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MR. DUAN CHUAN LIANG



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)

SHARP PROFIT INVESTMENTS LIMITED

JOINT ANNOUNCEMENT

DELAY IN DESPATCH OF THE COMPOSITE DOCUMENT RELATING TO 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

Reference is made to the announcement jointly issued by Mr. Duan Chuan Liang and Sharp Profit Investments Limited (the “**Joint Offerors**”) and Kangda International Environmental Company Limited (the “**Company**”) dated 21 July 2025 (the “**Joint Announcement**”) in relation to, among other things, the mandatory unconditional cash offer by First Shanghai Securities Limited on behalf of the Joint Offerors to acquire all the issued shares of the Company and the cancel all the outstanding share options of the Company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

DELAY IN DESPATCH OF THE COMPOSITE DOCUMENT

As stated in the Joint Announcement, it is the intention of the Company and the Joint Offerors to combine the offer document and the offeree board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, unless the Executive’s consent is obtained, the Joint Offerors and the Company should despatch the Composite Document to the Shareholders and the Optionholders within 21 days of the date of the Joint Announcement (being on or before 11 August 2025).

As additional time is required for finalising the Composite Document, the Company and the Joint Offerors have made a consent application to the Executive, and the Executive has granted its consent to extend the latest date for despatch of the Composite Document to a date no later than Tuesday, 2 September 2025.

Further announcement(s) will be made by the Joint Offerors and the Company as and when appropriate in compliance with the Takeovers Code upon the despatch of the Composite Document.

WARNINGS

This joint announcement is made in compliance with the Takeovers Code for the purpose of, among other things, informing the Shareholders, the Optionholders and potential investors of the Company of the Offers.

The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement, and strongly recommend the Offer Shareholders and any Offer Optionholders not to form a view on the Offers and/or before deciding whether or not to accept the Offers unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee to the Offer Shareholders and any Offer Optionholders in respect of the Offers and the letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers.

Shareholders and potential investors are advised to exercise extreme caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

**Mr. DUAN CHUAN
LIANG**

By order of the board of
directors of
**CHINA WATER AFFAIRS
GROUP LIMITED**
Duan Chuan Liang
Chairman

Sole director of
**SHARP PROFIT
INVESTMENTS LIMITED**
Duan Chuan Liang

By order of the Board
**KANGDA
INTERNATIONAL
ENVIRONMENTAL
COMPANY LIMITED**
Li Zhong
Chairman

Hong Kong, 8 August 2025

Mr. Duan accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date this joint announcement, the board of directors 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, Ms. Wang Xiaoqin and Ms. Liu Yu Jie, and four independent non-executive directors, being Mr. Chau Kam Wing Donald, Mr. Siu Chi Ming, Ms. Ho Ping and Mr. Xiao Zhe.

The directors of CWA jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of Sharp Profit is Mr. Duan.

The sole director of Sharp Profit accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors of the Company) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises eight Directors, namely Mr. LI Zhong, Ms. LIU Yujie, Mr. DUAN, Jerry Linnan and Mr. ZHOU Wei as executive Directors; Mr. ZHAO Juanxian (alias, ZHAO Junxian) as non-executive Director; and Mr. CHAU Kam Wing Donald, Mr. CHANG Qing and Mr. PENG Yongzhen as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to Mr. Duan and the CWA Group), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by Mr. Duan or the directors of CWA) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

** For identification purposes only*