
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shanghai Dazhong Public Utilities (Group) Co., Ltd., you should at once hand this circular, together with the enclosed proxy form, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2025
PROFIT DISTRIBUTION PROPOSAL OF THE COMPANY FOR THE YEAR 2025
RESOLUTION ON THE ESTIMATED ONGOING ORDINARY RELATED PARTY TRANSACTIONS OF
THE COMPANY FOR THE YEAR 2026
RESOLUTION ON THE APPLICATION OF BANK CREDIT FACILITIES OF
THE COMPANY FOR THE YEAR 2026
RESOLUTION ON THE PROVISION OF GUARANTEE BY THE COMPANY FOR
CONTROLLED SUBSIDIARIES FOR THE YEAR 2026
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INTERNAL CONTROL AUDIT FIRM OF THE COMPANY FOR THE YEAR 2026
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INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE THIRTEENTH SESSION OF BOARD OF
DIRECTORS OF THE COMPANY
AND
WORK REPORT OF INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE YEAR 2025**

A letter from the Board is set out on pages 4 to 10 of this circular. A notice convening the AGM to be held at Berlin Hall, 3rd Floor, Xujiahui Center, Intercity Hotel, 1515 Zhongshan West Road, Xuhui District, Shanghai, PRC on Wednesday, 17 June, 2026 at 2:30 p.m. was published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.dzug.cn). The proxy form for use at the AGM was also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.dzug.cn).

Whether or not you are able to attend the AGM, you are reminded to complete, sign and return the proxy form in accordance with the instructions printed thereon. The form of proxy shall be lodged at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the AGM (being Tuesday, 16 June 2026 at 2:30 p.m.) or any adjournment thereof (as the case may be) in person or by mail. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM if you so wish.

* For identification purpose only

May 14, 2026

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DEFINITIONS

Unless the context otherwise requires, the following expressions in this circular shall have the following meanings:

“A Share(s)”	the domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange
“AGM” or “2025 AGM”	the annual general meeting of the Company to be held at Berlin Hall, 3rd Floor, Xujiahui Center Intercity Hotel, 1515 Zhongshan West Road, Xuhui District, Shanghai, PRC on Wednesday, 17 June 2026 at 2:30 p.m. or any follow-up meeting thereof
“Articles of Association” or “Articles”	the articles of association of the Company, as amended in 2025
“Board”	the board of Directors of the Company
“The Company” or “Company” or “Dazhong Public Utilities”	Shanghai Dazhong Public Utilities (Group) Co., Ltd, a joint stock company incorporated in the PRC with limited liability, whose H Shares (stock code: 1635. HK) and A Shares (stock code: 600635. SH) are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“Company Law”	The Company Law of the PRC as amended, supplemented or otherwise modified from time to time
“CSRC”	China Securities Regulatory Commission
“Dazhong Business Management”	Shanghai Dazhong Business Management Co., Ltd., a limited liability company incorporated in the PRC on 10 March 1995 and owned as to 90% by Shanghai Dazhong Business Management Employee Share Ownership Committee and 10% by three individual shareholders who are Independent Third Parties
“Dazhong Factoring”	Shanghai Dazhong Commercial Factoring Co., Ltd., a limited liability company incorporated in the PRC on 3 December, 2021, and wholly-owned by the Company
“Dazhong Financial Leasing”	Shanghai Dazhong Financial Leasing Co., Ltd., a limited liability company incorporated in the PRC on 19 September, 2004
“Dazhong Logistics”	Shanghai Dazhong Run Logistics Shares Co., Ltd., a limited liability company incorporated in the PRC on 19 March, 1999

DEFINITIONS

“Dazhong Transportation”	Dazhong Transportation (Group) Co., Ltd., a joint stock company with limited liability incorporated in the PRC on 6 June 1994, whose A shares (Stock Code: 600611.SH) and B shares (Stock Code: 900903.SH) have been listed on the Shanghai Stock Exchange since 7 August, 1992 and 22 July, 1992 respectively
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	8 May, 2026, i.e., the latest practicable date for determining several documents set forth in this circular before printing of this circular
“LNG”	liquefied petroleum gas
“Nantong Dazhong Gas”	Nantong Dazhong Gas Co., Ltd., a limited liability company incorporated in the PRC on 11 December, 2003
“PRC or China”	The People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan region
“Remuneration and Appraisal Committee”	the Remuneration and Appraisal Committee of the Board
“Reporting Period”	the year from 1 January 2025 to 31 December 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	Securities Law of the PRC

DEFINITIONS

“Shanghai Dazhong Gas”	Shanghai Dazhong Gas Co., Ltd. (formerly known as South Shanghai Gas Co., Ltd), a limited liability company incorporated in the PRC on 3 January, 2001
“Shanghai Gas”	Shanghai Gas Co., Ltd., a limited liability company incorporated in the PRC on 17 December, 2018, and wholly-owned by Shenergy (Group) Co., Ltd.
“Shanghai Gas Group”	Shanghai Gas (Group) Co., Ltd., a limited liability company incorporated in China on 12 February 2004
“Shanghai Stock Exchange or SSE”	the Shanghai Stock Exchange
“Share(s)”	the share(s) of the Company with a nominal value of RMB1.00 each, including A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Small and medium shareholders”	Shareholders who individually or collectively hold less than 5% of the Company’s shares and do not serve as directors or senior management personnel of the Company
“SSE Listing Rules”	Rules for listing of Stocks on the Shanghai Stock Exchange, as amended time to time
“Yuan and ten thousand Yuan and one hundred million Yuan”	RMB, RMB10 thousand, and RMB100 million

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. YANG Guoping (*Chairman of the Board*)
Mr. LIANG Jiawei (*Chief Executive Officer*)
Mr. WANG Baoping

Registered Office:

518 Shangcheng Road
Pudong New Area
Shanghai
PRC

Non-executive Directors:

Ms. ZHAO Yeqing
Mr. JIN Yongsheng

*Principal Place of Business
in Hong Kong:*

Room 8204B, 82/F
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. JIANG Guofang
Ms. LI Yingqi
Mr. LIU Feng
Mr. YANG Ping

*Principal Place of Business
in the PRC:*

10/F, Tower 1, Zhongteng Building
2121 Longteng Avenue
Shanghai
PRC

Dear Sir or Madam:

**WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2025
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LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to give you notice of the AGM and to provide you with information regarding certain ordinary resolutions to be proposed at the AGM relating to (including) the following matters to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the AGM:

At the AGM, resolutions will be proposed to approve, among others:

- (1) Work report of the Board of Directors for the year 2025;
- (2) Profit distribution proposal of the Company for the year 2025;
- (3) Resolution on the estimated ongoing ordinary related party transactions of the Company for the year 2026;
- (4) Resolution on the application for bank credit facilities of the Company for the year 2026;
- (5) Resolution on the provision of guarantee by the Company for controlled subsidiaries for the year 2026;
- (6) Resolution on the use of idle own funds for securities investment and entrusted wealth management of the Company;
- (7) Resolution on proposed registration and issuance of corporate bonds and overseas bonds by the Company;
- (8) Resolution on the re-appointment of the domestic audit firm and internal control audit firm of the Company for the year 2026;
- (9) Resolution on the re-appointment of the overseas audit firm of the Company for the year 2026;
- (10) Resolution on revising the Director and Officer Remuneration Management Policy of the Company;
- (11) Resolution on Remuneration Scheme for Directors and Officers;
- (12) Resolution on the general election of the Board of Directors and election of executive directors and non-executive directors of the thirteenth session of Board of Directors of the Company; and
- (13) Resolution on the general election of the Board of Directors and election of independent non-executive directors of the thirteenth session of Board of Directors of the Company.

The Shareholders will listen to the work report of the independent non-executive directors for the year 2025 at the AGM.

LETTER FROM THE BOARD

Details of the Resolutions

(1) Work Report of the Board of Directors for the year 2025

An ordinary resolution will be proposed at the AGM to pass the work report of the Board of Directors of the Company for the year 2025. Full text of the work report of the Board of Directors 2025 to be passed is set out in Appendix I to this circular.

(2) Profit Distribution Proposal of the Company for the year 2025

As audited by BDO China Shu Lun Pan Certified Public Accountants LLP, as of December 31, 2025, the ending undistributed profits on the parent statements of the Company amounted to RMB2,090,808,558.09. For 2025, the Company plans to distribute profits with the total share capital registered on the record date for equity distribution as the base, with the profit distribution plan as follows:

The Company plans to distribute cash dividend of RMB0.05 (tax-inclusive) per share to all shareholders. As of December 31, 2025, with the total number of 2,952,434,675 Shares in its share capital, the Company plans to distribute cash dividends of RMB147,621,733.75 (tax-inclusive) in total, accounting for 35.56% of the net profits attributable to shareholders of the Company in this year. Before the record date of equity distribution, if the Company's total share capital changes, it's proposed to maintain the total distribution amount unchanged and adjust the per-share dividend ratio accordingly, with the specific adjustments to be further announced.

The aforementioned distribution plan was considered and approved at the 14th meeting of the 12th session of the Board, to which the independent non-executive Directors have given their independent consent, and will be put forward for Shareholders' approval at the AGM as an ordinary resolution. If approved, the Company will further announce the arrangement for the distribution of the final dividend, including the record date for distribution of the dividend, the date of closure of the register of members and other relevant matters.

As at the Latest Practicable Date, no treasury shares were held by the Company (including any treasury shares held or deposited with Clearing and Settlement System). Treasury shares would not receive relevant final dividend.

An ordinary resolution will be proposed at the AGM to pass the profit distribution proposal of the Group for the year 2025. Full text of the profit distribution proposal for the year 2025 is set out in Appendix II to this circular.

For Hong Kong Stock Exchange investors investing in A-share stocks of the Company on the Shanghai Stock Exchange ("**Investors of Northbound Trading**"), according to the Individual Income Tax Law of the People's Republic of China and its implementing regulations and the Notice on Several Issues with Withholding of Enterprise Income Tax on Distribution of Dividends by Chinese Resident Enterprises to Overseas H-Share Nonresident Enterprise Shareholders (Guo Shui Han [2008] No. 897) issued by the State Taxation Administration of China on November 6, 2008, the

LETTER FROM THE BOARD

Company shall withhold income tax at a 10% rate and report withholdings to the competent tax authority. In case of tax residents of other countries among Shanghai-HK Stock Connect investors, and the taxation agreement signed between their countries of residence and China providing that the income tax rate on dividends is lower than 10%, enterprises or individuals may file an application for entitlement to taxation agreement benefits to the competent tax authority having jurisdiction over the Company either by themselves or through withholding agents, whereupon the competent tax authority will rebate taxes based on the difference between the collected taxes and payable tax calculated based on the tax rate stipulated in the taxation agreement after satisfactory review.

For Shanghai Stock Exchange investors investing in H-share stocks of the Company on Hong Kong Stock Exchange (“**Investors of Hong Kong Stock Connect**”), pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81), as to mainland Chinese individual investors, the Company shall withhold individual income tax at a 20% rate; as to mainland Chinese securities investment funds, tax will be collected by reference to individual investors; the Company will not withhold income tax on dividends with respect to mainland Chinese corporate investors, but payable taxes shall be reported and paid by companies themselves.

As to all investors investing in stocks of the Company via Shenzhen-Hong Kong Stock Connect, according to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 2017), income tax on dividends shall be paid by reference to the tax policies on Shanghai-Hong Kong Stock Connect and Hong Kong Stock Connect.

(3) Estimated Ongoing Ordinary Related Party Transactions

An ordinary resolution will be proposed at the AGM to pass the resolution on the estimated ongoing ordinary related party transactions of the Company for the year 2026, full text of which is set out in Appendix III to this circular.

(4) Bank Credit Facilities Application

An ordinary resolution will be proposed at the AGM to pass the resolution on the application for bank credit facilities of the Company and its subsidiaries, full text of which is set out in Appendix IV to this circular.

(5) Provision of Guarantee

An ordinary resolution will be proposed at the AGM to pass the resolution on the provision of guarantee for controlled subsidiaries, full text of which is set out in Appendix V to this circular.

