as o any aspec of his circular or as o he ac ion o be aken, you should consul a s ockbroker or o her regis ered dealer in securi ies, bank manager, solici or, professional accoun an or o her professional adviser.

all your shares in Shanghai Dazhong Public U ili ies (Group) Co., L d.*, you should a once hand his circular, oge her wi h he enclosed form of proxy, o he purchaser(s) or ransferee(s) or o he bank, s ockbroker or o her agen hrough whom he sale or ransfer was effec ed for ransmission o he purchaser(s) or ransferee(s).

Hong Kong Exchanges and Clearing Limi ed and The S ock Exchange of Hong Kong Limi ed ake no responsibili y for he

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| | |
|---|---|
| "A Share(s)" | he domes ic share(s) wi h a nominal value of RMB1.00 each in he share capi al of he Company, |

| | |
|---|---|
| "H Share(s)" | overseas lis ed foreign share(s) wi h a nominal value of RMB1.00 each in he share capi al of he Company, which are lis ed on he Hong Kong S ock Exchange |
| "H Shareholder(s)" | holder(s) of H Shares |
| "HK$" or "HKD" | Hong Kong dollars, he lawful currency of Hong Kong |
| "Hong Kong" | he Hong Kong Special Adminis ra ive Region of he PRC |
| "Hong Kong Lis ing Rules" | he Rules Governing he Lis ing of Securi ies on he Hong Kong S ock Exchange, as amended from ime o ime |
| "Hong Kong S ock Exchange" | The S ock Exchange of Hong Kong Limi ed |
| "Jiangsu Dazhong Wa er" | Jiangsu Dazhong Wa er Group Co., L d.* (江蘇大眾水務集團有限公司) |
| "Nan ong Dazhong Gas" | Nan ong Dazhong Gas Co., L d.* (南通大眾燃氣有限公司) |
| "PRC" or "China" | he People's Republic of China which, for he purposes of his circular, excludes Hong Kong, he Macau Special Adminis ra ive Region and Taiwan region |
| "RMB" | Renminbi, he lawful currency of he PRC |
| "Share(s)" | he share(s) of he Company wi h a nominal value of RMB1.00 each, including A Share(s) and H Share(s) |
| "Shareholder(s)" | he shareholder(s) of he Company, including A Shareholder(s) and H Shareholder(s) |
| "Suchuang Gas" | Suchuang Gas Corpora ion Limi ed* (蘇創燃氣股份有限公司) (S ock Code:1430.HK), a company lis ed on he Main Board of he Hong Kong S ock Exchange |
| "%" | percen age |

* . . , , ''



# 上海大眾公用事業(集團)股份有限公司

A he AGM, resolu ions will be proposed o approve, among o hers:

(1) Work repor of he board of Direc ors of he Company for he year 2017 ( he " ");

(2) Work repor of he board of supervisors of he Company for he year 2017 ( he " ");

(3) Final financial repor for he year 2017 and he financial budge repor for he year 2018 ( he " ");

(4) Profi dis ribu ion proposal of he Company for he year 2017 ( he " ");

*(1) , . 2017*

An ordinary resolu ion will be proposed a he AGM o pass he work repor of he board of Direc ors of he Company for he year 2017. Full ex of he Board Repor 2017 o be passed is se ou in Appendix I o his circular.

*(2) , s .. , . 2017*

An ordinary resolu ion will be proposed a he AGM o pass he work repor of he board of supervisors of he Company for he year 2017. Full ex of he Supervisory Commi ee Repor 2017 o be passed is se ou in Appendix II o his circular.

*(3) , . 2017 . , . 2018*

An ordinary resolu ion will be proposed a he AGM o pass he final financial repor of he Group for he year 2017 and he financial budge repor for he year 2018. Full ex of he Final Financial Repor 2017 and Financial Budge Repor 2018 o be passed is se ou in Appendix III o his circular.

*(4) . s. . , s 2017*

The ne profi a ribu able o owners of he paren company of 2017 amoun ed o RMB474,133,000. The paren company's profi af er ax amoun ed o RMB379,353,000. According o he Company Law and he Ar icles of Associa ion, he Company's dis ribu ion plan is as follows:

Based on he ne profi of he paren company in 2017, acorin he amoune of RMB3,9353,00f

RM7079,023,3000d

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d f o r h o l d e o s ' r p r v s a l d

prve(,s)-6.2( he)-6.2(Company)-6.2(will)-6.2fur( hrl)-6.2annmouces heenl hedis ribu ion

of

Pursuan o he En erprise Income Tax Law of he People's Republic of China effec ive on January 1, 2008 and he relevan implemen a ion rules, he Company has he obliga ion o wi hhold and pay he en erprise income ax a a ra e of 10% of he final dividend for 2016 payable o he non-residen en erprise Shareholders. Any H Shares regis ered under he names of non-individual Shareholders, including HKSCC Nominees Limi ed, o her nominees or rus ees, or o her organiza ions and groups are deemed o be held by non-residen en erprise Shareholders. The Company will dis ribu e he final dividend o such non-individual Shareholders af er wi hholding he en erprise income ax a a ra e of 10%.

According o Guo Shui Han [2011] No. 348 issued by he S a e Adminis ra ion of Taxa ion, he Company shall wi hhold and pay he individual income ax for dividend payable o he individual H Shareholders. The individual H Shareholders are en i led o he relevan preferen ial ax rea men pursuan o he provisions in he ax agreemen s be ween he coun ries where hey are residen s and China or he

*(5)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on he es ima ed ongoing ordinary rela ed par y ransac ions of he Company for he year 2018, full ex of which is se ou in Appendix IV o his circular.

*(6)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on he applica ion of bank credi facili ies of he Company, full ex of which is se ou in Appendix V o his circular.

*(7)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on he provision of guaran ee for i s con rolled subsidiaries wi h respec o heir ex ernal financing, full ex of which is se ou in Appendix VI o his circular.

*(8)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion for he Group o use idle funds for en rus ed financing, full ex of which is se ou in Appendix VII o his circular.

*(9)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on re-appoin men of BDO China Shu Lun Pan Cer ified Public Accoun an s LLP as he domes ic audi firm and in ernal con rol audi firm for he Company for he year 2018, full ex of which is se ou in Appendix VIII o his circular.

*(10)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on re-appoin men of BDO Limi ed as he overseas audi firm for he Company for he year 2018, full ex of which is se ou in Appendix IX o his circular.

*(11)*

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on he regis ra ion and issuance of super shor - erm commercial papers and shor - erm commercial papers, full ex of which is se ou in Appendix X o his circular.

*(12)* [illegible]

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on he regis ra ion and issuance of mid- erm no es, full ex of which is se ou in Appendix XI o his circular.

*(13)* [illegible]

An ordinary resolu ion will be proposed a he AGM o pass he resolu ion on he adjus men of independen Direc ors' (independen non-execu ive Direc ors') allowance, full ex of which is se ou in Appendix XII o his circular.

*(14)* [illegible]

In order o comply wi h he requiremen s of he reform of regis ra ion sys em, and on he ground ha he H shares of he Company have been lis ed on he Hong Kong S ock Exchange, he corpora e iden i y of he Company has been changed from a domes ic company o a sino-foreign join ven ure, and hus he descrip ion of he business scope has been changed. The resolu ion in rela ion o he amendmen s o he Ar icles of Associa ion was considered and approved a he fif h mee ing of he en h session of he Board. A special resolu ion will be proposed a he AGM o pass he proposed amendmen s o he Ar icles of Associa ion, full ex of which is se ou in Appendix XIII o his circular. Save for he proposed amendmen s o he Ar icles of Associa ion se ou in Appendix XIII, o her provisions in he Ar icles of Associa ion remain unchanged.

A no ice convening he AGM o be held a 3/F, Dazhong Building, 1515 Zhongshan Wes Road, Shanghai, PRC on Thursday, 17 May 2018 a 2:00 p.m. was published on he websi e of he Hong Kong S ock Exchange (h p://www.hkexnews.hk). The reply slip and form of proxy for use a he AGM were also published on he websi es of he Hong Kong S ock Exchange (h p://www.hkexnews.hk).

If you are eligible and in end o a end he AGM, please comple e and re urn he reply slip in accordance wi h he ins ruc ions prin ed hereon on or before Friday, 27 April 2018. Shareholders who in end o appoin a proxy o a end he AGM shall comple e and re urn he form of proxy in accordance wi h he ins ruc ions prin ed hereon no less han 24 hours before he ime for holding he AGM. Comple ion and re urn of he form of proxy will no preclude you from a ending and vo ing in person a he AGM if you so wish.

For he purpose of de ermining he en i lemen of shareholders for H Shares o a end and vo e a he aforesaid AGM, he regis er of members of he Company for H Shares will be closed from Tuesday, 17 April 2018 o Thursday, 17 May 2018, bo h days inclusive, during which no ransfer of shares will be regis ered. Only Shareholders of he Company whose names appear on he regis er of members of he Company on Monday, 16 April 2018 or heir proxies or duly au horised corpora e represen a ives are en i led o a end he AGM. In order o qualify for a ending and vo ing a he AGM, all properly comple ed ransfer documen s accompanied wi h relevan share cer ifica es mus be

The major works of he Board for he year ended 31 December 2017 and he 2018 annual work plan repor are as follows:

In 2017, in accordance wi h he provisions of he Ar icles of Associa ion and he Rules of Procedure for he Audi Commi ee of he Board of Direc ors, he Rules of Procedure for he Remunera ion and Appraisal Commi ee of he Board of Direc ors and he Rules of Procedure for he Nomina ion Commi ee of he Board of Direc ors, hree special commi ees of he Board of he Company were able o earnes ly perform heir du ies, played heir professional edges and provided s rong suppor for improving he scien ific and forward-looking decision-making of he Board. During he Repor ing Period, one mee ing of he remunera ion and appraisal commi ee, one mee ing of he nomina ion commi ee and four mee ings of he audi commi ee were successively held o review ma ers such as in ernal con rol, financial budge and final accoun s, periodic repor s, rela ed ransac ions and performance-based remunera ion of he Company. The opera ion of all special commi ees was in compliance wi h laws and regula ions.

