瀋陽公用發展股份有限公司
Shenyang Public Utility Holdings Company Limited

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code: 747)

DISCLOSEABLE TRANSACTION
IN RELATION TO DISPOSAL OF 100%
EQUITY INTEREST IN THE TARGET COMPANY

THE DISPOSAL

On 18 September 2026 (after trading hours), the Company, as the vendor, entered into the Share Transfer Agreement with the Purchaser, pursuant to which the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares, representing 100% equity interest in the Target Company as at the date of the Share Transfer Agreement at the Consideration of RMB2,000,000.

As at the date of the Share Transfer Agreement, the Target Company is a direct wholly-owned subsidiary of the Company. Upon the Completion, the Company will cease to have any interests in the Target Company and the financial results and assets and liabilities of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is more than 5% but all are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Completion of the Share Transfer Agreement is subject to the fulfilment of certain conditions precedent and terms thereof, and therefore, may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

THE DISPOSAL

On 18 September 2026 (after trading hours), the Company, as the vendor, entered into the Share Transfer Agreement with the Purchaser, pursuant to which the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares, representing 100% equity interest in the Target Company as at the date of the Share Transfer Agreement at the Consideration of RMB2,000,000.

THE SHARE TRANSFER AGREEMENT

Principal terms of the Share Transfer Agreement are set out as follows:

Date

18 September 2026

Parties

Vendor:	The Company
Purchaser:	Shenzhen Chengbao Shiji Trading Company Limited* (深圳市城堡世紀貿易有限公司)

(each a "**Party**" and collectively, the "**Parties**")

As at the date of the Share Transfer Agreement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Subject matter

The Sale Shares represent 100% equity interest in the Target Company as at the date of the Share Transfer Agreement.

Consideration and payment terms

The Consideration payable by the Purchaser to the Company for the Disposal is RMB2,000,000. Pursuant to the Share Transfer Agreement, the Purchaser will make the payment in the following manners:

(i) a sum of RMB1,000,000, which is 50% of the Consideration, shall be paid to the Company within 3 days after the Share Transfer Agreement becoming effective; and

(ii) the remaining balance of RMB1,000,000 shall be paid to the Company within 5 days after the date of completion of change of industrial and commercial registration.

The Consideration was arrived at after arm's length negotiations between the Company and the Purchaser on normal commercial terms and having taken into account (i) the adjusted (after having taken into account the financial effect of the Zhongya Disposal (as defined below)) unaudited consolidated net liabilities of the Target Group attributable to the Company of approximately RMB31,666,000 as at 31 August 2026; (ii) the audited consolidated results of the Target Group for the recent two years ended 31 December 2024 and 31 December 2025, being loss for the period attributable to the Company of approximately RMB22,324,000 and RMB71,400,000 respectively; and (iii) the reasons set out in the section head "**REASONS FOR AND BENEFITS OF THE DISPOSAL**". As such, the Directors are of the view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

The Completion is conditional upon the fulfillment of the following conditions:

(i) the Share Transfer Agreement and the transfer of Sale Shares contemplated thereunder having been approved by the shareholder of the Purchaser;

(ii) the Share Transfer Agreement and the transfer of Sale Shares contemplated thereunder having been approved by the Board;

(iii) the registration procedures for the transfer of Sale Shares under the Share Transfer Agreement having been completed with the company registration authority and the Sale Shares having been registered in the name of the Purchaser or a third-party company designated by the Purchaser and the articles of association of the Target Company having been amended and filed as agreed. Where the Purchaser designates a third-party company, it shall notify the Company in writing 10 working days in advance and provide basic information of such third-party company. The Company shall be entitled to refuse to transfer the Sale Shares to such third-party company should the third-party company be classified as a discredited party subject to enforcement proceedings or be in a status of operational irregularity;

(iv) the Consideration having been paid by the Purchaser pursuant to the Share Transfer Agreement; and

(v) all the representations and warranties given by the Parties pursuant to the Share Transfer Agreement remaining true, accurate and complete.

The Parties shall procure the above conditions precedent to be fulfilled within 3 months after the Share Transfer Agreement becoming effective in order to complete the Disposal. Should an extension be required, it shall be subject to further negotiation between the Parties.

In the event that the Completion does not take place within 3 months or within any other period agreed by the Parties, the Share Transfer Agreement shall automatically terminate. Upon termination of the Share Transfer Agreement, in the event that the Purchaser has already paid the Consideration to the Company, the Company shall, within 10 days upon the termination of the Share Transfer Agreement, refund to the Purchaser the principal amount of the Consideration together with interest calculated at the prevailing bank deposit rate for the corresponding period. If the registration of the Sale Shares has been completed, the Purchaser shall, upon receiving the refunded Consideration from the Company, assist the Target Company and the Company in restoring the registration of the Sale Shares to the status at the time of signing the Share Transfer Agreement.

