

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

Work Rules of the Audit Committee of the Board of Directors (Revised)

(As approved by the 12th meeting of the 12th session of the Board of Directors held on August 29, 2025)

Chapter 1 General

Article 1 In order to strengthen the decision-making function of the Board of Directors of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“**Company**”), intensify the effective supervision of the Board of Directors of the Company over the management and perfect the corporate governance structure of the Company, the Company has specifically set up the Audit Committee of the Board of Directors and formulated these work rules according to the Company Law of the People’s Republic of China, the Code of Corporate Governance for Listed Companies, the Basic Code for Internal Control of Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Self Regulatory Guidelines for Companies Listed on Shanghai Stock Exchange No.1 — Normative Operation, the Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“**Articles**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and other relevant laws, regulations, departmental rules and normative documents.

Article 2 The Audit Committee is a dedicated working body of the Board of Directors established by the Board of Directors according to the Articles, accountable and responsible to the Board of Directors and reporting to the Board of Directors. The Audit Committee is responsible for auditing financial information of the Company and their disclosure, supervising and evaluating the internal and external audit work and internal control; supervising and evaluating the work of the external audit firm and proposing the engagement, replacement or dismissal of the external audit firm; supervising and evaluating internal audit work and supervising the Company’s internal audit system and its implementation; supervising and evaluating the Company’s internal control and operational compliance, and examining significant related-party transactions; studying and advising on establishment of risk management control system by the Company, monitoring the implementation of relevant risk management and internal control systems, reviewing the risk management control system on a regular basis, and other matters prescribed by laws, regulations, listing rules in the places where the Company is listed and the Articles or authorized by the general meeting or Board of Directors.

Article 3 Members of the Audit Committee shall ensure they have sufficient time and attention to fulfill job duties of the Committee, act diligently and dutifully, effectively supervise external audit of the Company, guide the Company through internal audit, facilitate the Company to establish effective risk management and internal control, and provide true, accurate and complete financial reports.

Article 4 The Company shall provide the Audit Committee with necessary working conditions and make available dedicated staff or organizations undertaking day-to-day activities of the Audit Committee such as work liaison, meeting organization, material preparation and file management. The Company's management and relevant departments shall provide cooperation when the Audit Committee performs its duties.

Article 5 The related parties and related-party transaction as referred to herein shall be determined according to the scope set forth in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Listing Rules and the Related-Party Transaction Management Policy of the Company.

Chapter 2 Composition of the Audit Committee

Article 6 The Audit Committee shall comprise 3 directors, all of whom shall be independent non-executive directors.

Article 7 The Audit Committee shall have one Chairperson, responsible for directing the work of the Audit Committee. The Chairperson of the Audit Committee shall be an accounting professional, who shall have appropriate professional qualification or appropriate accounting or relevant financial management expertise. The Chairperson shall be directly elected by the Board of Directors among members of the Committee.

Article 8 The members of the Audit Committee shall be nominated by the Board Chairman or more than 1/2 of independent non-executive directors or more than 1/3 of all directors, and elected by the Board of Directors.

Article 9 All members of the Audit Committee shall have professional knowledge and business experience sufficient for them to be competent for the job duties of the Audit Committee. The Audit Committee shall remain independent from day-to-day operation management affairs of the listed company in principle.

Article 10 The Board of Directors of the Company shall periodically evaluate the independence and duty fulfillment of the Audit Committee's members and may replace any member who is found unfit to continue in office when necessary.

Article 11 The members of the Audit Committee shall have the same tenure as directors, subject to reelection upon expiration of tenure. If any member ceases to be a director of the Company or any member who should have the status as independent director ceases to be independent as prescribed in the Articles and the Listing Rules, such member will automatically be disqualified as a member, and the Board of Directors shall make up the deficiency of the membership according to the aforesaid Article 6 to Article 8.

Article 12 The Audit Committee shall have a working group set up under it, responsible for day-to-day work liaison and meeting organization, etc. The members of the working group are not required to be members of the Audit Committee.

Chapter 3 Duties and Authorities of the Audit Committee

Article 13 The Audit Committee shall provide suggestions to the Board of Directors on appointment, reappointment and dismissal of externally engaged accountants, review the terms of remuneration and appointment of externally engaged accountants, and deal with any issues related to resignation or dismissal of such accountants.