Independen Direc ors of he Company were able o perform he du ies of independen Direc ors and provided opinions and recommenda ions on he resolu ions proposed in accordance wi h he requiremen s of he Ar icles of Associa ion and Rules for he Office of Independen Direc ors, aiming o s reng hen he corpora e governance of he Company, achieve scien ific decisions, promo e sound opera ions and safeguard he in eres s of he Company and i s shareholders, in order o pro ec he in eres s of small and medium shareholders and s akeholders and facili a e he s andardized opera ion of he Company.

In 2017, on he principle of s ric ly complying wi h he Securi ies Law, he Shanghai S ock Exchange Lis ing Rules, he Hong Kong Lis ing Rules and he relevan sys ems of he Company and s ric ly fulfilling he informa ion disclosure obliga ions of lis ed companies, he Company comple ed 8 regular informa ion disclosure obliga ions a he Shanghai and Hong Kong exchanges and on designa ed media and websi es and comple ed 168 ad hoc announcemen disclosures including acquisi ion of equi y in eres s, rela ed ransac ions, profi dis ribu ion and increase in shareholdings by con rolling shareholders. We disclosed relevan informa ion on he opera ing resul s, financial condi ion and major decisions of he Company in an accura e, imely and s andardized manner.

As he depar men for he communica ion of he Board and inves ors, he Secre ary o he Board's office, a permanen body of he Board, con inued o s reng hen he main enance and managemen of inves or rela ions and main ained smoo h communica ion wi h small and medium shareholders and ins i u ional inves ors hrough various channels including on-si e, elephone and he Shanghai S ock Exchange E-in erac ive pla form. During he Repor ing Period, he Company par icipa ed in he "2017 Collec ive Recep ion Day for Lis ed Companies Inves ors in Shanghai" heme even join ly organized by he Lis ed Companies Associa ion of Shanghai and SSE Infone L d.. We communica ed and discussed wi h inves ors on issues such as corpora e governance, developmen s ra egies, opera ing condi ions, financing plans and sus ainable developmen , and es ablished a good capi al marke image for he Company. Meanwhile, wi h an aim o serve inves ors, he

In 2017,  he Company held seven Board mee ings,  wo general mee ings and

3. The wen y-six h mee ing of he Nin h session of he Board was held on 27 April 2017 by means of communica ion vo ing. The mee ing considered and approved he Full Tex and Summary of 2017 Firs Quar erly Repor of he Company.

4. The firs mee ing of he Ten h session of he Board of he Company was held on 25 May 2017 on-si e. The mee ing elec ed Mr. Yang Guoping as he Chairman of he Ten h session of he Board of he Company, appoin ed Mr. Liang Jiawei as he presiden of he Company, appoin ed Mr. Zhuang Jianhao and Mr. Yang Weibiao as vice presiden s of he Company, appoin ed Mr. Jin Bo as vice presiden of he Company and he secre ary o he Board, appoin ed Mr. Zhao Ruijun as he vice financial con roller (presiding over he work) of he Company, appoin ed Mr. Cao Jing as he au horized represen a ive of securi ies affairs of he Ten h session of he Board, elec ed he remunera ion and appraisal commi ee, audi commi ee and nomina ion commi ee of he Ten h session of he Board, and considered and approved he Resolu ion on he Commencemen of Sale-leaseback Finance Leasing Business of Holding subsidiary and Rela ed Par ies, Con ingency Plan for Non-public Issuance of Exchangeable Corpora e Bonds, Con ingency Plan for Issuance of Domes ic and Foreign Deb Financing Ins rumen s and Resolu ion on he Conven ion of 2017 Firs Ex raordinary General Mee ing.

5. The second mee ing of he Ten h session of he Board of he Company was held on 14 July 2017 by means of communica ion vo ing. The mee ing Re-512..6(communied)-2oe12.0.2(RDmmuni7(of)-mmuni(and)-337.2(-mmun

During he Repor ing Period, in s ric accordance wi h he relevan provisions of laws and regula ions and he Ar icles of Associa ion, he Board of he Company earnes ly fulfilled he responsibili y of he convener of he general mee ing, convened an annual general mee ing and an ex raordinary general mee ing, and considered and approved or heard hir een resolu ions or repor s, including he Work Repor of he Board of Direc ors for he Year 2016, Work Repor of he General Manager for he Year 2016, Final Financial Repor for he Year 2016 and he Financial Budge Repor for he Year 2017, Profi Dis ribu ion Plan for he Year 2016, Resolu ion on he 2017 Daily Rela ed Transac ion Budge of he Company, Resolu ion on he Applica ion of Credi Facili ies of he Company and he Provision of Guaran ees for Ex ernal Financing of Con rolled Subsidiary by he Company, Elec ion of Execu ive Direc ors of Ten h session of he Board of Direc ors of he Company, Elec ion of Members of Ten h session of he Board of Supervisors of he Company, Resolu ion on he Re-appoin men of he Domes ic Audi Firm and In ernal Con rol Audi Firm for he Company for he Year 2017, Resolu ion on he Appoin men of he Overseas Audi Firm for he Company for he Year 2017, Resolu ion on he Amendmen s on he Ar icles of Associa ion and Change on Indus rial and Commercial Regis ra ion, Con ingency Plan for Non-public Issuance of Exchangeable Corpora e Bonds and Con ingency Plan for Issuance of Domes ic and Foreign Deb Financing Ins rumen s. During he Repor ing Period, he Board of he Company s ric ly implemen ed he resolu ions considered and approved by he general mee ing and fully implemen ed each resolu ion of mee ing.

2018 is he firs year for he full implemen a ion of he spiri of he 19 h Na ional Congress of he Communis Par y of China, and is a crucial year for he implemen a ion of he 13 h Five-Year Plan. The Board of he Company will fully assess he complexi y and severi y of he si ua ion. In s ric accordance wi h he provisions of laws and regula ions and regula ory documen s such as he Company Law, Securi ies Law, Guidelines for he Governance of Lis ed Companies, Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange and Hong Kong Lis ing Rules, he Board of he Company will fur her improve he corpora e governance s ruc ure of he Company and con inuously promo e he s andardized opera ion and managemen of he Company o enhance he scien ific decision-making and risk preven ion capabili y of he Company, and will fur her s reng hen he communica ion wi h inves ors o es ablish a good capi al marke image for he Company.

In 2018, he Company will focus on he following aspec s:

The period of 13 h Five-Year Plan is he period for Shanghai o speed up he cons ruc ion of he "five focus" of in erna ional economy, finance, rade, shipping and science and innova ion, and a socialis modern in erna ional me ropolis. In 2018, he Board of he Company will ac ively pay a en ion o he economic developmen model of he 13 h Five-Year Plan of Shanghai, seize he oppor uni ies arising from relevan policies such as adjus men and upgrade of indus rial s ruc ure, and formula e developmen s ra egy for he nex five years in various aspec s of he Company such as indus ry posi ioning, inves men layou , opera ion and managemen , eam building and alen s. Wi h confidence, we will main ain he s abili y and grow h of he opera ing resul s of he Company while overcoming challenges.

The Board will fur her improve he relevan regula ions and sys ems of he Company, promo e he s ric compliance of he Board of he Company and managemen , con inuously op imize he governance s ruc ure of he Company, and s reng hen scien ific decision-making capabili ies such as s ra egic developmen and significan inves men s and enhance he level of s andardized opera ion leveraging on he role of special commi ees of he Board and he independen Direc ors, in order o provide basic assurance for he developmen of he Company and es ablish a more s andardized and ransparen opera ing sys em of lis ed company. Meanwhile, he Board of he Company will con inue o adhere o he direc ion of sus ainable developmen , in egra e in ernal advan ageous resources, ac ively explore he marke , leverage on financing and managemen innova ion, improve he capabili y of main business, ac ively explore new areas such as public services, resources and environmen and environmen al pro ec ion, s reng hen indus ry coordina ion, and promo e he sus ainable and heal hy developmen of he Company. Taken in o considera ion of he macroeconomic si ua ion and he marke environmen , he Company will con inue o main ain a heal hy and s eady developmen , focus in Shanghai while develop in he whole coun ry and overseas, seize oppor uni ies for he developmen of main business, ac ively seek expansion of indus ries, and con inuously enhance he overall s reng h of he Company hrough comprehensively making effor s in gas reform, ranspor innova ion and layou of inves men .

