

1 September 2025

Mr. Duan Chuan Liang
Suite 6408, 64/F Central Plaza
18 Harbour Road
Wanchai, Hong Kong

The sole director
Sharp Profit Investments Limited
Suite 6408, 64/F Central Plaza
18 Harbour Road
Wanchai, Hong Kong

The board of directors
China Water Affairs Group Limited
Suite 6408, 64/F Central Plaza
18 Harbour Road
Wanchai, Hong Kong

The board of directors
Kangda International Environmental Company Limited
Suite 6409, 64/F
Central Plaza
18 Harbour Road
Wanchai
Hong Kong

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY
FIRST SHANGHAI SECURITIES LIMITED ON BEHALF OF THE JOINT
OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
KANGDA INTERNATIONAL ENVIRONMENTAL COMPANY LIMITED AND
TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF THE COMPANY
(THE “TRANSACTION”)**

We refer to the composite document jointly issued by Kangda International Environmental Company Limited (the “**Company**”), Mr. Duan Chuan Liang and Sharp Profit Investments Limited (Mr. Duan Chuan Liang and Sharp Profit Investments Limited are collectively referred to as the “**Joint Offerors**”) and China Water Affairs Group Limited dated 1 September 2025 (the “**Composite Document**”) in relation to, among other things, the captioned matter. Capitalised terms used herein shall have the same meanings as those defined in the Composite Document unless otherwise stated.

第一上海融資有限公司
FIRST SHANGHAI CAPITAL LIMITED

香港中環德輔道中71號永安集團大廈19樓
19/F., Wing On House, 71 Des Voeux Road Central, Hong Kong
Tel: (852) 2522 2101 Fax: (852) 2810 5546

We, First Shanghai Capital Limited, as financial adviser to the Joint Offerors in connection with the Transaction, hereby confirm that we have given and have not withdrawn our written consent to the issue of the Composite Document with the inclusion of our advice and opinions and the references to our name, logo and qualifications in the form and context in which they are respectively included in the Composite Document.

We also confirm that we have given and have not withdrawn our consent to this letter being made available for inspection as described in the section headed “12. DOCUMENTS ON DISPLAY” in Appendix III to the Composite Document.

Yours faithfully,

For and on behalf of
First Shanghai Capital Limited



Kwan Man Kit, Edmond
Managing Director



Yam Kin Chiu
Executive Director