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GUANGDONG INVESTMENT LIMITED
(粵 海 投 資 有 限 公 司)

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00270)

CONTINUING CONNECTED TRANSACTIONS
THE 2026 PROCUREMENT FRAMEWORK AGREEMENT

THE 2026 PROCUREMENT FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 10 November 2023 in relation to the 2023 Procurement Framework Agreement entered into between the Company and Guangdong Yuehai Water, pursuant to which the Group may from time to time purchase (including purchases through online platforms owned or operated by the Guangdong Holdings Group) various types of Products (including but not limited to water purification products, office supplies, daily necessities, electrical appliances and furniture, food and beverages, and digital products) from the Guangdong Holdings Group for a term of three years from 10 November 2023 to 9 November 2026 (both days inclusive).

As the utilisation rate of the Existing Annual Cap for the eight months ended 31 August 2026 has reached nearly 80%, and the Group is expected to have an increasing demand for the Products, the Company considers that the Existing Annual Cap for the period from 1 January 2026 to 9 November 2026 for the continuing connected transactions contemplated under the 2023 Procurement Framework Agreement may be insufficient. Further, the Group intends to continue purchasing various types of Products from the Guangdong Holdings Group following the expiry of the 2023 Procurement Framework Agreement on 9 November 2026. As such, the Company entered into the 2026 Procurement Framework Agreement on 1 September 2026 to obtain new caps for the three years ending 31 December 2028 in respect of the transactions in place of the 2023 Procurement Framework Agreement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Guangdong Holdings (being the ultimate controlling shareholder of the Company), through its wholly-owned subsidiaries, is interested in approximately 58.26% of the total issued shares of the Company and therefore is a connected person of the Company. Guangdong Yuehai Water is a wholly-owned subsidiary of Guangdong Holdings and is therefore an associate of Guangdong Holdings. Hence, Guangdong Yuehai Water is also a connected person of the Company under the Listing Rules. Accordingly, the entering into of the 2026 Procurement Framework Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the New Annual Caps set for the transactions contemplated under the 2026 Procurement Framework Agreement exceeds 0.1% but all of them are less than 5%, the 2026 Procurement Framework Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements under the Listing Rules, but are exempt from the independent shareholders' approval and circular requirements under the Listing Rules.

THE 2026 PROCUREMENT FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated 10 November 2023 in relation to the 2023 Procurement Framework Agreement entered into between the Company and Guangdong Yuehai Water, pursuant to which the Group may from time to time purchase (including purchases through online platforms owned or operated by the Guangdong Holdings Group) various types of Products (including but not limited to water purification products, office supplies, daily necessities, electrical appliances and furniture, food and beverages, and digital products) from the Guangdong Holdings Group for a term of three years from 10 November 2023 to 9 November 2026 (both days inclusive).

As the utilisation rate of the Existing Annual Cap for the eight months ended 31 August 2026 has reached nearly 80%, and the Group is expected to have an increasing demand for the Products, the Company considers that the Existing Annual Cap for the period from 1 January 2026 to 9 November 2026 for the continuing connected transactions contemplated under the 2023 Procurement Framework Agreement may be insufficient. Further, the Group intends to continue purchasing various types of Products from the Guangdong Holdings Group following the expiry of the 2023 Procurement Framework Agreement on 9 November 2026. As such, the Company entered into the 2026 Procurement Framework Agreement on 1 September 2026 to obtain new caps for the three years ending 31 December 2028 in respect of the transactions in place of the 2023 Procurement Framework Agreement.

During the term of the 2023 Procurement Framework Agreement, the Group and the Guangdong Holdings Group entered into certain Existing Specific Agreements, which would continue to subsist upon the expiry of the 2023 Procurement Framework Agreement and will continue to be conducted under, and will comply with the terms of the 2026 Procurement Framework Agreement.

A summary of the salient terms of the 2026 Procurement Framework Agreement is set out below:

Date: 1 September 2026

Parties: (1) the Company
(2) Guangdong Yuehai Water

Term: 1 September 2026 to 31 December 2028 (both days inclusive).

The term of each of the Specific Agreements under the 2026 Procurement Framework Agreement shall not exceed the term of the 2026 Procurement Framework Agreement.