The Work Repor of he Board of Supervisors of he Company for he year ended 31 December 2017 is as follows:

In 2017, in accordance wi h relevan rules and regula ions such as he Company Law, Ar icles of Associa ion, Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange, Rules Governing he Lis ing of Securi ies on The S ock Exchange of Hong Kong Limi ed and Rules of Procedure for he Board of Supervisors, wi h an aim o be responsible o all shareholders, all members of he Board of Supervisors of Shanghai Dazhong Public U ili ies (Group) Co., L d. ( he " ") ac ively discussed and reviewed he major decision-making ma ers and impor an economic ac ivi ies of he Company, effec ively supervised he performance of du ies of he Company by he Direc ors and managemen , and ac ively safeguarded he in eres s of all shareholders. The repor on he works of he board of supervisors for 2017 is as follows:

In 2017, in s ric accordance wi h he relevan provisions of laws and regula ions such as he Company Law and he Ar icles of Associa ion, he Board of Supervisors of he Company earnes ly fulfilled i s du ies, ac ively a ended Board mee ings and general mee ings, and s ric ly supervised he opera ion and decision-making procedures of he Company according o law.

The Board of Supervisors believes ha , during he Repor ing Period, in accordance wi h he provisions of relevan s a e laws and regula ions and he Ar icles of Associa ion, he Company has es ablished a sound in ernal managemen and in ernal con rol mechanism wi h lawful and effec ive major business decision-making procedures and regula ed opera ion. The decision-making procedures for he convening, holding, submi ing proposal and vo ing of he Board and general mee ing of he Company were in compliance wi h he relevan provisions. The Board was able o earnes ly fulfill i s informa ion disclosure obliga ions, wi h imely, regula ed, rue, accura e and comple e informa ion disclosures free from false informa ion, serious misleading s a emen s or major omissions, and no disclosure of inside informa ion occurred. In order o achieve sus ainable and heal hy developmen of he Company and maximize he in eres s of i s shareholders, he Direc ors, general manager and o her senior managemen officers of he Company diligen ly performed heir du ies wi h devo ion. During he performance of du ies, no viola ion of he provisions of laws and regula ions and he Ar icles of Associa ion or ac ions ha were de rimen al o he in eres s of he Company and i s shareholders has occurred.

In 2017, wi h an aim o be responsible o all Shareholders, he Board of Supervisors supervised and inspec ed he financial condi ion of he Company, and carefully reviewed he quar erly, in erim and annual financial repor s submi ed by he Board. The Board of Supervisors considers ha he financial managemen sys em of he Company is well-regula ed and comprehensive, and he financial repor s of he Company for each period have reflec ed he financial condi ion and opera ing resul s of he Company in an

objec ive and rue manner. The con en and forma of he repor s have been in compliance wi h all provisions of he China Securi ies Regula ory Commission and he Shanghai S ock Exchange, and free from false informa ion, serious misleading s a emen s or major omissions. No viola ion of confiden iali y provisions by hose involved in he prepara ion and review of periodic repor s has been found.

BDO China Shu Lun Pan Cer ified Public Accoun an s LLP issued s andard unqualified audi repor s on he 2017 financial s a emen s of he Company, and

5. The hird mee ing of he Ten h session of he Board of Supervisors was held on 29 Augus 2017 on si e. The mee ing considered and approved he Opera ional Work Repor of he Company for he Firs Half of 2017 and Work Plan for he Second Half of he Year, Full Tex and Summary of 2017 In erim Repor of he Company and Resolu ion on Changes in Accoun ing Policy.

6. The four h mee ing of he Ten h session of he Board of Supervisors was held on 30 Oc ober 2017 by means of communica ion vo ing. The mee ing considered and approved he Full Tex and Summary of 2017 Third Quar erly Repor of he Company.

During he Repor ing Period, in s ric compliance wi h he provisions of he Company Law, Securi ies Law and o her laws, regula ions and rules and he Ar icles of Associa ion and Rules of Procedure for he Board of Supervisors, wi h an aim o earnes ly safeguard he in eres s of he Company and small and medium Shareholders, he Board of Supervisors

The Board of Supervisors reviewed he 2017 in ernal con rol evalua ion repor of he Company in a diligen and pruden manner, and had no objec ion o he self-evalua ion repor of he Board, and carefully reviewed he in ernal con rol audi repor issued by he audi or. The Board of Supervisors considered ha ,upervisos cngy he

During he Repor ing Period, he Board of Supervisors of he Company supervised he implemen a ion of resolu ions of general mee ings. The Board of Supervisors considered ha he Board of he Company is able o earnes ly perform he relevan resolu ions of general mee ings.

During he Repor ing Period, he Board of Supervisors con inuously supervised he in ernal approval procedures of informa ion disclosure of he Company. The Board of Supervisors considered ha he Company has a ached grea impor ance o he s andardiza ion of informa ion disclosure. In s ric accordance wi h he regula ory provisions of China and Hong Kong and he requiremen s of he Ar icles of Associa ion, Adminis ra ive Measure on Informa ion Disclosure (《信息披露管理辦法》) and Insider Regis ra ion Managemen and Confiden iali y Sys em on Inside Informa ion (《內幕信息知情人登記管理及保密制度》), he Company fully considered he informa ion requiremen s of Shareholders and inves ors, ensured ha he disclosure of informa ion was rue, accura e, comple e, imely, and fair in erms of sys em norms and opera ional procedures, and con inuously improved he quali y and ransparency of informa ion disclosure. The Company has provided imely, accura e, rue, comple e and fair informa ion for inves ors, so ha inves ors can have a more objec ive and comprehensive unders anding on he Company. The informa ion disclosure of he Company is conducive o improving he repu a ion and image of he Company in he capi al marke .

The Company has s ric ly implemen ed he Confiden iali y Sys em on Inside Informa ion and carried ou confiden iali y work on inside informa ion. The Board of Supervisors considered ha , during he Repor ing Period, when periodic repor s were issued or significan even s occurred, he Company regis ered and filed he informa ion of insiders as required, and implemen ed he confiden ial responsibili ies and obliga ions of relevan personnel. The Company did no use any insider informa ion for illegal s ock rading.

In 2017, he Board of Supervisors fulfilled he du ies as s a ed in he Company Law and he Ar icles of Associa ion in an hones and responsible manner. While

In 2018, he Board of Supervisors will con inue o s ric ly implemen he relevan provisions of he Company Law, he Securi ies Law, he Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange, he Rules Governing he Lis ing of Securi ies on The S ock Exchange of Hong Kong Limi ed and he Ar icles of Associa ion, s reng hen i s unders anding on new policies, new regula ions and new sys ems promulga ed by securi ies regula ory au hori ies, fur her improve i s capabili y and level of performance of du ies, and safeguard he in eres s of s akeholders such as Shareholders, he Company and employees. The Board of Supervisors will con inue o give full play o he professional knowledge and capabili ies of all supervisors, ac ively pay a en ion o he developmen and business condi ion of he Company, and coopera e wi h and suppor he Board and managemen of he Company o carry ou work, in order o promo e be er and fas er developmen of he Company while opera ing s ably. The Board of Supervisors will fur her enhance and improve i s work mechanism and supervision and inspec ion sys em, in ensify he supervision for he period, reinforce he focus of supervision, s reng hen he use of supervision and inspec ion resul s, and con inuously improve he imeliness, effec iveness and scien ificness of he supervision and inspec ion of he Board of Supervisors, in order o safeguard he in eres s of s akeholders such as shareholders, he Company and employees.

2017 was an impor an year for he Company o implemen he 13 h Five-Year Plan, in which he Company faced bo h oppor uni ies and challenges. Facing challenges and pressures, under he leadership of he Board of he Company, he managemen of he Company led all employees o work oge her, and he overall opera ing condi ion was s able. The final financial repor for he year 2017 and he financial budge repor for he year 2018 of he Company are as follows:

(Prepared in accordance wi h he 2017 final consolida ed financial s a emen of he Company)

| | | | | *(%)* |
|---|---|---|---|---|
| To al revenue | *0,000* | 470,014 | 453,468 | 3.65 |
| To al profi | *0,000* | 62,734 | 68,051 | –7.81 |
| Ne profi | *0,000* | 55,550 | 63,381 | –12.36 |
| Ne profi a ribu able o owners of he paren company | *0,000* | 47,413 | 54,764 | –13.42 |
| Weigh ed average re urn on ne asse s | % | 6.56 | 9.47 | Decreased by 2.91 percen age poin s |
| Ne asse s per share | | 2.45 | 2.35 | 4.26 |
| Earnings per share | | 0.16 | 0.22 | –27.27 |
| Ne cash flows from opera ing ac ivi ies per share | | 0.17 | 0.24 | –29.17 |

As of 31 December 2017, o al asse s of he Company amoun ed o RMB20,744

As of 31 December 2017, o al liabili ies of he Company amoun ed o RMB12,385 million, represen ing an increase of RMB3,280 million as compared wi h RMB9,105 million a he beginning of he year. Gearing ra io was 59.70%, represen ing an increase of 7.24 percen age poin s as compared wi h 52.46% of he previous year. Guaran ees for con rolled subsidiaries amoun ed o RMB1,242 million, accoun ed for 17.16% of ne asse s of he Company. Among which, curren liabili ies amoun ed o RMB8,901 million, represen ing an increase of RMB3,319 million as compared wi h ha a he beginning of he year, which was mainly a ribu able o he ransfer of corpora e bonds of RMB1.6 billion due for hwi h o non-curren liabili ies due wi hin one year.

In 2017, he Company's re urn on ne asse s was 6.56%, represen ing a decrease of 2.91 percen age poin s as compared wi h 9.47% of he corresponding period of he previous year.

