ong ong E ch nges nd C le r ng L ed nd he oc E ch nge of ong ong L ed e no respons y for he con en s of h s nno nce en , e no represen on s o s cc h cy or co p e eness nd e press y d sc l ny y wh soe er for ny oss how soe er r s ng fro or n re nce pon he who e or ny p r of he con en s of h s nno nce en .

上海大眾公用事業(集團)股份有限公司

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

(Stock Code: 00826)

The Board is pleased to announce that the Company proposes to non-publicly issue the convertible corporate bonds to meet the demand for production, operation and development and optimize the debt structure of the Company.

According to the laws and regulations of the PRC and the Articles, the proposed issue of the convertible corporate bonds is subject to the approval of the Shareholders by way of a special resolution and relevant regulatory authorities.

The first extraordinary general meeting of 2017 of the Company will be convened for, among other things, the approval of the proposed issue of the convertible corporate bonds. A circular containing details of the proposed issue of the convertible corporate bonds, together with the notice of the extraordinary general meeting, is expected to be dispatched to the Shareholders in due course.

In order to meet the demand for production, operation and development and optimize the debt structure of the Company, the Board has approved the proposed non-public issue of the convertible corporate bonds.

According to the laws and regulations of the PRC and the Articles, implementation of the proposed issue of the convertible corporate bonds is subject to the approval of the Shareholders by way of a special resolution and relevant regulatory authorities.

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The initial conversion price of the Convertible Corporate Bonds shall not be lower than the highest of the average trading prices of A shares of Dazhong Transportation on the trading day immediately and for the 20 trading days preceding the date of publication of the offering document (in the event that during the above mentioned trading days, the share price has been adjusted due to ex-rights or ex-dividend, the trading price of each of these trading days before adjustment shall be adjusted with reference to the ex-rights or ex-dividend share price). A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the detailed initial conversion price after discussion and agreement with the lead underwriter with reference to the market conditions before the issuance.

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After the issuance of the Convertible Corporate Bonds, the Company will submit application to the Shanghai Stock Exchange for the listing and transfer of the Convertible Corporate Bonds. A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the detailed listing and transfer arrangement in accordance with requirements of regulatory authorities.

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The lead underwriter is responsible for the formation of underwriting syndicate to underwrite the Convertible Corporate Bonds in way of standby commitment.

A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine other matters related to the issuance of the Convertible Corporate Bonds (including but not limited to the name of bonds, the terms and method of interest payment, the terms of the redemption, the terms of repurchase, the terms of the conversion, the adjustment of the conversion price and the downward revision) after discussion and agreement with the lead underwriter with reference to the market conditions at the time of issuance.

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The shareholder's resolutions regarding the issue of the Convertible Corporate Bonds shall be valid for a period of 24 months from the date of passing of the resolutions at the general meeting. Where the Company has, during the validity period of the above resolution, decided the issue of the Convertible Corporate Bonds, and provided that the Company has also, during the validity period of the above resolution, obtained the approval, license, registration notice or registration from the regulatory authorities on the issue, the Company may, during the validity period confirmed by such approval, license, registration notice or registration, complete the relevant issuance.

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To ensure effective coordination of the issue of the Convertible Corporate Bonds and other detailed matters in connection with the issue, a resolution will be proposed at the general meeting by the Board to authorize the management to deal with, at its/their sole discretion, all matters in connection with the issue of Convertible Corporate Bonds within the framework and under the principles approved at the general meeting, including but not limited to:

1. According to the requirements of laws, regulations, rules and normative documents and the resolution passed on the general meeting of the Company, combined with the actual situation of the Company and the market, determining the final plan and terms of the issuance of the Convertible Corporate Bonds, including but not limited to the detailed issue size, term, target, issue tranches, term of conversion, initial conversion price, security measures, bonds interest rates, detailed use of proceeds, adjustment of the conversion price and the downward revision, the mechanism of redemption and repurchase, credit rating, debt repayment security and transaction arrangements, the timing the issuance, setting up of debt repayment security

Company has also, during the validity period of the above resolution, obtained the approval, license, registration notice or registration fr