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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)

ANNOUNCEMENT

PURSUANT TO RULE 3.8 OF THE TAKEOVERS CODE

This announcement is made by Kangda International Environmental Company Limited (the “**Company**”) pursuant to Rule 3.8 of The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”).

Reference is made to (i) the joint announcement published by the Mr. Duan Chuan Liang (“**Mr. Duan**”), Sharp Profit Investments Limited (“**Sharp Profit**”, together with Mr. Duan, the “**Joint Offerors**”), China Water Affairs Group Limited and the Company dated 21 July 2025 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 to cancel all the outstanding share options of the Company; (ii) the composite document jointly published by the Joint Offerors, China Water Affairs Group Limited and the Company dated 1 September 2025 (the “**Composite Document**”); and (iii) the share option scheme adopted by the Company on 14 June 2014. Unless otherwise defined, capitalised terms not defined herein shall have the same meanings ascribed to them in the Composite Document.

UPDATE ON THE NUMBER OF RELEVANT SECURITIES OF THE COMPANY

The board of directors of the Company (the “**Board**”) announces that on 5 September 2025, a total of 45,400,000 Shares had been allotted pursuant to the rules of the Share Option Scheme for the exercise of 45,400,000 Share Options at the exercise price of HK\$0.30 per Share Option, details of which are set out below:

		Number of Share Options exercised	Number of Shares allotted	Resultant balance of Share Options held	Resultant balance of Shares held
	Optionholder				
1	Li Zhong <i>(Note 1)</i>	16,000,000	16,000,000	—	26,000,000
2	Liu Yujie <i>(Note 1)</i>	16,000,000	16,000,000	—	26,000,000
3	Xiao Aiguo <i>(Note 2)</i>	3,000,000	3,000,000	15,000,000	9,000,000
4	Fang Xuequan <i>(Note 2)</i>	3,000,000	3,000,000	5,000,000	8,300,000
5	Cheng Gong <i>(Note 2)</i>	400,000	400,000	—	400,000
6	Other Optionholders	7,000,000	7,000,000	100,133,500	Not applicable

Notes:

1. Mr. Li Zhong and Ms. Liu Yujie are Class (1) associates of the Company and Class (1) associates of Sharp Profit as they are Directors and directors of CWA. Both Mr. Li and Ms. Liu have irrevocably undertaken to the Joint Offerors not to accept the Offers with respect to the Shares and Share Options (and any Shares issued upon the exercise of such Share Options owned by them).
2. Being Class (3) associates of the Company as they are directors of subsidiaries of the Company.
3. The exercise period of the Share Options begins on 31 May 2025 and ends on the expiry of the one-month period after the despatch of the composite document by the Joint Offerors and the Company.

Details of all classes of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company and the numbers of such securities in issue and outstanding as at the date of this announcement are as follows:

- (a) a total of 2,231,075,000 Shares in issue; and
- (b) a total of 120,133,500 Share Options with rights to subscribe for an aggregate of 120,133,500 Shares under the Share Option Scheme.

As at the date of this announcement, save as disclosed above, the Company has no other outstanding securities, options, derivatives or warrants which are convertible or exchangeable into Shares and the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

DEALING DISCLOSURE

Associates of the Joint Offerors and the Company (as defined in the Takeovers Code, including shareholders who owns or control 5% or more of any class of relevant securities issued by the Company or the Joint Offerors), are hereby reminded to disclose their dealings in the securities of the Company in accordance with Rule 22 of the Takeovers Code during the offer period.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

By Order of the Board
Kangda International Environmental Company Limited
Li Zhong
Chairman

Hong Kong, 5 September 2025

As at the date of this 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 announcement, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.