LETTER FROM THE BOARD

(6) Use of Idle Own Funds for Securities Investment and Entrusted Wealth Management

An ordinary resolution will be proposed at the AGM to pass the resolution for the Company and its subsidiaries to use idle own funds for securities investment and entrusted wealth management, full text of which is set out in Appendix VI to this circular.

(7) Proposed Registration and Issuance of Corporate Bonds and Overseas Bond

An ordinary resolution will be proposed at the AGM to pass the resolution on the proposed registration and issuance of corporate bonds and overseas bonds of the Company, full text of which is set out in Appendix VII to this circular.

(8) Re-appointment of Domestic Audit Firm and Internal Control Audit Firm for the Company for the Year 2026

An ordinary resolution will be proposed at the AGM to pass the resolution on re-appointment of the domestic audit firm and internal control audit firm for the Company for the year 2026, full text of which is set out in Appendix VIII to this circular.

(9) Re-appointment of Overseas Audit Firm for the Company for the Year 2026

An ordinary resolution will be proposed at the AGM to pass the resolution on re-appointment of the overseas audit firm for the Company for the year 2026, full text of which is set out in Appendix IX to this circular.

(10) Resolution on Revising the Director and Officer Remuneration Management Policy of the Company

An ordinary resolution will be proposed at the AGM to pass the resolution on revising the Director and Officer Remuneration Management Policy, full text of which is set out in Appendix XII to this circular.

(11) Resolution on Remuneration Scheme for Directors and Officers

An ordinary resolution will be proposed at the AGM to pass the resolution on remuneration scheme for directors and officers, full text of which is set out in Appendix XIII to this circular.

(12) Resolution on General Election of the Board of Directors and Election of Executive Directors and Non-executive Directors of the Thirteenth Session of the Board of Directors of the Company

An ordinary resolution will be proposed at the AGM to pass the resolution on general election of the Board of Directors and election of directors of the thirteenth session of Board of Directors of the Company, full text of which is set out in Appendix X to this circular.

LETTER FROM THE BOARD

(13) Resolution on General Election of the Board of Directors and Election of Independent Non-executive Directors of the Thirteenth Session of the Board of Directors of the Company

An ordinary resolution will be proposed at the AGM to pass the resolution on general election of the Board of Directors and election of independent non-executive directors of the thirteenth session of Board of Directors of the Company, full text of which is set out in Appendix XI to this circular.

(14) Work Report of Independent Non-executive Directors for the Year 2025

The Shareholders will listen to the work report of the independent non-executive directors for the year 2025 at the AGM. Full text of the work report of the independent non-executive directors for the year 2025 is set out in Appendix XIV to this circular.

II. AGM

The Company will hold an AGM for the year 2025 at Berlin Hall, 3rd Floor, Xujiahui Center Intercity Hotel, 1515 Zhongshan West Road, Xuhui District, Shanghai, PRC on Wednesday, 17 June 2026 at 2:30 p.m., the notice of which has been published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company's website (www.dzug.cn). The proxy form for use at the AGM was also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) the Company's website (www.dzug.cn).

Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the proxy form in accordance with the instructions printed thereon, which shall be lodged at the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the AGM (being Tuesday, 16 June 2026 at 2:30 p.m.) in person or by mail. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM if you so wish.

III. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders entitled to attend and vote at the Company's AGM, the register of members of the Company for H Shares will be closed from 12 June, 2026 (Friday) to 17 June, 2026 (Wednesday), both days inclusive, during which no transfer of shares will be registered. Only Shareholders whose names appear on the register of members of the Company for H shares on 12 June, 2026 (Friday) or their proxies or duly authorized corporate representatives are entitled to attend the AGM. In order to qualify for attending and voting at the AGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. 11 June, 2026.

LETTER FROM THE BOARD

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all resolutions put forward at the AGM will be voted on by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Poll results will be announced by the Company by means set out in Rule 13.39(5) of the Hong Kong Listing Rules after the AGM.

V. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

VI. RECOMMENDATIONS

The Board considers that all resolutions set out in the notice of AGM are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favor of such resolutions.

VII. FURTHER INFORMATION

Your attention is drawn to other sections of and appendices to this circular.

Sincerely

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

May 14, 2026

The key work of the Board of Directors for the year ended 31 December 2025 and the work plan for 2026 are set out as follows:

In 2025, the Company's Board of Directors dedicated itself to further improving the corporate governance system and structure and raising the overall levels of corporate governance according to relevant laws and regulations such as the Company Law, Securities Law, SSE Listing Rules and Hong Kong Listing Rules as well as the Articles of Association. The Board diligently performed its duties, strictly implemented all resolutions of the General Meeting and performed information disclosure obligation in a timely and accurate manner and in accordance with applicable laws and regulations. All Directors of the Company performed their duties with loyalty, integrity and diligence according to rights and obligations conferred by relevant laws, regulations and the Articles of Association, safeguarding the legitimate rights and interests of the Company and all of its shareholders. The activities of the Board in the year are hereby reported as follows:

I. BASIC INFORMATION ON THE BOARD

The Board of Directors the Company comprises 9 Directors in total, including 1 female director. The members of the Board include 4 independent non-executive Directors, each being an individual with financial, economic, accounting, legal or other professional knowledge and background.

As evaluated by the Nomination Committee of the Board, the composition of the Company's Board meets legal and regulatory requirements in both Shanghai and Hong Kong, and each of 9 Directors has expertise across a range of areas, including strategy and leadership, industry knowledge and experience, finance, risk management and legal and regulatory compliance. Chairman Yang Guoping has long been working in the field of public utilities and has unique ideas and methods in terms of business operations and management. Executive Director Liang Jiawei is fully responsible for operation and management of the Company and had long been acting as board secretary of listed companies, enjoying a large wealth of work experience in securities, investment and compliance and good at capital operation, strategic investment and compliance governance. Executive Director Wang Baoping has long been engaged in management of gas companies in Shanghai, well experienced in integrated operation and management of ultra-large urban gas projects. Non-executive Director Zhao Yeqing is well experienced in management of gas companies and familiar with operation and compliance governance of urban gas industry. Non-executive Director Jin Yongsheng is well experienced in management of large integrated energy companies and familiar with compliance governance and cross-regional industrial synergy of the energy industry. Independent Non-executive Director Jiang Guofang has more than three decades of financial industry experience and has long been holding important positions in banking, securities and fund management, profoundly experienced in financial management. Independent Non-executive Director Ms. Li Yingqi serves as professor at Shanghai National Accounting Institute, adept at internal control, audit and financial governance. Independent Non-executive Director Liu Feng is a professional lawyer, with a large wealth of practical experience in legal and regulatory compliance. Independent Non-executive Director Yang Ping is well experienced in capital

market and asset management. The Board has a well-structured professional composition and diverse knowledge backgrounds. Its overall capabilities provide solid support for the compliant and scientific decision-making of the Company.

II. MAIN ACTIVITIES OF THE BOARD OF DIRECTORS IN 2025

1. Carried out new regulatory requirements and ran the Board of Directors efficiently

In 2025, regulatory authorities in Shanghai and Hong Kong enacted a series of new provisions and regulatory requirements encompassing prioritized areas such as implementation of the new Company Law, corporate governance and information disclosure. The Company proactively benchmarked itself to the latest regulatory orientation, fully ensured new regulations are met, timely conveyed the latest policies and regulations to directors and senior executives, involved directors and senior executives of the Company in various training sessions on new regulations and performance of duties, continuously enhanced the compliance awareness and professional competence of duties of directors and senior executives, and ensured all significant decisions of the Company are well-reasoned, standardized, efficient and prudent. Meanwhile, the Company further made clear the terms of reference of directors, required all directors to become familiar with business operations and development trends of the Company, strictly perform same duty of diligence and responsibility to act prudently, actively participate in continuous professional development, keep updating their knowledge system and informed of regulatory requirements and supervisory duties, in an effort to enhance the quality and efficiency of the Company's governance and standardized operations.

2. Perfected corporate governance and raised the levels of diversity governance

In 2025, the Board deliberated and revised rules and regulations such as the Articles of Association, Rules of Procedure of General Meeting, Rules of Procedure of Board of Directors, Work Rules of the Audit Committee of the Board of Directors, Work Rules of the Nomination Committee of the Board of Directors, and Work Rules of President, further perfecting the corporate governance structure. Meanwhile, the Board actively acted on the idea of diversity governance, endeavored to optimize the diversity governance structure, added a female member to the Nomination Committee of the Board, and formulated and issued the Employee Diversity Policy, thus raising the levels of diversity governance of the Company.

3. Standardized information disclosure and deepened investor relations

In 2025, the Company effectively performed its information disclosure obligation and spared no effort to ensure the authenticity, accuracy, integrity and timeliness of information disclosure strictly according to relevant laws and regulations and regulatory requirements in Shanghai and Hong Kong. The Company actively participated in Shanghai collective results briefings, and maintained ongoing communications with its investors via investor hotline, "SSE e-interaction" platform of SSE and receiving visiting investors, while at the same time involving investors in

offline events such as field survey of listed companies for all-round and multilevel exchanges with investors. The Company further optimized its information disclosure mechanism, further solidified the institutional assurance for information disclosure by revising the Administrative Measures for Information Disclosure and the Administrative Measures for Bond Information Disclosure according to law, safeguarded legitimate rights and interests of investors, and further raised the levels of corporate governance, winning the trust of markets and the general public with transparent, standardized and robust operations management.

4. Deeply engaged in its main business and leveraging intelligent technology to empower public utilities

The Board persisted in carrying out the idea of solidifying main business, and actively conducted in-depth investigations into gas and sewage treatment projects and continuously optimized the presence of traditional business. Meanwhile, the Company further pursued deep integration between IT, intelligent technology and operation of its main business, made its IT platform functional for gas business steadily, deepened the application of intelligent inspection systems, increased the efficiencies of pipeline network operation and maintenance, safety monitoring and emergency response through digital means, focused its sewage treatment business on construction of intelligent water services, endeavored to build an intelligent control system to further increase the levels of fine operations and cost reduction and efficiency increase, with reducing the electricity and chemicals consumption that hold the largest proportion of operating costs as the core objective. Through the intelligent transformation of its business segments, the Company steadily enhanced the quality and efficiency of its core operations, driving high-quality development.

5. Persisted in fulfilling the ESG ideas and increased the ESG performance

The Company kept integrating ESG ideas into its corporate growth strategy, continuously advanced innovative practice in areas such as environmental protection, energy conservation, consumption minimization and carbon emission management, by efficiently and steadily operating several green projects. The Company actively fulfilled its social responsibility and helped achieve the sustainability objectives with concrete action.

In 2025, the Company increased its ESG ratings from A+ to AA– for its outstanding ESG performance, won “Golden Award • ESG Environment-friendly Excellent Company” from Guru Club and “Yidong ESG Value Rating — 2025 ESG Practice Award for Listed Companies”; and was included into the “2025 Listed Company Sustainability Best Practice Case”.

6. Sought growth by focusing on its core business and Embarked on a new journey with an strategic corporate blueprint

2025 is the concluding year of the “14th five-year” plan period, also the year of planning for the “15th five-year” plan, so in order to accurately grasp the macroeconomic situation, expand its industrial footprint and enhance the Company’s quality and competitiveness, the Company comprehensively carried out the formulation of its “15th Five-Year” Plan, conducted an in-depth analysis of the internal and external environment, summarized its achievements, experience and shortcomings during the “14th five-year” plan period, made clear its development objectives, strategic priorities and implementation path for the next five years, thus laying a solid foundation for a new round of rapid growth of the Company. After a series of activities including months of in-depth research, repeated deliberation and extensive solicitation of opinions, the draft version of the Company’s “15th Five-Year Plan” (2026–2030) was finalized in late January 2026. Next, the Company will adopt a more pragmatic approach to fully advance the implementation and effectiveness of the plan.

