CAPITAL ENVIRONMENT HOLDINGS LIMITED
首創環境控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03989)

VOLUNTARY ANNOUNCEMENT
NEW PROJECT

Capital Environment Holdings Limited (the "**Company**") is pleased to announce that Shenzhen Qianhai Capital Environment Investment Company Limited* (深圳前海首創環境投資有限公司) ("**Qianhai Capital**"), a wholly-owned subsidiary of the Company, intends to invest in and construct a waste incineration for heat and steam supply project in Yanjin County, Xinxiang City, Henan Province (the "**Project**"), with a total investment of RMB254.15 million. Qianhai Capital will establish a wholly-owned subsidiary, namely Yanjin Capital Heating Co., Ltd* (延津縣首創供熱有限公司) (subject to the final name as registered with the administration of industry and commerce), to be responsible for the entrusted operation of the Project, with an expected registered capital of RMB76.25 million.

The Project is located in the core manufacturing cluster of Xinxiang City, where there is a massive demand for steam. A letter of intent for steam supply cooperation has been entered into with the municipal steam pipeline network operators in both the Yanjin County Advanced Manufacturing Development Zone and the Xinxiang National Economic and Technological Development Zone. The Project has an operational period of 29 years, with returns during this period primarily derived from steam supply revenue and waste treatment service fees. Upon completion, the Project will have a daily processing capacity of 500 tonnes of waste and produce 250,000 tonnes of high-quality steam per year, effectively filling the steam supply shortfall in those regions.

Shareholders and/or investors should note that this announcement is published as a voluntary disclosure aimed to allow the public to acknowledge the latest development of the Company.

* *Denotes English translation of the Chinese name of a company or entity established in the PRC, or vice versa, and is provided for the sole purpose of identification.*

By order of the Board of
Capital Environment Holdings Limited
Li Qingsong
Chairman

Hong Kong, 21 August 2026

As of the date of this announcement, the Board comprises three executive Directors, namely Mr. Li Qingsong, Mr. Guo Chaoyang and Ms. Yu Hong; one non-executive Director, namely Mr. Wei Xianda; and four independent non-executive Directors, namely Mr. Pao Ping Wing, Mr. Cheng Kai Tai, Allen, Dr. Chan Yee Wah, Eva and Dr. Cao Fuguo.