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上海大眾公用事業(集團)股份有限公司
Shanghai Dazhong Public Utilities (Group) Co., Ltd.*

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

(Stock Code: 1635)

CONNECTED TRANSACTION
ENTERING INTO THE PARTNERSHIP AGREEMENT

The Board is pleased to announce that, on November 10, 2021, the Company entered into the Partnership Agreement with Dazhong Business Management (a substantial shareholder of the Company, as a Limited Partner), Changsanjiao (Jiashan) Equity Investment (as a Limited Partner), Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund (as a Limited Partner) and Yaoqi Industrial (as a Limited Partner) and Shanghai Zimaoqu Equity Investment Fund (as the General Partner and Manager), pursuant to which the Company participated in the Partnership as a Limited Partner and the parties agreed to regulate their respective rights and obligations in the Partnership.

LISTING RULES IMPLICATION

As at the date of this announcement, Dazhong Business Management is a substantial shareholder of the Company and therefore a connected person of the Company. Accordingly, entering into the Partnership Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios in respect of the Company's capital commitment to the Partnership under the Partnership Agreement and the transactions contemplated thereunder exceed 0.1% but less than 5%, the Partnership Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that, on November 10, 2021, the Company entered into the Partnership Agreement with Dazhong Business Management (a substantial shareholder of the Company, as a Limited Partner), Changsanjiao (Jiashan) Equity Investment (as a Limited Partner), Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund (as a Limited Partner) and Yaoqi Industrial (as a Limited Partner) and Shanghai Zimaoqu Equity Investment Fund (as the General Partner and Manager), pursuant to which the Company participated in the Partnership as a Limited Partner and the parties agreed to regulate their respective rights and obligations in the Partnership.

PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT

The rights and obligations of the Partners are governed by the Partnership Agreement, the principal terms of which are summarised as follows:

Date

November 10, 2021

Parties

(1) the Company, as a Limited Partner;

(2) Dazhong Business Management, a substantial shareholder of the Company and as a Limited Partner;

(3) Changsanjiao (Jiashan) Equity Investment, as a Limited Partner;

(4) Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund, as a Limited Partner;

(5) Yaoqi Industrial, as a Limited Partner; and

(6) Shanghai Zimaoqu Equity Investment Fund, as the General Partner and Manager.

Name of the Partnership

Yangzhou Xintong Equity Investment Partnership (Limited Partnership)* (揚州芯通股權投資合夥企業(有限合夥))

Term of the Partnership

Five years from the date of First Delivery Date (as defined below) and the term of the Partnership may be extended for one (1) year with a maximum of two (2) times upon the approval of the General Partner in accordance with the Partnership Agreement.

Manager

Shanghai Zimaoqu Equity Investment Fund, being also the General Partner.

Purpose and business scope of the Partnership

The Partnership can utilize its idle funds to invest in (i) government bonds, (ii) investment products of fixed income nature, and (iii) any products which has the similar investment nature and risk level as aforementioned in compliance with applicable laws and regulations.

The Partnership shall not invest in unlimited liability enterprises, provide guarantee, pledge any part of its assets, lend to any third party or invest in areas that are prohibited or restricted by applicable laws or regulations or by relevant authorities.

Capital contribution

The total capital contribution by all Partners to the Partnership shall be RMB501,010,000. The committed amounts of capital contribution to be made by each of the Partners are as follows:

Partners	**Type**	**Committed amount of capital contribution** *(RMB)*	**Approximate percentage of interest in the Partnership** *(%)*
Changsanjiao (Jiashan) Equity Investment	Limited Partner	181,000,000	36.127
Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund	Limited Partner	100,000,000	19.959
The Company	Limited Partner	90,000,000	17.964
Dazhong Business Management	Limited Partner	30,000,000	5.988
Yaoqi Industrial	Limited Partner	100,000,000	19.959
Shanghai Zimaoqu Equity Investment Fund	General Partner	10,000	0.001
	Total:	501,010,000	100

The Company will fund its capital commitment with internal resources.

The respective capital commitment to the Partnership is determined after arm's length negotiations between the Partners with reference to the proposed capital requirements of the Partnership and the parties' proportionate interests therein. Each of the Partners shall make its respective capital commitment on or prior to the date to the designated account in accordance with the requirements as stated in the demand notes or other relevant documents to be issued by the Executive Partner.

Management and Management fee

Shanghai Zimaoqu Equity Investment Fund will act as the Manager and Executive Partner of the Partnership. Shanghai Zimaoqu Equity Investment Fund shall be responsible for the selection and assessment of investment projects, execution of investment agreements and management and make decisions on subsequent exit of investment projects.

The Limited Partners shall pay a management fee to the Partnership at 1.5% of their actual capital commitment annually, except Changsanjiao (Jiashan) Equity Investment and Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund. Such management fee shall be paid by the Partnership or by the Limited Partners (upon the consent of Manager) to the Manager directly.

The management fee for the first year shall be paid pro-rata to actual number of days of management (being the date the first batch of investors are accepted as Limited Partners of the Partnership, the “First Delivery Date” to December 31 of the same year), and shall be paid within thirty (30) days from the First Delivery Date to a designated account byB0mted

(2) eighty-five percent (85%) of the remaining amount, after the distribution mentioned in (1) above, will be distributed to the Limited Partners;

(3) fifteen percent (15%) of the remaining amount, after the distribution mentioned in (1) above, will be distributed to the Manager and/or other designated parties.

Other distributable investment gains other than income from the investment project:

Other investment gains shall be distributed within fourty-five (45) days upon receipt or at such other dates as determined by the Executive Partner in accordance with the aforementioned manner.