Completion

Upon the Completion, the Purchaser shall become the owner of the Sale Shares and shall, in accordance with the articles of association of the Target Company, enjoy all rights and assume all obligations relating to the Sale Shares.

Upon the Completion, the Company will cease to have any interests in the Target Company and the financial results and assets and liabilities of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

INFORMATION OF THE COMPANY

The Company is a joint stock limited company incorporated in the PRC and it is an investment holding company. Its H Shares are listed on the Main Board of the Stock Exchange. As at the date of the Share Transfer Agreement, it holds 100% equity interest in the Target Company.

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of the Company as at the date of the Share Transfer Agreement. It is principally engaged in investment holding.

Besides holding 60% equity interest in Shennongjia Da Jiu Hu Hotel Company Limited* (神農架大九湖賓館有限公司) ("**Shennongjia Hotel Limited**"), the Target Company held 100% equity interest in Shenzhen Zhongya Sports Culture Company Limited* (深圳市中雅體育文化有限公司) ("**Zhongya**") before the completion of the transaction described below. On 11 September 2026, the Target Company entered into a share transfer agreement with a purchaser who was an independent third-party, pursuant to which the Target Company agreed to sell and the purchaser agreed to purchase 100% equity interest in Zhongya at a consideration of RMB5,000 and such transaction (the "**Zhongya Disposal**") did not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Zhongya Disposal has been completed on 16 September 2026 and the Target Company has ceased to have any interests in Zhongya thereafter.

As at the date of the Share Transfer Agreement, the Target Company holds 60% equity interest in Shennongjia Hotel Limited, a company established in the PRC with limited liability. It is principally engaged in real estate development and operation, and hotel management. It has been developing the Shennongjia hotel, a property development project of the Group, which is a large-scale integrated tourism resort and business leisure project built in the Shennongjia scenic area in Hubei Province, the PRC. According to a valuation report prepared by an independent valuer, the fair value of the Shennongjia hotel was approximately RMB79,600,000 as at 30 June 2026.

Financial Information of the Target Group

The table below sets forth the audited consolidated revenue, net loss before and after taxation of the Target Group for each of the financial years ended 31 December 2024 and 31 December 2025.

	For the year ended 31 December 2025 *RMB* *Approximately*	**For the year ended 31 December 2024** *RMB* *Approximately*
Revenue	449,000	—
Net loss before tax	110,289,000	36,181,000
Net loss after tax	110,289,000	36,181,000
Loss attributable to		
— Owner of the Target Company (i.e. The Company)	71,400,000	22,324,000
— Non-controlling interests	38,889,000	13,857,000

The adjusted (after having taken into account the financial effect of the Zhongya Disposal) unaudited consolidated net liabilities of the Target Group as at 31 August 2026 was RMB60,787,000.

INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in the PRC with limited liability. The Purchaser's scope of business includes: the sale of agricultural and sideline products, the sale of health foods (pre-packaged), the retail sale of edible agricultural products, the retail sale of aquatic products, the sale of daily necessities, the sale of general merchandise, domestic trade agency services, the operation of guesthouses, residential lettings and leasing services. As at the date of the Share Transfer Agreement, the Purchaser is wholly-owned by Zhang Zehao* (張澤濠), who is a merchant in the PRC.

FINANCIAL EFFECTS AND USE OF PROCEEDS OF THE DISPOSAL

As a result of the Disposal, the Group is expected to recognise a gain of approximately RMB33,546,000 which is calculated on the basis of the difference between the Consideration to be received by the Company and the adjusted (after having taken into account the financial effect of the Zhongya Disposal) unaudited consolidated net liabilities of the Target Group attributable to the Company as at 31 August 2026 and the estimated relevant fees and expenses in relation to the Disposal. The above financial impact is shown for illustrative purpose only and the actual financial gain or loss as a result of the Disposal will be subject to review and final audit by the auditors of the Company.

The net proceeds from the Disposal are estimated to be approximately RMB1.88 million, which will be used as general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in construction of infrastructure, edge computing infrastructure, development of properties, property investment and leasing business and property management business in the PRC.

The Shennongjia hotel project is a large-scale integrated tourism resort and business leisure project located in the Shennongjia scenic area in Hubei Province, the PRC. The construction of the main building, annex building and courtyard houses was substantially completed in 2024. In alignment with local government tourism development policies, and given that the Shennongjia hotel project has been recognised as one of the largest hotel projects in the region, the Group's management initially resolved to engage a professional hotel management company to operate the Shennongjia hotel.

