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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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting ("**EGM**") of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (the "**Company**") will be held at Multi-Function Hall, 3/F, Jimao Hotel, 1525 Zhongshan West Road, Shanghai, the People's Republic of China ("**PRC**") on Friday, 14 July 2017 at 2 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

SPECIAL RESOLUTION

1 Proposal on the non-public issue of the convertible corporate bonds

1.1 Fulfilment of the conditions for the issue of the convertible corporate bonds

1.2 Type of bonds to be issued

1.3 Issue method and size

1.4 Par value and issue price

1.5 Issue target and arrangement on placement to the Shareholders of the Company

1.6 Term and type of bonds

1.7 Coupon rate

* For identification purpose only

1.8 Initial conversion price

1.9 Security measures

1.10 Use of proceeds and special account for raising funds

1.11 Measures to Ensure Repayment

1.12 Listing and transfer arrangement of bonds

1.13 Underwriting method

1.14 Other matters

1.15 Validity Period of resolution

1.16 Authorization

For details of this proposal, please refer to Appendix I to this notice.

2 Proposal on the issuance of onshore and offshore debt financing instruments

2.1 Fulfilment of the conditions for the issuance of debt l8suanceT4Tt0his-340.2(instrum-cond)TJ-

2.10 Listing Arrangements for bonds

2.11 Validity Period of resolution

2.12 Authorization

For details of this proposal, please refer to Appendix II to this notice.

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

Shanghai, the People's Republic of China
29 May 2017

Note:

1. In order to determine the Shareholders eligibility to attend the EGM of the Company, the register of members of the Company will be closed from Wednesday, 14 June 2017 to Friday, 14 July 2017, both

In order to meet the demand for production, operation and development and optimize the debt structure of the Company, the Board has approved the proposed non-public issue of the convertible corporate bonds.

According to the laws and regulations of the PRC and the Articles of the Company, implementation of the proposed issue of the convertible corporate bonds is subject to the approval of the Shareholders by way of a special resolution and relevant regulatory authorities.

1. OVERVIEW OF THE ISSUE

(I) Type of Bonds to be Issued

The type of the securities to be issued is convertible corporate bonds which can be converted into A shares of Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司) (hereinafter referred to as "Dazhong Transportation", stock code: 600611.SH) held by the Company.

(II) Issue Method and Size

The Convertible Corporate Bonds will be issued in a non-public manner, the size of which will be not more than RMB1.5 billion (inclusive) and which can be issued by tranches. A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the specific issuance size and issue tranches arrangements by negotiation with the lead underwriter in accordance with the then prevailing market conditions at the time of issuance.

(III) Par Value and Issue Price

The par value of the Convertible Corporate Bonds will be RMB100 each and they will be issued at par value.

(IV) Issue Target and Arrangements on Placement to Shareholders of the Company

The Convertible Corporate Bonds will be issued to eligible investors who comply with the requirements under the "Management Measures of Corporate Bond Issuance and Transaction" (《公司債券發行□交易管理辦法》) and other relevant regulations regarding management of investors' eligibility. There will be no preferential allotment to the shareholders of the Company for the Convertible Corporate Bonds.

(V) Term and Type of Bonds

The term of the Convertible Corporate Bonds to be issued no more than 6 years (inclusive) from the date of issuance, with a single term and type or hybrid types with multiple terms. A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the

composition of the detailed term and issuance size of each type of the Convertible Corporate Bonds after discussion and agreement with the lead underwriter in accordance with the then prevailing market conditions at the time of issuance.

(VI) Coupon Rate

The Convertible Corporate Bonds will be at fixed interest rates and shall remain fixed until the maturity date. The Convertible Corporate Bonds apply the simple annualized interest rate without any compound interest. A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the coupon rate after discussion and agreement with reference to the quotation results within the proposed rate range.

(VII) Initial Conversion Price

The initial conversion price of the Convertible Corporate Bonds shall not be lower than the highest of the average trading prices of A shares of Dazhong Transportation on the trading day immediately and for the 20 trading days preceding the date of publication of the offering document (in the event that during the above mentioned trading days, the share price has been adjusted due to ex-rights or ex-dividend, the trading price of each of these trading days before adjustment shall be adjusted with reference to the ex-rights or ex-dividend share price). A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the detailed initial conversion price after discussion and agreement with the lead underwriter with reference to the market conditions before the issuance.

(VIII) Security Measures

The A shares of Dazhong Transportation to be converted and its yields (including share transfer, bonus issue and cash dividend, excluding share increase, allotment and cash dividends which have been generated prior to the registration of trust security and should be attributable to the Company) is the guarantee property of the issuance of the Convertible Corporate Bonds. A proposal will be presented to the general meeting for authorizing the Board or the authorized person of the Board to determine the proportion of guarantee and its calculation and other matters after discussion and agreement with the lead underwriter with reference to the market conditions at the time of issuance.

(IX) Use of Proceeds and Special Account forgnitialdocumen(Fu5(wh1Tf2.122.162TD.23Tc(ice

The company will designate a special account for raising funds in accordance with the relevant laws and regulation for the receipt, storage, transfer and payment of principal and interest for the proceeds for the issuance of Convertible Corporate Bonds.