Accordingly, if the term of a Specific Agreement ends on a date that is after the expiry of the 2026 Procurement Framework Agreement, and:

- (i) if the 2026 Procurement Framework Agreement is not renewed up to the last day of the term of the Specific Agreement (inclusive of that day) on terms that cover the Specific Agreement and comply with the Listing Rules, the Specific Agreement will be terminated automatically on the same date as the expiry date of the 2026 Procurement Framework Agreement;
- (ii) if the 2026 Procurement Framework Agreement is renewed up to the last day of the term of the Specific Agreement (inclusive of that day) (or a day later than such last day) on terms that cover the Specific Agreement and comply with the Listing Rules, then the Specific Agreement will expire on the last day of the original term; and
- (iii) if the 2026 Procurement Framework Agreement is renewed on terms that cover the Specific Agreement and comply with the Listing Rules, but the expiry date (inclusive of that day) of the renewed framework agreement precedes the last day (inclusive of that day) of the term of the Specific Agreement, then the Specific Agreement will be terminated on the same date as the expiry date of the renewed framework agreement, unless the renewed framework agreement is renewed again on its expiry date (inclusive of that day) up to the last day of the term of the Specific Agreement (or a day later than such last day), in which case the Specific Agreement will expire on the last day of its original term.

Procurement of Products:

The Group may from time to time purchase (including purchases through online platforms owned or operated by the Guangdong Holdings Group) various types of Products from the Guangdong Holdings Group.

The transactions to be conducted under the 2026 Procurement Framework Agreement will be negotiated on an arm's length basis by the relevant parties and carried out in the ordinary and usual course of business of the Group on normal commercial terms (or better). The terms and conditions (including price and payment terms) of such transactions shall be no less favorable than the terms and conditions on which the Group purchases comparable Products from an Independent Third Party, as if the Group were transacting with an Independent Third Party.

The member(s) of the Group and the member(s) of the Guangdong Holdings Group shall enter into Specific Agreements (for the purchase of the Products) which will set out the specific terms (such as the price and quantity of the Products) for the relevant transactions contemplated under the 2026 Procurement Framework Agreement. The transactions under the Specific Agreements shall be consistent with the principles and terms of the 2026 Procurement Framework Agreement and be in compliance with the Listing Rules. If there is any discrepancy between the terms of a transaction under a Specific Agreement and the 2026 Procurement Framework Agreement, the latter shall prevail.

Each of the Company and Guangdong Yuehai Water shall procure the members of the Group or the Guangdong Holdings Group (as the case may be) to comply with the principles of the 2026 Procurement Framework Agreement when conducting the transactions contemplated under the 2026 Procurement Framework Agreement.

For the avoidance of doubt, the 2026 Procurement Framework Agreement is non-exclusive in nature, and the Group is not obliged to purchase the Products from the Guangdong Holdings Group.

Pricing policy and payment terms:

Pursuant to the 2026 Procurement Framework Agreement, the prices of the Products shall be determined through arm's length negotiations between the relevant parties with reference to the prevailing market prices of such Products and on normal commercial terms and conditions.

To ensure that the prices of the Products to be purchased by the Group are fair and reasonable, on normal commercial terms and conditions, and no less favourable than those offered by Independent Third Parties, such prices shall not be higher than those offered by Independent Third Parties to the Group (the relevant member(s) of the Group will search for or obtain at least two quotations for similar Products on comparable terms from Independent Third Parties for comparison) and those being offered to Independent Third Parties by the Guangdong Holdings Group.

The actual settlement amount, settlement method and payment terms for each transaction contemplated under the 2026 Procurement Framework Agreement shall be set out in the relevant Specific Agreement for the relevant transaction. Such payment terms shall, in respect of the Group, be no less favourable than the market terms available from Independent Third Parties for comparable Products. If the purchase of the relevant Products is conducted through an online platform, the Group shall pay the Guangdong Holdings Group through online payment or bank transfer before delivery of the relevant Products by the Guangdong Holdings Group.

Other terms:

Given that the transactions contemplated under the 2023 Procurement Framework Agreement will be covered under the 2026 Procurement Framework Agreement going forward, the parties have also agreed that the 2023 Procurement Framework Agreement shall be early terminated on 1 September 2026, namely, upon the 2026 Procurement Framework Agreement becoming effective.

THE NEW ANNUAL CAPS AND BASIS OF DETERMINATION

Existing Annual Caps

The existing annual caps set for the transactions contemplated under the 2023 Procurement Framework Agreement (the “**Existing Annual Cap(s)**”) are as follows:

	For the period from 10 November 2023 to 31 December 2023 (RMB, tax inclusive)	For the year ended 31 December 2024 (RMB, tax inclusive)	For the year ended 31 December 2025 (RMB, tax inclusive)	For the period from 1 January 2026 to 9 November 2026 (RMB, tax inclusive)
Existing Annual Caps	10,000,000	50,000,000	50,000,000	40,000,000

Historical transaction amounts

The table below summarises the historical amount of the consideration paid by the Group to the Guangdong Holdings Group in relation to the purchase of the Products for the period from 10 November 2023 to 31 December 2023, the two years ended 31 December 2025 and the period from 1 January 2026 to 31 August 2026 (the “**Historical Transaction(s)**”).

