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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)

ANNOUNCEMENT
FRAMEWORK AGREEMENT FOR POTENTIAL DISPOSAL

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the inside information provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

On November 27, 2026, Shanghai Dazhong Public Utilities (Group) Co., Ltd (the "**Company**"), Shanghai Dazhong Gas Investment Development Co., Ltd. ("**Dazhong Gas Investment**"), Lin Kewen, Lin Leiyuan and Zhao Wenbi (collectively, the "**Transferors**") entered into an acquisition framework agreement (the "**Acquisition Framework Agreement**") with Jiangyin Zhongnan Heavy Industries Co., Ltd. ("**ZNHI**") and Jiangyin Zhongnanhong Equity Investment Management Co., Ltd. ("**Zhongnan Investment**") (collectively, the "**Transferees**"), pursuant to which the Transferees intend to acquire (i) 99% equity interests (representing a registered capital of RMB55.539 million) and 1% equity interest (representing a registered capital of RMB0.561 million) in Shanghai Ruyu Energy Investment Co., Ltd. ("**Shanghai Ruyu**") held by the Company and Dazhong Gas Investment, respectively; (ii) 49% equity interests (representing a registered capital of RMB27.146 million), 40% equity interest (representing a registered capital of RMB22.16 million), and 11% equity interest (representing a registered capital of RMB6.094 million) in Shanghai Huiran Investment Co., Ltd. ("**Shanghai Huiran**") held by the Company, Lin Kewen, and Lin Leiyuan, respectively; and (iii) 1% contribution share (representing a capital contribution amount of RMB0.25 million) and 1% contribution share (representing a capital contribution amount of RMB0.25 million) in Jiangyin Shenghongda Equity Investment Enterprise (Limited Partnership) ("**Jiangyin Shenghongda**") held by Zhao Wenbi and Lin Leiyuan, respectively (the aforesaid 100% equity interests in Shanghai Ruyu, 100% equity interests in Shanghai Huiran, and 2% contribution share in Jiangyin Shenghongda, are collectively referred to

as the "**Target Assets**"). The Transferees intend to acquire 50.05% equity interests in Jiangyin Tianli Gas Co., Ltd ("**Jiangyin Tianli**" or "**Target Company**") through controlling Shanghai Ruyu, Shanghai Huiran and Jiangyin Shenghongda, and to effectively control a 52.5% equity interests in Jiangyin Tianli and obtain the controlling rights over Jiangyin Tianli ("**Potential Disposal**" or the "**Transaction**").

Following the look-through of the Target Assets, the Company and Dazhong Gas Investment hold an aggregate corresponding equity interest of 37.2255% in Jiangyin Tianli. Upon completion of the Potential Disposal, the Company will no longer hold any equity interest in Shanghai Ruyu and Shanghai Huiran, and Shanghai Ruyu will no longer be consolidated into the consolidated financial statements of the Company.

ACQUISITION FRAMEWORK AGREEMENT REGARDING THE POTENTIAL DISPOSAL

The principal terms of the Acquisition Framework Agreement are set out as follows:

Date

November 27, 2026

Parties

Transferees

(i) Jiangyin Zhongnan Heavy Industries Co., Ltd.; and

(ii) Jiangyin Zhongnanhong Equity Investment Management Co., Ltd.

Transferors

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

(ii) Shanghai Dazhong Gas Investment Development Co., Ltd.;

(iii) Lin Kewen;

(iv) Lin Leiyuan; and

(v) Zhao Wenbi

Target Entities

(i) Jiangyin Tianli Gas Co., Ltd.;

(ii) Shanghai Ruyu Energy Investment Co., Ltd.;

(iii) Shanghai Huiran Investment Co., Ltd.; and

(iv) Jiangyin Shenghongda Equity Investment Enterprise (Limited Partnership)

BASIS OF PRICING AND TRANSACTION PRICE

All parties have confirmed and agreed that, taking into consideration the operational status and other relevant circumstances of the Target Company such as assets and business, the overall value of the Target Assets will be estimated based on the approximately RMB4.312 billion estimated value of the entire 100% equity interests in the Target Company.

As of the date of execution of the Acquisition Framework Agreement, the relevant audit and appraisal work related to the Transaction has not yet commenced. All parties confirmed and agreed that an audit firm engaged by ZNHI shall conduct an audit on the Target Entities/Target Assets; and an appraisal firm jointly engaged by ZNHI and the Company shall conduct a valuation of the Target Entities/Target Assets. The final transaction price of the Target Assets will be based on the valuation of the Target Assets as of the benchmark date determined by an appraisal firm in compliance with the Securities Law of the People's Republic of China. Following the fulfillment of relevant state-owned asset supervision and administration procedures (if required), and using the appraised value as a reference, the Transferees and the Transferors will determine it through friendly negotiations and sign a formal acquisition agreement to stipulate the terms.

SUBSEQUENT ARRANGEMENT

All parties agreed that following the execution of the Acquisition Framework Agreement, professional institutions such as financial advisors, auditors and law firms engaged by ZNHI, together with an appraisal firm jointly engaged by ZNHI and the Company, will conduct due diligence work on the financial, legal matters, business, counterparties and other relevant aspects involved in the Transaction.

