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**LISTING RULES IMPLICATIONS**

Dazhong Logistics Delivery is a subsidiary of the Company. Shanghai Gas is a substantial shareholder of Shanghai Dazhong Gas, a subsidiary of the Company and therefore is a connected person of the Company pursuant to Rule 14A.07(1) of the Listing Rules. Shanghai Gas Chongming is wholly owned by Shanghai Gas. Therefore, Shanghai Gas Chongming is a connected person of the Company by virtue of being an associate of Shanghai Gas. According to the Listing Rules, the Cylinder LPG Transportation Services and transactions contemplated thereunder constitute connected transactions of the Company. According to Rule 14A.81 of the Listing Rules, if a series of transactions all take place or are completed within the same 12-month period or relevant transactions are connected with each other, such transactions shall be calculated on an aggregate basis and treated as a single transaction. As the Group has conducted relevant transactions with Shanghai Gas Chongming in the past twelve months, such transactions shall be calculated on an aggregate basis. As the highest applicable percentage ratio in respect of the Cylinder LPG Transportation Services and transactions contemplated thereunder is higher than 0.1% but less than 5%, the Cylinder LPG Transportation Services and transactions contemplated thereunder is subject to the announcement requirement but are exempted from the circular and independent shareholder's approval requirement under chapter 14A of the Listing Rules.

## INTRODUCTION

On December 28, 2023, Shanghai Gas Chongming engaged Dazhong Logistics Delivery (a subsidiary of the Company) to provide the Cylinder LPG Transportation Services for multiple times, pursuant to which Shanghai Gas Chongming entrusts Dazhong Logistics Delivery to provide services for transporting, completion of distribution, connection and installation and safety check for its cylinder LPG to the vicinities of Chongming Island, Hengsha Island and Changxing Island in Chongming District, Shanghai, the PRC (specific areas subject to further determination by both parties), while Shanghai Gas Chongming shall pay a service fee of RMB1,682,867 to Dazhong Logistics Delivery.

**CYLINDER LPG TRANSPORTATION SERVICES**

Major terms of the Cylinder LPG Transportation Services are as follows:

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| Date: | December 28, 2023 |
| Parties: | Client: Shanghai Gas Chongming Co., Ltd. (a connected person of the Company)<br>Chocansr:ransportationServicesHonreferenc552.16Gas-446.16Gas-h55<br>Services Provider: Shanghai Dazhong Run Logistics Delivery Co., Ltd. (a subsidiary of the Company) |
| Contents: | Shanghai Gas Chongming entrusts Dazhong Logistics Delivery to provide services for transporting, completion of distribution, connection and installation and safety check for its cylinder LPG of the vicinities of Chongming Island, Hengsha Island and Changxing Island in Chongming District, Shanghai, PRC (specific areas subject to further determination by both parties), while Shanghai Gas |

# REASONS FOR CYLINDER LPG TRANSPORTATION SERVICES

## LISTING RULES IMPLICATIONS

Dazhong Logistics Delivery is a subsidiary of the Company. Shanghai Gas is a substantial shareholder of Shanghai Dazhong Gas, a subsidiary of the Company and therefore is a connected person of the Company pursuant to Rule 14A.07(1) of the Listing Rules. Shanghai Gas Chongming is wholly owned by Shanghai Gas. Therefore, Shanghai Gas Chongming is a connected person of the Company by virtual of being an associate of Shanghai Gas. According to the Listing Rules, the Cylinder LPG Transportation Services and transactions contemplated thereunder constitute a connected transaction of the Company. According to Rule 14A.81 of the Listing Rules, if a series of transactions all take place or are completed within the same 12-month period or relevant transactions are connected with each other, such transactions shall be calculated on an aggregate basis and treated as a single transaction. As the Group has conduct relevant transactions with Shanghai Gas Chongming in the past twelve months, such transactions shall be calculated on an aggregate basis. As under aggregate basis calculation, the highest applicable percentage ratio in respect of the Cylinder LPG Transportation Service and transaction contemplated thereunder is higher than 0.1% but less than 5%, the Cylinder LPG Transportation Services and transactions contemplated thereunder is subject to the announcement requirement under chapter 14A of the Listing Rules, but are exempted from the circular and independent shareholder's approval requirement.

## CLARIFICATION OF ANNOUNCEMENT IN RELATION TO "CONNECTED TRANSACTION – ENTERING INTO DOMESTIC FACTORING BUSINESS CONTRACT"

The Company would like to clarify that, in the English version of the announcement of the Company dated December 14, 2023 on "Connected Transaction - Entering into Domestic

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| "Board" | board of Directors |
| "Company" | Shanghai Dazhong Public Utilities (Group) Co., Ltd. a joint stock company incorporated in the PRC with limited liability on January 1, 1992, whose A Shares were listed on the Shanghai Stock Exchange (stock code: 600635.SH) on March 4, 1993, and whose H shares were listed on the main board of the Stock Exchange (stock code: 1635) on December 5, 2016. |
| "Cylinder LPG Transportation Services" | The provision of cylinder LPG transportation services provided by Dazhong Logistics Delivery to Shanghai Gas Chongming |
| Dazhong Business Management" | Shanghai Dazhong Business Management Co., Ltd., a limited liability company incorporated in the PRC on March 10, 1995, the single largest shareholder and a substantial shareholder of the Company |
| "Dazhong Logistics Delivery" | Shanghai Dazhong Run Logistics Delivery Co., Ltd., a limited liability company incorporated in the PRC on August 3, 2023, a subsidiary of the Company |
| "Dazhong Run" | Shanghai Dazhong Run Logistics Co., Ltd., a limited liability company incorporated in the PRC on March 19, 1999, a subsidiary of the Company |
| "Director(s)" | The director(s) of the Company |
| "Group" | The Company and its subsidiaries |
| "Listing Rules" | The Rules Governing the Listing of Securities on the Stock Exchange |
| "PRC" | The People's Republic of China which, for the purposes of this announcement, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan region |

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| "RMB" | Renminbi, the lawful currency of the PRC |
| "Shanghai Dazhong Gas" | Shanghai Dazhong Gas Co., Ltd. (formerly known as South Shanghai Gas Co., Ltd.), a limited liability company incorporated in the PRC on January 3, 2001, a subsidiary of the Company |
| "Shanghai Gas" | Shanghai Gas Co., Ltd., a limited liability company incorporated in the PRC on December 27, 2018, a substantial shareholder of Shanghai Dazhong Gas, a subsidiary of the Company |
| "Shanghai Gas Chongming" | Shanghai Gas Chongming Co., Ltd, a limited liability company incorporated in the PRC on April 18, 1992, a wholly-owned subsidiary of Shanghai Gas |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "%" | Percentage |

By order of the Board
**Shanghai Dazhong Public Utilities (Group) Co., Ltd**

**YANG Guoping**

Shanghai, the PRC
December 28, 2023

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