	For the period from 10 November 2023 to 31 December 2023 (RMB, tax inclusive)	For the year ended 31 December 2024 (RMB, tax inclusive)	For the year ended 31 December 2025 (RMB, tax inclusive)	For the period from 1 January 2026 to 31 August 2026 (RMB, tax inclusive)
Actual amount of consideration paid for the Historical Transactions	4,244,000	45,021,000	46,729,000	28,942,980

None of the Existing Annual Caps had been exceeded during the period from 10 November 2023 to 31 December 2023, the two years ended 31 December 2025 and the period from 1 January 2026 up to the date of this announcement.

The New Annual Caps and basis of determination

The new annual caps set for the transactions contemplated under the 2026 Procurement Framework Agreement (the “**New Annual Cap(s)**”) are as follows:

	For the year ending 31 December 2026 (RMB, tax inclusive)	For the year ending 31 December 2027 (RMB, tax inclusive)	For the year ending 31 December 2028 (RMB, tax inclusive)
New Annual Caps	60,000,000	70,000,000	80,000,000

For the avoidance of doubt, since certain Existing Specific Agreements will subsist under the term of the 2026 Procurement Framework Agreement, the relevant price charged by the Guangdong Holdings Group under the 2023 Procurement Framework Agreement have been included in determining the New Annual Caps. The Company confirms that the Existing Specific Agreements comply with the terms of the 2026 Procurement Framework Agreement.

In determining the New Annual Caps for the transactions contemplated under the 2026 Procurement Framework Agreement, the Company has taken into account the following factors:

- (1) the historical transaction amounts of the Historical Transactions;
- (2) the estimated demand of the Group for the Products during the term of the 2026 Procurement Framework Agreement based on (i) the estimated demand of water purification products (which will be utilised by the Group in its water resources projects) and the increasing trend of such demand as the Group continues to expand its capacity in water resources projects; (ii) the estimated demand of various types of consumer products such as office supplies, daily necessities, electrical appliances and furniture, food and beverages, and digital products which will either (a) be consumed by the Group itself (e.g office supplies to be used across its various offices and various consumer products as welfare benefits to its employees (such as food and beverages, distribution of items such as electrical appliances and digital products as festive gifts)); or (b) for subsequent sale to its customers through the department stores and hotels operated by the Group. The purchase of the Products by the Group will include purchases through online platforms owned or operated by the Guangdong Holdings Group (such as the “GuangDong Water Selected*

(粵海水務優選)” online platform operated by 廣東粵海水務科技有限公司 (Guangdong Water Technology Co., Ltd.*), a wholly-owned subsidiary of Guangdong Yuehai Water;

- (3) the current prices of the Products and the estimated increase of prices of the Products in the future; and
- (4) a reasonable buffer to allow for a potential increase in demand for the Products in the future.

INTERNAL CONTROL MEASURES

The pricing policy for the continuing connected transactions of the Group will be supervised and monitored by the relevant personnel and management of the Group to ensure that the relevant continuing connected transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders as a whole.

Before entering into any Specific Agreement as contemplated under the 2026 Procurement Framework Agreement, the business department of the relevant member of the Group will submit the proposed Specific Agreement (along with a detailed explanation and relevant supporting documents (if any) on how the price under the proposed Specific Agreement has been determined between the parties in accordance with the relevant pricing policy as set out in the 2026 Procurement Framework Agreement) to the legal and compliance department, the finance department as well as the general counsel and the chief compliance officer and company secretary of the Company for their review, and to the designated Director of the Company for approval, who will assess, review and approve, among other things, whether the price under the proposed Specific Agreement is fair and reasonable and whether such price complies with the aforesaid pricing policy, and ensure that the terms of the relevant Specific Agreement (including the price) are consistent with the principles and provisions set out in the 2026 Procurement Framework Agreement. In particular, the business department of the relevant member of the Group is required to submit written explanation to demonstrate that the price under the proposed Specific Agreement is determined in accordance with the relevant pricing policy (as set out in the 2026 Procurement Framework Agreement), along with the relevant supporting documents, including at least two quotations for similar Products on comparable terms from Independent Third Parties for comparison, to demonstrate how the proposed price is determined, so as to explain why the proposed price is fair and reasonable. The aforementioned departments and relevant personnel of the Company will review the written explanation and the relevant supporting documents (if any) submitted by the business department of the relevant member of the Group, and ensure that the terms of the relevant Specific Agreement (including the price) are consistent with the principles and provisions set out in the 2026 Procurement Framework Agreement.