Restriction on transfers

None of the Partners may transfer, assign or pledge all or any part of its equity interest in the Partnership without the prior approval of the Executive Partner. On the other hand, the General Partner shall not transfer or assign all or any part of its equity interest in the Partnership to any third party.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

To in line with the strategic direction of the Company's two major drivers (i.e. public utilities and venture capital businesses) going hand in hand and the need for sustainable development. The Board believes that investing in the Partnership provides an opportunity for the Company to improve its capital operation capabilities and efficiency by leveraging the professional capabilities of the investment platform. The Board further believes, through specific investment and market-oriented management to expand the scale of investments in the financial sector, enhance the investment profitability, and increase the stable profit growth points of the Company.

The Directors (including the independent non-executive Directors) are of the view that the transactions contemplated under the Partnership Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole. Mr. Yang Guoping (the executive Director) and Mr. Liang Jiawei (the executive Director) are directors of Dazhong Business Management, they are regarded as having material interests in the Partnership Agreement and the transactions contemplated thereunder and have abstained from voting regarding the Board resolutions for approving the Partnership Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has material interests in the Partnership Agreement and are therefore required to abstain from voting on the relevant resolutions of the Board.

INFORMATION ON THE PARTIES

The Company

The principal business of the Company is the provision of public utility services. It also engages in strategic and financial investments in associated companies in public utility and other industries. Dazhong Business Management is the single largest shareholder of the Company.

Dazhong Business Management

Dazhong Business Management is a limited liability company incorporated in the PRC. The principal business of Dazhong Business Management includes taxi operation service, investment management service, investment consulting service and sales of auto parts. Dazhong Business Management is ultimately held by Shanghai Dazhong Business Management Employee Share Ownership Committee* (上海大眾企業管理有限公司職工持股會), which is a holding vehicle.

Shanghai Zimaoqu Equity Investment Fund

Shanghai Zimaoqu Equity Investment Fund is a limited liability company. The principal businesses of Shanghai Zimaoqu Equity Investment Fund includes equity investment and management, venture capital management, industrial investment and investment consultation. The ultimate beneficial owner of Shanghai Zimaoqu Equity Investment Fund is Ministry of Finance of the People's Republic of China* (中華人民共和國財政部).

Changsanjiao (Jiashan) Equity Investment

Changsanjiao (Jiashan) Equity Investment is a limited liability partnership incorporated in the PRC. The principal business of Changsanjiao (Jiashan) Equity Investment is equity investment. The ultimate beneficial owner of Changsanjiao (Jiashan) Equity Investment is Shanghai Lingang Xinpian Zone Science and Technology Innovation Equity Investment Fund Management Co., Ltd* (上海臨港新片區科創產業股權投資基金管理有限公司).

Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund

Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund is a limited liability partnership incorporated in the PRC. The principal business of Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund is equity investment, investment management and asset management etc.. The ultimate beneficial owner by Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund is Shanghai Lingang Xinpian Zone Science and Technology Innovation Equity Investment Fund Management Co., Ltd* (上海臨港新片區科創產業股權投資基金管理有限公司).

Yaoqi Industrial

Yaoqi Industrial is a limited liability company incorporated in the PRC. The principal business of Yaoqi Industrial is provision of business consultancy service, communication facilities and electronic products etc.. The ultimate beneficial owner of Yaoqi Industrial is Yaoqi Industrial.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Shanghai Zimaoqu Equity Investment Fund, Changsanjiao (Jiashan) Equity Investment, Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund and Yaoqi Industrial and their respective ultimate beneficial owner(s) are Independent Third Parties, and are not connected persons of the Company.

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DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

"A Share(s)"	domestic share(s) of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange
"Board"	the board of Directors
"Changsanjiao (Jiashan) Equity Investment"	Changsanjiao (Jiashan) Equity Investment Partnership (Limited Partnership)* (長三角(嘉善)股權投資合夥企業(有限合夥)), a limited liability partnership incorporated in the PRC and an Independent Third Party
"Company"	Shanghai Dazhong Public Utilities (Group) Co., Ltd.* (上海大眾公用事業(集團)股份有限公司), a joint stock company with limited liability incorporated in the PRC on January 1, 1992, whose A shares and H shares have been listed on the Shanghai Stock Exchange since March 4, 1993 (stock code: 600635.SH) and the Main Board of the Stock Exchange since December 5, 2016 (stock code: 1635)

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"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign share(s) in the Company's registered share capital, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange and traded in Hong Kong dollars
"Independent Shareholders"	shareholders other than Shareholders who have material interests in the Partnership Agreement and the transactions contemplated thereunder
"Independent Third Part(ies)"	independent third part(ies) independent of the Company and the connected persons of the Company
"Limited Partner(s)"	limited partners of the Partnership, being the Company, Dazhong Business Management, Changsanjiao (Jiashan) Equity Investment, Shanghai Lingang Xinpian Zone Science and Technology Innovation Phase I Industrial Equity Fund and Yaoqi Industrial
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"percentage ratio(s)"	has the meaning ascribed to it in the Listing Rules
"Partners"	the Limited Partners and the General Partner
"Partnership"	Yangzhou Xintong Equity Investment Partnership (Limited Partnership)* (揚州芯通股權投資合夥企業(有限合夥))
"Partnership Agreement"	the partnership agreement of the Partnership dated November 10, 2021
"PRC"	The People's Republic of China which, for the purposes of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC

“Shanghai Lingang Xinpian
Zone Science and
Technology Innovation