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 WATER SUPPLY AGREEMENT

THE 2026 WATER SUPPLY AGREEMENT

On 23 September 2026, Nansha Water (being a non-wholly owned subsidiary of the Company) (as processor of raw water) and Pearl River Delta Water Supply (as raw water supplier) entered into the 2026 Water Supply Agreement, pursuant to which Pearl River Delta Water Supply shall supply raw water to Nansha Water (which will then provide tap water (after processing) to end users in Nansha District), for a term from 1 October 2026 to 30 September 2029.

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. Pearl River Delta Water Supply is indirectly controlled by Guangdong Holdings as to 34% and is therefore an associate of Guangdong Holdings. Hence, Pearl River Delta Water Supply is also a connected person of the Company under the Listing Rules. Accordingly, the entering into of the 2026 Water Supply Agreement 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 Caps calculated pursuant to the Listing Rules exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the 2026 Water Supply Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements under the Listing Rules, but they are exempt from the independent shareholders' approval requirement under Rule 14A.76(2) of the Listing Rules.

THE 2026 WATER SUPPLY AGREEMENT

On 23 September 2026, Nansha Water (being a non-wholly owned subsidiary of the Company) (as processor of raw water) and Pearl River Delta Water Supply (as raw water supplier) entered into the 2026 Water Supply Agreement, pursuant to which Pearl River Delta Water Supply shall supply raw water to Nansha Water (which will then provide tap water (after processing) to end users in Nansha District), for a term from 1 October 2026 to 30 September 2029.

A summary of the salient terms of the 2026 Water Supply Agreement is set out below:

Date: 23 September 2026

Parties:

(1) Nansha Water (as processor of raw water)

(2) Pearl River Delta Water Supply (as raw water supplier)

Term: 1 October 2026 to 30 September 2029

Raw water supply services: Pearl River Delta Water Supply shall supply raw water to Nansha Water.

Pricing policy: The raw water fee shall be calculated on a monthly basis and determined based on:

(i) the unit price of raw water being RMB0.2 (inclusive of tax) per cubic meter ("**Raw Water Unit Price**"), as specified in the "Notice on Clarifying Matters Relating to the Payment of Water Resources Tax for the Pearl River Delta Water Resources Allocation Project" (《南沙區水務局關於明確珠江三角洲水資源配置工程涉及水資源稅支付事項的通知》) issued by the Nansha District Water Affairs Bureau* (南沙區水務局) on 12 August 2026 (the "**Notice**"); and

(ii) the amount of raw water supply ("**Raw Water Supply**") as shown in the "Record of Confirmation of Raw Water Usage" (《原水使用量確認記錄表》) jointly signed and confirmed on a monthly basis by the Nansha District Water Supply and Water Conservation Affairs Centre* (南沙區供水和節水事務中心), Nansha Water and Pearl River Delta Water Supply.

The formula for calculating the raw water fee for a particular month is as follows:

Monthly raw water fee = Raw Water Unit Price x Raw Water Supply

Payment terms: Pearl River Delta Water Supply shall, based on the Raw Water Supply for the preceding month and the Raw Water Unit Price, issue the raw water fee bill to Nansha Water every month. Within 20 working days after receipt of the relevant raw water fee bill, and upon verification and confirmation thereof, Nansha Water shall settle the corresponding raw water fees with Pearl River Delta Water Supply.

NEW CAPS AND BASIS OF DETERMINATION

There is no historical transaction amount for the transactions in respect of the 2026 Water Supply Agreement. Nonetheless, for completeness sake, as elaborated in the section headed "Reasons for and benefits of entering into the 2026 Water Supply Agreement" below, Nansha Water previously sourced raw water from the Beijiang River and paid fees at a rate of RMB0.2 per cubic meter to relevant government authorities.

Pursuant to the 2026 Water Supply Agreement, the annual caps ("**New Cap(s)**") set for the transactions contemplated under the 2026 Water Supply Agreement are as follows:

	For the period from 1 October 2026 to 31 December 2026 *(RMB)*	**For the year ended 31 December 2027** *(RMB)*	**For the year ended 31 December 2028** *(RMB)*	**For the period from 1 January 2029 to 30 September 2029** *(RMB)*
New Caps	12,000,000	48,000,000	49,000,000	38,000,000

The above New Caps were determined after having taken into account the following factors:

(i) the Raw Water Unit Price;

(ii) the expected water demand and growth in raw water sales volume to end users in Nansha District during the term of the 2026 Water Supply Agreement, having regard to the "Special Plan for the Water Supply Network in Nansha New Area" (南沙新區供水管網專項規劃) and factors such as the water consumption of end users and population growth in Nansha District; and

(iii) the provision of a buffer to accommodate possible increases in water demand and growth in raw water sales volume to end users in Nansha District.

