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中國水務集團有限公司*

China Water Affairs Group Limited

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 855)



KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED

康達國際環保有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6136)

SUPPLEMENTAL ANNOUNCEMENT TO THE JOINT ANNOUNCEMENT CONTINUING CONNECTED TRANSACTIONS REVISION OF ANNUAL CAPS

Reference is made to the joint announcement (the “**Joint Announcement**”) of Kangda and CWA dated 30 September 2026 in relation to, among other things, the revision of annual caps for continuing connected transactions between Kangda HK, an indirectly wholly-owned subsidiary of Kangda and Jiangxi Silver Dragon, a subsidiary of CWA under the Construction Services Agreement. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

The CWA Board and the Kangda Board would like to provide the following additional information relating to the Joint Announcement:

HISTORICAL TRANSACTION AMOUNTS

The 2026 annual cap has not been exceeded as at the date of the Joint Announcement.

BASIS AND BENEFITS OF THE REVISED ANNUAL CAPS

In view of recent business development of Kangda HK Group, in particular (i) acceleration of the construction schedule of an existing project located in Qitaihe City, Heilongjiang Province relating to renewal and installation of wastewater treatment facilities amounting to approximately RMB25 million, to substantially complete by end of 2026 as requested by the local government in order to meet the municipal needs which was originally scheduled to be completed in 2027; and (ii) the inclusion of two additional potential projects located in Wenzhou City, Zhejiang Province and Feicheng City, Shandong Province in relation to upgrading of wastewater treatment facilities with estimated construction work of approximately RMB35 million each, which Jiangxi Silver Dragon Group is qualified to participate, and are expected to commence around 2027 and 2028, the Kangda HK Group and the Jiangxi Silver Dragon Group estimate that the original annual caps of RMB45 million for the continuing connected transactions under the Construction Services Agreement for each of the three years ending 31 December 2026, 2027, and 2028 will not be sufficient to meet the needs of the Kangda HK Group and the Jiangxi Silver Dragon Group. It is also noted that Kangda has issued an aggregate principal amount of US\$50,000,000 senior notes due 2029 on 4 September 2026 which further enhanced its working capital and will facilitate the Kangda HK Group to accommodate more construction work requested by the local

* For identification purposes only

governments. After taking into account of the above and the estimated moderate increase in the average market rates for similar services of 2.0% (based on the recent growth in Producer Price Index of the PRC as published by the National Bureau of Statistics, which is 2.0% year-over-year for the eight months average from January to August 2026), the Kangda Board and CWA Board proposed to revise the annual caps to RMB70 million for the continuing connected transactions under the Construction Services Agreement for each of the three years ending 31 December 2026, 2027, and 2028.

By order of the board of directors of
China Water Affairs Group Limited
Duan Chuan Liang
Chairman

By order of the board of directors of
Kangda International
Environmental Company Limited
Du Lindong
Chairman

Hong Kong, 12 October 2026

As at the date of this announcement, the Board of CWA comprises four executive Directors, being Mr. Duan Chuan Liang, Ms. Ding Bin, Mr. Li Zhong and Mr. Duan Jerry Linnan, four non-executive Directors, being Mr. Li Hao, Mr. Bai Li, Mr. Xu Yan and Ms. Wang Xiaoqin, and four independent non-executive Directors, being Mr. Chau Kam Wing, Ms. Ho Ping, Mr. Xiao Zhe and Ms. Wu Zhijun.

As at the date of this announcement, the Board of Kangda comprises seven Directors, namely Mr. Du Lindong, Mr. LI Zhong, Ms. LIU Yujie and Mr. DUAN, Jerry Linnan as executive Directors; and Mr. CHAU Kam Wing Donald, Mr. PENG Yongzhen and Mr. Liew Fui Kiang as independent non-executive Directors.