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)

OVERSEAS REGULATORY ANNOUNCEMENT
ANNOUNCEMENT ON INCREASE IN SHAREHOLDING OF H SHARES OF THE COMPANY BY CONTROLLING SHAREHOLDER

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The following sets out the "Announcement on Increase in Shareholding of H Shares of the Company by Controlling Shareholder" published by Shanghai Dazhong Public Utilities (Group) Co., Ltd.* on the website of the Shanghai Stock Exchange (http://www.sse.com.cn).

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

Shanghai, the People's Republic of China
27 June 2018

As at the date of this announcement, the Board of Directors comprises Mr. YANG Guoping, Mr. LIANG Jiawei, Ms. YU Min, Mr. ZHUANG Jianhao and Mr. YANG Weibiao as executive Directors; Mr. CHAN Wing Kin, Mr. LI Songhua and Mr. CHEUNG Yip Sang as non-executive Directors; and Mr. WANG Kaiguo, Mr. YAO Cho Fai Andrew, Mr. CHOW Siu Lui, Mr. WANG Hongxiang and Mr. LIU Zhengdong as independent non-executive Directors.

* *For identification purposes only*

Stock code: 600635 Stock abbreviation: Dazhong Public Utilities Number: Lin 2018-030

Bond code: 143500 Bond abbreviation: 18 Public 01

Shanghai Dazhong Public Utilities (Group) Co., Ltd.*

Announcement on Increase in Shareholding of H Shares of the Company by Controlling Shareholder

The board of directors of the Company (the "Board") and all directors warrant that there are no false representations, misleading statements or material omissions in this announcement, and are severally and jointly responsible for the authenticity, accuracy and completeness of the content herein.

On 27 June 2018, the Company was informed by Shanghai Dazhong Business Management Co., Ltd.* (上海大众企业管理有限公司) ("Dazhong Business Management"), the controlling shareholder of the Company, that Dazhong Business Management continuously acquired the H shares of the Company based on its confidence in the future of the Company. The particulars are set out as follows:

I. Increase in shareholding

From 9 November 2017 to 26 June 2018, Dazhong Business Management, the controlling shareholder of the Company, increased its shareholding of the H shares of the Company amounting to 23,357,000 shares through the Shanghai-Hong Kong Stock Connect trading system of the Shanghai Stock Exchange and the trading system of The Stock Exchange of Hong Kong Limited at an average price of approximately HK$3.15 per share. The increase in shareholding of H shares represented approximately 4.38% of the total H shares of the Company in issue, i.e. 533,643,000 shares, and approximately 0.79% of the total shares of the Company in issue, i.e. 2,952,434,675 shares.

Before the increase in shareholding, Dazhong Business Management held 532,532,859 shares, including 495,143,859 A shares and 37,389,000 H shares, of the Company, which represented approximately 18.04% of the total shares of the Company in issue. After the increase in shareholding, Dazhong Business Management held 555,889,859 shares, including 495,143,859 A shares and 60,746,000 H shares, of the Company, which represented approximately 18.83% of the total shares of the Company in issue.

II. The increase in shareholding was in compliance with the relevant requirements including the laws and regulations such as the Securities Law of the People's Republic of China (中华人民共和国证券法), departmental rules and the regulatory rules of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.

III. The Company will continue to monitor the acquisition of shares of the Company by Shanghai Dazhong Business Management Co., Ltd. and perform its information disclosure obligations in a timely manner pursuant to the relevant requirements of the Stock Listing Rules of the Shanghai Stock Exchange (上海证券交易所股票上市规则), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (香港联合交易所有限公司证券上市规则), the Administration of the Takeover of Listed Companies (上市公司收购管理办法) and the Guidelines for the Increase of Shares by Shareholders of a Listed Company and Their Persons Acting in Concert of the Shanghai Stock Exchange (上海证券交易所上市公司股东及其一致行动人增持股份行为指引).

An announcement is hereby made.

The board of directors of Shanghai Dazhong Public Utilities (Group) Co., Ltd.*
28 June 2018

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