INTERNAL CONTROL MEASURES

The pricing policy for all 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 transaction is conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its shareholders as a whole.

Regular checks will be conducted on a half-yearly basis to review and assess whether the continuing connected transactions under the 2026 Water Supply Agreement are conducted in accordance with the terms of the 2026 Water Supply Agreement and the raw water fees paid are fair and reasonable and in accordance with the aforesaid pricing policy. In addition, review reports containing details such as the actual raw water fees paid in each month and the latest utilisation rate of the relevant New Caps will be prepared by the finance department every six months. In the event that the utilisation rate of any New Cap reaches 90%, the Board will be informed for considering if the relevant New Caps shall be revised and, if so, the Company will further comply with relevant requirements under the Listing Rules.

To ensure proper and complete separation of duties, no common staff, senior management or director of the Group and Pearl River Delta Water Supply will be involved in the internal control procedures. 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 Caps thereof and the

Board will oversee the Company's internal control measures in relation to the 2026 Water Supply Agreement on an ongoing basis.

In light of the above, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the 2026 Water Supply 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 WATER SUPPLY AGREEMENT

As Nansha Water is the sole tap water supplier in Nansha District, the sourcing of raw water by Nansha Water is determined based on government planning, and Nansha Water is required to use raw water supplied from the water sources planned by the government. Previously, Nansha Water sourced raw water from the Beijiang River pursuant to relevant government notices, and paid the fees to relevant government authorities at a rate of RMB0.2 per cubic meter.

Pursuant to the Notice issued by the Nansha District Water Affairs Bureau* (南沙區水務局), Nansha Water is required to use the raw water supplied by the "Pearl River Delta Water Resources Allocation Project" operated by Pearl River Delta Water Supply. The "Pearl River Delta Water Resources Allocation Project" is a major water resources allocation project proposed under the "Comprehensive Plan for the Pearl River Basin (2012–2030)" (《珠江流域綜合規劃（2012-2030 年）》) approved by the State Council of the PRC, and Pearl River Delta Water Supply is responsible for the investment, construction and operation of this project. This project diverts water from the Xijiang River system to supply the eastern part of the Pearl River Delta, with the direct service area covering Nansha District, Shenzhen and Dongguan. It aims to holistically address the shortfall in domestic, industrial and ecological water use in the eastern Pearl River Delta cities, enhance regional water supply security, and at the same time provide an emergency backup water source for areas including Hong Kong, Panyu District of Guangzhou, and Shunde District of Foshan.

Pursuant to the Notice, the Raw Water Unit Price is charged at the same rate as that previously paid to relevant government authorities by Nansha Water. Hence, by entering into the 2026 Water Supply Agreement, the Group will be able to comply with the governmental policies and secure a stable source of raw water at the same unit price, for its continuous supply of tap water to end users in Nansha District.

In light of the above, the Directors (including the independent non-executive Directors) consider that the terms of the 2026 Water Supply Agreement and the transactions contemplated thereunder and the New Caps are fair and reasonable, entered into on normal commercial terms or better to the Group, 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.

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. Pearl River Delta Water Supply is indirectly controlled by Guangdong Holdings as to 34% and is therefore an associate of Guangdong Holdings. Hence, Pearl River Delta Water Supply is also a connected person of the Company under the Listing Rules. Accordingly, the entering into of the 2026 Water Supply Agreement 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 Caps calculated pursuant to the Listing Rules exceeds 0.1% but all of the applicable percentage ratios are less than 5%, the 2026 Water Supply

Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements under the Listing Rules, but they are exempt from the independent shareholders' approval requirement under Rule 14A.76(2) of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Directors had any material interest in the 2026 Water Supply Agreement and the transactions contemplated thereunder and were required to abstain from voting on the relevant Board resolution.

INFORMATION ON THE PARTIES

Information on the Group and Nansha Water

The Company is a company 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.

