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Luzhou Xinglu Water (Group) Co., Ltd.*

瀘州市興瀘水務(集團)股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 2281)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
ESTABLISHMENT OF JOINT VENTURE

Reference is made to the announcement of Luzhou Xinglu Water (Group) Co., Ltd.* (the "**Company**") dated 12 November 2026 in relation to the discloseable transaction involving the establishment of the Joint Venture (the "**Announcement**"). Unless the context otherwise requires, capitalised terms used in this supplemental announcement shall have the same meaning as those defined in the Announcement.

The Company hereby provides the following further information to the Shareholders and potential investors of the Company in relation to the establishment of the Joint Venture, including the specific development plans, business requirements and intended use of registered capital of the Joint Venture; and the alignment of the piped direct drinking water business with the development strategy of the Group.

I. THE SPECIFIC DEVELOPMENT PLANS, BUSINESS REQUIREMENTS AND INTENDED USE OF REGISTERED CAPITAL OF THE JOINT VENTURE

The Joint Venture will develop the production and sales of piped direct drinking water equipment and secondary water supply equipment, and undertake the investment, construction and operational management of piped direct drinking water business. The Joint Venture will primarily be engaged in the business of the provision of direct drinking water supply solutions for customers, the sale of piped direct drinking water equipment and secondary water supply equipment (including installation services) and/or the collection of direct drinking water charges from users.

The registered capital of the Joint Venture is RMB50,000,000, which is commercially reasonable and necessary to meet the initial operational needs of the Joint Venture. In determining such amount, consideration has been taken of the capital attributes of the industry into which the Joint Venture intends to enter, as well as its business requirements and operating expenses. The intended allocation of funds is as follows:

(i) approximately RMB5,000,000 for investment in the ancillary construction of the base, to be used for the construction of the Joint Venture's own production base and expenditures on the purchase, construction and installation of production facilities for the production of direct drinking water and secondary water supply-related equipment, etc.;

(ii) approximately RMB5,000,000 for working capital expenses, to be used for expenses such as marketing, platform development and working capital of the Joint Venture; and

(iii) approximately RMB40,000,000 for capital investment in projects, covering piped direct drinking water projects for schools, public institutions and residential communities. When specific projects are undertaken, the relevant investment will be used for engineering works such as project survey and design, pipeline network connection, installation of water purification and terminal equipment and system integration and commissioning.

As at the date of this supplemental announcement, the Joint Venture parties have not made any commitments to make any additional capital contributions to the Joint Venture. In the event that the Joint Venture has additional material funding requirements in the future due to business expansion, whether further capital contributions will be required from its shareholders shall be subject to separate consideration and determination by the board of directors and general meeting of the Joint Venture. Further announcement(s) will be made by the Company in relation to the relevant matter(s) as and when appropriate in accordance with the Listing Rules.

II. THE ALIGNMENT OF THE PIPED DIRECT DRINKING WATER BUSINESS WITH THE DEVELOPMENT STRATEGY OF THE GROUP

The core businesses of the Group are tap water supply and wastewater treatment, and the piped direct drinking water equipment and secondary water supply equipment business is an extension of its water supply industry chain. Operated on a market-oriented basis, the piped direct drinking water business aligns closely with the existing core water businesses of the Group. The Group possesses regional water supply operational resources, a broad customer base, a mature water quality testing system and engineering execution capabilities; the Joint Venture Partner, Anhui Shunyu Ecological Technology Co., Ltd., and its parent company Anhui Shunyu Water Co., Ltd., possess full-chain implementation capabilities in the field of piped direct drinking water, integrating equipment manufacturing, technology research and development as well as investment, construction and operation. The Parties will leverage their respective advantages to achieve synergistic cooperation and integrate resources through the Joint Venture platform, and expand into quality-based water supply services based on the existing water supply businesses. This will enrich the Group's business segments, foster new revenue growth drivers and align with the development strategy of the Group.

Save for the supplemental information above, all other information contained in the Announcement remains unchanged. This supplemental announcement should be read in conjunction with the Announcement.

By order of the Board
Luzhou Xinglu Water (Group) Co., Ltd.*
Chen Qinan
Chairman

Luzhou, the PRC
25 November 2026

As at the date of this announcement, the Board comprises (i) two executive Directors, namely Mr. Chen Qinan and Mr. Xu Guanghua; (ii) three non-executive Directors, namely Mr. Xu Fei, Ms. Zhang Guanghui and Ms. Hu Fenfen; and (iii) three independent non-executive Directors, namely Ms. Ma Hua, Mr. Fu Ji and Mr. Liang Youguo.

* *For identification purposes only*