In order to maximise the operational quality of the Shennongjia hotel, the Group conducted extensive negotiations over a prolonged period with various international and local hotel operators. Although a sizeable operator was ultimately shortlisted, certain reputational incidents arose during the final stage of negotiations. After careful consideration, the Group decided to reassess the proposed engagement. In light of this unexpected development, the Company has adopted a more cautious and prudent approach and is reconsidering the option of operating the hotel. The Company has also observed that despite robust growth in domestic tourist numbers, official data reveals that per capita consumption in 2025 has decreased compared to 2024, which signals a weakening demand for high-end travel experiences.

In addition, a landslide occurred at the construction site of the Shennongjia hotel in 2025, following which further construction works, including slope protection walls and remediation of landslide-related damage, were also completed. These works resulted in additional construction costs which had not been anticipated by the Group. The incident also highlighted the potential for further unforeseen costs to arise during the remaining development of the project and the Group had to reassess the overall construction costs and funding requirements of the Shennongjia hotel project.

The Shennongjia hotel project requires further capital investment before it can commence full commercial operation. At the same time, Shennongjia Hotel Limited has outstanding liabilities associated with the development of the project, including outstanding construction payments of approximately RMB101.7 million in respect of which a demand letter has been received from a contractor.

As at 31 August 2026, the adjusted (after having taken into account the financial effect of the Zhongya Disposal) unaudited consolidated total assets and consolidated total liabilities of the Target Group amounted to approximately RMB81,713,000 and RMB142,500,000, respectively. In view of the relatively significant liabilities, the Company considers that the Disposal, would enable the Group to substantially reduce its financial exposure to the project and alleviate the funding pressure arising from both the existing liabilities and the further capital requirements of the Shennongjia hotel project.

The Board has also taken into account the Group's overall business development and capital allocation requirements. The Group currently operates other business segments and is developing, among others, its edge computing infrastructure business, which requires financial and management resources for business expansion and execution of existing and potential contracts. By reducing the Group's exposure to the liabilities and future funding requirements of the Shennongjia hotel project, the Disposal would improve the Group's flexibility in allocating its financial resources and enable the Group to concentrate its capital and management attention on its existing businesses and other business opportunities which the Board considers may offer more immediate operational and commercial benefits to the Group.

In consideration of the above factors, the Directors are of the view that the terms of the Share Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and the Disposal is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal is more than 5% but all are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Completion of the Share Transfer Agreement is subject to the fulfilment of certain conditions precedent and terms thereof, and therefore, may or may not take place. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

"Board"	the board of Directors
"Company"	Shenyang Public Utility Holdings Company Limited, a joint stock limited company incorporated in the PRC and its H Shares are listed on the Main Board of the Stock Exchange
"Completion"	the completion of the Disposal in accordance with the terms and conditions of the Share Transfer Agreement
"Consideration"	the consideration of RMB2,000,000 for the Sale Shares paid by the Purchaser to the Company pursuant to the Share Transfer Agreement

"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of Sale Shares by the Company to the Purchaser pursuant to the Share Transfer Agreement
"Domestic Share(s)"	domestic share(s) of the Company with a nominal value of RMB1.00 each, and which are subscribed for in RMB
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"H Share(s)"	overseas listed foreign ordinary share(s) of the Company, with a nominal value of RMB1.00 each, all of which are listed on the Main Board of the Stock Exchange, and subscribed for and traded in Hong Kong dollars
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"Purchaser"	Shenzhen Chengbao Shiji Trading Company Limited* (深圳市城堡世紀貿易有限公司), a company incorporated in the PRC with limited liability
"Sale Shares"	100% equity interest of the Target Company as at the date of the Share Transfer Agreement
"Share(s)"	H Share(s) and/or Domestic Share(s) (as the case may be)
"Share Transfer Agreement"	the share transfer agreement dated 18 September 2026 entered into between the Company and the Purchaser in relation to the Disposal
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Shenzhen Ju Sheng Chuang Jian Investment and Development Company Limited* (深圳市聚晟創建投資發展有限公司), a company incorporated in the PRC with limited liability
"Target Group"	the Target Company and its subsidiary

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"RMB"	Renminbi, the lawful currency of the PRC
"%"	per cent

* *For identification purpose only*

By Order of the Board
Shenyang Public Utility Holdings Company Limited
Zhang Jing Ming
Chairman

Shenyang, the PRC, 18 September 2026

As at the date of this announcement, the executive Directors are Mr. Zhang Jing Ming, Mr. Huang Chunfeng and Mr. Leng Xiao Rong; the non-executive Director is Mr. Chau Ting Yan; and the independent non-executive Directors are Mr. Luo Zhuo Qiang, Ms. Jiang Hai Ling and Mr. Mao Hai Bin.