The parties will use their utmost commercially reasonable efforts to provide full support and cooperation, and will designate specific responsible personnel for coordination to support and assist the smooth advancement of all specific tasks.

CONDITIONS PRECEDENT

The Transaction is conditional upon all of the following conditions being satisfied or waived by:

(i) The board of directors and general meeting of ZNHI having reviewed and approved matters relating to the Transaction;

(ii) The respective boards of directors and general meetings/partners' meetings of each of Shanghai Ruyu, Shanghai Huiran and Jiangyin Shenghongda having reviewed and approved matters relating to the Transaction;

(iii) The Transferors having fulfilled relevant internal procedures to review and approve matters relating to the Transaction;

(iv) There being no material adverse change to the Target Assets and/or Target Entities during the transitional period;

(v) The representations and warranties made by the Transferors and the Target Entities under the Acquisition Framework Agreement, the formal acquisition agreement and other transaction agreements being true, accurate, complete and remaining valid;

(vi) The asset appraisal report in connection with the Transaction having been filed with the state-owned assets supervision and administration department or its authorized agency (if applicable); and

(vii) All necessary third-party consents or approvals, permits, or consents from other authorized bodies having been obtained for the Transaction (if applicable).

INFORMATION ON THE TRANSFEREES, THE TRANSFERORS, THE TARGET ENTITIES

Transferees

Jiangyin Zhongnan Heavy Industries Co., Ltd. is a limited liability company incorporated in China on May 28, 2003, and its shares are listed on the Shenzhen Stock Exchange (Stock Code: 002445). The main business of ZNHI includes the production and distribution of broadcast, film, television, and music programs. As of the date of this announcement, ZNHI is held as to 29.02% by Jiangyin Chengbang Enterprise Management and Development Center (Limited Partnership). The ultimate controller of ZNHI is the State-owned Assets Supervision and Administration Office of Jiangyin Municipal People's Government.

Jiangyin Zhongnanhong Equity Investment Management Co., Ltd. is a limited liability company incorporated in China on December 3, 2015. Its main business includes equity investment; investment activities with self-owned funds; asset management services for self-owned fund investments; enterprise management consulting; financing consulting services; and information consulting services. As of the date of this announcement, Zhongnan Investment is 100% held by ZNHI. The ultimate controller of Zhongnan Investment is the State-owned Assets Supervision and Administration Office of Jiangyin Municipal People's Government.

Transferors

The principal business of the Company is the provision of public utility services. It also engages in strategic and financial investments in associated companies in public utility and other industries. Dazhong Business Management is the single largest shareholder of the Company, ultimately held by Shanghai Dazhong Business Management Employee Co., Ltd Employee Stock Ownership Committee. Shanghai Dazhong Business

Management Co. Ltd Employee Stock Ownership Committee comprises individual members, including employees of Dazhong Business Management, employees of the Company and employees of Dazhong Transportation (Group) Co., Ltd. (a company limited by shares 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 Stock Ownership Committee is Mr. Yang Guoping, who holds 9.55% beneficial ownership of Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee. Except as disclosed above, there is no person who directly or indirectly holds more than 5% beneficial ownership of Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee.

Shanghai Dazhong Gas Investment Development Co., Ltd. is a limited liability company incorporated in the PRC on August 14, 2003, with its main business including asset management services for investments of own funds; enterprise management; and enterprise management consulting, etc. Dazhong Gas Investment is a wholly-owned subsidiary of the Company, and the single largest shareholder of the Company is Dazhong Business Management, which is ultimately held by Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee. For details of the ultimate beneficial owner of Shanghai Dazhong Business Management Co. Ltd Employee Stock Ownership Committee, please see the Section "Information on Transferor" above.

Lin Kewen is a third party independent from the Company and is not a connected person of the Company.

Lin Leiyuan is a third party independent from the Company and is not a connected person of the Company.

Zhao Wenbi is a third party independent from the Company and is not a connected person of the Company.

Target Entities

Jiangyin Tianli Gas Co., Ltd. is a limited liability company incorporated in the PRC on May 12, 1995, mainly engaged in gas production and supply industry. As of the date of this announcement, Jiangyin Tianli is held as to 25% by each of Shanghai Ruyu Energy Investment Co., Ltd and LAD (Hong Kong) Co., Limited, as to 22.5% by each of Shanghai Huiran Investment Co., Ltd and Jiangsu Lianda Garments Co., Ltd, and as to 5% by Jiangyin Shenghongda Equity Investment Enterprise (Limited Partnership).

Shanghai Ruyu Energy Investment Co., Ltd is a limited liability company incorporated in the PRC on November 16, 2015, mainly engaged in technology development, technical consulting, technology transfer and technical services in the field of energy science and technology; industrial investment and business consulting. As of the date of this announcement, Shanghai Ruyu is held as to 99% and 1% by the Company and Dazhong Gas Investment, respectively. The single largest shareholder of the Company is Dazhong

Business Management, which is ultimately held by Shanghai Dazhong Business Management Co., Ltd. Employee Stock Ownership Committee. For details of the ultimate beneficial owner of Shanghai Dazhong Business Management Co., Ltd. Employee Stock Ownership Committee, please see the section headed "Information on the Transferors" above.