Article 14 The Audit Committee shall review and supervise whether the accounting firm is independent and objective and whether the audit procedures are effective according to applicable standards; formulate policies for engaging accounting firms to provide non-audit services and carry them out; evaluate the effects of provision of non-audit services by externally engaged accounting firm on its independence; supervise and evaluate whether the externally engaged accounting firm is diligent and dutiful.

Article 15 The Audit Committee shall discuss and communicate with the externally engaged accounting firm about the scope, plan and method of audit and significant audit findings; the Audit Committee shall discuss the nature and scope of audit and relevant reporting responsibility with accountants before starting the audit work.

Article 16 The Audit Committee shall review the annual internal audit work plan of the Company; supervise the formulation and implementation of the Company's internal audit system; review internal audit work reports, evaluate results of internal audit work, and supervise and urge rectification of significant issues; and guide the internal audit department through effective operation;

Article 17 The Audit Committee shall be responsible for coordinating communication between internal and external audit and cooperation with external audit work; coordinate the communication between the management and external audit firm regarding significant audit issues.

Article 18 Except as otherwise prescribed by laws and regulations, the Audit Committee shall supervise the internal audit department to inspect the following matters at least once every half a year, issue an inspection report and submit the same to the Audit Committee:

- (I) Use of raised funds, provision of guarantees, related-party transactions, securities investment and derivative trading, provision of financial assistance, purchase or sale of assets, external investment and conduct of other significant events by and of the Company;
- (II) Large-sum capital transactions of the Company and capital transactions with directors, officers, controlling shareholders, actual controller and their respective affiliates.

The Audit Committee shall issue written evaluation opinions on the effectiveness of internal controls of the Company and report to the Board of Directors based on the internal audit reports and relevant data submitted by the internal audit department.

Article 19 The Audit Committee shall issue annual internal control evaluation report based on evaluation reports and relevant data issued by the internal audit department. The internal control evaluation report shall include the following:

- (I) Statement of the Board of Directors on the authenticity of the internal control evaluation report;
- (II) Overview of the internal control evaluation work;
- (III) Basis, scope, procedure and method of internal control evaluation;
- (IV) Defects found in internal control and their determinations;
- (V) Correction of internal control defects from the previous year;
- (VI) Corrective measures to be taken against internal control defects in the current year;
- (VII) Conclusion on the effectiveness of internal control.

Article 20 The Audit Committee shall evaluate the establishment and implementation of the Company's internal control and form an internal control evaluation report based on the internal audit work report and relevant information of the Company.

Article 21 The Audit Committee shall audit financial information of the Company and its disclosure, and comment on the authenticity, integrity and accuracy of financial reporting, with a focus on significant accounting and audit issues with financial reporting of the listed company, including significant accounting error adjustment, significant accounting policy and estimate changes, matters involving important accounting judgment, and matters resulting in nonstandard nonqualified audit report; with special attention given to whether there is any possibility of fraud, malpractice and material misstatement related to financial reporting; supervising the correction of financial reporting issues; and appropriately considering matters raised by internal accounting and finance staff or accountants.

The Audit Committee shall supervise and urge the relevant responsible departments of the Company to formulate corrective measures and correction timeline, conduct subsequent audits, supervise the implementation of corrective measures and disclose the completion of corrective measures promptly.

Article 22 The Audit Committee shall supervise and examine the integrity, reasonableness, appropriateness and effectiveness of the internal control policy and system of the Company and its controlled subsidiaries.

Article 23 The Audit Committee shall assess the existing or potential risks to the Company and raise suggestions for perfecting the risk management practice of the Company.

Article 24 The Audit Committee shall review internal control check and supervision reports, internal control system self-assessment reports and reports of the accounting firm on annual audit, special audit, management proposal and internal control audit of the Company; assess the results of internal control evaluation and audit, and supervise and urge the correction of internal control defects.

Article 25 The Audit Committee shall supervise the integrity of financial statements, annual reports and accounts, semiannual reports and quarterly reports of the Company, and review significant opinions contained in statements and reports regarding financial reporting. The Audit Committee shall pay special attention to the following matters prior to submission of relevant statements and reports to the Board of Directors:

- (I) Any change to accounting policy and practice;
- (II) Areas involving important judgment;
- (III) Significant adjustments arising due to audit;
- (IV) Assumption about going concern and any reservations;
- (V) Whether accounting standards are complied with;
- (VI) Whether the Listing Rules and legal provisions are complied with respect to financial reporting.