In addition, regular checks will be conducted on a half-yearly basis to review and assess whether the relevant continuing connected transactions are conducted in accordance with the terms of the related Specific Agreements and the price charged for a specific transaction is fair and reasonable and in accordance with the abovementioned pricing policy. Furthermore, review reports containing details such as the latest utilisation rate of the relevant New Annual Caps of the 2026 Procurement Framework Agreement will be prepared by the finance department every six months. In the event that the utilisation rate of the relevant New Annual Cap reaches 80%, the Board will be informed so that it can consider if the relevant New Annual Cap shall be revised and, if so, the Company will further comply with relevant requirements under the Listing Rules.

The Company will conduct an annual review of the above internal control measures and report the review results to the Board. The independent non-executive Directors and the independent auditor of the Company will also conduct an annual review on the terms of the relevant transactions and the New Annual Caps thereof and the Board will oversee the Company's internal control measures in relation to the 2026 Procurement Framework Agreement on an ongoing basis.

In light of the above, the Directors consider that the internal control mechanism has been and will be effective to ensure that the transactions contemplated under the 2026 Procurement Framework Agreement will be conducted on normal commercial terms and not prejudicial to the interests of the Company and its shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2026 PROCUREMENT FRAMEWORK AGREEMENT

The Group is principally engaged in investment holding, water resources, property investment and development, department store operation, hotel ownership, operation and management, investments in energy projects and road and bridge operation. The entering into of the 2026 Procurement Framework Agreement is for the conduct of transactions in the ordinary and usual course of business of the Group and will enable the Group to have an additional and reliable sources of supply of the Products either for self-consumption (e.g water purification products to be utilised in the Group's water resources projects, office supplies and various consumer products as welfare benefits to its employees) or subsequent sales to its customers through the department stores and hotels operated by the Group.

The 2026 Procurement Framework Agreement sets out the principles for regulating the individual transactions in relation to the purchase of Products by the Group from the Guangdong Holdings Group so as to ensure the fairness and reasonableness of such transactions. In addition, under the 2026 Procurement Framework Agreement, the Group is not required to exclusively procure the Products from the Guangdong Holdings Group. The Board is of the view that the Group will retain the flexibility and discretion in selecting the Guangdong Holdings Group or other independent suppliers based on arm's length negotiation after taking into account the commercial terms offered to the Group.

In light of the above, the Directors (including the independent non-executive Directors) consider that the terms of the 2026 Procurement Framework Agreement, the transactions contemplated thereunder and the New Annual Caps are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group, and are in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE GROUP

The Company is incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Group is principally engaged in investment holding, water resources, property investment and development, department store operation, hotel ownership, operation and management, investments in energy projects and road and bridge operation. The ultimate controlling shareholder of the Company is Guangdong Holdings.

INFORMATION ON GUANGDONG HOLDINGS AND GUANGDONG YUEHAI WATER

Guangdong Holdings is the ultimate controlling shareholder of the Company and is principally engaged in investment holding. Guangdong Holdings and its subsidiaries' business activities include public utilities and infrastructure, manufacturing, real estate, hotel, property management, retail and wholesale, finance, etc. As at the date of this announcement, Guangdong Holdings is held as to 90% by the Guangdong Government and as to 10% by the Guangdong Finance Department, respectively while the State-owned Assets Supervision and Administration Commission of the Guangdong Government has been performing ownership and control functions in respect of Guangdong Holdings with the authorisation of the Guangdong Government.

Guangdong Yuehai Water is a limited liability company established in the PRC and is principally engaged in investment in and operation of water resources projects in the PRC. It is a wholly-owned subsidiary of Guangdong Holdings.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Guangdong Holdings (being the ultimate controlling shareholder of the Company), through its wholly-owned subsidiaries, is interested in approximately 58.26% of the total issued shares of the Company and therefore is a connected person of the Company. Guangdong Yuehai Water is a wholly-owned subsidiary of Guangdong Holdings and is therefore an associate of Guangdong Holdings. Hence, Guangdong Yuehai Water is also a connected person of the Company under the Listing Rules. Accordingly, the entering into of the 2026 Procurement Framework Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the New Annual Caps set for the transactions contemplated under the 2026 Procurement Framework Agreement exceeds 0.1% but all of them are less than 5%, the 2026 Procurement Framework Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements under the Listing Rules, but are exempt from the independent shareholders' approval and circular requirements under the Listing Rules.

