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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)

INSIDE INFORMATION
UPDATE ANNOUNCEMENT IN RELATION TO LITIGATION INVOLVING GUARANTEE

This announcement is made by Dongjiang Environmental Company Limited* (the "**Company**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 28 March 2025 (the "**Announcement**") in relation to the Company's performance of its guarantee obligations for a credit facility of RMB200 million in favour of its controlled subsidiary, Wandesi (Tangshan Caofeidian) Environmental Protection Technology Co., Ltd.* (萬德斯（唐山曹妃甸）環保科技有限公司, "**Tangshan Wandesi**"). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

Pursuant to the relevant provisions of the Letter of Guarantee, the Company has fulfilled its guarantee subrogation obligations to HSBC in respect of the loan to Tangshan Wandesi in the amount of RMB111.0977 million. In accordance with the Equity Pledge Agreement, Nanjing Wandesi and Guantuo Technology has pledged their equity interests in Tangshan Wandesi as counter-securities for the benefit of the Company, and at the same time assumed guarantee liabilities.

As stated in the Announcement, the Company would require Nanjing Wandesi and Guantuo Technology to assume their responsibilities in accordance with the relevant provisions of the Equity Pledge Agreement, including but not limited to exercising its security rights etc..

A. BASIC INFORMATION OF THE LITIGATION

To safeguard the interests of the Company, the Company instigated legal proceedings against Nanjing Wandesi and Guantuo Technology (as defendants) before the People's Court of Caofeidian District, Tangshan City* (唐山市曹妃甸區人民法院, "**Caofeidian Court**"), seeking an order for the auction and sale of the equity interests registered by the defendants pursuant to the "Notice of Registration of Creation of Equity Pledge" and preferential repayment to the Company out of the proceeds of such auction and sale. The Caofeidian Court accepted the case for filing on 11 October 2025 under Case No. (2025) Ji 0209 Min Chu No. 6191; and a hearing was held on 26 December 2025. The Company has recently received the first instance "Civil Judgment" (No. (2025) Ji 0209 Min Chu No. 6191) served by the Caofeidian Court. A summary of the case is set out below:

(1) Parties to the Litigation

Plaintiff:	Dongjiang Environmental Company Limited* (the Company)
Firsts Defendant:	Guantuo Technology (Hebei) Co., Ltd.* (觀拓科技(河北)有限公司) (Guantuo Technology)
Second Defendant:	Nanjing Wandesi Environmental Protection Technology Co., Ltd.* (南京萬德斯環保科技股份有限公司) (Nanjing Wandesi**)**
Third Defendant:	Wandesi (Tangshan Caofeidian) Environmental Protection Technology Co., Ltd.* (萬德斯（唐山曹妃甸）環保科技有限公司) (Tangshan Wandesi) (joined as a defendant)

(2) Remedies sought in the Proceedings

1. An order that the equity interests registered under the "Notice of Registration of Creation of Equity Pledge" No. (Tang) Gu Quan Zhi She Zi (2022) No. 2028 (Pledge Registration No.: 130230202204020003) held by the first defendant be be auctioned and sold, and the plaintiff shall be preferentially repaid out of the proceeds of such auction and sale up to a maximum amount of RMB4,443,909.75;

2. An order that the equity interests registered under the "Notice of Registration of Creation of Equity Pledge" No. (Tang) Gu Quan Zhi She Zi (2022) No. 2027 (Pledge Registration No.: 130230202204020002) held by the second defendant be auctioned and sold, and the plaintiff shall be preferentially repaid out of the proceeds of such auction and sale up to a maximum amount of RMB17,775,639.02;

3. An order that case acceptance fee and other relevant litigation costs of the case shall be borne by the two defendants.

B. DETAILS OF THE JUDGMENT IN THE PROCEEDINGS

The first instance judgment rendered by the Caofeidian Court (the "**Judgment**") is as follows:

1. The Plaintiff (the Company) shall be preferentially repaid out of the proceeds from the auction and sale of the 4% equity interest in Tangshan Wandesi (a defendant) held by the defendant, Guantuo Technology (Pledge Registration No.: 130230202204020003), up to an amount of RMB4,443,909.75.

2. The plaintiff (the Company) shall be preferentially repaid out of the proceeds from the auction and sale of the 16% equity interest in Tangshan Wandesi (a defendant) held by the defendant, Nanjing Wandesi (Pledge Registration No.: 130230202204020002), up to an amount of RMB17,775,639.02.

3. The case acceptance fee for the case being RMB152,898, of which RMB30,579.5 shall be borne by the defendant, Guantuo Technology, and RMB122,318.5 shall be borne by the defendant, Nanjing Wandesi; to be paid to the Caofeidian Court within ten days upon the Judgment taking effect.

Any party aggrieved by the Judgment may, within 15 days from the date of service of the Judgment, file a statement of appeal with the Caofeidian Court together with copies corresponding to the number of opposing parties or their representatives, for appeal to the Intermediate People's Court of Tangshan City, Hebei Province* (河北省唐山市中級人民法院). Alternatively, the statement of appeal may be submitted online to the Intermediate People's Court of Tangshan City, Hebei Province* (河北省唐山市中級人民法院) within 15 days from the date of service of the Judgment.

C. POSSIBLE IMPACT AND RISK WARNING

As the Judgment is a first instance judgment, the final judgment remains uncertain; and hence the Company is currently unable to assess the impact on the Company's profit and loss for the current period or the profit and loss for after the current period. The Company will closely monitor the progress of the case and timely fulfil its information disclosure obligations.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Shenzhen, the PRC
2 November 2026

As at the date of this announcement, the board of directors of the Company comprises three executive directors, being Mr. Wang Bi'an, Mr. Li Xiangli and Mr. Zhu Lintao; two non-executive directors, being Mr. Liu Xiaoxuan and Ms. Hu Ruifang; and three independent non-executive directors, being Mr. Lee Kwok Tung Louis, Mr. Li Jinhui and Ms. Xiang Ling.

** For identification purposes only*