In 2017, he Company recorded a o al revenue of RMB4,700 million, represen ing an increase of 3.65% as compared wi h RMB4,535 million of he corresponding period of he previous year. Consolida ed o al profi amoun ed o RMB627 million; consolida ed ne profi amoun ed o RMB556 million; and ne profi a ribu able o owners of he paren company amoun ed o RMB474 million, represen ing a decrease of 7.81%, 12.36% and 13.42%, respec ively, as compared wi h ha of he corresponding period of he previous year.

The businesses of major business segmen s of he Company in 2017 were as follows:

*(1)*

In 2017, Dazhong Transpor a ion focused on i s s ra egic layou and ac ively adap ed o he new normal of economic and indus rial developmen . On he basis of consolida ing he ranspor a ion services indus ry, i fur her combined indus rial asse s and financial asse s, and ac ively promo ed he implemen a ion of s ra egy for he co-developmen of real economy and In erne opera ions. In 2017, i recorded an opera ing revenue of RMB2,394 million, which surpassed i s business arge .

(2)

In 2017, Shanghai Dazhong Jiading Sewage Co., L d. (上海大眾嘉定污水處理有限公司) had normal opera ing indica ors, endeavored o uphold he long- erm arge of "mee ing he discharging s andard", and under ake he social responsibili ies of he Company. The Class IA+ renova ion work wi h o al inves men s of RMB420 million has been lis ed as one of he key projec s in Shanghai and has achieved he wa er discharge arge . The cons ruc ion of sludge dehydra ion projec was comple ed and he projec has commenced opera ion, which resul ed in he significan improvemen and enhancemen in he capaci y and me hods of sludge rea men . In 2017, a o al of 55,298,900 ons of sewage were rea ed, wi h an average of 151,500 ons per day.

In 2017, Jiangsu Dazhong Wa er fur her s reng hened he managemen over he lifeline of mee ing discharging s andard, and adhered o he goals of "finding differences, shoring up weak grow h areas and s reng hening in ernal con rol", so as o carry ou he key objec ives of s reng hening in ernal con rol, building corpora e eam and managing he mee ing of discharging s andard. The expansion work of Jiawang Phase 2 under Jiangsu Dazhong Wa er and he commencemen of opera ion of Donghai renova ion work signified ha he echniques of sewage rea men have become more reasonable and our discharge s andards have been fur her enhanced. In 2017, a o al of 77,595,500 ons of sewage were rea ed, wi h an average of 212,600 ons per day.

Xiangyin Road unnel, a municipal infras ruc ure projec funded and cons ruc ed by he Company, opera ed wi h high efficiency and safe y, recorded s able concession income, and received concession subsidy of RMB87.41 million in 2017. The principal and inves men re urn of Wuyi Road, Pao ong Road and Nor h Square projec s in Changzhou were fully recovered as of he end of June 2017.

For Xiaoshan sewage rea men projec , he annual inves men re urn and principal and in eres of he fund inves ed of RMB361,305,800 paid by Xiaoshan Wa er Group were received in 2017.

*(3)*

In 2017, Dazhong Financial Leasing con inued o explore he developmen direc ion of "quali y en erprises" wi h a more reasonable indus ry dis ribu ion, so as o give impe us o he break hrough of leading en erprises in key indus ries. A number of asks such as he access o cen ral bank credi reference sys em commenced, and Dazhong Financial Leasing has been awarded he i le of "Excellen En erprise of he Finance Leasing Indus ry in 2017" (上海市融資租賃行業2017年度優秀企業). During he firs half of 2017, he Company fur her increased he shareholdings in Dazhong Financial Leasing wi h a shareholding reaching 80%. In 2017, Dazhong Financial Leasing recorded an opera ing revenue of RMB86.6 million, and achieved a 96% collec ion ra e for loan principal and in eres and he non-performing loan accoun ed for 1.3%.

In 2017, Dazhong Business Card Company ac ively promo ed major asks including paymen ins i u ion ra ing, developmen of eTongfu (e通付) APP, ransforma ion of shopping mall wi h bonus credi and expansion of merchan s. The ransforma ion achieved preliminary resul s, and clarified he fu ure developmen direc ions surrounding wo objec ives of paymen and se lemen . Dazhong's eTongfu (e通付) APP was officially launched in 2017.

In 2017, Minhang Micro-credi commi ed o adhering o he overall opera ion principle of "s ric ly con rolling risks and seeking progress while main aining s abili y", and insis ed o in ensify risk preven ion effor s and con inuously improved he risk con rol sys em, so as o ensure he safe and effec ive urnover of opera ing capi al and a s able overall opera ing condi ion.

In 2017, he Company joined he par nership of Shanghai Huacan

2018 is a crucial year for promo ing he implemen a ion of he 13 h Five-Year Plan. The company will adhere o he corpora e developmen s ra egy of "co-developmen of public u ili ies and financial inves men ", speed up he upgrade of he main business of public u ili ies, and focus on ex ending and improving he indus ry chain of he main business of gas, in order o s eadily expand he overseas business layou of he Company, con inuously op imize he ou bound inves men pla form, cons an ly s reng hen he in ensive managemen and effec ive u iliza ion of capi al of he Company, and con inuously enhance he compe i iveness and influence of he Company in he capi al marke .

In 2018, he major business objec ives for each segmen of he Company are as follows:

*(1)*

In 2018, Dazhong Transpor a ion will develop wi h innova ion, implemen ing he developmen s ra egy of "being driven by bo h indus ry and capi al"; i will achieve break hrough wi h echnology, promo ing produc upgrade of i s business; i will devo e quali y as i s spiri , enhancing he in ernal momen um of he brand. While seizing he fundamen al of "seeking progress while main aining s abili y", i will consolida e i s momen um and look forward o he developmen direc ion of he socie y and indus ry, and formula e a long- erm developmen blueprin .

*(2)*

In 2018, he gas segmen will focus on he ex ension of he gas indus ry chain and make grea er effor s on he acquisi ion of quali y projec s. I will expand from he single channel of sale of na ural gas o he indus rial chain of supply of na ural gas, engineering and sale of LNG.

*(3)*

The accelera ed pace in he cons ruc ion of urban sewage rea men plan cons ruc ion projec has fur her suppor ed wa er pollu ion preven ion and con rol. In 2018, he environmen al segmen will fur her expand i s ex ernal projec s and enhance i s overall compe i iveness on he basis of ensuring he mee ing of discharging s andard as well as con inuously improving he opera ional capabili y of sewage rea men and solid was e rea men . The Company will keep up i s du ies in main aining smoo h daily opera ion and safe y of Xiangyin Road unnel.

*(4)*

For a long ime, he Group has accumula ed rich experience in equi y inves men , fund inves men and managemen , and has formed i s own charac eris ics of ou bound inves men . Wi h he major adjus men o accoun ing policies by he s a e, he Group will need o con inuously adjus and op imize ou bound inves men , and promo e he overall op imiza ion of resources of he Group hrough he in egra ion of indus rial capi al and financial capi al.

We will con inue o follow-up he pos -regis ra ion work of he issuance of corpora e deb financing ins rumen s, and issue corpora e bonds based on he financing needs of he Company and he marke condi ion. Through various funding me hods, we will fur her op imize he financial s ruc ure of he Company, es ablish a capi al pool for group companies, improve he capi al managemen of he Company, increase he re urn on idle funds hrough marke iza ion, and perform accep ance and paymen work of principal and in eres s of issued bonds and deb , in order o ensure he s able use of funds of he Company.

Leveraging on he exis ing indus rial edges of he Company, we will vigorously expand he inves men in he main business, especially in he municipal gas and environmen al con rol and managemen segmen s. We will in egra e domes ic and overseas resources, and selec he main business inves men af er having fully considered he mu ual benefi s arising from he in er-rela ionship be ween he region, indus rial s ruc ure and segmen s of projec s, in order o fur her enhance he core compe i iveness of he Company.

In 2018, he Company will fur her enhance i s momen um for sus ainable developmen of he Company, and op imize and improve he managemen sys em, in order o ensure ha i can mee he high regula ory requiremen s of China and Hong Kong and he high requiremen s for corpora e governance. The Company will insis on innova ion, develop s eadily, and bring re urns o he shareholders and he socie y wi h sa isfac ory opera ing resul s.

The de ails of he resolu ion on he es ima ed ordinary rela ed par y/connec ed ransac ions of he Group for he year 2018 are as follows:

Pursuan o he relevan provisions of he Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange and he Guidelines for he Implemen a ion of Rela ed Par y Transac ions of Companies Lis ed on he Shanghai S ock Exchange (《上海證券交易所上市公司關聯交易實施指引》), and aken in o considera ion of he opera ing requiremen s of he Company, he es ima ed ordinary rela ed par y ransac ions of he Company and i s subsidiaries from he da e on ws-247.n47.8(ws-)-247.8(da 7.9(esolu ion)-449.8(da i247.8(fr)sidera i.9(esold4

Rela ed/connec ed par y one – Shanghai Gas (Group) Co., L d.

1. Company name: Shanghai Gas (Group) Co., L d.

2. Na ure of company: S a e-owned en erprise

3. Legal represen a ive: Wang Zhehong (王者洪)

4. Regis ered capi al: RMB4,200 million

5. Subs an ial shareholder(s) and his ory: The company was join ly es ablished by Shenergy (Group) Company Limi ed (申能(集團)有限公司) and Shanghai Municipal Cons ruc ion, Inves men and Developmen Company (上海市城市建設投資開發總公司) by he end of 2003 and is curren ly a wholly-owned subsidiary of Shenergy (Group) Company Limi ed.