III. ROUTINE WORK OF THE BOARD OF DIRECTORS IN 2025**(I) Board meetings and resolution contents**

In 2025, the Company held a total of 5 Board meetings, at which it deliberated and decided on major matters such as regular reports, profit distribution, related-party transactions and amendments to corporate governance rules. Directors of the Company attended each Board meeting on time, performed their duties with loyalty and diligence, and effectively preserved legitimate interests of the Company and its shareholders.

1. The 9th meeting of the 12th session of the Board of Directors took place on 28 March 2025 onsite. 9 Directors were expected to participate and actually participated in voting, of which Director Mr. Wang Baoping was engaged by non-executive Director Mr. Shi Pingyang to attend and exercise voting rights on his behalf because the latter’s inability to attend in perform for work reasons. The meeting deliberated and passed the Work Report of the Board of Directors for the Year 2024, the Operation Work Report for the Year 2024, the Work Report of Independent Non-executive Directors for the Year 2024, the Resolution on the Independence Assessment of Independent Non-executive Directors, the Final Financial Report for the Year 2024 and the Financial Budget Report for the Year 2025 of the Company, the Profit Distribution Proposal of the Company for the Year 2024, the Full Text and Abstract of 2024 Annual Report of the Company, the Internal Control Self-assessment Report of the Company for the Year 2024, the Audit Committee’s Annual Duty Performance Report for 2024, the Company’s Annual Sustainability Report of the Company for the Year 2024, the Resolution on Formulating the “Market Cap Management Policy” of the

Company, the Resolution on Estimated Daily Related-party Transactions of the Company for the Year 2025, the Resolution on Application for Comprehensive Bank Credit Facilities of the Company for the Year 2025, the Resolution on the Provision of Guarantee by the Company for Controlled Subsidiaries for the Year 2025, the Resolution on the Use of Idle Funds for Cash Management of the Company, the Resolution on Provision of Financial Assistance by the Company for the Year 2025, the Resolution on Provisioning for Asset Impairment and Write-off and Retirement of Certain Assets of the Company for the Year 2024, the Resolution on Proposed Registration and Issuance of Super Short-term Commercial Paper and Short-term Commercial Paper of the Company, Resolution on Proposed Registration and Issuance of Medium-term Note, the Resolution on Evaluation Report of the Company on the Performance of Duties by Accounting Firm for the Year 2024, the Resolution on the Audit Committee's Report on Its Supervision of the Accounting Firm for 2024, Resolution on the Re-appointment of Domestic Audit Firm and Internal Control Audit Firm of the Company for the Year 2025, the Resolution on the Re-appointment of Overseas Audit Firm of the Company for the Year 2025, the Resolution on Nomination of Non-executive Directors of the Company, Resolution on the Remuneration Scheme for Directors and Senior Executives, and the Resolution on Holding the Annual General Meeting of the Company for the Year 2024.

2. The 10th meeting of the 12th session of the Board of Directors took place on 29 April 2025 by means of voting via communications. The meeting deliberated and passed the 2025 First Quarterly Report of the Company, the Resolution on Revising the "Articles of Association" and Filing for Registration of Amendments the Resolution on Revising the "Rules of Procedure for General Meeting", Resolution on Revising the "Rules of Procedure for Board of Directors", Resolution on Revising the "Independent Non-executive Director Policy", and the Resolution on Adding Interim Proposals to the Annual General Meeting of 2024.
3. The 11th meeting of the 12th session of the Board of Directors took place on 13 June 2025 by means of voting via communications. The meeting deliberated and passed the Resolution on Changes to Chairman and Members of the Nomination Committee of the Board of Directors.
4. The 12th meeting of the 12th session of the Board of Directors took place on 29 August 2025 onsite in combination with videoconference. The meeting deliberated and passed the 2025 Semiannual Operation Report of the Company, the Full Text and Abstract of the 2025 Semiannual Report of the Company, the Resolution on Subsidiaries Conducting Factoring Financing Business with Affiliates, the Resolution on Revising the "Work Rules of the Audit Committee of the Board of Directors", the Resolution on Revising the Work Rules of President, the Resolution on Revising the "Administrative

Measures for Information Disclosure” of the Company, the Resolution on Revising the “Administrative Measures for Bond Information Disclosure” of the Company, and the Resolution on Revising the “Administrative Measures for Use of Raised Funds” of the Company”.

5. The 13th meeting of the 12th session of the Board of Directors took place on 30 October 2025 by means of voting via communications. The meeting deliberated and passed the 2025 Third Quarterly Report of the Company, the Resolution on Revising the “Work Rules of the Nomination Committee of the Board of Directors” and Authorizing the Nomination Committee of the Board of Directors to Prepare Board of Directors Skills Matrix and Conduct Director Skills Evaluation, and the Resolution on Formulating the “Employee Diversity Policy” of the Company.

(II) Execution of general meeting resolutions by the Board of Directors

During the Reporting Period, the Board seriously performed duties as conveners of general meeting strictly according to relevant provisions of laws and regulations and the Articles of Association, and held one annual general meeting, i.e., the annual general meeting of 2024 held on June 13, 2025.

The AGM deliberated and passed via voting the Annual Work Report of the Board of Directors for the Year 2024, and the Annual Work Report of the Supervisory Board for the Year 2024, where participating shareholders and shareholder representatives seriously deliberated related report contents, and recognized the work results and job performance of the Board of Directors and Supervisory Board of the Company in continuous improvement of corporate governance structure, performance of duties strict according to regulations and safeguarding the standardized operation of the Company.

The AGM deliberated and passed via voting the Resolution on Revising the “Articles of Association and Filing for Registration of Amendments, the Resolution on Revising the “Rules of Procedure for General Meeting”, the Resolution on Revising the “Rules of Procedure for Board of Directors”, and other resolutions., making it clear that the “Shareholders’ General Meeting” is renamed as “General Meeting” and abolishing the Supervisory Board of the Company pursuant to legal and regulatory requirements.

In addition, the AGM deliberated and passed via voting the Final Financial Report for the Year 2024 and the Financial Budget Report for the Year 2025 of the Company, the Profit Distribution Proposal of the Company for the Year 2024, the Resolution on Estimated Daily Related-party Transactions of the Company for the Year 2025, the Resolution on Application for Comprehensive Bank Credit Facilities of the Company for the Year 2025, the Resolution on the Provision of Guarantee by the Company for Controlled Subsidiaries for the Year 2025, the Resolution on the Use of Idle Funds for Cash Management of the Company, the Resolution on Proposed Registration and Issuance of Super Short-term Commercial Paper and Short-term

Commercial Paper, Resolution on Proposed Registration and Issuance of Medium-term Note of the Company, Resolution on the Re-appointment of Domestic Audit Firm and Internal Control Audit Firm of the Company for the Year 2025, the Resolution on the Re-appointment of Overseas Audit Firm of the Company for the Year 2025, the Resolution on Nomination of Non-executive Directors of the Company, the Resolution on the Remuneration Scheme for Directors and Senior Executives, and the Resolution on Revising the “Independent Non-executive Director Policy”, and listened to the “Annual Work Report of Independent Directors for the Year 2024”.

During the Reporting Period, the Board strictly executed any and all resolutions deliberated and passed by the general meeting, and fully carried out any and all meeting resolutions.

IV. WORK APPROACH OF THE BOARD OF DIRECTORS FOR 2026

The year 2026, as the starting year of China’s “15th five-year” plan, also marks the 35th anniversary of the Company’s entry into capital markets. The Company’s Board must fully estimate the complexity and daunting nature of domestic and overseas economic situation, and make every effort to drive its public utilities and financial investment business to achieve robust growth and high-quality development as two main business segments, by upholding its development strategy of “being driven by public utilities and financial investment”. The Company will further enable its operation management through digital and IT-based tools, fully leverage the effectiveness of its HQ for centralized control and professional business support, continuously improve its corporate governance system, and spare no effort to ensure satisfactory accomplishment of various annual operating targets through systematic planning and precise strategy delivery.

The Board will work on the following priorities in 2026:

1. Smooth and orderly completion of Board re-election

The term of the incumbent Board of the Company (i.e., the twelfth session of the Board) will expire on June 27, 2026. The Board of the Company will steadily advance the Board re-election strictly in accordance with relevant provisions. The Company will conduct necessary examination of job qualifications and work history of the candidates for the new session of the Board, and submit the selection of candidates to the Nomination Committee of the incumbent Board and the Board in turn for consideration and adoption with the consent of candidates and after completing necessary training, before submitting them to the General Meeting for deliberation. After deliberation and approval by the Company’s General Meeting, new directors will officially take office.

2. Conduct daily Board work solidly

In 2026, in terms of its daily routines, the Board will enhance the Company's standardized operations and governance in accordance with the regulatory requirements of capital markets; seriously and consciously perform its information disclosure obligation and ensure timely, authentic, accurate and complete information disclosure strictly in compliance with relevant laws and regulations; diligently conduct investor relations management by intensifying contact and communication with investors through multiple channels for investors' easy and full access to the Company's information so as to establish a good image of the Company on capital markets.

3. Increase director ability to perform their duties and raise the levels of professional and diversified governance of the Company

To further improve the professional ability of directors to perform their duties, the Company will continuously optimize its training system and systematically conduct multidimensional subject-matter training programs covering regulatory policy explanation, industry frontier dynamics, ESG management practice and legal and regulatory updates and diversity governance ideas in order to deepen Directors' accurate understanding of the Company's strategy, compliance requirements and risk management and broaden their perspectives on performing duties from diverse angles. Meanwhile, by introducing external lectures and deepening case studies, Directors' analytical and judgment skills and their ability to make informed decisions about complicated business will be enhanced. By further improving the professional accomplishment and diversified ability to perform duties of directors, the Company will further solidify its foundation for corporate governance, improve decision-making quality and efficiencies, drive the corporate governance levels to reach the next level and provide a strong support for high-quality corporate sustainability.

4. Seize the benefits of technological revolution and policies and enable intelligent development of public utilities

By closely following the direction of the national movement to build smart cities and new-type energy system, and seizing the opportunities brought by technological revolution and favorable policies, the Board will actively explore an innovative path to enabling high-quality development of traditional public utilities through intelligent upgrading, focus on the application of AI and digital technology in core scenarios such as intelligent gas dispatching, pipeline network inspection, intelligent aeration for sewage and precise dosing, steadily advance deployment of intelligent equipment and the establishment of smart operation platforms, and continuously drive traditional public utilities to undergo intelligent transformation.

5. Continuously raise the ESG integrated management levels and steadily pursue green and low-carbon development of public utilities

By closely encompassing the core objectives of green transition under the national “dual carbon” initiative, the Board will actively explore a new path to integration between its presence in clean energy and low-carbon operation of public utilities, formulate clear objectives, define division of duty and work and effectively pursue deep integration between ESG effort and business development by perfecting its ESG governance structure, intensifying low-carbon technology input and scenario application and deepening the green control across the industry chain. The Strategic Development and ESG Committee of the Board will periodically deliberate and supervise ESG-related matters, ensure management measures are properly implemented and information disclosure is standardized and transparent. The Company will continuously raises its levels of ESG integrated management, steadily drive its public utilities business to go green and build its sustainable competitiveness.

6. Strengthen talent cultivation efforts and make the brand more powerful

Persisting in the idea of prospering the business through talent and brand, the Board highly values talented team building and brand image shaping. The Board will continuously improve its talent cultivation and echelon construction system, create a high-caliber interdisciplinary professional team and lay a solid foundation for long-term corporate growth. Meanwhile, the Board will keep improving service quality and operation levels in an effort to solidify and enhance its brand “Dazhong” as a calling card. It will rely on talent to pursue growth and leverage brand to establish its corporate image as the foundation for long-term corporate growth.

In 2026, with the domestic and overseas economic situation remaining daunting and complicated, the Board of the Company will keep exploiting its essential position in corporate governance, further learn the latest laws and regulations and regulatory requirements, solidly perform daily routines, enhance directors’ ability to perform their duties in a professional and diversified manner, solidify the foundation for governance, enhance investor communication, build a benign investor relations, actively pursue the “dual carbon” objectives, raise the levels of ESG management, drive its public utilities business to go intelligent, grow the Company into a listed company with a more focused main business, more outstanding core capabilities and stronger asset profitability, so as to give back to its shareholders and the society with concrete actions and outstanding operating results.