Article 26 The Audit Committee shall review the financial monitoring, risk management and internal monitoring systems of the Company.

Article 27 The Audit Committee shall discuss risk management and internal monitoring system with the management to ensure the management has performed their duties to establish an effective system. The discussions shall include whether the resources, staff qualification and experience of the Company are sufficient in terms of accounting and financial reporting functions, and whether the training courses received by employees and relevant budget are adequate.

Article 28 The Audit Committee shall, proactively or upon the request of the Board of Directors, study the important investigation results regarding risk management and internal monitoring matters and the management's response to investigation results.

Article 29 If the Company has internal audit function, the Audit Committee shall ensure the work of internal auditors and that of externally engaged accounting firm are coordinated, as well as that the internal audit function has sufficient resources within the Company to operate an appropriate position; and shall review and supervise its effectiveness.

Article 30 The Audit Committee shall review the financial and accounting policies and practices of the Company.

Article 31 The Audit Committee shall examine the Audit Note Letter given by externally engaged accounting firm to the management, any significant questions raised by the accounting firm to the management with respect to accounting records, financial accounts or monitoring system as well as response made by the management.

Article 32 The Audit Committee shall ensure the Board of Directors promptly responds to matters raised in the Audit Note Letter given by externally engaged accounting firm to the management.

Article 33 The Audit Committee shall review the following arrangements made by the Company: employees of the Company may draw attention to possible misconduct in financial reporting, risk management, internal monitoring or other aspects in private. The Audit Committee shall ensure there are appropriate arrangements in place to enable the Company to conduct fair and independent investigation into and take appropriate actions against such matters.

Article 34 The Audit Committee shall serve as the primary representative between the Company and the externally engaged accounting firm, responsible for overseeing the relationship between the two.

Article 35 The Audit Committee shall be accountable and responsible to the Board of Directors. The following matters shall be submitted to the Board of Directors for deliberation upon being agreed upon by more than half of all member of the Audit Committee:

- (I) Disclosure of financial information contained in financial and accounting reports and periodic reports, as well as internal control evaluation reports;
- (II) Appointment or dismissal of the accounting firm undertaking the audit business of the Company;
- (III) Appointment or dismissal of the Chief Financial Officer of the Company;
- (IV) Change to accounting policy or estimate or significant accounting error correction due to reasons other than change to accounting standards.
- (V) Other matters prescribed by laws, regulations and CSRC and the Articles.

Article 36 In addition to the aforesaid duties, the Audit Committee shall be responsible for other matters authorized by the Board of Directors and other matters involved in relevant laws and regulations.

Article 37 Proposals of the Audit Committee shall be submitted to the Board of Directors for deliberation and decision.

Article 38 The Audit Committee shall provide any and all studies and discussions, materials and information to the Board of Directors in the form of report, suggestion or summary for study and decision.

Chapter 4 Work Procedure of the Audit Committee

Article 39 The working group under the Audit Committee shall be responsible for making sufficient preparations for decision making of the Audit Committee, and provide written information on the following relevant aspects of the Company:

- (I) Financial reports of the Company;
- (II) Work reports of internal and external auditing bodies;
- (III) External audit contract and relevant work reports;
- (IV) Relevant work reports on internal control system of the Company and its implementation;
- (V) Related-party transaction agreements of the Company;
- (VI) Feedback on investigation into related parties of the Company;
- (VII) Audit report on significant related-party transactions of the Company;
- (VIII) Other relevant matters.

Article 40 The Audit Committee shall evaluate and comment on reports provided by the working group and submit relevant written resolution materials to the Board of Directors for discussion:

- (I) Whether the financial reports of the Company are true;
- (II) Evaluation of external audit firm, and engagement and replacement of external audit firm;
- (III) Evaluation of the risk management and internal control system of the Company and its implementation;
- (IV) Other relevant matters.

Article 41 The Audit Department of the Company shall report to the Audit Committee. Various audit reports, audit issue correction plans and correction results submitted by the Audit Department to the management shall be submitted to the Audit Committee at the same time.

Article 42 In case of appointment or replacement of an externally engaged accounting firm by the Company, the Board of Directors may not deliberate relevant resolutions until after the Audit Committee forms deliberation opinions and raises suggestions to the Board of Directors.