6. Main business: Inves men , cons ruc ion, opera ion and managemen of na ural gas pipeline ne work and i s dis ribu ion facili ies (including he Wes –Eas Gas Pipeline), and inves men , ransforma ion and managemen of gas pipelines and gas produc ion en erprises. Da e of es ablishmen : 12 February 2004

7. Address: 159 Hongjing Road, Shanghai

8. Major financial da a for 2017: To al asse s of RMB24,873 million, ne asse s of RMB10,840 million, revenue from main business of RMB21,531 million, and ne profi a ribu able o paren company of RMB697.8 million (all of which are unaudi ed da a).

Rela ed/connec ed par y wo – Shanghai Dazhong Building Co., L d.

1. Company name: Shanghai Dazhong Building Co., L d.

2. Na ure of company: Limi ed liabili y company

3. Legal represen a ive: Zhang Jing (張靜)

4. Regis ered capi al: RMB200 million

5. Subs an ial shareholder(s): A wholly-owned subsidiary of Dazhong Transpor a ion (Group) Co., L d.

6. Main business: Accommoda ion, self-owned premise leasing, conference services, e c.. Da e of es ablishmen : 17 Oc ober 1995

7. Address: 1515 Zhongshan Wes Road, Shanghai

8. Major financial da a for 2017: To al asse s of RMB265,399,800, ne asse s of RMB248,321,500, revenue from main business of RMB41,830,300, and ne profi of RMB9,022,200 (all of which are unaudi ed da a).

(II) As Shanghai Gas (Group) Co., L d. is a shareholder of he Company and holds 5.21% of he shares of he Company, pursuan o he relevan provisions of he Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange, he purchase of na ural gas business and lease of office premises of Shanghai Dazhong Gas Co., L d. (" ") from Gas Group, he second larges shareholder of he Company, and he purchase of LNG business of Nan ong Dazhong Gas from Gas Group cons i u e ordinary rela ed par y/connec ed ransac ions.

As Shanghai Dazhong Building Co., L d. is a wholly-owned subsidiary of Dazhong Transpor a ion (Group) Co., L d. and Mr. Yang Guoping, being he Chairman of he Company, Mr. Liang Jiawei, being a Direc or, and Ms. Zhao Siyuan, being a Supervisor, are also direc ors of Dazhong Transpor a ion (Group) Co., L d., and he Company is he larges shareholder of Dazhong Transpor a ion (Group) Co., L d., pursuan o he relevan provisions of he Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange, he lease of office premises be ween he Company and i s subsidiaries and Dazhong Building cons i u es an ordinary rela ed par y/connec ed ransac ion.

(III) Dazhong Gas and Nan ong Dazhong Gas purchase na ural gas and LNG business from Gas Group, and Dazhong Gas leases office premises from Gas Group. The lease of office premises of he Company and i s subsidiaries from Dazhong Building is for normal produc ion and opera ion requiremen s. The ordinary rela ed par y ransac ion has been under aken on normal basis.

1. Due o business requiremen s, Dazhong Gas and Nan ong Dazhong Gas have o purchase na ural gas from Gas Group every year. The par ies o he rela ed par y/connec ed ransac ions will de ermine he purchase and sale prices in accordance wi h he relevan regula ions of he s a e and guidance of governmen au hori ies. I is proposed o he AGM o gran approval o he Board o au horize he managemen of he wo companies o be specifically responsible for relevan works such as he measuremen of gas volume, audi of amoun and signing of agreemen s.

2. Due o office opera ion requiremen s, Dazhong Gas has o lease office premises from Gas Group every year. The par ies o he rela ed par y/connec ed ransac ion shall de ermine he ren in accordance wi h marke fair value.

3. Due o office opera ion requiremen s, he Company and i s subsidiaries have o lease office premises from Shanghai Dazhong Building Co., L d. every year. The par ies o he rela ed par y/connec ed ransac ions shall de ermine he ren in accordance wi h marke fair value.

The above ordinary rela ed par y/connec ed ransac ions are: (1) he purchase of na ural gas and LNG business of Dazhong Gas and Nan ong Dazhong Gas from Gas Group, of which he ransac ion subjec and pricing principle for ransac ion have already been de ermined in he previous year, wi h only changes in purchase volume and o al ransac ion amoun ; (2) he lease of office premises of Dazhong Gas from Gas Group, of which bo h par ies de ermine he ren in accordance wi h marke fair value; and (3) he lease of office premises of he Company and i s subsidiaries from Dazhong Building, of which bo h par ies de ermine he ren in accordance wi h marke fair value. The above ransac ions are all under aken for normal produc ion and opera ion requiremen s. Through he above ordinary rela ed par y/connec ed ransac ions, he sus ainable and s able produc ion and opera ion of he Company and i s subsidiaries and Dazhong Gas and Nan ong Dazhong Gas can be assured.

The de ails of he resolu ion on he applica ion of bank credi facili ies of he Company of 2018 are as follows:

Pursuan o he relevan provisions of he Rules Governing he Lis ing of S ocks on he Shanghai S ock Exchange and he Ar icles of Associa ion, in order o mee he capi al requiremen s for business developmen of he Company in 2018, he Company and i s subsidiaries plan o apply for composi e credi facili ies in a o al amoun of no more han RMB16 billion (foreign currency ransla ion inclusive) from banks and o her financial ins i u ions in 2018. The final amoun of credi facili ies shall be he ac ual amoun approved by all financial ins i u ions. The validi y period shall begin from he da e on which he resolu ion is considered and approved a he 2017 AGM o he da e on which he 2018 annual general mee ing of he Company is held.

The ypes of composi e credi facili ies include, bu are no limi ed o, shor - erm working capi al loans, medium and long- erm borrowings, bank accep ance bills, guaran ees, le ers of credi and mor gage loans. Condi ions such as specific credi limi s, erms, in eres ra es and guaran ee me hods shall be s a ed in he final con rac or

Pursuan o he relevan provisions of he Company Law of he People's Republic of China and he No ice on he Regula ion of Ex ernal Guaran ees by Lis ed Companies (CSRC [2005] No. 120) join ly issued by he China Securi ies Regula ory Commission and China Banking Regula ory Commission, aken in o considera ion of he asse posi ion of he Company as a he end of 2017 and he ac ual requiremen s for opera ion in 2018 and he fu ure developmen of all con rolled subsidiaries, following he principle of "reasonable alloca ion and effec ive use", he Company's provision of guaran ee for i s con rolled subsidiaries wi h respec o heir ex ernal financing in 2018 is as follows:

1. In 2018, he Company will provide guaran ees for he financing businesses of con rolled subsidiaries of he Company, namely Shanghai Dazhong Municipal Developmen Co., L d. (上海大眾市政發展有限公司), Shanghai Xiangyin Road Tunnel Cons ruc ion Developmen Co., L d. (上海翔殷路隧道建設發展有限公司), Shanghai Dazhong Environmen Indus ry Co., L d. (上海大眾環境產業有限公司), Shanghai Dazhong Jiading Sewage Co., L d. (上海大眾嘉定污水處理有限公司), Hangzhou Xiaoshan Qian ang Sewage Co., L d. (杭州蕭山錢塘污水處理有限公司), Jiangsu Dazhong Wa er Group Co., L d. (江蘇大眾水務集團有限公司), Xuzhou Foun ainhead Sewage Co., L d. (徐州源泉污水處理有限公司), Peixian Foun ainhead Wa er Opera ion Co., L d. (沛縣源泉水務運營有限公司), Lianyungang Wes Lake Sewage Co., L d. (連雲港西湖污水處理有限公司), Pizhou Foun ainhead Wa er Opera ion Co., L d. (邳州源泉水務運營有限公司), Xuzhou Dazhong Wa er Opera ion Co., L d. (徐州大眾水務運營有限公司), Xuzhou Jiawang Dazhong Wa er Opera ion Co., L d. (徐州市賈汪大眾水務運營有限公司), Shanghai Dazhong Gas Co., L d. (上海大眾燃氣有限公司), Shanghai Dazhong Gas Inves men Developing Co., L d. (上海大眾燃氣投資發展有限公司), Nan ong Dazhong Gas Co., L d. (南通大眾燃氣有限公司), Shanghai Dazhong Group Capi al Equi y Inves men Co., L d. (上海大眾集團資本股權投資有限公司), Shanghai Dazhong Asse s Managemen Co., L d. (上海大眾資產管理有限公司), Shanghai Dazhong Financial Leasing Co., L d. (上海大眾融資租賃有限公司), Shanghai Dazhong Transpor a ion Commerce Co., L d. (上海大眾交通商務有限公司), Shanghai Zhonggong Informa ion Service Co., L d. (上海眾貢信息服務有限公司), Dazhong (Hong Kong) In erna ional Corpora ion Limi ed (大眾(香港)國際有限公司), Dazhong (Vie nam) In erna ional Co., L d. (大眾(越南)國際有限公司), Fre um Cons ruc ion & Engineering En erprise Limi ed, Galaxy Building & Developmen Corpora ion Limi ed, Ace Bes Inves ing Managemen Corpora ion Limi ed, In ers ellar Capi al Inves men CO., Limi ed and Allpay (In erna ional) Finance Service Corpora ion Limi ed, and new con rolled subsidiaries during he year, wi h a maximum o al guaran ee amoun of RMB8 billion (foreign currency ransla ion inclusive) and maximum guaran ee balance of RMB4 billion (foreign currency ransla ion inclusive). The da e and place of signing of guaran ee agreemen are de ermined in accordance wi h he requiremen s of he guaran eed par y.