I. CONTENT OF THE PROFIT DISTRIBUTION PROPOSAL

As audited by BDO China Shu Lun Pan Certified Public Accountants LLP, as of December 31, 2025, the ending balance of undistributed profits in the parent company statements of the Company was RMB2,090,808,558.09. For 2025, the Company proposes to distribute profits based on the total share capital registered on the record date for implementation of the equity distribution. The profit distribution proposal is as follows:

The Company proposes to distribute a cash dividend of RMB0.05 per share (tax inclusive) to all shareholders. As of December 31, 2025, based on the total share capital of 2,952,434,675 shares, the total cash dividend proposed to be distributed is RMB147,621,733.75 (tax inclusive), representing 35.56% of the net profit attributable to shareholders of the listed company for the year. If the total share capital of the Company changes before the record date for implementation of the equity distribution, it is proposed that the total distribution amount remain unchanged and the per-share dividend ratio be adjusted accordingly, and the specific adjustment will be announced separately.

This profit distribution proposal is subject to consideration at the 2025 annual general meeting of the Company. The Company will announce the specific implementation measures and timing separately.

II. WHETHER OTHER RISK WARNINGS MAY BE TRIGGERED

Item	This year	Last year	The year before last year
Total cash dividends (RMB)	147,621,733.75	106,287,648.30	103,335,213.63
Total amount of share repurchases and cancellations (RMB)	0	0	0
Net profits attributable to shareholders of the listed company (RMB)	415,171,077.82	233,149,042.00	212,544,222.99
Undistributed profits in the parent company statements at year end (RMB)			2,090,808,558.09
Aggregate cash dividends for the most recent three accounting years (RMB)			357,244,595.68
Aggregate amount of share repurchases and cancellations for the most recent three accounting years (RMB)			0

Item	This year	Last year	The year before last year
Average net profit for the most recent three accounting years (RMB)			286,954,780.94
Aggregate cash dividends and share repurchases and cancellations for the most recent three accounting years (RMB)			357,244,595.68
Whether the aggregate cash dividends and share repurchases and cancellations for the most recent three accounting years are below RMB50 million			No
Cash dividend ratio (%)			124.50
Whether the cash dividend ratio is below 30%			No
Whether the circumstances set out in Article 9.8.1, paragraph 1(8) of the SSE Stock Listing Rules that may trigger the imposition of other risk warnings are present			No

The aggregate cash dividends of the Company for 2023 to 2025 amounted to RMB357,244,595.68, which is higher than 30% of the average net profit for the most recent three accounting years. Therefore, the Company does not fall under any of the circumstances set out in Article 9.8.1, paragraph 1(8) of the SSE Stock Listing Rules that may trigger the imposition of other risk warnings.

According to the relevant provisions of the SSE Listing Rules and the Implementation Guidelines for Related-Party Transactions of Companies Listed on the Shanghai Stock Exchange, and in light of the operational needs of the Company, the principal ordinary related-party transactions among the Company, its subsidiaries, associates and joint ventures for 2026 are estimated as follows:

**I. BASIC INFORMATION ABOUT ORDINARY RELATED-PARTY
TRANSACTIONS**

(I) Deliberation Procedure for Performance of Ordinary Related-Party Transactions

1. The Company held the 14th meeting of its 12th Board of Directors on March 30, 2026, where the Resolution on Estimated Ordinary Related-party Transactions for the Year 2026 was deliberated and passed, and connected Directors excused themselves from voting according to applicable provisions.
2. The aforesaid resolution has been deliberated and passed in advance by the first special meeting of independent directors of the Company for 2026 on March 30, 2026, where all independent directors unanimously agreed to submit the aforesaid resolution to the Company's board meeting for deliberation.
3. Pursuant to the SSE Listing Rules and the Articles of Association, the present ordinary related-party transactions are still subject to approval of the AGM of the Company for 2025, where connected shareholders will excuse themselves from voting.

APPENDIX III RESOLUTION ON ESTIMATED ONGOING ORDINARY RELATED PARTY TRANSACTIONS OF THE COMPANY FOR THE YEAR 2026

(II) Estimation and Execution of Previous Ordinary Related-party Transactions

Unit: RMB Ten Thousand Yuan

Related-party transaction category	Connected person	Upper limit of previous-year (previously) estimated amount	Amount actually incurred in last year (previously)	Reasons for large difference between estimated amount and actually incurred amount
Purchase of raw materials, fuels and power from connected persons	Shanghai Gas Co., Ltd.	350,000	276,092.01	Large customer usage base and climatic factors
Purchase of goods and receipt of labor services from connected persons	Shanghai Dazhong Business Management Co., Ltd. and its subsidiaries	3,500	503.24	Delay in the progress of certain businesses
	Shanghai Gas Co., Ltd. and its subsidiaries	2,000	1,008.82	Change in business requirements
Sales of goods and provision of labor and services to connected persons	Shanghai Gas Co., Ltd and its subsidiaries	7,000	3,841.26	Change in business requirements
	Shanghai Gas (Group) Co., Ltd. and its subsidiaries	5,000	1,925.11	Change in business requirements
Others: leasing of assets, etc.	Dazhong Transportation (Group) Co., Ltd. and its subsidiaries	1,000	865.73	—
	Shanghai Gas Co., Ltd and its subsidiaries	600	455.05	—
Others: financing lease and factoring	Shanghai Dazhong Business Management Co., Ltd and its subsidiaries	30,000	4,704.57	Change in customer needs

APPENDIX III RESOLUTION ON ESTIMATED ONGOING ORDINARY RELATED PARTY TRANSACTIONS OF THE COMPANY FOR THE YEAR 2026

(III) Estimated Amounts and Categories of Ordinary Related-party Transactions

Unit: RMB Ten Thousand Yuan

Related-party transaction category	Connected person	Estimated amount	Ratio of business of the same type (%)	Accumulated transaction amount incurred with connected person from the beginning of this year to the disclosure date	Amount actually incurred in previous year	Ratio of business of the same type (%)	Reasons for large difference between estimated amount and actually incurred amount in the previous year
Purchase of raw materials, fuels and power from connected persons	Shanghai Gas Co., Ltd	350,000.00	55	109,163.95	276,092.01	53.61	Large usage base of users, tentatively estimated as per experiential data
Purchase of goods and receipt of labor and services from connected person	Shanghai Dazhong Business Management Co., Ltd and its subsidiaries	2,500.00	1	408.26	503.24	0.10	Estimated increase in business volume
	Shanghai Gas Co., Ltd and its subsidiaries	3,000.00	1	48.98	1,008.82	0.20	Estimated increase in business volume
Sale of goods to, and provision of labor and services for, related parties	Shanghai Gas Co., Ltd and its subsidiaries	12,000.00	5	987.27	3,841.26	0.64	Increase in customer business
	Shanghai Gas (Group) Co., Ltd and its subsidiaries	300.00	1	—	1,925.11	0.32	Adjustment to customer business arrangements
Others: leasing of assets, etc.	Dazhong Transportation (Group) Co., Ltd and its subsidiaries	1,500.00	60	223.61	865.73	43.20	—
	Shanghai Gas Co., Ltd and its subsidiaries	600.00	20	113.76	455.05	22.71	—
Others: financing lease and factoring	Shanghai Dazhong Business Management Co., Ltd and its subsidiaries	30,000.00	15	77.51	4,704.57	1.82	Change in customer needs

II. INFORMATION ABOUT CONNECTED PERSONS AND ASSOCIATED RELATIONSHIP

After verification, connected persons and associated relationships are as follows:

(I) Basic information about the connected persons:

Connected person 1: Shanghai Gas Co., Ltd.

1. Company name: Shanghai Gas Co., Ltd.
2. Legal representative: Shi Pingyang
3. Unified social credit code: 91310115MA1K49935Q

4. Registered capital: RMB1,000.00 million
5. Major shareholders: Shen Energy (Group) Co., Ltd.
6. Main business: dealing in gas, gas infrastructure construction, operation and management, sales of gas equipment and gas appliances and construction materials, technical services for quality inspection, engagement in technology development, technical consulting, technical services and technology transfer in the field of energy technology, and engagement in import and export of goods and technology.
7. Date of incorporation: 27 December 2018
8. Registered address: Room 1009, #958 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone.
9. As of 31 December 2025, total assets of RMB24,970.25 million, total liabilities of RMB19,236.40 million, net assets RMB5,733.85 million, debt-to-asset ratio 77.03%; in 2025, it realized operating revenue RMB36,436.72 million and net profits RMB421.08 million (all of the aforesaid data is unaudited).
10. Associated relationship with the Company: Shanghai Dazhong Gas is a subsidiary of the Company and 50% owned by Shanghai Gas Co., Ltd, so according to the relevant provisions of the SSE Listing Rules, Shanghai Gas, as a legal person holding more than 10% of shares in a subsidiary having significant influence over the listed company, constitutes a connected person of the Company.
11. The company performed previous related-party transactions of the same type well, demonstrating good ability to perform agreements and pay.

Connected person 2: Shanghai Gas (Group) Co., Ltd.

1. Company name: Shanghai Gas (Group) Co., Ltd.
2. Legal representative: Yao Zhijian
3. Unified social credit code: 913100007585943914
4. Registered capital: RMB4,199.90 million
5. Major shareholders: Shen Energy (Group) Co., Ltd

6. Main business: dealing in gas, gas infrastructure investment, construction, operation and management, sales of gas equipment and gas appliances and construction materials, production and technical services for quality inspection of special equipment, engagement in technology development, technical consulting, technical services and technology transfer in the field of energy technology, and import and export of goods and technology.
7. Date of incorporation: 12 February 2004
8. Registered address: Room 1008, #958 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone
9. As of 31 December 2025, total assets of RMB6,117.99 million, total liabilities of RMB1,342.43 million, net assets of RMB4,775.56 million, debt-to-asset ratio of 21.94%; in 2025, it realized operating revenue of RMB421.71 million and net profits of RMB -479.55 million. (All of the aforesaid data is unaudited).
10. Associated relationship with the Company: Shanghai Gas Group is the second largest shareholder of the Company, holding over 5% shares and thus constituting a connected person of the Company according to relevant provisions of the SSE Listing Rules.
11. The company performed previous related-party transactions of the same type well, demonstrating good ability to perform agreements and pay.

Connected person 3: Shanghai Dazhong Business Management Co., Ltd.

1. Company name: Shanghai Dazhong Business Management Co., Ltd.
2. Legal representative: Zhao Siyuan
3. Unified social credit code: 91310118134565461X
4. Registered capital: RMB159 million
5. Major shareholder: Shanghai Dazhong Business Management Co., Ltd. Employee Share Ownership Committee
6. Main business: operation and enterprise management of taxi companies and related enterprises, investment management, property management, investment consulting, business consulting, marketing planning, corporate image planning, conference services, interior decoration, operation of taxi services, and sale of auto parts.
7. Date of incorporation: 10 March 1995

8. Registered address: Room 1940, Area A, 1/F, Building 3, #715 Yingshun Road, Qingpu District, Shanghai
9. As of 31 December 2025, total assets of RMB1,513.0451 million, total liabilities of RMB774.1370 million, net assets of RMB738.9081 million, debt-to-asset ratio of 51.16%; in 2025, it realized operating revenue of RMB20.3820 million and net profits of RMB6.0564 million. (All of the aforesaid data is unaudited).
10. Associated relationship with the Company: Considering that both the chairman of the Board Mr. Yang Guoping, and the Director Mr. Liang Jiawei hold plural office as directors of Shanghai Dazhong Business Management Co., Ltd, which is the largest shareholder of the Company. According to relevant provisions of the SSE Listing Rules, it constitutes a connected person of the Company.
11. The company performed previous related-party transactions of the same type well, demonstrating good ability to perform agreements and pay.

Connected person 4: Dazhong Transportation (Group) Co., Ltd.

