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上海大眾公用事業(集團)股份有限公司

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(t C : 1635)

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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 Uniform Delivery and Safety Service Contract and transactions contemplated thereunder constitute continuing connected transactions of the Company. As the highest applicable percentage ratio in respect of the annual cap is higher than 0.1 but less than 5 , the Cylinder LPG Uniform Delivery and Safety Service Contract and transactions contemplated thereunder are subject to the requirements of reporting, annual review and announcement requirements, but are exempted from the circular and independent shareholder's approval requirement under chapter 14A of the Listing Rules.

I D C I

On December 28, 2023, Shanghai Gas Chongming and Dazhong Logistics Delivery (a subsidiary of the Company) entered into the Cylinder LPG Uniform Delivery and Safety Service Contract, pursuant to which, Shanghai Gas Chongming entrusts Dazhong Logistics Delivery to provide uniform transportation service by automobiles for its cylinder LPG in the region of Shanghai, the PRC, while Shanghai Gas Chongming shall pay service fees to Dazhong Logistics Delivery.

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Major terms of the Cylinder LPG Uniform Delivery and Safety Service Contract are as follows:

Date : December 28, 2023

Parties : Client: Shanghai Gas Chongming Co., Ltd. (a connected person of the Company)

Services Provider: Shanghai Dazhong Run Logistics Delivery Co., Ltd. (a subsidiary of the Company)

Transaction details	:	Shanghai Gas Chongming entrusts Dazhong Logistics Delivery to provide uniform transportation service by automobiles for its cylinder LPG in the region of Shanghai, the PRC, while Shanghai Gas Chongming shall pay service fees to Dazhong Logistics Delivery.
Consideration and Annual Cap	:	The consideration for transportation service is determined with reference to the multiplication of the unit price of per-cylinder transportation service agreed with Dazhong Logistics Delivery for cylinder LPG to different varieties by the quantities transported. The expected annual total transaction amount under the Cylinder LPG Uniform Delivery and Safety Service Contract by Shanghai Gas Chongming and Dazhong Logistics Delivery will not exceed RMB25 million.
Payment method	:	Monthly delivery fee settlement: Shanghai Gas Chongming and Dazhong Logistics Delivery shall check the bills to confirm quantities transported are correct within five (5) business days from the end of the monthly settlement period. Dazhong Logistics Delivery will subsequently issue invoices and Shanghai Gas Chongming shall pay the transportation service fees within five (5) business days upon receipt of the invoice and by transferring the corresponding amounts to the bank account designated by Dazhong Logistics Delivery.
Term of Contract	:	the Cylinder LPG Uniform Delivery and Safety Service Contract shall take effect immediately after signing, with the validity period from January 1, 2024 to December 31, 2024.

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When selecting cylinder LPG delivery carriers, completing delivery, loading and safety inspection services, the delivery service fees shall be determined by both parties based on fair market prices and with reference to (1) Shanghai Gas Chongming will request quotations from Dazhong Logistics Delivery and at least two independent third-party suppliers, and (2) the delivery service fees charged by Dazhong Logistics Delivery to independent third-party customers (taking into account business volumes). The Group shall review the service fees for transportation service from time to time, comparing them with the market prices charged to independent third-party customers for services of similar nature and scale, and ensure that the terms obtained by the Group from Shanghai Gas Chongming are on normal commercial terms or better terms compared to independent third-party customers.

The prices and terms provided by the Group will be fair and reasonable, entered into on normal commercial terms, and no inferior to those provided by independent third-party suppliers to Shanghai Gas Chongming.

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The Company estimates that the total annual transaction amount under the Cylinder LPG Uniform Delivery and Safety Service Contract for the year ending December 31, 2024 will not exceed RMB25 million. When determining the annual cap of the total transaction amount, the Directors have taken into account the following factors: (1) the reasonable estimated transportation volume of cylinder LPG by the Group in 2023 (with reference to the transportation volume of various products in the previous year) and (2) the annual demand for relevant services by Shanghai Gas Chongming.

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From January 2023 to the date of this announcement, Shanghai Gas Chongming entrusted the Group to provide transportation, completion of delivery, loading, and safety inspection services of its cylinder LPG in the vicinities of Chongming Island, Hengsha Island, and Changxing Island, Shanghai, the PRC (specific areas determined through mutual consultation), with a historical transaction amount of RMB18,453,859.50.

REASONS FOR ENTERING INTO THE CYLINDER LPG UNIFORM DELIVERY AND SAFETY SERVICE CONTRACT

Shanghai Logistics Delivery has sufficient understanding of business and needs of Shanghai Gas Chongming, and can communicate with it effectively. In addition, Dazhong Logistics Delivery has rich transportation and delivery experience and professional qualifications. Therefore, the Board believes Dazhong Logistics Delivery can effectively complete the cylinder LPG uniform delivery and safety service to Shanghai Gas Chongming.

Directors (including independent non-executive Directors) are of opinion that the Cylinder LPG Uniform Delivery and Safety Service Contract and transactions contemplated (including the annual cap) are on normal commercial terms or better in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Group and its shareholders as a whole.

Mr. SHI Pingyang, the non-executive Director, also serves as a director of Shanghai Gas, is deemed to have a material interest in the Cylinder LPG Uniform Delivery and Safety Service Contract and transactions contemplated thereunder and has abstained from voting on relevant Board resolutions. Save as disclosed above, none of the Directors has any material interest in the Cylinder LPG Uniform Delivery and Safety Service Contract and transactions

(2) The business planning and administrative personnel of the Company will regularly compare with the Group's price list to ensure that the fee paid by the Shanghai Gas Chongming is at least the same as the benchmark and rate of similar services provided by the Group to independent third parties; and

(3) Monitoring the transaction amount of continuing connected transactions with related

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DEFI I I

"Annual cap"	The annual cap described in "Annual cap and calculation basis"
"Board"	The 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 Uniform Delivery and Safety Service Contract"	

"Dazhong Business Management"	Shanghai Dazhong Business Management Co., Ltd., a limited liability company incorporated in the PRC on March 10, 1995, the largest single 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
"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 non-wholly-owned 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
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“ ”	Percentage

By order of the Board