2. As he agreemen has no ye been signed, he above approved limi of guaran ee is only an es ima e of he Company. The major erms of he specific guaran ee agreemen are join ly de ermined by he Company and he subsidiaries guaran eed and he bank.

Where he guaran or is he same par y, i may adjus he guaran ee of he guaran eed par y as s ipula ed in he guaran ee proposal wi hin he o al amoun of guaran ee.

Where he guaran or is he same par y, i may provide guaran ee o par ies o her han he guaran eed par y as s ipula ed in he guaran ee proposal wi hin he o al guaran ee amoun for wholly-owned and con rolled subsidiaries whose gearing ra io does no exceed 70%. The guaran ees of Shanghai Dazhong Financial Leasing Co., L d., Shanghai Dazhong Jiading Sewage Co., L d. and Dazhong (Hong Kong) In erna ional Corpora ion Limi ed are no subjec o he res ric ion of no exceeding 70% of gearing ra io of he paragraph.

The above limi adjus men can be carried ou be ween wholly-owned subsidiaries or con rolled subsidiaries. The guaran ee amoun of he Company can be adjus ed be ween wholly-owned subsidiaries and con rolled subsidiaries.

1. Company name: Shanghai Dazhong Municipal Developmen Co., L d.

2. Regis ered address: Room 2122, 29 Kangshi Road, Kangqiao Town, Pudong New Area, Shanghai

3. Legal represen a ive: Jin Bo (金波)

4. Business scope: Inves men in municipal infras ruc ure projec s such as various urban roads, highways, unnels, bridges, airpor runways, and he relevan ancillary facili ies.

5. As of 31 December 2017: To al asse s of RMB163,724,100, o al curren liabili ies of RMB107,600, o al liabili ies of RMB107,600, ne asse s of RMB163,616,400, opera ing revenue of nil, and ne profi of RMB17,204,200.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Wholly-owned subsidiary

1. Company name: Shanghai Xiangyin Road Tunnel Cons ruc ion Developmen Co., L d.

2. Regis ered address: Room 2120, 29 Kangshi Road, Kangqiao Town, Pudong New Area, Shanghai

3. Legal represen a ive: Jin Bo (金波)

4. Business scope: Developmen of relevan indus ries for unnels and opera ion of unnels.

5. As of 31 December 2017: To al asse s of RMB677,423,200, o al long- erm borrowings due wi hin one year of RMB14,550,000, o al curren liabili ies of RMB247,360,700, o al long- erm borrowings of RMB113,450,000, o al liabili ies of RMB360,810,700, ne asse s of RMB316,612,500, opera ing revenue of RMB21,491,300, and ne profi of RMB12,758,800.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Con rolled subsidiary

1. Company name: Shanghai Dazhong Environmen Indus ry Co., L d.

2. Regis ered address: Room 2121, 29 Kangshi Road, Kangqiao Town, Pudong New Area, Shanghai

3. Legal represen a ive: Yang Weibiao (楊衛標)

4. Business scope: Inves men in urban ap wa er supply and sewage rea men projec s, inves men in infras ruc ure of solid was e rea men projec s, e c.

5. As of 31 December 2017: To al asse s of RMB503,218,600, o al curren liabili ies of RMB19,533,100, o al liabili ies of RMB19,533,100, ne asse s of RMB483,685,500, opera ing revenue of RMB2,910,500, and ne profi of RMB81,515,700.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Con rolled subsidiary

1. Company name: Shanghai Dazhong Jiading Sewage Co., L d.

2. Regis ered address: 1720 Jialuo Road, Jiading Dis ric , Shanghai

3. Legal represen a ive: Yang Weibiao (楊衛標)

1. Company name: Jiangsu Dazhong Wa er Group Co., L d.

1. Company name: Xuzhou Dazhong Wa er Opera ion Co., L d.

2. Regis ered address: Sanbahe Sewage Trea men Plan , Qiaojiahu Village, Xuzhou

3. Legal represen a ive: Lv Xuanhui (吕宣惠)

4. Business scope: Collec ion, rea men and deep purifica ion of sewage, opera ion services for sewage rea men and recycling of sewage, developmen , ransfer, consul a ion and services of environmen al pro ec ion echnology.

1. Company name: Pizhou Foun ainhead Wa er Opera ion Co., L d.

2. Regis ered address: 500 me ers eas of Zhendong Village, Yunhe Town, Pizhou

3. Legal represen a ive: Lv Xuanhui (呂宣惠)

4. Business scope: Sewage rea men and opera ion.

5. As of 31 December 2017: To al asse s of RMB60,488,200, o al curren liabili ies of RMB12,115,500, o al liabili ies of RMB21,721,600, ne asse s of RMB38,766,500, opera ing revenue of RMB15,062,600, and ne profi of RMB6,529,000.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: Shanghai Dazhong Gas Co., L d.

2. Regis ered address: 309 Fushan Road, China (Shanghai) Pilo Free Trade Zone

3. Legal represen a ive: Yang Guoping (楊國平)

4. Business scope: planning, design and cons ruc ion of gas, na ural gas, gas me ers, gas equipmen appliances, gas ki chen equipmen , gas dis ribu ion and gas projec s, cons ruc ion of municipal public cons ruc ion projec s, professional cons ruc ion of pipeline cons ruc ion projec s.

5. As of 31 December 2017: To al asse s of RMB4,347,590,100, o al shor - erm borrowings of RMB300,000,000, o al curren liabili ies of RMB2,545,828,700, o al liabili ies of RMB3,160,566,300, ne asse s of RMB1,187,023,800, opera ing revenue of RMB3,629,696,000, and ne profi of RMB79,501,200.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Con rolled subsidiary

1. Company name: Shanghai Dazhong Gas Inves men Developing Co., L d.

2. Regis ered address: Room 1226, 2575 Hunan Road, Kangqiao Town, Pudong New Area (Kangqiao)

3. Legal represen a ive: Yang Guoping (楊國平)

4. Business scope: Asse managemen , corpora e managemen , domes ic commerce, asse res ruc uring, asse cus ody and relevan business consul a ion, economic and rade informa ion consul a ion, inves men in urban public u ili ies such as gas, ranspor a ion, wa er and environmen al pro ec ion, indus rial inves men .

5. As of 31 December 2017: To al asse s of RMB142,813,100, o al curren liabili ies of RMB16,964,500, o al liabili ies of RMB16,964,500, ne asse s of RMB125,848,600, opera ing revenue of RMB383,800, and ne profi of RMB13,361,300.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Wholly-owned subsidiary

1. Company name: Nan ong Dazhong Gas Co., L d.

2. Regis ered address: 11 Baihua Road, Nan ong

3. Legal represen a ive: Zhuang Jianhao (莊建浩)

4. Business scope: Produc ion, dis ribu ion and supply of pipeline gas, supply of CNG, supply of liquefied pe roleum gas, e c.

5. As of 31 December 2017: To al asse s of RMB1,368,161,600, o al curren liabili ies of RMB401,888,400, o al liabili ies of RMB999,445,800, ne asse s of RMB368,715,800, opera ing revenue of RMB632,361,300, and ne profi of RMB53,563,600.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: Shanghai Dazhong Group Capi al Equi y Inves men Co., L d.

2. Regis ered address: Room 24A01, 518 Shangcheng Road, Pudong New Area, Shanghai

3. Legal represen a ive: Yang Guoping (楊國平)

4. Business scope: Equi y inves men , equi y inves men managemen , inves men consul a ion, indus rial inves men , asse managemen .

5. As of 31 December 2017: To al asse s of RMB598,036,700, o al curren liabili ies of RMB20,002,400, o al liabili ies of RMB21,987,800, ne asse s of RMB576,048,900, opera ing revenue of nil, and ne profi of RMB42,733,000.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Con rolled subsidiary

1. Company name: Shanghai Dazhong Asse s Managemen Co., L d.

2. Regis ered address: Room 90h–s,m7n8era in8 90h–s16990h–s4.2(T8(aiguess:)-513(Roas

3. Legal represen a ive: Yang Guoping 楊國平)4. Busines0811.7(scop47290.1(Anes0811.8(manage

1. Company name: Shanghai Dazhong Financial Leasing Co., L d.

2. Regis ered address: Room 604, Building A, 169 Taigu Road, China (Shanghai) Pilo Free Trade Zone

3. Legal represen a ive: Yang Guoping (楊國平)

4. Business scope: Financial leasing business, leasing business, purchase of domes ic and overseas leased proper y, rea men and main enance of residual value of leased proper y, consul a ion and provision of guaran ee for leasing ransac ions, engagemen in commercial fac oring business in rela ion o i s main business.

5. As of 31 December 2017: To al asse s of RMB1,901,876,900, o al long- erm borrowings due wi hin one year of RMB495,937,600, o al curren liabili ies of RMB609,313,000, o al long- erm borrowings of RMB566,899,300, o al liabili ies of RMB1,364,249,900, ne asse s of RMB537,627,000, opera ing revenue of RMB86,602,500, and ne profi of RMB30,246,800.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Con rolled subsidiary

1. Company name: Shanghai Dazhong Transpor a ion Commerce Co., L d.

2. Regis ered address: Room 1112, 1515 Zhongshan Wes Road, Xuhui Dis ric , Shanghai

3. Legal represen a ive: Zhao Siyuan (趙思淵)

4. Business scope: Provision of corpora e managemen consul a ion and planning and business informa ion consul a ion hrough he membership card sys em of he group, provision of a varie y of managemen , planning, consul a ion and agen services in rela ion o employee benefi s o uni s of he en erprise hrough he employee service card sys em, e c.