Article 43 If necessary, the Audit Committee may engage intermediaries to provide professional input into their decisions at the sole expense of the Company.

Chapter 5 Rules of Procedure

Article 44 The Audit Committee meetings are divided into periodic meeting and interim meeting, which shall be notified to all members 3 days prior to the meeting and convened and chaired by the Chairman. Meetings shall be convened and chaired by another member (independent non-executive director) if the Chairman becomes unable to or refuses to perform his duties.

Article 45 The Audit Committee shall hold periodic meeting at least once every quarter. The Audit Committee may hold interim meeting when necessary. An interim meeting may be held when two members so propose or the Chairman deems necessary.

Article 46 The Audit Committee's members shall liaise with the Board of Directors and senior executives. The Audit Committee shall hold meetings with the externally engaged accounting firm of the Company at least twice a year, including at least one separate communication meeting without involvement of the management. The Board Secretary may attend meetings as a nonvoting attendee.

Article 47 The Audit Committee's members shall attend meetings in person and express clear opinions on matters being deliberated. When a member becomes unable to attend a meeting in person, a power of attorney signed by the member may be submitted to engage another member to attend and speak at the meeting on his behalf. The power of attorney shall expressly indicate the scope and period of authorization. Each member may accept engagement by one member at most. An independent non-executive director member who becomes unable to attend a meeting for cause shall engage another independent non-executive director member to attend in his place.

Article 48 The Audit Committee's meetings shall be held only when at least two members (including members who engage other members in writing to attend) are present; each member shall have one vote; resolutions made by a meeting must be passed by more than half of all members in order to take effect.

Article 49 When an Audit Committee meeting discusses a topic related to the Committee members, the interested members shall excuse themselves from the discussion. Where valid deliberation opinions cannot be formed due to recusal of members, relevant matters shall be deliberated directly by the Board of Directors.

Article 50 The Audit Committee's meetings shall be held onsite in principle. Meetings may be held via video conference, teleconference or online conference or in other manners according to the procedure when necessary, provided that it is ensured that all participating members can sufficiently communicate and express their opinions. Meetings of the Audit Committee shall vote by means of open ballot.

Article 51 The members of the working group may attend Audit Committee meetings as nonvoting attendees, while directors and officers of the Company, the externally engaged accounting firm, internal auditors, finance personnel, legal advisor and other relevant individuals may be invited to attend the meetings and provide necessary information as nonvoting attendees when necessary.

Article 52 The convening procedure and voting mode of the Audit Committee meetings and resolutions adopted thereat must comply with relevant laws, regulations, other normative documents, the Articles, the Listing Rules and these work rules.

Article 53 Meetings of the Audit Committee shall have full and complete meeting minutes in place, which shall be signed by participating members; full and complete meeting minutes shall be kept by the Board Secretary of the Company. The Company shall keep meeting materials for at least ten years.

Article 54 Resolutions and voting results passed by Audit Committee meetings shall be submitted in writing to the Board of Directors of the Company.

Article 55 Members present at a meeting and nonvoting attendees thereat shall all have the obligation to keep matters discussed by the meeting confidential and may not disclose relevant information without prior authorization.

Article 56 Whenever the Board of Directors disagrees with any opinions of the Audit Committee on selection, appointment, resignation or dismissal of the externally engaged accounting firm, the issuer shall include the statement of the Audit Committee elaborating its suggestions in the Corporate Governance Report, as well as reasons for the Board of Directors' disagreement.

Chapter 6 Supplementary Provisions

Article 57 Unless as otherwise specifically indicated, terms used therein shall have the same meanings as set forth in the Articles.

Article 58 The terms "above" and "below" as referred to herein shall include the figure per se; the terms "lower than", "less than" and "more than" shall exclude the figure per se.

Article 59 Any matters not set forth herein shall be dealt with according to relevant national laws, regulations, other normative documents and the Articles. When these work rules conflict with the aforesaid provisions, the aforesaid provisions shall prevail and these work rules shall be amended promptly and submitted to the Board of Directors for deliberation.

Article 60 These work rules shall be interpreted by the Board of Directors of the Company.

Article 61 These work rules shall take effect upon being deliberated and adopted by the Board of Directors of the Company.