1. Company name: Dazhong Transportation (Group) Co., Ltd.
2. Legal representative: Yang Guoping
3. Unified social credit code: 91310000607216596U
4. Registered capital: RMB2,364.122864 million
5. Major shareholder: Shanghai Dazhong Public Utilities (Group) Co., Ltd.
6. Main business: enterprise operation and management consulting, modern logistics, transportation (taxi and inter-provincial chartered bus transport) and related vehicle repair (by branches only), car wash, parking lot and motel business (by branches only), motor vehicle driver training (by branches only); investment in and incorporation of companies compliant with the national industry policies (subject to further approval in case of specific projects)
7. Date of incorporation: 6 December 1988
8. Registered address: Building 12, #1515 Zhongshan West Road, Xuhui District, Shanghai
9. As of 31 December 2025, total assets of RMB19,036.5856 million, net assets of RMB10,413.9580 million, and debt-to-asset ratio of 45.30%; in 2025, it realized operating revenue of RMB2,096.1509 million and net profits of RMB98.3098 million.

10. Associated relationship with the Company: Considering that both the chairman of the Board Mr. Yang Guoping and the Director Mr. Liang Jiawei hold plural office as directors of Dazhong Transportation (Group) Co., Ltd, in which the Company is the largest shareholder. According to relevant provisions of the SSE Listing Rules, it constitutes a connected person of the Company.
11. The company performed previous related-party transactions of the same type well, demonstrating good ability to perform agreements and pay.

III. MAIN CONTENTS OF RELATED-PARTY TRANSACTIONS AND PRICING POLICY

All transactions between the Company and its subsidiaries and related parties follow the principles of fairness, impartiality and reasonableness. Where government pricing applies, such pricing shall be implemented; where no government pricing applies, fair market prices shall be adopted. The details are as follows:

- (1) Ordinary related-party transactions in which subsidiaries of the Company Shanghai Dazhong Gas and Nantong Dazhong Gas purchase natural gas from Shanghai Gas, etc;
- (2) Ordinary related-party transactions in which the Company and its subsidiaries purchase goods and receive service and labor from Dazhong Business Management and its subsidiaries;
- (3) Ordinary related-party transactions in which a subsidiary of the Company Shanghai Dazhong Gas purchases goods and receives service and labor from Shanghai Gas and its subsidiaries;
- (4) Ordinary related-party transactions in which subsidiaries of the Company Shanghai Dazhong Gas and Dazhong Run Logistics sell goods and provide transportation and engineering services and labor to Shanghai Gas and its subsidiaries;
- (5) Ordinary related-party transactions in which subsidiaries of the Company Shanghai Dazhong Gas and Dazhong Run Logistics sell goods and provide transportation and engineering services and labor to a shareholder of the Company Shanghai Gas Group and its subsidiaries;
- (6) Ordinary related-party transactions in which the Company and its subsidiaries lease assets from Dazhong Transportation and its subsidiaries;
- (7) Ordinary related-party transactions in which a subsidiary of the Company Shanghai Dazhong Gas leases assets from Shanghai Gas and its subsidiaries;

- (8) Ordinary related-party transactions in which subsidiaries of the Company conduct financing lease and factoring business with Dazhong Business Management and its subsidiaries.

Any and all transactions between the Company and its subsidiaries and connected persons follow the principles of free will, equality, fairness, impartiality and are priced according to the principles of market fairness, impartiality and openness, without jeopardizing interests of the Company and other shareholders. Where transactions are subject to government pricing, the government pricing policies are directly applicable; if transactions are subject to government guidance price, transaction prices are determined reasonably within the limits of government guidance price; in the absence of government pricing or government guidance price, fair market prices are applicable, but in principle without deviating prices or fee rates of independent third parties on markets; if no specific market price is available for products and services transacted, both parties negotiate the pricing based on cost plus reasonable profit; daily related-party transactions between the Company and its connected persons are all settled according to the timeline set forth in written agreements or contracts.

IV. PURPOSE OF RELATED-PARTY TRANSACTIONS AND THEIR EFFECTS ON THE LISTED COMPANY

The estimation of related-party transaction amounts of the Company for 2026 represents reasonable estimation made based on the actual needs for daily production and operation activities. The aforesaid related-party transactions are necessary for day-to-day operations of the Company and its subsidiaries, fairly priced and reasonable in settlement time and manner of transaction, and can assure continuous and stable operations of the Company and its subsidiaries and will not jeopardize interests of the listed company or its minority shareholders, without adversely affecting the current and future financial condition or business results of the Company or the independence of the listed company. The general meeting is requested to consent to the Board authorizing the management of the Company and related subsidiaries to take charge of transaction-related activities such as signing agreements.

APPENDIX IV RESOLUTION ON THE APPLICATION OF BANK CREDIT FACILITIES OF THE COMPANY FOR THE YEAR 2026

Details of the proposal concerning the application by the Company and its subsidiaries for banking credit loan facilities for 2026 are set out below:

Based on the funding needs arising from the business development of the Company in 2026, the Company and its subsidiaries propose to apply in 2026 to banks and other financial institutions for comprehensive credit facilities of not more than RMB20 billion in aggregate (including the equivalent amount of foreign currencies, calculated on a cumulative basis), subject to the credit limits actually approved by the relevant financial institutions. The authorization shall remain valid from the date of approval at the 2025 annual general meeting of the Company until the date of the next annual general meeting of the Company.

Types of comprehensive credit facilities include, but are not limited to, short-term working capital loans, medium- and long-term borrowings, bank acceptance bills, guarantees, letters of credit, project loans and mortgage loans. The specific terms, including credit limit, financing amount, tenor, interest rate and security arrangements, shall be subject to the final contracts or agreements entered into between the Company and the relevant financial institutions.

It is proposed that the general meeting approve the Board authorizing the management of the Company, according to business needs and within the aforesaid limit, to allocate and adjust the credit facilities to be applied for from each bank or other financial institution, determine the specific terms of such applications (including cooperating financial institutions, interest rates and tenors) and execute the relevant agreements and other documents.

APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026

According to relevant provisions of the Company Law of the People's Republic of China and the Regulatory Guideline for Listed Companies No. 8 — Regulatory Requirements for Fund Intercourse and External Guarantee of Listed Companies, taking into account the asset position of the Company as at the end of 2025 and the actual requirements for operation in 2026 and future development of all controlled subsidiaries, adhering to the principle of “reasonable allocation and effective use”, the Company proposed the following resolutions regarding external guarantees in 2026 as follows:

I. OVERVIEW OF GUARANTEES

(I) Basic Information on Guarantees

To adapt to the business development of the Company and meet the needs of the Company and its controlled subsidiaries for guarantees, the Company has formulated a guarantee plan for 2026 in light of guarantees made in 2025. In 2026, Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“**Company**”) plans to provide guarantees for the businesses of Dazhong Environmental, Dazhong Jiading, Jiangsu Dazhong, Dazhong Gas, Nantong Dazhong, Dazhong AM, Dazhong Financial Leasing, Dazhong Environmental Governance, Dazhong Factoring, Lianyungang Dazhong, Dazhong Municipal, Qingshanquan Dazhong and Dazhong HK with an accumulated incurred guarantee amount of no more than RMB4.405 billion (including foreign currency translation), of which the guarantees provided to subsidiaries with a gearing ratio of over 70% will not exceed RMB1.0 billion. As of December 31, 2025, the balance of guarantees provided by the Company to its controlled subsidiaries and subsidiaries of its controlled subsidiaries was RMB807 million (including foreign currency translation), accounting for 9.07% of the Company's net assets. The date and place of signing the guarantee agreement are determined as required by guaranteed parties. There are no related parties of the Company among the guaranteed parties.

(II) Internal Decision-making Procedure Performed for These Guarantees and Decision-making Procedure to be Performed

This resolution is yet to be submitted to the Company's AGM 2025 for deliberation after these guarantees are deliberated and passed by the Audit Committee and the present Board meeting.

APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026

(III) Basic Information about Guarantee Estimation

Unit: RMB ten thousand

Guarantor	The guaranteed party	Guarantor's share holding ratio	Most recent debt-to-asset ratio of the guaranteed party	Balance of guarantees so far	Guarantee amount added this time	Ratio of the guarantee amount to the latest net assets of the listed company	Estimated validity period of the guarantee	Whether it is a related-party guarantee	Whether counter-guarantee is provided
I. Estimated guarantees for controlled subsidiaries									
1. Controlled subsidiaries with a debt-to-asset ratio of more than 70%									
Companies	Dazhong Gas	50%	70.52%	—	100,000.00	11.25%	From the date when the 2025 AGM of the Company deliberates and passes the resolution to the date of end of the 2026 AGM	No	No
2. Controlled subsidiaries with an debt-to-asset ratio of less than 70%									
Companies	Dazhong Environmental	100%	0.26%	—	10,000.00	1.13%	From the date when the 2025 AGM of the Company deliberates and passes the resolution to the date of end of the 2026 AGM	No	No
	Dazhong Jiading	100%	35.40%	3,001.98	10,000.00	1.13%		No	No
	Jiangsu Dazhong	80%	23.86%	—	5,000.00	0.56%		No	No
	Nantong Dazhong	50%	50.77%	—	10,000.00	1.13%		No	No
	Dazhong AM	100%	0.53%	—	40,000.00	4.50%		No	No
	Dazhong Financial Leasing	80%	59.50%	91,109.97	180,000.00	20.25%		No	No
	Dazhong Environmental Governance	100%	0.03%	—	10,000.00	1.13%		No	No
	Dazhong Factoring	100%	29.37%	4,237.24	50,000.00	5.63%		No	No
	Dazhong Municipal	100%	0.20%	—	10,000.00	1.13%		No	No
	Lianyungang Dazhong	80%	46.33%	2,251.84	5,000.00	0.56%		No	No
	Qingshanquan Dazhong	80%	63.25%	224.93	500.00	0.06%		No	No
	Dazhong HK	100%	34.33%	—	10,000.00	1.13%		No	No

The above limit adjustment can be made between wholly-owned subsidiaries or controlled subsidiaries. The guarantee amount of the Company can be adjusted for use between wholly-owned subsidiaries and controlled subsidiaries, provided that when adjustment is made, the guarantee recipient with a debt-to-asset ratio of over 70% can only obtain guarantee amounts from a guaranteed party with a debt-to-asset ratio of over 70%.

II. BASIC INFORMATION OF THE GUARANTEED PARTIES

(I) Dazhong Environmental

- Company Name: Shanghai Dazhong Environmental Industry Co., Ltd
- Registered address: Building C, 888 Huanhu West 2nd Road, Lingang Area, China (Shanghai) Pilot Free Trade Zone.

**APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY
FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026**

3. Unified social credit code: 913101157524833327
4. Legal representative: Zhang Rongzheng
5. Business scope: Investment in and operation of urban tap water supply and sewage treatment projects, investment in infrastructure of solid waste treatment projects, asset operation, enterprise management and information consulting services (excluding information consulting services subject to licensing), technical service, technology development, technical consulting, technical exchange, technology transfer and technology promotion in the fields of computer and network technology, and commercial complex management services.
6. As of 31 December 2025: total assets of RMB546.9404 million, total liabilities of RMB1.4398 million, net assets of RMB545.5006 million; in 2025, operating revenue of nil and net profits of RMB78.7694 million.
7. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company.
8. Dazhong Environmental is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(II) Dazhong Jiading

1. Company Name: Shanghai Dazhong Jiading Sewage Treatment Co., Ltd.
2. Registered address: #1720 Jialuo Road, Jiading District, Shanghai
3. Unified social credit code: 913101147862929729
4. Legal representative: Zhang Rongzheng
5. Business scope: Collection and treatment of domestic sewage and industrial wastewater, technology development, technology transfer, technical service and technical consulting in the environmental field, investment consulting and management, business consulting, and financial consulting.
6. As of 31 December 2025: total assets of RMB690.0804 million, total liabilities of RMB244.3211 million, net assets of RMB445.7593 million; in 2025, operating revenue of RMB200.0408 million and net profits of RMB96.4058 million.
7. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company

**APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY
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8. Dazhong Jiading is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(III) Jiangsu Dazhong

1. Company Name: Jiangsu Dazhong Water Group Co., Ltd.
2. Registered address: Sanbahe, Qiaojiahu Village, Xuzhou
3. Unified social credit code: 91320300136421242W
4. Legal representative: Zhang Rongzheng
5. Business scope: Design and construction of environmental engineering and water treatment engineering projects; operational management services; technical consultation; production and sales of recycled water, sales of construction materials and chemical products (except for hazardous goods); construction, operation and management of photovoltaic power stations; property leasing; site leasing.
6. As of 31 December 2025: total assets of RMB483.4162 million, total liabilities of RMB115.3441 million, net assets of RMB368.0721 million; in 2025, operating revenue of RMB95.8214 million and net profits of RMB30.9164 million.
7. Associated relationship or other relationships with the listed company: a controlled subsidiary of the Company, in which Shanghai Dazhong Environmental holds 80% shares, Wang Lu holds 15% shares and Wang Jian holds 5% shares.
8. Jiangsu Dazhong is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(IV) Dazhong Gas

1. Company Name: Shanghai Dazhong Gas Co., Ltd.
2. Registered address: 706 Anyuan Road, Putuo District, Shanghai
3. Unified social credit code: 913100007031365453
4. Legal representative: Zhao Ruijun
5. Business scope: gas operation; various engineering construction activities; interior decoration and fit-out of residential premises; ancillary insurance agency business; gas transmission and distribution; gas engineering planning;

**APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY
FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026**

technology development, technical consulting, technical services and technology transfer in the field of gas technology; leasing of machinery and equipment; leasing of non-residential real estate and residential premises; wholesale and retail of gas meters, gas equipment and appliances, gas kitchen equipment, kitchenware, sanitary ware and daily-use goods; sale of household appliances; and installation and maintenance of water and electricity facilities for residential premises.

6. As of 31 December 2025: total assets of RMB6,364.6056 million, total liabilities of RMB4,488.1749 million, net assets of RMB1,876.4307 million; in 2025, operating revenue of RMB3,819.2455 million and net profits of RMB22.1794 million.
7. Associated relationship or other relationships with the listed company: a controlled subsidiary of the Company, in which the Company holds 50% shares and Shanghai Gas holds 50% shares.
8. Dazhong Gas is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(V) Nantong Dazhong

1. Company name: Nantong Dazhong Gas Co., Ltd
2. Registered address: No. 59, Gongnong North Road, Nantong City
3. Unified social credit code: 91320600755879471L
4. Legal representative: Wang Baoping
5. Business scope: Production, distribution and supply of pipeline gas, supply of CNG (through branches), supply of liquefied petroleum gas; cargo trucking (self-owned goods); installation, repair, production and sale of gas pipelines and related equipment, production, sale and repair of gas appliances; sale of metal materials and electromechanical equipment; gas engineering design; gas business information consulting; leasing of automobiles, mechanical equipment and self-owned houses.
6. As of 31 December 2025: total assets of RMB1,532.5847 million, total liabilities of RMB778.0462 million, net assets of RMB754.5385 million; in 2025, operating revenue of RMB1,739.5382 million and net profits of RMB128.2043 million.

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FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026**

7. Associated relationship or other relationships with the listed company: a controlled subsidiary of the Company, in which Shanghai Dazhong Gas Investment Development Co., Ltd holds 50% shares and Nantong Gas holds 50% shares.
8. Nantong Dazhong is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(VI) Dazhong AM

1. Company Name: Shanghai Dazhong Assets Management Co., Ltd.
2. Registered address: Room 2107, 21F, Building 1, #1515 Zhongshan West Road, Xuhui District, Shanghai
3. Unified social credit code: 91310000312271985R
4. Legal representative: Li Weitao
5. Business scope: Asset management, investment management, equity investment management; investment consultation.
6. As of 31 December 2025: total assets of RMB77.3552 million, total liabilities of RMB0.4089 million, net assets of RMB76.9463 million; in 2025, operating revenue of RMB0.6203 million and net profits of RMB1.9212 million.
7. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company.
8. Dazhong AM is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(VII) Dazhong Financial Leasing

1. Company Name: Shanghai Dazhong Financial Leasing Co., Ltd.
2. Registered address: Room 108, #26 Jiafeng Road, China (Shanghai) Pilot Free Trade Zone
3. Unified social credit code: 91310000310524950H
4. Legal representative: Li Weitao

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5. Business scope: Financial leasing business, leasing business, purchase of domestic and overseas leased property, residual value treatment and repair of leased property, consultation and provision of guarantee for leasing transactions, engagement in commercial factoring business in relation to its main business.
6. As of 31 December 2025: total assets of RMB1,467.9798 million, total liabilities of RMB873.4127 million, net assets of RMB594.5671 million; in 2025, operating revenue of RMB82.5981 million and net profits of RMB49.1418 million.
7. Associated relationship or other relationships with the listed company: a controlled subsidiary of the Company, in which the Company holds 55% shares, Fretum Construction & Engineering Enterprise Limited holds 25% shares, Dazhong Transportation (Group) Co., Ltd holds 15% shares and Shanghai Cheng guang Business Information Consulting Co., Ltd holds 5% shares.
8. Dazhong Financial Leasing is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(VIII) Dazhong Environmental Governance

1. Company Name: Jiangsu Dazhong Environmental Governance Co., Ltd.
2. Registered address: Sanbahe Sewage Treatment Plant, Qiaojiahu Village, Yunlong District, Xuzhou
3. Unified social credit code: 91320300MA1Y59CU37
4. Legal representative: He Zhou
5. Business scope: Environmental management services; water pollution control services; design and construction of and technology consulting and technical services for environmental engineering, water treatment works, hydraulic engineering, waterproofing engineering, municipal engineering and pipeline engineering projects; sales of construction materials and chemical products (excluding hazardous products); construction, operation and management of photovoltaic power stations; municipal waste disposal services; car park management services; water supply services.
6. As of 31 December 2025: total assets of RMB100.0168 million, total liabilities of RMB29,000, net assets of RMB99.9878 million; in 2025, operating revenue of nil and net profits of RMB –12,000.

**APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY
FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026**

7. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company.
8. Dazhong Environmental Governance is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(IX) Dazhong Factoring

1. Company Name: Shanghai Dazhong Commercial Factoring Co., Ltd.
2. Registered address: Room 110, Building 1, No. 451, Wenshui Road, Jing'an District, Shanghai
3. Unified social credit code: 91310106MA7D370R84
4. Legal representative: Li Weitao
5. Business scope: factoring financing, (classified) account management of sales sub-accounts, collection of accounts receivables, non-commercial bad debt guarantee, customer credit investigation and evaluation, and consultation services related to commercial factoring.
6. As of 31 December 2025: total assets of RMB166.8443 million, total liabilities of RMB48.9973 million, net assets of RMB117.8470 million; in 2025, operating revenue of RMB7.7096 million and net profits of RMB5.4585 million.
7. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company.
8. Dazhong Factoring is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(X) Dazhong Municipal

1. Company name: Shanghai Dazhong Municipal Development Co., Ltd
2. Registered address: Building C, No. 888 Huanhu West 2nd Road, Lingang Area, China (Shanghai) Pilot Free Trade Zone
3. Unified social credit code: 91310115754342023U
4. Legal Representative: Wang Baoping

**APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY
FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026**

5. Business scope: municipal facilities management, engaging in investment activities with own funds; asset management service with investment of own funds; information consulting services (excluding those subject to licensing); financial consulting; cooling supply service; energy conservation management services, energy performance contracting; heating service; power generation, transmission and supply (distribution) business.
6. As of 31 December 2025: total assets of RMB135.8719 million, total liabilities of RMB267,600, net assets of RMB135.6043 million; in 2025, operating revenue of 5,000 and net profits of RMB –54,600.
7. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company.
8. Dazhong Municipal is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(XI) Lianyungang Dazhong

1. Company name: Lianyungang Dazhong Environmental Governance Co., Ltd.
2. Registered address: #5 Guangming Road, West Economic Development Zone, Donghai County, Lianyungang
3. Unified social credit code: 91320722MA22CG1K1H
4. Legal representative: He Zhou
5. Business scope: sewage treatment and reclaimed water reuse.
6. As of 31 December 2025: total assets of RMB72.0185 million, total liabilities of RMB33.3683 million, net assets of RMB38.6502 million; in 2025, operating revenue of RMB10.0446 million and net profits of RMB3.6584 million.
7. Associated relationship or other relationships with the listed company: a wholly owned subsidiary of Jiangsu Dazhong, which is a controlled subsidiary of the Company.
8. Lianyungang Dazhong is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

**APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY
FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026**

(XII) Qingshanquan Dazhong

1. Company name: Xuzhou Qingshanquan Dazhong Water Operation Co., Ltd.
2. Registered address: Textile Industry Park, Qingshanquan Town, Jiawang District, Xuzhou
3. Unified social credit code: 91320305MA1WR3M2XK
4. Legal representative: He Zhou
5. Business scope: sewage treatment and recycling and operation services.
6. As of 31 December 2025: total assets of RMB49.5429 million, total liabilities of RMB31.3350 million, net assets of RMB18.2079 million; in 2025, operating revenue of RMB7.8730 million and net profits of RMB1.9826 million.
7. Associated relationship or other relationships with the listed company: a wholly owned subsidiary of Jiangsu Dazhong, which is a controlled subsidiary of the Company.
8. Qingshanquan Dazhong is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

(XIII) Dazhong HK

1. Company name: Dazhong (Hong Kong) International Co., Ltd.
2. Registered address: FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon
3. Business scope: Industrial investment and M&As, natural gas design and construction and metering, car rental and passenger and cargo transportation services.
4. As of 31 December 2025: total assets of RMB1,894.5182 million, total liabilities of RMB650.4620 million, net assets of RMB1,244.0562 million; in 2025, operating revenue of nil and net profits of RMB –48.2580 million.
5. Associated relationship or other relationships with the listed company: a wholly-owned subsidiary of the Company.
6. Dazhong HK is in good credit standing, has not been included in the list of dishonest persons subject to enforcement, and has the ability to perform its obligations.

APPENDIX V RESOLUTION ON PROVISION OF GUARANTEE BY THE COMPANY FOR CONTROLLED SUBSIDIARIES FOR THE YEAR 2026

None of the aforesaid guaranteed parties is a shareholder of the listed company, the actual controller of any shareholder of the listed company, a controlled subsidiary, an affiliate, or an individual.

III. MAIN TERMS OF THE GUARANTEE AGREEMENTS

The Company provides credit guarantees, the term and amount of which are determined according to business requirements of the guaranteed party. As the agreement has not yet been signed, the above approved limit of guarantee is only an estimate of the Company. The major terms of the specific guarantee agreement will be determined by mutual agreement among the guarantor, the warrantee and the bank.

IV. NECESSITY AND REASONABLENESS OF GUARANTEE

The aforesaid guarantees are estimates made based on the current business condition of the Company to ensure continuous and robust conduct of the Company's business operations, fit into the actual needs of the Company's business operations and help meet the needs of the Company for daily funding and business expansion and to ensure smooth conduct of the Company's operational activities. The aforesaid guarantees are in line with the overall interests of the Company such that the Company can exert effective management and risk control over the guaranteed subjects, and the financial risks associated with provision of guarantees are within the controllable limits and will not affect the normal operation of the Company or jeopardize interests of the Company or its shareholders.

V. ACCUMULATED AMOUNTS OF EXTERNAL GUARANTEES AND ACCUMULATED AMOUNTS OF OVERDUE GUARANTEES

So far, the total amount of guarantees provided by the Company to its controlled subsidiaries and subsidiaries of its controlled subsidiaries was RMB (including foreign currency translation) 3.205 billion (of which unused amount within the approved limit of guarantees is RMB1.202 billion and the actual incurred balance of guarantees RMB2.003 billion), accounting for 36.06% of the Company's net assets; the Company and its controlled subsidiaries have no external guarantees and didn't provide any guarantee for any controlling shareholder or their related parties, free of any overdue guarantees.

