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
RECEIPT OF DECISION OF SHENZHEN CSRC ON SUPERVISORY INTERVIEW MEASURES

This announcement is made by Dongjiang Environmental Company Limited* (the "**Company**") pursuant to Rule 13.09(2) and Rule 13.51B(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).

The Company has recently received the "Decision of Shenzhen CSRC on Imposing Supervisory Interview Measures Against Dongjiang Environmental Company Limited" ([2025] No. 261) (《關於對東江環保股份有限公司採取監管談話措施的決定書》(〔2025〕261號) (the "**Decision**") from the Shenzhen Regulatory Bureau of the China Securities Regulatory Commission ("**Shenzhen CSRC**"), a summary of which is set out below:

SUMMARY OF THE DECISION

(A) Financial accounting irregularities

"There were irregularities in the recognition of revenue from rare and precious metal recycling and landfill gas power generation businesses involving cross-period and spot pricing transactions in respect of certain projects of the Company; insufficient basis for changes in accounting policy for revenue recognition and irregularity in cost accounting in respect of anode mud sales; insufficient basis for the amortization period of franchise rights for certain projects; and irregularities in the capitalization of interest on loans in respect of heavy metal sludge workshops. Furthermore, the

Company also had issues with inadequate internal control in relation to revenue, and inconsistencies between the recognition criteria for goodwill-related asset groups in 2022 and the disclosures in annual report.

The aforementioned circumstances are inconsistent with the provisions of Paragraph 1 of Article 4 and Article 34 of the Accounting Standards for Business Enterprises No.14 – Revenue (《企業會計準則第14號——收入》), Article 9 of the Accounting Standards for Business Enterprises No.22 – Recognition and Measurement of Financial Instruments (《企業會計準則第22號——金融工具確認和計量》), Paragraph 2 of Article 17 of the Accounting Standards for Business Enterprises No.6 – Intangible Assets (《企業會計準則第6號——無形資產》), and Article 11 of the Accounting Standards for Business Enterprises No.17 – Borrowing Costs (《企業會計準則第17號——借款費用》).”

(B) Irregular corporate governance

“There were irregularities in the operations of the "Three Meetings"(meeting of shareholders, meeting of board of directors and meeting of supervisory committee) of the Company, and irregularities in registration and administration of the filings of insiders having knowledge of insider information. The aforesaid circumstances were not in compliance with the provisions of Paragraph 1 of Article 38, Paragraph 1 of Article 39, Items (2) and (6) of Paragraph 1 of Article 42, and Paragraph 2 of Article 42 of the Rules for Shareholders' Meetings of Listed Companies (No.7 [2025]) (《上市公司股東會規則》(〔2025〕7號)), Paragraph 1 of Article 42 of the Code of Corporate Governance for Listed Companies (CSRC Announcement No. 29 [2018]) (《上市公司治理準則》(證監會公告〔2018〕29號)), and Paragraph 1 of Article 10 of the Guidelines for Supervision of Listed Companies No. 5 – Administrative System for Registration of Insiders Having Knowledge of Insider Information of Listed Companies (CSRC Announcement No. 17 [2022]) (《上市公司監管指引第5號——上市公司內幕信息知情人登記管理制度》(證監會公告〔2022〕17號)).

It is reflected in the aforesaid circumstances that the Company has issues in financial accounting, internal control and corporate governance etc.. The relevant financial accounting issues have led to irregularities in information disclosure of the Company. In accordance with the provisions in Article 52 of the Measures for the Administration of Information Disclosure of Listed Companies (CSRC Directive No. 182) (《上市公司信息披露管理辦法》(（證監會令第182號）)), Shenzhen CSRC decided to impose the supervisory interview measures against the Company. Shenzhen CSRC directed the Chairman, President, Chief Financial Officer and Secretary of the Board of Directors of the Company to subsequently attend supervisory interview(s) at Shenzhen CSRC with valid identity documents in accordance with the requirements of Shenzhen CSRC.

If aggrieved by the aforementioned supervisory measures, the Company may file an application for administrative review with the China Securities Regulatory Commission within 60 days from the date of receipt of the Decision (the application for administrative review may be sent by postal courier to the Department of Legal Affairs of the China Securities Regulatory Commission), or initiate legal proceeding(s) with the People's Court having jurisdiction within six (6) months from the date of receipt of the Decision. The implementation of the aforesaid supervisory measure shall not be suspended during the period of administrative review or legal proceeding(s)."

GENERAL

Upon receiving the Decision, the Company attaches great importance to the matters set out in the Decision. It will organize relevant personnel to thoroughly study the relevant laws and regulations, effectively improve the corporate governance standard, promote the Company's healthy and stable development, and safeguard the interests of the Company and all its shareholders. The aforementioned administrative regulatory measures will not affect the Company's normal production and operation. Investors are advised to pay attention to investment risks.

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

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

Shenzhen, the PRC
28 December 2025

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Wang Bi'an, Mr. Li Xiangli and Mr. Zhu Lintao; three non-executive Directors, being Mr. Wang Shi, Mr. Liu Xiaoxuan and Mr. Jia Guorong; and three independent non-executive Directors, being Mr. Lee Kwok Tung Louis, Mr. Li Jinhui and Ms. Xiang Ling.

** For identification purposes only*