5. As of 31 December 2017: To al asse s of RMB146,200,200, o al curren liabili ies of RMB46,882,800, o al liabili ies of RMB46,882,800, ne asse s of RMB99,317,400, opera ing revenue of RMB4,836,900, and ne profi of RMB337,700.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Wholly-owned subsidiary

1. Company name: Shanghai Zhonggong Informa ion Service Co., L d.

2. Regis ered address: Room A1-5932, 58 Fuminzhi Road, Hengsha Township, Chongming Coun y, Shanghai (Shanghai Heng ai Economic Developmen Zone)

3. Legal represen a ive: Chen Jiami (陳佳敉)

4. Business scope: Business consul a ion, business managemen consul a ion, marke ing planning, corpora e image planning, exhibi ion services, financial consul a ion, ransla ion services, marke informa ion consul a ion and survey, e c.

5. As of 31 December 2017: To al asse s of RMB53,941,700, o al curren liabili ies of RMB44,158,400, o al liabili ies of RMB44,158,400, ne asse s of RMB9,783,300, opera ing revenue of RMB688,700, and ne profi of RMB-137,300.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Wholly-owned subsidiary

1. Company name: Dazhong (Hong Kong) In erna ional Corpora ion Limi ed

2. Regis ered address: Room 8204B, 82/F, In erna ional Commerce Cen re, 1 Aus in Road Wes , Kowloon, Hong Kong

3. Business scope: Passenger ranspor a ion services of ren al cars, business and inves men in rela ion o freigh ranspor .

4. As of 31 December 2017: To al asse s of USD294,633,800, o al shor - erm borrowings of USD30,500,000, o al curren liabili ies of USD185,446,100, o al liabili ies of USD185,446,100, ne asse s of USD109,187,700, opera ing revenue of nil, and ne profi of USD-1,945,000.

5. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Con rolled subsidiary

1. Company name: Fre um Cons ruc ion & Engineering En erprise Limi ed

2. Regis ered address: Room 8204B, 82/F, In erna ional Commerce Cen re, 1 Aus in Road Wes , Kowloon, Hong Kong

3. As of 31 December 2017: To al asse s of USD92,709,000, o al curren liabili ies of USD17,481,000, o al liabili ies of USD17,481,000, ne asse s of USD75,228,100, opera ing revenue of nil, and ne profi of USD867,000.

4. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: Galaxy Building & Developmen Corpora ion Limi ed

2. Regis ered address: Room 8204B, 82/F, In erna ional Commerce Cen re, 1 Aus in Road Wes , Kowloon, Hong Kong

3. As of 31 December 2017: To al asse s of USD3,652,100, o al curren liabili ies of USD12,900, o al liabili ies of USD12,900, ne asse s of USD3,639,200, opera ing revenue of nil, and ne profi of USD18,600.

4. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: Ace Bes Inves ing Managemen Corpora ion Limi ed

2. Regis ered address: Room 8204B, 82/F, In erna ional Commerce Cen re, 1 Aus in Road Wes , Kowloon, Hong Kong

3. As of 31 December 2017: To al asse s of USD4,995,800, o al curren liabili ies of nil, o al liabili ies of nil, ne asse s of USD4,995,800, opera ing revenue of nil, and ne profi of USD-1,200.

4. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: In ers ellar Capi al Inves men Co., Limi ed

2. Regis ered address: Room 8204B, 82/F, In erna ional Commerce Cen re, 1 Aus in Road Wes , Kowloon, Hong Kong

3. As of 31 December 2017: To al asse s of RMB386,185,700, o al curren liabili ies of RMB83,600, o al liabili ies of RMB83,600, ne asse s of RMB386,102,100, opera ing revenue of nil, and ne profi of RMB-60,600.

4. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: Allpay (In erna ional) Finance Service Corpora ion Limi ed

2. Regis ered address: Room 8204B, 82/F, In erna ional Commerce Cen re, 1 Aus in Road Wes , Kowloon, Hong Kong

3. As of 31 December 2017: To al asse s of USD6,603,300, o al curren liabili ies of nil, o al liabili ies of nil, ne asse s of USD6,603,300, opera ing revenue of nil, and ne profi of USD-145,200.

4. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

1. Company name: Dazhong (Vie nam) In erna ional Co., L d.

2. Regis ered address: Ho Chi Minh Ci y, Vie nam

3. Legal represen a ive: Zhuang Ziguo (莊自國)

4. Business scope: Managemen consul a ion.

5. As of 31 December 2017: To al asse s of nil, o al curren liabili ies of nil, o al liabili ies of nil, ne asse s of nil, opera ing revenue of nil, and ne profi of nil.

6. Associa ed rela ionship or o her rela ionships wi h he lis ed company: Subsidiary of a con rolled subsidiary

The above guaran eed par ies are no shareholders, de fac o con rollers and rela ed par ies of shareholders and con rolled subsidiaries and affilia es of rela ed par ies of he lis ed company, and are no individuals.

The Company provides credi guaran ees for i s con rolled subsidiaries, and he erm and amoun of which are de ermined in accordance wi h he business requiremen s of he guaran eed par y.

The de ails of he resolu ion on he proposal for he Company and i s subsidiaries o use idle funds for en rus ed financing in 2018 are as follows:

In order o enhance he efficiency of and re urn on cash asse s, i is proposed o he general mee ing o gran approval o he Board o au horize he managemen of he Company o use i s idle funds o en rus financial ins i u ions such as commercial banks, rus companies, securi ies companies, fund companies, insurance companies and asse managemen companies for en rus ed financing wi h a maximum balance of RMB5.0 billion (foreign currency ransla ion inclusive) per day on he premises of assuring he

The Company has es ablished sound procedures for he considera ion and approval and implemen a ion of he use of funds o ensure he effec ive applica ion and regula ed use of funds. During he period of en rus ed financing, he Company will main ain close con ac wi h he rus ee of en rus ed financing and imely rack he opera ion of he financing funds. If any risk fac ors ha may affec he securi y of funds of he Company are iden ified, appropria e measures shall be adop ed in ime o con rol inves men risks.

Meanwhile, in accordance wi h he relevan requiremen s of he China Securi ies Regula ory Commission and Shanghai S ock Exchange, he Company will disclose he condi ion of en rus ed financing produc s during he repor ing period in i s periodic repor .

The de ails of he resolu ion on he appoin men of he overseas audi firm for he Company for he year 2018 are as follows:

As he overseas audi firm appoin ed by he Company for he year 2017, BDO Limi ed, in he course of audi on he Company, diligen ly fulfilled i s du ies, adhered o he independen , objec ive and fair prac ice s andards, and comple ed he annual audi work. In 2017, he service fee for audi business paid by he Company o BDO Limi ed amoun ed o HK$1.2 million.

In order o ensure he con inui y and s abili y of ex ernal audi work of he Company, as considered and approved in he fif h mee ing of he en h session of he Board, he Company proposes o re-appoin BDO Limi ed as he overseas audi firm for he Company for he year 2018. The erm of appoin men shall be one year, and audi fees shall be paid in accordance wi h he s andard paid schedule.

The proposed regis ra ion and issuance of shor - erm commercial papers of no

Proceeds raised are mainly used o supplemen he working capi al of he Company, repay borrowings from financial ins i u ions, and use in o her purposes which are recognized by he Na ional Associa ion of Financial Marke Ins i u ional Inves ors of he PRC.

The principal underwri er and he join principal underwri ers shall underwri e he shor - erm commercial papers which have no been subscribed by underwri ing.

The shor - erm commercial papers are o be issued in he in erbank bond marke of he PRC publicly by forming a underwri ing group hrough book-building and placemen cen raliza ion.

The o al amoun of he issuance of he super shor - erm commercial papers shall no be more han RMB2 billion (inclusive). I complies wi h he relevan requiremen in he "Guidelines on he Issuance of Non-financial En erprises Super Shor Commercial Papers in he In erbank Bond Marke (Trial)".

The longes exis ing erm of he single issuance of he super shor - erm commercial papers shall no exceed 270 days (inclusive).

I will be issued by ins allmen s in a imely manner wi hin he validi y period of he regis ra ion of he Na ional Associa ion of Financial Marke Ins i u ional Inves ors of he PRC.

The ra e of issuance is o be de ermined by nego ia ion be ween he Company and he underwri ers based on he effec ive erm of issuance wi h reference o he guidance price of he super shor - erm commercial papers promulga ed by he Na ional Associa ion of Financial Marke Ins i u ional Inves ors of he PRC upon issuance.

Targe subscribers of he super shor - erm commercial papers are ins i u ional inves ors in he in erbank marke of he PRC (excluding hose in respec of which subscrip ion has been prohibi ed under na ional laws and regula ions).

Proceeds raised are mainly used o supplemen he working capi al of he Company, repay borrowings from financial ins i u ions, and use in o her purposes which are recognized by he Na ional Associa ion of Financial Marke Ins i u ional Inves ors of he PRC.

