

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Kunming Dianchi Water Treatment Co., Ltd.

昆明滇池水務股份有限公司

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

(Stock Code: 3768)

INSIDE INFORMATION ANNOUNCEMENT IN RELATION TO LITIGATION

This announcement is made by Kunming Dianchi Water Treatment Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In 2018, the Company entered into a water purification plant construction contract with Guizhou Construction Group Co., Ltd.* (貴州建工集團有限公司) (“**Guizhou Construction**”), pursuant to which the Company subcontracted Guizhou Construction to carry out relevant construction of the water purification plant. A dispute arose between the Company and Guizhou Construction over the settlement of the total consideration upon completion of the relevant construction, and Guizhou Construction filed a lawsuit with the Kunming Municipal Intermediate People’s Court, Yunnan Province (“**Kunming Municipal Intermediate People’s Court**”).

The Company has currently received a civil judgement (the “**Judgement**”) issued by the Kunming Municipal Intermediate People’s Court, according to which the case of construction contract dispute between Guizhou Construction, the plaintiff, and the Company has been concluded by the Kunming Municipal Intermediate People’s Court, and the Company has been ordered to pay, within 15 days from the date of the judgement becoming effective, the construction sum of RMB109,480,041.1 to Guizhou Construction, the interest calculated on the basis of the outstanding principal amount of the construction sum of RMB103,474,656.33 from 22 May 2022 to 1 November 2023 at the loan prime rate for one-year loans published by the National Interbank Funding Center during the same period of time, the interest calculated on the basis of the outstanding principal amount of the construction sum of RMB99,474,656.33 from 2 November 2023 to 6 February 2024 at the loan prime rate for one-year loans published by the National Interbank Funding Center during the same period of time, the interest calculated on the basis of the loan prime rate for one-year loans published by the National Interbank Funding Center from 7 February 2024 to the date of payment in full on the outstanding principal of the construction sum of RMB96,974,656.33, and the interest calculated on the basis of the loan prime rate for one-year loans published by the National Interbank Funding Center from 18 April 2024 to the date of payment in full on the amount of RMB12,505,384.77. Meanwhile, Kunming Municipal Intermediate People’s Court dismissed the other litigation claims by Guizhou Construction. If the Company fails to perform its payment obligations within the period specified in the Judgement, the Company shall increase the payment of interest of the debt for the deferred period of time in accordance with the provisions of Article 264 of the Civil Procedure Law of the People’s Republic of China. In addition, the Company shall bear the total amount of RMB951,891.5 including case handling fees etc.

The Company will seek further legal advice and lodge an appeal in accordance with relevant laws and regulations in relation to the aforesaid Judgement and dispute, and will make its best endeavours to safeguard the interests of the Company and all its shareholders as a whole. As at the date of this announcement, the daily operations of the Group are not affected in any material way. The Company will make further announcement(s) in accordance with relevant regulations in due course.

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

By order of the Board
Kunming Dianchi Water Treatment Co., Ltd.
Zeng Feng
Chairperson and executive Director

Kunming, the PRC, 9 October 2024

As at the date of this announcement, the Board comprises Mr. Zeng Feng, Mr. Chen Changyong and Mr. Miao Xianjun, as executive Directors; Mr. Xu Jingdong, Ms. Cheng Yijing and Mr. Zhang Yang, as non-executive Directors; and Mr. Zha Guiliang, Ms. Zheng Dongyu and Mr. Ong King Keung, as independent non-executive Directors.

* *for identification purpose only*