Mr. WANG Min and Mr. FUNG, Daniel R. were not present at the relevant Board meeting due to other commitments. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Director had any material interest in the 2026 Procurement Framework Agreement and the transactions contemplated thereunder and was required to abstain from voting on the relevant Board resolution.

DEFINITIONS

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

“2023 Procurement Framework Agreement”	the procurement framework agreement dated 10 November 2023 entered into between the Company and Guangdong Yuehai Water for a term of three years from 10 November 2023 to 9 November 2026 (both days inclusive);
“2026 Procurement Framework Agreement”	the procurement framework agreement dated 1 September 2026 entered into between the Company and Guangdong Yuehai Water, details of which are set out under the section headed “The 2026 Procurement Framework Agreement” in this announcement;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Guangdong Investment Limited (粵海投資有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;

“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Existing Specific Agreement(s)”	the specific agreement(s) or purchase order(s) (which can be an electronic transaction order placed online) entered into between the relevant member(s) of the Group and the relevant member(s) of the Guangdong Holdings Group in relation to the purchase of Products by the Group from the Guangdong Holdings Group, in accordance with the principles and terms of the 2023 Procurement Framework Agreement;
“Existing Annual Cap(s)”	has the meaning ascribed to it under the section headed “The New Annual Caps and Basis of Determination – Existing Annual Caps” in this announcement;
“Group”	the Company and its subsidiaries;
“Guangdong Finance Department”	廣東省財政廳 (The Department of Finance of Guangdong Province*);
“Guangdong Government”	中國廣東省人民政府 (the People’s Government of Guangdong Province of the PRC);
“Guangdong Holdings”	廣東粵海控股集團有限公司 (Guangdong Holdings Limited*), a company established in the PRC with limited liability and the ultimate controlling shareholder of the Company;
“Guangdong Holdings Group”	for the purposes of the 2026 Procurement Framework Agreement, comprises (i) Guangdong Yuehai Water, Guangdong Holdings and their respective associate(s) (but excluding the members of the Group); and (ii) the connected subsidiary(ies) of the Company;
“Guangdong Yuehai Water”	廣東粵海水務股份有限公司 (Guangdong Yuehai Water Co., Ltd.*), a company established in the PRC with limited liability and a wholly-owned subsidiary of Guangdong Holdings;
“Historical Transactions”	has the meaning ascribed to it under the section headed “The New Annual Caps and Basis of Determination – Historical transaction amounts” in this announcement;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;

“New Annual Cap(s)”	has the meaning ascribed to it under the section headed “The New Annual Caps and Basis of Determination – The New Annual Caps and basis of determination” in this announcement;
“percentage ratio(s)”	has the meaning ascribed to it under the Listing Rules;
“PRC”	the People’s Republic of China;
“Products”	various products to be purchased by the Group from the Guangdong Holdings Group from time to time, including but not limited to water purification products, office supplies, daily necessities, electrical appliances and furniture, food and beverages, and digital products;
“RMB”	Renminbi, the lawful currency of the PRC;
“Specific Agreement(s)”	the specific agreement(s) or purchase order(s) (which can be an electronic transaction order placed online) to be entered into between the relevant member(s) of the Group and the relevant member(s) of the Guangdong Holdings Group in relation to the purchase of Products by the Group from the Guangdong Holdings Group, in accordance with the principles and terms of the 2026 Procurement Framework Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“%”	per cent.

**In this announcement, the English name of the PRC entity marked with an asterisk(*) is translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.*

By Order of the Board
Guangdong Investment Limited
TSANG Hon Nam
Director

Hong Kong, 1 September 2026

As at the date of this announcement, the Board of the Company comprises three Executive Directors, namely, Mr. KUANG Hu, Mr. TSANG Hon Nam and Ms. LIANG Yuanjuan; three Non-Executive Directors, namely, Mr. WANG Min, Mr. LI Wenchang and Mr. HE Zhifeng; and four Independent Non-Executive Directors, namely, Dr. CHAN Cho Chak, John, Mr. FUNG, Daniel R., Dr. the Honourable CHENG Mo Chi, Moses, and Mr. LI Man Bun, Brian David.