The principal underwri er and he join principal underwri ers shall underwri e he super shor - erm commercial papers which have no been subscribed by underwri ing.

The super shor - erm commercial papers are o be issued in he in erbank bond marke of he PRC publicly by forming a underwri ing group hrough book-building and placemen cen raliza ion.

Af er he proposed issuance of shor - erm commercial papers and super shor - erm commercial papers has been considered and approved in he 2017 AGM of he Company, he relevan resolu ions will con inue o be valid during he validi y period of he regis ra ion ( wo years).

z

To seize a be er occasion for he issuance so as o enhance he efficiency of financing, i is proposed o he AGM o gran approval o he Board o au horise he managemen o proceed o, among o hers, he following under he requiremen s of relevan rules and regula ions and he opinions of he compe en au hori ies:

(1) de ermine he ime, he quo a, he way and he ra e of issuance of shor - erm and super shor - erm commercial papers, and engage relevan in ermediaries wi h reference o he Company's requiremen s and he marke condi ions;

(2) comple e necessary procedures, including bu no limi ed o, he procedures in rela ion o regis ra ion, issuance and rading;

(3) sign he required documen s, including bu no limi ed o, he applica ion form of issuance, he prospec us, he underwri ing agrery a3, docuof

The proposed regis ra ion and issuance of mid- erm no es ( he " ") of no more han RMB1,500 million ( he " ") has been approved in he fif h mee ing of he en h session of he Board held on 29 March 2018.

To open up more financing channels, op imise he finance s ruc ure, lower he finance cos s, preven capi al risks and sa isfy he capi al requiremen s for he developmen of he Company, he Company proposed o apply for regis ra ion and issuance of Mid- erm No es from he Na ional Associa ion of Financial Marke Ins i u ional Inves ors of he PRC. De ails of he Proposed Issuance are as follows:

**1**

The size of such regis ra ion and issuance of Mid- erm No es shall no be more han RMB1,500 million (inclusive), and he de ails of he size of issuance are o be de ermined wi hin he above scope wi h reference o he capi al requiremen s of he Company and he marke condi ions upon issuance;

The erm of single issue shall no exceed five years (inclusive), and he de ails of he erm of issuance are o be de ermined wi h reference o he capi al requiremen s of he Company and he marke condi ions;

Proceeds raised shall be used in compliance wi h he requiremen s of relevan regula ions and he regula ory au hori ies, and be used o, among o hers, suppor liquidi y, repay borrowings from financial ins i u ions, se le he credi bonds ma ured, and fund he capi al requiremen s of projec s;

The ra e of issuance is o be de ermined by nego ia ion be ween he Company and he underwri ers based on he effec ive erm of issuance wi h reference o he guidance price of he mid- erm no es promulga ed by he Na ional Associa ion of Financial Marke Ins i u ional Inves ors of he PRC upon issuance;

Targe subscribers of such issuance of Mid- erm No es are ins i u ional inves ors in he in erbank marke of he PRC (excluding hose in respec of which subscrip ion has been prohibi ed under na ional laws and regula ions);

The Mid- erm No es are o be issued in single or mul iple ranches wi hin he regis ered amoun during he period of validi y, and he de ails of he way of issuance shall be de ermined wi h reference o he marke condi ions and he capi al requiremen s of he Company;

The principal underwri er and he join principal underwri ers shall underwri e he Mid- erm No es which have no been subscribed by underwri ing;

**Z**

To seize a be er occasion for he issuance so as o enhance he efficiency of financing, i is proposed o he AGM o gran approval o he Board o au horise he managemen o proceed o, among o hers, he following under he requiremen s of relevan rules and regula ions and he opinions of he compe en au hori ies:

(1) de ermine he ime, he quo a, he way and he ra e of issuance of mid- erm no es, and engage relevan in ermediaries wi h reference o he Company's financial requiremen s and he marke condi ions;

(2) comple e necessary procedures, including, bu no limi ed o, he procedures in rela ion o regis ra ion, issuance and rading;

(3) sign he required documen s, including bu no limi ed o, he applica ion form of issuance, he prospec us, he underwri ing agreemen , and documen s in rela ion o disclosure of relevan informa ion pursuan o applicable regula ory rules.

The resolu ion on he issuance of mid- erm no es shall be valid wi hin wo years from he da e on which i is considered and approved a he 2017 AGM. The manda e shall be valid from he da e on which i is considered and approved a he 2017 AGM o he da e of comple ion of he above au horiza ion ma ers.

The de ails of he resolu ion on he adjus men of independen Direc ors' (independen non-execu ive Direc ors') allowance of he Group are as follows:

In accordance o he relevan provisions of he Guidelines for he In roduc ion of Independen Direc ors in o Lis ed Companies (《關於在上市公司建立獨立董事制度的指導意見》) of he China Securi ies Regula ory Commission and he Ar icles of Associa ion, as he independen Direc ors of he Company diligen ly fulfilled heir du ies and con ribu ed o he sus ainable and heal hy developmen of he Company, aking considera ion in o he curren ac ual si ua ion of he Company and he economic developmen of he indus ry and regions, as considered and approved in he fif h mee ing of he en h session of he Board of he Company, he Company proposes o adjus he annual allowance s andard of independen Direc ors of he Ten h session of he Board of he Company from RMB0.10 million (before ax) per person o RMB0.15 million (before ax) per person. This independen Direc ors' allowance s andard shall be implemen ed af er considera ion and approval a he 2017 AGM.

Pursuan o he requiremen s under relevan documen s such as he Opinions of he General Office of he S a e Council on Accelera ing he "Combina ion of Three Licenses in o One" Regis ra ion Sys em Reform (Guo Ban Fa [2015] No. 50) and he No ice of Six Depar men s including he S a e Adminis ra ion for Indus ry and Commerce on Implemen ing he Opinions of he General Office of he S a e Council on Accelera ing he "Combina ion of Three Licenses in o One" Regis ra ion Sys em Reform (Gong Shang Qi Zhu Zi [2015] No. 121), Shanghai Dazhong Public U ili ies (Group) Co., L d. ( he " ") comple ed he "Combina ion of Three Licenses in o One" procedures for change on indus rial and commercial regis ra ion for i s original business license (regis ra ion number: 310000000008037), original ax regis ra ion cer ifica e ( ax number: 310115132208778) and original organiza ion code cer ifica e (code: 13220877-8), and ob ained a new indus rial and commercial business license. The unified social credi code of he Company is 91310000132208778G.

In accordance wi h he resolu ion on amendmen s on he Ar icles of Associa ion of he Company and he change on indus rial and commercial regis ra ion considered and approved in he fif h mee ing of he en h session of he Board of he Company, he Company made he following amendmen s o he Ar icles of Associa ion of Shanghai Dazhong Public U ili ies (Group) Co., L d.:

| | |
|---|---|
| The Company is a limi ed liabili y company by shares es ablished in accordance wi h he Company Law, he Regula ions of he People's Republic of China on Company Regis ra ion, he Special Regula ions and o her relevan regula ions ( he " "). | The Company is a limi ed liabili y company by shares es ablished in accordance wi h he Company Law, he Regula ions of he People's Republic of China on Company Regis ra ion, he Special Regula ions and o her relevan regula ions ( he " "). |
| The Company was approved by documen Hufuban [1991] No. 105 of he General Office of Shanghai Municipal People's Governmen and was incorpora ed by public subscrip ion on 4 Sep ember 1991; i regis ered wi h he Shanghai Adminis ra ion for Indus ry and Commerce and ob ained a business license on 1 January 1992. Pursuan o he relevan provisions, he Company has been s andardized in accordance wi h he Company Laws and fulfilled he re-regis ra ion procedure according o he law. | The Company was approved by documen Hufuban [1991] No. 105 of he General Office of Shanghai Municipal People's Governmen and was incorpora ed by public subscrip ion on 4 Sep ember 1991; i regis ered wi h he Shanghai Adminis ra ion for Indus ry and Commerce and ob ained a business license on 1 January 1992. Pursuan o he relevan provisions, he Company has been s andardized in accordance wi h he Company Laws and fulfilled he re-regis ra ion procedure according o he law. |

| | |
|---|---|
| The Business License of he Company: 310000000008037 | _____ of he Company: _____ |
| The promo ers of he Company: Shanghai Dazhong Taxi Company, Shanghai Coalgas Company, Bank of Communica ions, Shanghai Pudong Branch and Shanghai Shenhua Elec rician Union Company. | The promo ers of he Company: Shanghai Dazhong Taxi Company, Shanghai Coalgas Company, Bank of Communica ions, Shanghai Pudong Branch and Shanghai Shenhua Elec rician Union Company. |
| The business scope of he Company as legally regis ered is: indus rial inves men , domes ic business (excep for special examina ion and approval requiremen s), asse res ruc uring, mergers and acquisi ions and rela ed business consul ing, wi h affilia ed branch (licensed opera ions wi h opera ing licenses). | The business scope of he Company as legally regis ered is: _____ _____ _____ _____ _____ indus rial inves men , domes ic business (excep for special examina ion and approval requiremen s), asse res ruc uring, mergers and acquisi ions and rela ed business consul ing, wi h affilia ed branch (licensed opera ions wi h opera ing licenses). |

The Board of he Company proposes o he general mee ing o gran approval o he Board o au horize he managemen o be responsible for all relevan regis ra ion procedures required for he change of he above ma ers of he Company o he indus rial and commercial regis ra ion au hori y. The above amendmen s shall have legal effec on he Company.