Shanghai Huiran Investment Co., Ltd is a limited liability company incorporated in the PRC on November 6, 2015, and its main business includes industrial investment, enterprise management consulting and business information consulting. As of the date of this announcement, Shanghai Huiran is held as to 49%, 40%, and 11% by the Company, Lin Kewen, and Lin Leiyuan, respectively. The actual controllers of Shanghai Huiran are Lin Kewen and Lin Leiyuan, both of whom are third parties independent from the Company and not connected persons the Company.

Jiangyin Shenghongda Equity Investment Enterprise (Limited Partnership) is a limited partnership established in the PRC on July 30, 2014, with its main business including external investment with own assets; investment consulting (excluding securities and futures); and investment management. As of the date of this announcement, Jiangyin Shenghongda is held as to 49% by each of Shanghai Huiran Investment Co., Ltd. and Jiangsu Lianda Garments Co., Ltd., and as to 1% by each of Lin Leiyuan and Zhao Wenbi.

FINANCIAL IMPACT ON THE GROUP

The final gain from the Potential Disposal is still subject to completion of audit and appraisal, execution of the formal acquisition agreement and fulfillment of corresponding review and approval procedures. Whether it can be ultimately implemented remains uncertain, and the final impact on the profit or loss of the Company will be subject to the results confirmed by the audit.

The Group intends to apply the net proceeds from the Potential Disposal to general working capital, expansion of core businesses, and other purposes.

REASONS FOR AND BENEFITS OF THE POTENTIAL DISPOSAL

The principal business of the Company is the provision of public utility services. The Potential Disposal aligns with the policy planning of the local government regarding the overall coordination and integration of the gas pipeline network in the Jiangyin region. Upon completion of the Potential Disposal, the Company will concentrate its resources and focus on the long-term competitiveness of its core principal business, promoting sustainable, high-quality development of the Company through a clearer strategic layout and more efficient resource allocation, thereby safeguarding the interests of the Company and all shareholders ("**Shareholders**"). If the Potential Disposal is eventually implemented and completed, the Company will no longer hold equity interests in Shanghai Ruyu and Shanghai Huiran, and Shanghai Ruyu will no longer be included in the scope of the Company's consolidated financial statements.

The directors (the "**Directors**") of the Company are of the view that the Potential Disposal is entered into on normal commercial terms or better, its terms are fair and reasonable, and the Potential Disposal is in the best interests of the Company and its shareholders as a whole. To the best of the Directors' knowledge, information, and belief having made all reasonable enquiries, no other Director has a material interest in the Potential Disposal, nor, is any other Director required to abstain from voting on the resolutions of the board (the "**Board**") of Directors approving the Potential Disposal or the transactions contemplated thereunder.

IMPLICATIONS OF THE LISTING RULES

If the Potential Disposal is materialized, it will constitute a disclosable transaction of the Company pursuant to Chapter 14 of the Listing Rules.

The Board of Directors hereby emphasizes that the Potential Disposal is conditional upon, among other things, (i) the successful completion of commercial negotiations by the parties regarding its terms; (ii) the completion of due diligence by the Transferees; (iii) the satisfaction of all conditions precedent; and (iv) the execution of formal transaction agreements (the terms and conditions of which remain to be negotiated).

In addition, ZNHI, one of the counterparties to the Transaction, is a listed company on the Shenzhen Stock Exchange. The Transaction constitutes a major asset reorganization of ZNHI, which is subject to relevant deliberation procedures and can only be implemented after being reviewed by the Shenzhen Stock Exchange and the China Securities Regulatory Commission. Therefore, whether and when the aforesaid review procedures can be passed remain uncertain, and there is a risk that ZNHI's major asset reorganization may be terminated due to adjustments to the transaction scheme, failure to obtain review, or other reasons, thereby leading to the failure to continue implementing the Transaction. The Potential Disposal may also be affected by other various unpredictable factors such as macroeconomic environment, industry policies and market fluctuations. Accordingly, there is no guarantee that the Potential Disposal will ultimately proceed.

Shareholders and/or potential investors of the Company should note that the Potential Disposal may or may not materialize. There is no assurance that the Potential Disposal will eventually materialize. Shareholders and/or prospective investors of the Company are advised to exercise caution when dealing in the securities of the Company. The Company will make further announcements in due course pursuant to the Listing Rules.

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

Shanghai, PRC
November 27, 2026

As of the date of this announcement, executive directors of the Company are Mr. YANG Guoping, Mr. LIANG Jiawei and Mr. WANG Baoping; the non-executive directors of the Company are Mr. ZHAO Yeqing and Mr. JIN Yongsheng; and the independent non-executive directors of the Company are Mr. JIANG Guofang, Ms. LI Yingqi, Mr. YANG Ping and Mr. ZHENG Wei.