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Kunming Dianchi Water Treatment Co., Ltd.

昆明滇池水务股份有限公司

(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 JUDGEMENT**

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).

Reference is made to the Company’s announcement dated 9 October 2024 (the “**Announcement**”) in relation to the Company’s involvement in a litigation, and unless otherwise defined herein, all terms used herein shall have the same meanings as those defined in the Announcement.

A dispute arose between the Company and Guizhou Construction in respect of the settlement payment for a water purification plant construction contract, and Guizhou Construction filed a lawsuit against the Company with the Kunming Municipal Intermediate People’s Court. As the Company was not satisfied with the judgement of the Kunming Municipal Intermediate People’s Court, the Company appealed to the Yunnan Provincial High People’s Court (the “**Yunnan Provincial High Court**”) in accordance with the relevant laws and regulations.

The Company has currently received a civil judgement issued by the Yunnan Provincial High Court (the “**Judgement from Yunnan Provincial High Court**”), according to which it was ruled that (i) the civil judgement issued by the Kunming Municipal Intermediate People’s Court has been revoked; (ii) the Company has been ordered to pay, within 15 days from the date of the judgement issued by the Yunnan Provincial High Court becoming effective, the construction sum of RMB103,289,587.48 to Guizhou Construction, and pay the interest calculated on the basis of the outstanding principal amount of the construction sum of RMB97,469,916.32 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 RMB93,469,916.32 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 RMB90,969,916.32, 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 RMB12,319,671.16; (iii) other litigation claims by Guizhou Construction have been dismissed; and (iv) the counterclaim by the Company has been dismissed. If the Company fails to perform its payment obligations within the period specified in the judgement issued by the Yunnan Provincial High Court, the Company shall pay double interest on 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. The court acceptance fee for the first-instance litigation of RMB631,261.00 shall be borne by the Company in the amount of RMB618,635.78 and by Guizhou Construction in the amount of RMB12,625.22; and the court acceptance fee for the first-instance counterclaim of RMB75,010.86 and the preservation fee of RMB5,000 shall be borne by the Company. The court acceptance fee for the second-instance appeal of RMB631,261.00 shall be borne by the Company in the amount of RMB618,635.78 and by Guizhou Construction in the amount of RMB12,625.22. The judgement issued by the Yunnan Provincial High Court shall be final.

In prior years, the Company has made accounting treatment and the judgement from the Yunnan Provincial High Court will not have a material impact on the Company’s profit or loss for 2025. As of the date of this announcement, the daily production and operation of the Group has not been materially affected.

Shareholders and potential 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, 4 November 2025

As at the date of this announcement, the Board comprises Mr. Zeng Feng, Mr. Chen Changyong and Ms. Lian Zhaoju, as executive Directors; Mr. Xu Jingdong, Ms. Cheng Yijing and Ms. Gao Yuan, as non-executive Directors; and Mr. Zha Guiliang, Ms. Zheng Dongyu and Dr. Chan Ho Wah Terence, as independent non-executive Directors.