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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)

**CONTINUING CONNECTED TRANSACTIONS
ENTERING INTO PURCHASE COOPERATION FRAMEWORK
AGREEMENT**

ENTERING INTO PURCHASE COOPERATION FRAMEWORK AGREEMENT

On April 29, 2025, the Company and Dazhong Business Management entered into the Purchase Cooperation Framework Agreement, pursuant to which the Company will purchase motor vehicles, vehicle repair and daily maintenance service, venue leasing and use and relevant services from Dazhong Business Management, and pay the consideration of goods and service to Dazhong Business Management.

LISTING RULES IMPLICATIONS

Dazhong Business Management is a substantial shareholder of the Company. Therefore, Dazhong Business Management is a connected person of the Company pursuant to Rule 14A.07(1) of the Listing Rules. Therefore, the transactions contemplated under the Purchase Cooperation Framework Agreement constitutes continuing connected transactions of the Company according to the Listing Rules.

As all of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Annual Cap are higher than 0.1% but less than 5%, the transactions contemplated under the Purchase Cooperation Framework Agreement and the Annual Cap are subject to the requirements of reporting, annual review and announcement, but are exempted from the circular and independent shareholder's approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

On April 29, 2025, the Company and Dazhong Business Management entered into the Purchase Cooperation Framework Agreement, pursuant to which the Company will purchase motor vehicles, vehicle repair and daily maintenance service, venue leasing and use and relevant services from Dazhong Business Management, and pay the consideration of goods and service to Dazhong Business Management.

Purchase Cooperation Framework Agreement

The main terms of the Purchase Cooperation Framework Agreement are outlined as follows:

Date	:	April 29, 2025
Contracting parties	:	Purchaser: the Company (for itself and on behalf of other member companies of the Group) Supplier: Dazhong Business Management (for itself and on behalf of other members of Dazhong Business Management Group (i.e., subsidiaries other than other member companies of the Group)), connected persons of the Company
Transaction details	:	The Supplier agrees to supply, and the Purchaser agrees to purchase motor vehicles, vehicle repair and daily maintenance services, venue leasing and use and relevant services. The Purchase Cooperation Framework Agreement is a framework agreement and does not constitute specific commitments to specific purchase targets, quantities, amounts or manners
Consideration	:	The quantities, amounts and delivery manners agreed upon the motor vehicles, vehicle repair and daily maintenance services, venue leasing and use and relevant services, respectively, pursuant to the Purchase Cooperation Framework Agreement will be as set forth in purchase orders to be executed with the supplier, and settlements will be made as per the results of actual purchase

- Payment terms : The amounts payable for purchase of products or services by the Purchaser from the Supplier will be settled in cash or in other manners as agreed upon by both contracting parties at such time and in such manner as set forth in the individual product and service contracts executed between and by the Purchaser and Supplier. The payment terms will be concluded as per market terms in a way not inferior to the terms obtained by the Purchaser from independent third parties or offered by the Supplier to independent third parties
- Term : The Purchase Cooperation Framework Agreement will take effect upon being signed and will remain valid from April 29, 2025 to April 28, 2026

PRICING POLICY

When selecting motor vehicles, vehicle repair and daily maintenance services, venue leasing and use and relevant services to be purchased, the Group will solicit offers from Dazhong Business Management and at least two independent third-party suppliers. The prices and terms offered by Dazhong Business Management shall be fair and reasonable and entered into on normal commercial terms and be no inferior to those offered by independent third-party suppliers to the Group.

ANNUAL CAPS AND DETERMINATION BASIS

The Company estimates that the proposed Annual Cap under the Purchase Cooperation Framework Agreement for the period from the effective date of the Purchase Cooperation Framework Agreement to December 31, 2025 and the period from January 1, 2026 to April 28, 2026 will be RMB25 million and RMB10 million, respectively. When determining the Annual Caps, the Board have taken into account the following factors: (1) the annual demands for relevant products and services by the purchaser; (2) expected fluctuations of product prices and inflation; and (3) market development plans of Dazhong Business Management.

HISTORICAL TRANSACTION AMOUNT

From January 2025 to the date of this announcement, the Company purchased motor vehicles, vehicle repair and daily maintenance services, venue leasing and use and relevant services from Dazhong Business Management for an aggregate historical transaction amount of RMB0.

REASONS FOR ENTERING INTO THE PURCHASE COOPERATION FRAMEWORK AGREEMENT

Dazhong Business Management has sufficient understanding of business and needs of the Group, and can communicate with them effectively. In addition, the Group understands that Dazhong Business Management have been engaging in vehicle sales, repair, maintenance, inspection and other supporting services for a long time, with good professional qualifications and rich experience and skills. Therefore, the Board believes Dazhong Business Management can effectively complete purchase orders of the Group and provide proper after-sales services.

