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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)

## OVERSEAS REGULATORY ANNOUNCEMENT ANNOUNCEMENT ON RECEIVING THE NOTIFICATION OF INVESTIGATION OF CSRC

On 24 July 2018, Shanghai Dazhong Public Utilities (Group) Co., Ltd.\* (the “Company” or “DZUG”) received the Notification of Investigation (No.: Hu Diao Cha Tong Zi No. 2018-2-023) from China Securities Regulatory Commission (“CSRC”), stating that: “As your company is suspected of being involved in short-swing trading, CSRC decided to commence an investigation on your company in accordance with relevant provisions under the Securities Law of the People’s Republic of China (“Securities Law”). Please cooperate with CSRC.”

The Company will fully cooperate with CSRC in conducting the investigation, and strictly perform its information disclosure obligation in accordance with regulatory requirements. Currently, the operations of the Company remain normal.

On 30 December 2017, Dazhong Transportation (Group) Co., Ltd.\* (大眾交通(集團)股份有限公司) (“Dazhong Transportation”), a controlling subsidiary of the Company, published announcement on Short-Swing Trading Arising From Accidental Operation in Share Increase in the Company by the Controlling Shareholder (Announcement No.: Lin 2017-049), stating that: On 27 December 2017, DZUG acquired 390,000 A shares of Dazhong Transportation by means of centralized bidding through Shanghai Stock Exchange Trading System. The average bid price was RMB4.98 per share. During the acquisition of shares of the Dazhong Transportation, DZUG accidentally make “share sale” instead of “share acquisition” due to operational error. 10,000 A shares in Dazhong Transportation were sold accidentally, with

\* For identification purposes only

average ask price of RMB4.96 per share. After deducting the 10,000 A shares accidentally sold, as at 27 December 2017, DZUG increased the shareholding of Dazhong Transportation by 380,000 A shares in Dazhong Transportation on a net basis, representing 0.0161% of total share capital of Dazhong Transportation. Based on the bid and ask prices, DZUG did not make any profit. According to requirements under Article 47 of the Securities Law and Rule 3.1.7 of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the aforementioned act constituted a short-swing trading. Upon self-inspection conducted by DZUG, the aforementioned act of DZUG was not conducted during the sensitive period in which Dazhong Transportation was disclosing its regular report. There is no circumstance in which the shares of the Dazhong Transportation was traded as a result of acknowledge of insider information, nor any intention to make profit through short-swing trading.

The Company will fulfill its obligations of information disclosure in a timely manner and will make further announcement under the applicable laws and regulations as and when necessary. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

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

Shanghai, the People's Republic of China

26 July 2018

*As at the date of this announcement, the executive directors of the Company are Mr. YANG Guoping, Mr. LIANG Jiawei, Ms. YU Min, Mr. ZHUANG Jianhao and Mr. YANG Weibiao; the non-executive directors of the Company are Mr. CHAN Wing Kin, Mr. LI Songhua and Mr. CHEUNG Yip Sang; and the independent non-executive Directors of the Company are Mr. WANG Kaiguo, Mr. YAO Cho Fai Andrew, Mr. CHOW Siu Lui, Mr. WANG Hongxiang and Mr. LIU Zhengdong.*