It is proposed to the Board meeting and AGM of 2025 to authorize the management to perform specific operations and sign related contract documents regarding the comprehensive credit facilities and external guarantees within the aforesaid scope after deliberating and passing them. The authorization period shall begin from the date on which the resolution is approved at the AGM of 2025 to the date on which the next AGM is held.

**APPENDIX VI RESOLUTION ON THE USE OF IDLE OWN FUNDS FOR
SECURITIES INVESTMENT AND ENTRUSTED WEALTH
MANAGEMENT OF THE COMPANY**

In order to improve the efficiency of the Company's use of idle funds, and on the premise of maintaining liquidity, the Company proposes to use its temporarily idle self-owned funds for cash management. The details are as follows:

I. OVERVIEW OF INVESTMENTS

(I) Purpose of the Investment

In order to improve the efficiency and return of fund utilization, the Company will, without affecting its normal business operations, make reasonable use of its idle self-owned funds to increase investment income and safeguard the interests of the Company and its shareholders.

(II) Investment Amount

Within the next 12 months, the Company proposes to use idle self-owned funds of not more than RMB300 million in aggregate for securities investment and idle self-owned funds of not more than RMB1.5 billion in aggregate for entrusted wealth management. The aforesaid amounts include the existing balance of investment and wealth management products held by the Company and its subsidiaries as well as any additional amount to be invested within the next 12 months. Within the aforesaid limits, the funds may be used on a revolving basis.

(III) Source of Funds

Self-owned idle funds of the Company and its subsidiaries.

(IV) Method of Investment

For securities investment, the Company may purchase, including but not limited to, allotted or newly subscribed shares, stocks and depositary receipts, bonds, exchange-traded funds (ETFs), publicly offered funds and other forms of securities investment recognized by the Shanghai Stock Exchange. For entrusted wealth management, the Company may purchase, including but not limited to, wealth management products and asset management plans with high security, strong liquidity and low risk issued by financial institutions such as banks, securities companies, trust companies and insurance companies.

(V) Investment Term

The term is 12 months from the date on which the resolution is considered and approved at the Company's general meeting. At any time during the aforesaid period, the transaction amount (including the relevant amount arising from reinvestment of returns from the aforesaid investments) shall not exceed the aforesaid investment limits.

II. DELIBERATION PROCEDURE

Upon approval by the Board of the Company, this matter is still subject to consideration at the Company's general meeting.

III. INVESTMENT RISK ANALYSIS AND RISK CONTROL MEASURES

(I) Investment Risk Analysis

1. Financial markets are significantly affected by macroeconomic conditions, and the possibility that the investments may be affected by market fluctuations cannot be ruled out;
2. The Company and its subsidiaries will make investments in a timely and appropriate manner according to the economic situation and changes in the financial markets; therefore, the actual investment returns are uncertain;
3. Operational risks and moral hazard on the part of relevant personnel.

(II) Proposed Risk Control Measures

1. The Company has formulated the Securities Investment Management Policy, which clarifies the decision-making, execution and control procedures for securities investment and entrusted wealth management and sets out the relevant management standards and processes. The Company will carry out securities investment and entrusted wealth management in strict accordance with the relevant provisions so as to control risks.
2. The Company will formulate a sound capital utilization plan and make adequate capital reserves. On the premise of ensuring the normal development of the Company's business, it will control investment risks to the greatest extent possible by prudently selecting the types of securities investment and entrusted wealth management products and by adopting appropriate diversification strategies, controlling investment size, prudently determining investment terms and strengthening periodic analysis of the invested products.
3. Personnel involved in and implementing securities investment and entrusted wealth management transactions must possess strong theoretical knowledge and extensive experience in the management of such transactions.

**APPENDIX VI RESOLUTION ON THE USE OF IDLE OWN FUNDS FOR
SECURITIES INVESTMENT AND ENTRUSTED WEALTH
MANAGEMENT OF THE COMPANY**

4. The internal audit department of the Company is responsible for supervising securities investment and entrusted wealth management transactions. The Audit Committee of the Board and the independent non-executive Directors of the Company may inspect the use of funds for securities investment and entrusted wealth management transactions, thereby strengthening ongoing management and risk control.
5. The Company will perform its relevant information disclosure obligations in a timely manner in accordance with applicable laws and regulations.

IV. EFFECTS OF INVESTMENTS ON THE COMPANY

The use by the Company of its idle self-owned funds for securities investment and entrusted wealth management is carried out on the premise of ensuring daily operating capital needs and the safety of cash management funds, and will not affect the normal development of the Company's principal business. Through timely and appropriate securities investment and entrusted wealth management using its idle self-owned funds, the Company can improve the efficiency of capital utilization, obtain certain investment income, and create greater investment returns for the Company and its shareholders.

In accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises No. 23 — Transfer of Financial Assets, Accounting Standards for Business Enterprises No. 37 — Presentation of Financial Instruments and Accounting Standards for Business Enterprises No. 39 — Fair Value Measurement, the Company will carry out the corresponding accounting treatment and presentation for the proposed securities investment and entrusted wealth management business, subject to the annual audit results.

V. RISK WARNING

The Company proposes to purchase products with controllable risks in accordance with the principle of strict risk control. However, given the significant fluctuations in the financial markets, the possibility that the expected returns from this investment may be affected by risk factors such as market risk, policy risk, liquidity risk and force majeure cannot be ruled out. In addition, the redemption and disposal of investment products and the realization of investment income are affected by the price factors of the relevant products and are subject to the applicable settlement rules and contractual arrangements, and therefore involve a certain degree of liquidity risk as compared with monetary funds.

To meet its operational and development needs and optimize its debt structure, the Company plans to apply for one or more tranches or phases of corporate bonds and overseas bonds of no more than RMB3.5 billion including foreign currency translation (inclusive of RMB3.5 billion).

I. NOTE ON THE COMPANY MEETING THE CONDITIONS FOR ISSUANCE OF CORPORATE BONDS AND OVERSEAS BONDS

In accordance with relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for Issuance and Trading of Corporate Bonds (“**Administrative Measures**”), the Administrative Measures for Examination and Registration of Medium and Long-term Overseas Bonds of Enterprises and other laws, regulations and normative documents, through cross reference and self examination, the Company is free of any circumstance in which the Company is not allowed to issue corporate bonds and overseas bonds, and has the qualification and condition for issuance thereof.

II. OVERVIEW OF ISSUANCE OF CORPORATE BONDS AND OVERSEAS BONDS

(I) Types of Corporate Bonds and Overseas Bonds to be Issued

With respect to specific types to be issued, the Board of Directors of the Company will propose to the general meeting to authorize the Board of Directors or persons authorized by the Board of Directors (“**Authorized Persons**”) to jointly or severally determine the varieties and specific settlement status of corporate bonds and overseas bonds in light of the actual circumstances of the Company and the market at the time of issuance, according to the national laws and regulations, relevant provisions of securities regulators and general meeting resolutions. The corporate bonds and overseas bonds proposed to be issued as referred to herein are all exclusive of debt-to-equity swap clause.

(II) Manner and Size of Issuance

The corporate bonds and overseas bonds of the Company (calculated at the outstanding balance after issuance, and converted at the central parity rate of foreign exchange published by the People's Bank of China on the date of this issuance if issued in foreign currency) will not exceed RMB3.5 billion including foreign currency translation (inclusive of RMB3.5 billion) in total and will meet the relevant requirements of applicable laws and regulations for the specific cap of issuance of corporate bonds and overseas bonds. The Board of Directors of the Company will request authorized persons to jointly or severally determine at their sole discretion the size and manner of each issuance within the aforesaid limit according to relevant laws and regulations and opinions and suggestions of regulators, the funding requirements of the Company and the market circumstances at the time of issuance in the best interest of the Company, and to supervise the issuance and repayment of corporate bonds and overseas bonds.

(III) Objects of Issuance and Arrangements for Allotment to Shareholders of the Company

Objects of issuance of corporate bonds will be domestic investors eligible for subscription. Objects of issuance of overseas bonds of the Company will be domestic and overseas investors eligible for subscription. Specific objects of issuance will be determined by authorized persons jointly or severally according to relevant legal provisions, market condition and specific matters of issuance. Corporate bonds and overseas bonds may be allotted to shareholders of the Company, subject to allotment arrangements (including whether to be allotted or not and allotment ratio, etc) to be determined by authorized persons jointly or severally according to law and in light of market condition and specific matters of issuance.

(IV) Terms and Varieties of Bonds

Corporate bonds and overseas bonds with fixed terms will have terms of no more than 10 years (inclusive of 10 years) in all cases and may be either single-term varieties or hybrid varieties of various terms; corporate bonds and overseas bonds without fixed terms are not subject to the aforesaid restrictions on term. The composition of specific terms and sizes of varieties of various terms will be determined by authorized persons according to relevant provisions and market condition at the time of issuance.

(V) Nominal Rate

Nominal rates on corporate bonds and overseas bonds will be determined by the Company and the bookrunner through consultations within the preset rate range based on the offline inquiry bookkeeping results. Nominal rates on corporate bonds and overseas bonds will be simple rates to be accrued on a yearly basis without compounding. The manners of calculation and payment of rates on corporate bonds and overseas bonds to be issued will be determined by authorized persons jointly or severally according to the market condition at the time of issuance of corporate bonds and overseas bonds and relevant provisions.

(VI) Guarantee Measures

Authorized persons will jointly or severally determine guarantee and other credit enhancement arrangements according to law based on characteristics of corporate bonds and overseas bonds and issuance requirements.

(VII) Purpose of Funds Raised

Funds to be raised from corporate bonds and overseas bonds will be used to meet the operational needs of the Company, adjust the Company's debt structure, repay the Company's debts, supplement the Company's working capital and/or for project construction. Specific purposes will be determined by authorized persons jointly or severally according to the funding requirements of the Company.

(VIII) Debt Service Safeguards

With respect to issuance of corporate bonds and overseas bonds of the Company, authorized persons will jointly or severally at least take the following measures when any circumstance occurs in which they expect that the principal and interest of corporate bonds and overseas bonds cannot be repaid as scheduled or in case of failure to repay the principal and interest of corporate bonds and overseas bonds when due:

1. Not to distribute profits to shareholders;
2. Suspend the implementation of capital expenditure projects such as major external investments and M&As;
3. Make downward adjustment to or cease to pay wages and bonuses to directors or senior executives of the Company;
4. Main persons responsible may not be reassigned from their current positions.

(IX) Listing Arrangements for Bonds

Authorized persons will jointly or severally determine matters related to application for listing of corporate bonds and overseas bonds according to the actual circumstances of the Company and market condition, etc.

(X) Valid Period of Resolution

The valid period of general meeting resolution on issuance of corporate bonds and overseas bonds of the Company will be 36 months as from the date when the resolution is deliberated and passed by the general meeting. If the Board of Directors and/or its authorized persons have decided issuance or partial issuance of relevant corporate bonds and overseas bonds within the valid period of authorization, and the Company obtained approval, clearance, filing or registration of issuance from regulatory authorities within the valid period of authorization (if applicable), the valid period will be automatically extended to the expiry date of the valid period of issuance registration, approval, clearance, filing or registration.

