of H shares may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves at the AGM. A proxy needs not be a member of the Company.

4. A form of proxy for use at the AGM is enclosed herewith. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the AGM, whether in person or by proxy, that one of the joint holders whose name stands first on the registers of members of the Company in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.

5. In order to be valid, the form of proxy must be deposited by hand or post to the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H shares) not less than 24 hours before the time for holding the AGM (i.e. 3:00 p.m. on Sunday, 28 June 2026). If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.

6. Shareholders and their proxies should submit identity proof when attending the AGM.

7. The AGM is not expected to last for more than half a day. Shareholders and their proxies shall be responsible for their own travelling and accommodation expenses for attending the AGM.

8. Pursuant to Rule 13.39(4) of the Listing Rules, the resolution(s) as set out in this notice will be voted on by poll at the AGM. Where the chairman in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted, such resolution may be decided by a show of hands.

9. To facilitate the Company in making arrangements for the AGM, you are invited to to complete the enclosed reply slip in accordance with the instructions printed thereon and return it to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares of the Company) not less than 24 hours before the time appointed for the holding of the AGM (i.e. 3:00 p.m. on Sunday, 28 June 2026). However, the completion and return of the reply slip or not will not affect your right to attend and/or vote at the AGM.

* *For identification purpose only*