(X) Measures to Ensure Repayment

The Company will formulate a series of work plans for the timely and full payment of the Convertible Corporate Bonds, including but not limited to determining the

2. AUTHORIZATION MATTERS

To ensure effective coor3Cnation of the issue of the Convertible Corporate Bonds and other detailed matters in connection with the issue, a resolution will be proposed at the general meeting by the Board to authorize the management to deal with, at its/their sole discretion, all matters in connection with the issue of Convertible Corporate Bonds within the framework and under the principles approved at the general meeting, inclu3Cng but not limited to:

1. Accor3Cng to the requirements of laws, regulations, rules and normative documents and the resolution passed on the general meeting of the Company, combined with the actual situation of the Company and the market, determinCng the fCnal plan and terms of the issuance of the Convertible Corporate Bonds, inclu3Cng but not limited to the detailed issue size, term, target, issue tranches, term of conversion, initial conversion price, security measures, bonds interest rates, detailed use of proceeds, adjustment of the conversion price and the downward revision, the mechanism of redemption and repurchase, credit rating, debt repayment security and transaction arrangements, the timing the issuance, setting up of debt repayment security account and special account for raising funds and other matters related to the issue plan.

2. Engaging the intermediaries and bond trustees who will provide service for the issuance of the Convertible Corporate Bonds.

3. Actually implementing the matters of applications for issuance and listing and transfer of the Convertible Corporate Bonds, inclu3Cng but not limited to formulating, signing, revising, submitting, executing the agreements, filings, feedback documents, announcements of disclosures and other legal documents related to the issuance of the Convertible Corporate Bonds.

4. Accor3Cng to the requirements of laws, regulations, rules and normative documents and the provisions of the issuance documents, actually conducting the management during the term of the Convertible Corporate Bonds, inclu3Cng but not limited to information disclosures, repayment of principals and payment of interests, implementation of the adjustment of the conversion price and the downward revision, implementation of redemption and repurchase and other matters.

5. Due to changes of laws and regulations, r

APPENDIX II

(III) Par Value and Issue Price

The Authorized Representatives will jointly or severally determine the issue price of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments in accordance with the then prevailing market conditions at the time of issue and relevant laws and regulations.

(IV) Issue Target and Arrangements on Placement to Shareholders of the Company

The issue target of the onshore Debt Financing Instruments shall be the onshore investors which meet the conditions for subscription. The issue target of the offshore Debt Financing Instruments shall be the onshore and offshore investors which meet the conditions for subscription. The Authorized Representatives will jointly or severally determine the detailed issue target in accordance with relevant laws and regulations, the prevailing market conditions and other matters in connection with the issue. The onshore Debt Financing Instruments and the offshore Debt Financing Instruments may be placed to the shareholders of the Company. The Authorized Representatives will jointly or severally determine the details of the placement arrangements (including whether to make such placement and the proportion of placement, etc.) in accordance with the then prevailing market conditions and other matters in connection with the issue and the laws.

(V) Term and Type of Bonds

The term of the fixed-term onshore Debt Financing Instruments or offshore Debt Financing Instruments shall be no more than 10 years (inclusive). It may have single term and type or hybrid types with multiple types; the non-fixed-term onshore Debt Financing Instruments or offshore Debt Financing Instruments are not subject to the aforementioned requirement on the term. The Authorized Representatives will jointly or severally determine the detailed term and size of each type of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments in accordance with the relevant rules and then prevailing market conditions at the time of issue.

(VI) Coupon Rate

The Authorized Representatives will determine the interest rate for the issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments as well as the method of calculation and payment thereof in accordance with the then prevailing market conditions at the time of issue and relevant rules.

(VII) Security Measures

The Authorized Representatives will jointly or severally determine the security and other credit enhancement arrangements based on the features of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments and the issue needs in accordance with the laws.

(VIII) Use of Proceeds

The proceeds raised from the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments shall be used to fund business operation needs of the Company, improve the debt structure of the Company, repay the Company's debts, supplement working capital of the Company and/or make project constructions. The Authorized Representatives will jointly or severally determine the detailed use of proceeds in accordance with the funding needs of the Company.

(IX) Measures to Ensure Repayment

The Authorized Representatives will jointly or severally implement, as a minimum, the following measures in the event they expect that the Company is unable to repay the principal and interests of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments as scheduled, or the Company fails to repay the principal and interests of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments when they become due:

1. suspension of profit distribution to the Shareholders;

2. suspension of implementation of capital expenditure projects such as substantial external investments and acquisitions and mergers;

3. reduction or suspension of the payment of the salary and bonus of the directors and the senior management of the Company;

4. no re-designation of the key responsible persons.

(X) Listing Arrangements for Bonds

The Authorized Representatives will jointly or severally apply for listing of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments in accordance with the actual conditions of the Company and the prevailing market conditions.

(XI) Validity Period of Resolution

The shareholder's resolutions regarding the issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments shall be valid for a period of 36 months from the date of passing of the resolutions at the general meeting. Where the Board and/or its Authorized Representatives have, during the term of the authorization, decided the issue or partial issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments, and provided that the Company has also, during the term of the authorization, obtained the approval or license from or completed filing or registration (if applicable) with regulatory authorities on the issue, the Company may, during the validity period of such approval, license, filing or registration, complete the issue or relevant partial issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments.

2. AUTHORIZATION

To ensure effective coordination of the issue of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments and other matters in connection with the issue, a resolution will be proposed at the general meeting by the Board to authorize the management to deal with, at its/their sole di

4. undertaking all applications and filings as well as listing matters (if applicable) in connection with the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments, including without limitation, preparing, revising and submitting relevant application and filing materials relating to the issue and listing of the onshore or offshore Debt Financing Instruments and application and filing materials in respect of credit enhancement agreements such as guarantee or letter of support to be provided by the Company, the issuer(s) and/or third party(ies), and signing the relevant application and filing documents and other legal documents;