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GUANGDONG INVESTMENT LIMITED
(粵 海 投 資 有 限 公 司)

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00270)

**FURTHER INFORMATION REGARDING CONNECTED TRANSACTIONS
IN RELATION TO EQUITY TRANSFERS IN FOUR SUBSIDIARIES**

Reference is made to the announcement of Guangdong Investment Limited (the “**Company**”) dated 27 May 2022 in relation to the equity transfers in four subsidiaries of the Company (the “**Announcement**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Board would like to provide the following further information in relation to the Equity Transfers.

As at 31 December 2021, the value of National Water Resources Centre, Kerong Software and Guangdong Water Testing as appraised by an independent valuer in the PRC was approximately RMB132.9 million, RMB76.5 million and RMB6.5 million, respectively. The Company did not engage the independent valuer to appraise the value of Guangdong Water Resources Centre in connection with the Equity Transfers as it was only established recently in December 2021 and did not have any substantial operation as at the date of the Announcement. The unaudited net asset of Guangdong Water Resources Centre was nil as at 31 December 2021, and therefore, the consideration for the transfer of 49% equity interest in Guangdong Water Resources Centre under the relevant Equity Transfer Agreement was RMB1.00.

To the best knowledge, information and belief of the Directors, as at the date of the Announcement:

- (a) National Water Resources Centre was owned as to (i) approximately 73.31% by Harbin Water Technology (a subsidiary of the Company); (ii) approximately 20.16% by Harbin Institute of Technology Assets Management Company Limited (哈爾濱工業大學資產經營有限公司), a company wholly-owned by Harbin Institute of Technology (an Independent Third Party and a public university in the PRC); and (iii) approximately 6.53% by Harbin Yunshui Gongda Environmental Technology Company Limited (哈爾濱雲水工大環保科技股份有限公司), a company indirectly owned as to 100% by Yunnan Water Investment Co., Limited (an Independent Third Party and a joint stock limited liability company incorporated in the PRC and listed on the Stock Exchange (stock code: 06839));
- (b) Kerong Software was owned as to (i) 51% by Guangdong Water Investment (a wholly-owned subsidiary of the Company); (ii) approximately 29.60%, 11.20%, 2.56% and 0.86% by four Independent Third Parties, namely Ma Jinquan (馬進泉), Wang Qiang (王強), Wang Jialiang (王家亮) and Ji Zaizhang (紀在樟), respectively; and (iii) 4.78% by Shenzhen Guangrong Management Consulting Partnership (Limited Partnership) (深圳市廣榮管理諮詢合夥企業(有限合夥)) (an Independent Third Party), a limited partnership established in the PRC owned as to approximately 60.30% and 39.70% by two Independent Third Parties, namely Ma Jinquan (馬進泉) and Jiang Jinping (江金平), respectively; and

- (c) Harbin Water Technology was owned as to (i) 75% by Guangdong Water Investment (a wholly-owned subsidiary of the Company); and (ii) 25% by Shenzhen Baixin Tengda Business Consulting Partnership (Limited Partnership) (深圳市百信騰達商業諮詢合夥企業(有限合夥)) (an Independent Third Party), a limited partnership established in the PRC which was owned as to approximately 42.86%, 23.81%, 23.81% and 9.52% by four Independent Third Parties, namely Gao Song (高松), Nan Jiang (南江), Luo Chenhang (羅陳航) and Yuan Ziqi (袁子琪), respectively.

The English translation of the Chinese name of the relevant company included in this announcement is prepared by the Company for reference only, and such translation may not be accurate and such company may not have an official English translation/ version of its Chinese name.

By Order of the Board
TSANG HON HAM
Director

Hong Kong, 30 May 2022

As at the date of this announcement, the Board of the Company comprises five Executive Directors, namely, Mr. HOU Wailin, Mr. LIN Tiejun, Mr. WEN Yinheng, Mr. TSANG Hon Nam and Ms. LIANG Yuanjuan; three Non-Executive Directors, namely, Mr. CAI Yong, Mr. LAN Runing and Mr. FENG Qingchun; and five Independent Non-Executive Directors, namely, Dr. CHAN Cho Chak, John, Mr. FUNG, Daniel R., Dr. the Honourable CHENG Mo Chi, Moses, Mr. WU Ting Yuk, Anthony and Mr. LI Man Bun, Brian David.