Directors (including independent non-executive Directors) are of opinion that the terms of the Purchase Cooperation Framework Agreement and transactions contemplated under them (including the Annual Caps) are entered into 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.

As the executive Directors, Mr. Yang Guoping and Mr. Liang Jiawei, also serve as directors of Dazhong Business Management and are therefore deemed to have material interests in the Purchase Cooperation Framework Agreement and transactions contemplated thereunder and have abstained from voting on relevant Board resolutions. Save as disclosed above, none of the Directors has any material interest in the purchase cooperation framework agreement and therefore shall be required to abstain from voting on relevant Board resolutions.

INTERNAL CONTROL

In addition to the annual review conducted by auditors and independent non-executive Directors in accordance with Chapter 14A of the Listing Rules, the Company has implemented or will implement the following internal control measures:

- (1) The Company has formulated a series of internal control measures and policies to ensure that continuing connected transactions will be conducted in accordance with the terms and pricing principles of each continuing connected transaction agreement. The finance department of the Company will notify the purchase department of the Company of the proposed annual cap for continuing connected transactions, and monitor from time to time whether it exceeds the relevant annual cap. The finance department of the Company will also approve payments to be made to the supplier to ensure payment terms comply with relevant continuing connected transaction agreements;
- (2) The business planning and administrative personnel of the Company will regularly compare with the Group's price list to ensure that the consideration paid to the Supplier are at least the same as the benchmark and rate of similar products and services paid by the Group to independent third parties; and

- (3) Monitoring the transaction amounts of continuing connected transactions with connected persons of the Company (for example, the Company's purchase department will seek advice from the finance department of the Company and the Board secretary office regarding transaction limits before entering into individual agreements with connected persons of the Company) to ensure better coordination and reporting arrangements among the departments of the Company responsible for reporting, monitoring, and processing connected transactions.

INFORMATION ABOUT PARTIES

Information about the Company

The Company's principal business is to provide public utility services. The Company also makes strategic and financial investments in associated companies in the public utility and other industries. The single largest shareholder and substantial shareholder of the Company is Dazhong Business Management.

Information about the Supplier

Dazhong Business Management is a limited liability company incorporated in the PRC on March 10, 1995. Dazhong Business Management's principal business includes taxi operation services, investment management services, investment consulting services and auto parts sales. Dazhong Business Management is a substantial shareholder of the Company, ultimately held by Shanghai Dazhong Business Management Co. Ltd. Employee Share Ownership Committee (being a holding company). Shanghai Dazhong Business Management Co. Ltd. Employee Share Ownership Committee comprises individual members, including employees of Dazhong Business Management, employees of the Company and employees of Dazhong Transportation (Group) Co., Ltd. (a joint stock company incorporated in the PRC, whose A shares (stock code: 600611.SH) and B shares (stock code: 900903.SH) are listed on the Shanghai Stock Exchange). As of the date of this announcement, the largest beneficial owner of Shanghai Dazhong Business Management Co. Ltd. Employee Share Ownership Committee is Mr. Yang Guoping, who holds 9.55% beneficial interests in it. Except as disclosed above, there is no person who directly or indirectly holds more than 5% beneficial interests of Shanghai Dazhong Business Management Co. Ltd. Employee Share Ownership Committee.

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DEFINITIONS

“Annual Cap”	the annual cap described in “Annual cap and determination basis” section
“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
“Dazhong Business Management”	Shanghai Dazhong Business Management Co., Ltd., a limited liability company incorporated in the PRC on March 10, 1995, a single largest shareholder and substantial shareholder of the Company
“Dazhong Business Management Group”	Dazhong Business Management and its subsidiaries (i.e., subsidiaries of Dazhong Business Management other than member companies of the Group)
“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 of Hong Kong Limited
“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
“Purchaser”	the Company (for itself and on behalf of other member companies of the Group)

“Purchase Cooperation Framework Agreement”	The purchase cooperation framework agreement entered into between the Company and Dazhong Business Management on April 29, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Supplier”	Dazhong Business Management Group
“%”	has the meaning ascribed to it under the Listing Rules

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

Shanghai, the PRC
April 29, 2025

As of the date of this announcement, executive Directors are Mr. YANG Guoping, Mr. LIANG Jiawei and Mr. WANG Baoping; the non-executive Directors are Mr. JIN Yongsheng and Mr. SHI Pingyang; and the independent non-executive Directors are Mr. JIANG Guofang, Ms. LI Yingqi, Mr. LIU Feng and Mr. YANG Ping.

* *For identification purpose only*