Nansha Water is a non-wholly owned subsidiary of the Company incorporated in the PRC and is principally engaged in the production and supply of tap water. Nansha Water is the sole tap water supplier in Nansha District and is responsible for supplying water for production and domestic use across the entire Nansha District. As at the date of this announcement, Nansha Water is directly owned as to:

(i) 60% by Guangdong Water Holdings Limited (粵海水務控股有限公司), which is a wholly-owned subsidiary of the Company; and

(ii) 40% by Guangzhou Nansha Development and Construction Group Co., Ltd.* (廣州南沙開發建設集團有限公司), which is ultimately owned by Management Committee of Guangzhou Nansha Economic and Technological Development Zone* (廣州南沙經濟技術開發區管理委員會).

Information on Pearl River Delta Water Supply

Pearl River Delta Water Supply is a company established in the PRC with limited liability and is responsible for the investment, construction and operation of the "Pearl River Delta Water Resources Allocation Project". As at the date of this announcement, Pearl River Delta Water Supply is directly owned as to:

(i) 34% by Guangdong Yuehai Water Co. Ltd.* (廣東粵海水務股份有限公司), which is a wholly-owned subsidiary of Guangdong Holdings;

(ii) 32.73% by Shenzhen Water and Environment Group Co., Ltd. (深圳市環境水務集團有限公司), which is ultimately owned by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government;

(iii) 20.52% by Guangzhou Nansha Cultural, Tourism and Sports Industry Holdings Co., Ltd.* (廣州南沙文旅體產業控股有限公司), which is ultimately owned by Management Committee of Guangzhou Nansha Economic and Technological Development Zone* (廣州南沙經濟技術開發區管理委員會); and

(iv) 12.75% by Dongguan Water Environment Investment Holding Group Water Supply Co., Ltd.* (東莞市水務環境投資控股集團供水有限公司), which is ultimately owned by State-owned Assets Supervision and Administration Commission of Dongguan Municipal People's Government.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Shenzhen Water and Environment Group Co., Ltd. (深圳市環境水務集團有限公司), Guangzhou Nansha Cultural, Tourism and Sports Industry Holdings Co., Ltd.* (廣州南沙文旅體產業控股有限公司), Dongguan Water Environment Investment Holding Group Water Supply Co., Ltd.* (東莞市水務環境投資控股集團供水有限公司) and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Information on Guangdong Holdings

Guangdong Holdings is a company established in the PRC, which is principally engaged in investment holding. The business activities of Guangdong Holdings and its subsidiaries include public utilities and infrastructure, manufacturing, real estate, hotel, property management, retail and wholesale, finance, etc. Guangdong Holdings invests mainly in business sectors including water and water environment management, urban complex development and related services, modern industrial park development and investment. As at the date of this announcement, Guangdong Holdings is held as to 90% by the Guangdong Government and as to 10% by the Department of Finance of the Guangdong Province 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.

DEFINITIONS

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

"2026 Water Supply Agreement"	the water supply agreement dated 23 September 2026 entered into between Nansha Water and Pearl River Delta Water Supply for a term from 1 October 2026 to 30 September 2029, details of which are set out under the section headed "2026 Water Supply 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;
"Group"	the Company and its subsidiaries;
"Guangdong Government"	the People's Government of Guangdong Province in the PRC (中國廣東省人民政府);

"Guangdong Holdings"	Guangdong Holdings Limited* (廣東粵海控股集團有限公司), a company established in the PRC with limited liability and the ultimate controlling shareholder of the Company;
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
"Nansha District"	Nansha District, Guangzhou, Guangdong Province, the PRC;
"Nansha Water"	Guangzhou Nansha GDH Water Co., Ltd.* (廣州南沙粵海水務有限公司), a company established in the PRC with limited liability and a non-wholly owned subsidiary of the Company;
"New Cap(s)"	has the meaning ascribed to it under the section headed "New Caps and Basis of Determination" in this announcement;
"Notice"	has the meaning ascribed to it under the section headed "The 2026 Water Supply Agreement – Pricing policy" in this announcement;
"Pearl River Delta Water Supply"	Guangdong Yuehai Pearl River Delta Water Supply Co., Ltd.* (廣東粵海珠三角供水有限公司), a company established in the PRC with limited liability and an associate of Guangdong Holdings;
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules;
"PRC"	the People's Republic of China;
"Raw Water Supply"	has the meaning ascribed to it under the section headed "The 2026 Water Supply Agreement – Pricing policy" in this announcement;
"Raw Water Unit Price"	has the meaning ascribed to it under the section headed "The 2026 Water Supply Agreement – Pricing policy" in this announcement;
"RMB"	Renminbi, the lawful currency of the PRC;
"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, 23 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.