III. MATTERS OF AUTHORIZATION

In order to effectively coordinate specific matters in the course of issuance of corporate bonds and overseas bonds, the Board of Directors will propose to the general meeting to authorize the management to deal with matters related to corporate bonds and overseas bonds at their sole discretion within the framework and principle of the general meeting resolution, including but not limited to the following:

1. Formulate and adjust the specific issuance scheme for issuance of corporate bonds and overseas bonds by the Company pursuant to applicable national laws and regulations, relevant provisions of regulators and general meeting resolutions of

the Company and in light of the circumstances of the Company and relevant debt markets, including but not limited to suitable issuers, timing of issuance, specific amounts and manner of issuance, terms of issuance, objects and term of issuance, arrangements for whether to be issued once, multiple times or in tranches and multi-variety issuance, size and term of issuance of each round, tranche and variety, manner of determining nominal value and interest rate, currency (including offshore RMB), pricing mode, issuance arrangements, credit enhancement arrangements such as guarantee letter and letter of support, rating arrangements, specific measures for application, whether to set put provision and call provision, specific allotment arrangements, purpose of raised funds, registration, listing and places of listing of corporate bonds and overseas bonds, measures to reduce repayment risks and debt service safeguards (if applicable), among any other matters related to issuance of corporate bonds and overseas bonds;

2. Determine the engagement of intermediaries, sign, execute, modify and complete any and all agreements and documents related to issuance of corporate bonds and overseas bonds (including but not limited to sponsoring agreement, underwriting agreement, guarantee agreement, credit enhancement agreements such as letter of support, bond deed, agreement to engage intermediaries, trustee agreement, liquidation management agreement, registration and custody agreement, listing agreement and other legal documents) and conduct relevant information disclosure according to relevant laws and regulations and the listing rules of the exchange in the place of listing of securities of the Company (including but not limited to preliminary and final corporate bonds and overseas bonds offering memorandum, and any and all announcements and circulars related to issuance of corporate bonds and overseas bonds);
3. Choose and engage trustees and liquidation managers for issuance of corporate bonds and overseas bonds, sign entrusted management agreement and liquidation management agreement and formulate holder meeting rules (if applicable);

4. Handle any and all reporting and listing matters in connection with issuance of corporate bonds and overseas bonds (if applicable), including but not limited to producing, modifying and submitting filing materials for issuance of corporate bonds and overseas bonds, listing and credit enhancement agreements whereby the Company, the issuers and/or third parties provide guarantees and letter of support according to requirements of relevant regulatory authorities, and sign relevant filing documents and other legal documents;
5. Except with respect to matters subject to re-voting by general meeting according to relevant laws and regulations and the Articles of Association of the Company, make corresponding adjustments to matters related to issuance of corporate bonds and overseas bonds pursuant to changes to opinions and policies of regulatory authorities or changed market conditions, or decide whether or not to continue all or part of issuance of corporate bonds and overseas bonds as appropriate in the circumstances;
6. Handle other related matters in connection with issuance of corporate bonds and overseas bonds;
7. Subject to approval of the aforesaid authorization by the general meeting, consent to the Board of Directors authorizing the authorized persons of the Company as authorized persons responsible for issuance of corporate bonds and overseas bonds to jointly or severally deal with any and all matters related to issuance of corporate bonds and overseas bonds on behalf of the Company according to general meeting resolutions and the Board authorization.

The aforesaid authorization will cease to be valid 36 months as from the date when it is deliberated and passed by the general meeting or the date when all of the aforesaid authorized matters are completed, whichever is earlier (depending upon whether the issuance of any and all corporate bonds and overseas bonds is completed at that time). However, if the Board of Directors and/or its authorized persons have decided issuance or partial issuance of relevant corporate bonds and overseas bonds within the valid period of authorization, and the Company obtained approval, clearance, filing or registration of issuance from regulatory authorities within the valid period of authorization (if applicable), the valid period of the aforesaid authorization will be automatically extended to the expiry date of the valid period of issuance registration, approval, clearance, filing or recording.

IV. BRIEF FINANCIAL AND ACCOUNTING INFORMATION OF THE ISSUER

(I) Changes in Scope of Consolidated Statements of the Company in the Most Recent Three Years

1. Subsidiaries included in the scope of consolidation as of December 31, 2025

Name of subsidiary	Principal place of business	Place of registration
Shanghai Dazhong Gas Co., Ltd	Shanghai	#706 Anyuan Road, Putuo District, Shanghai
Shanghai Dazhong Gas Pipeline Engineering Co., Ltd.	Shanghai	Room 105, 1F, Building 10, #269 Jinfa Road, Fengxian District, Shanghai
Shanghai Shinan Gas Development Co., Ltd	Shanghai	Room 110, 1F, Building 10, #269 Jinfa Road, Fengxian District, Shanghai
Shanghai Gas Materials Supply and Sale Co., Ltd	Shanghai	Room 1601-2, #98 Songhu Road, Yangpu District, Shanghai
Shanghai Dazhong Gas Investment Development Co., Ltd	Shanghai	Room 411-53, 4F, #1 Alley 70, Haiji Sixth Road, China (Shanghai) Pilot Free Trade Zone Lingang New Area
Nantong Dazhong Gas Co., Ltd	Jiangsu	#59 Gongnong North Road, Nantong
Nantong Dazhong Gas Equipment Co., Ltd	Jiangsu	#54 Tangjia Huahang, Nantong, Jiangsu
Nantong Dazhong Gas Installation Engineering Co., Ltd	Jiangsu	#59 Gongnong North Road, Nantong
Rudong Dazhong Gas Co., Ltd	Jiangsu	#508 Zhujiang Road, Juegang Town, Rudong County, Jiangsu
Nantong Development Zone Dazhong Gas Co., Ltd	Jiangsu	South of Shanghai Road and west of Wenzhou Road, Nantong Development Zone
Shanghai Dazhong Environmental Industry Co., Ltd	Shanghai	Building C, #888 Huanhu West 2nd Road, Lingang New Area, China(Shanghai) Pilot Free Trade Zone
Shanghai Dazhong Jiading Sewage Treatment Co., Ltd	Shanghai	#1720 Jiading Road, Jiading District, Shanghai
Jiangsu Dazhong Water Group Co., Ltd	Jiangsu	Sanbahe, Qiaojiahu Village, Xuzhou
Peixian Yuanquan Water Operation Co., Ltd	Jiangsu	West of East Ring Road, Pei County, south of Yanhe Bridge, Xuzhou, Jiangsu
Xuzhou Dazhong Water Operation Co., Ltd	Jiangsu	Sanbahe Sewage Treatment Plant, Qiaojiahu Village, Xuzhou
Lianyungang West Lake Sewage Treatment Co., Ltd	Jiangsu	#5 Guangming Road, Donghai County High-tech Development Zone, Lianyungang
Pizhou Yuanquan Water Operation Co., Ltd.	Jiangsu	500 meters east of Zhendong Village, Yunhe Town, Pizhou, Jiangsu

Name of subsidiary	Principal place of business	Place of registration
Xuzhou Yuanquan Sewage Treatment Co., Ltd.	Jiangsu	within Xuzhou Industry Park, Jiangsu (100 meters south of the intersection of National Highway 310 and National Highway 206)
Xuzhou Qingshanquan Dazhong Water Operation Co., Ltd	Jiangsu	Textile Industry Park, Qingshanquan Town, Jiawang District, Xuzhou
Xuzhou Jiawang Dazhong Water Operation Co., Ltd	Jiangsu	100 meters south of the intersection of National Highway 310 and National Highway 206
Lianyungang Dazhong Environmental Governance Co., Ltd	Jiangsu	#5 Guangming Road, High-tech Development Zone, Donghai County, Lianyungang
Jiangsu Dazhong Environmental Governance Co., Ltd	Jiangsu	Sanbahe Sewage Treatment Plant, Qiaojiahu Village, Yunlong District, Xuzhou
Shanghai Dazhong Municipal Development Co., Ltd	Shanghai	Building C, #888 Huanhu West 2nd Road, Lingang New Area, China(Shanghai) Pilot Free Trade Zone
Shanghai Xiangyin Road Tunnel Construction Development Co., Ltd	Shanghai	Building C, #888 Huanhu West 2nd Road, Lingang New Area, China(Shanghai) Pilot Free Trade Zone
Hainan Dazhong Marine Industry Co., Ltd	Hainan	Shalao Port, Changpo Town, Qionghai City, Hainan
Hainan Chunmao Eco-Agricultural Development Co., Ltd	Hainan	Office building, Shalao Port Yard Area, Changpo Town, Qionghai City, Hainan
Shanghai Weiming Biochemical Co., Ltd.	Shanghai	1728 Jiangdong Road, Pudong New Area, Shanghai
Shanghai Dazhong Group Capital Equity Investment Co., Ltd	Shanghai	Room 24A01, #518 Shangcheng Road, Pudong New Area, Shanghai
Shanghai Dazhong Assets Management Co., Ltd	Shanghai	Room 2107, 21F, Building 1, #1515 Zhongshan West Road, Xuhui District, Shanghai
Shanghai Dazhong Financial Leasing Co., Ltd	Shanghai	Room 108, #26 Jiafeng Road, China (Shanghai) Pilot Free Trade Zone
Shanghai Zhongju Equipment Leasing Co., Ltd	Shanghai	Room 301, south part, 3F, Building 1, #24 Jiafeng Road, China(Shanghai) Pilot Free Trade Zone
Shanghai Zhongyi Tongxiang Supply Chain Co., Ltd.	Shanghai	Room 601, Building 1, #451 Wenshui Road, Jingan District, Shanghai
Shanghai Dazhong Commercial Factoring Co., Ltd	Shanghai	Room 110, Building 1, #451 Wenshui Road, Jing'an District, Shanghai
Shanghai Dazhong Transportation Commerce Co., Ltd	Shanghai	Room 1112, #1515 Zhongshan West Road, Xuhui District, Shanghai

Name of subsidiary	Principal place of business	Place of registration
Shanghai Zhongzhu Information Technology Co., Ltd	Shanghai	No. 2050 Honghai Highway, Miao Town, Chongming District, Shanghai (Shanghai Miao Town Economic Development Zone)
Shanghai Zhongyizhu Trading Service Co., Ltd.	Shanghai	Room 109, Part 01, 1F, Building 1, #2121 Longteng Avenue, Xuhui District, Shanghai
Shanghai Ruyu Energy Investment Co., Ltd	Shanghai	Room G1016, Building 10, #1021 Sanshuang Road, Gangxi Town, Chongming District, Shanghai
Shanghai Dazhong Run Logistics Co., Ltd	Shanghai	Room 102, Building 1, #451 Wenshui Road, Jing'an District, Shanghai
Shanghai Dazhong Run Supply Chain Management Co., Ltd	Shanghai	Room 241, 2F, #4 Alley 889 Suide Road, Putuo District, Shanghai
Shanghai Dazhong Run Logistics Distribution Co., Ltd.	Shanghai	Room 101, Building 1, #451 Wenshui Road, Jing'an District, Shanghai
Shanghai Dazhong GreenMobility New Energy Development Co., Ltd.	Shanghai	1F, Building 3, #715 Yingshun Road, Qingpu District, Shanghai
Dazhong (Hong Kong) International Corporation Limited	Hong Kong	FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, KL
Fretum Construction& Engineering Enterprise Limited	Hong Kong	FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, KL
Galaxy Building&Development Corporation Limited	Hong Kong	FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, KL
Ace Best Investing Management Corporation Limited	Hong Kong	FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, KL
Platinum Capital Investment Corporation Limited	Hong Kong	Walkers Corporation Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands
Dazhong (VietNam) International Company Limited	Vietnam	No. 23 Ninh Su Huynh Lien Street, Ward 10, Tan Binh District, Ho Chi Minh City, Vietnam.
Ultra Partner Limited	Hong Kong	Vistra (Cayman) Limited, Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman, KY1-1205, Cayman Islands
Century Charm Limited	Hong Kong	Vistra (Cayman) Limited, Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman, KY1-1205, Cayman Islands
Interstellar Capital Investment Co., Limited	Hong Kong	FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, KL

2. *Changes in scope of consolidated statements of the company in the most recent three years*

(1) Changes in scope of consolidated statements of the Company in 2023

Additions of consolidated entities to the Company in 2023

Name	Ratio of share acquisition (%)	Manner of share acquisition
Shanghai Zhongyizhu Trading Service Co., Ltd	100.00	New establishment
Shanghai Dazhong Run Logistics Distribution Co., Ltd.	100.00	New establishment

Reduction of consolidated entities from the Company in 2023

Name	Ratio of share disposal (%)	Manner of share disposal
Shanghai Zhonggong Information Service Co., Ltd.	100.00	Liquidation and cancellation
Allpay (International) Finance Service Corporation Limited	100.00	Liquidation and cancellation

(2) Changes in scope of consolidated statements of the Company in 2024

Name	Ratio of share acquisition (%)	Manner of share acquisition
Shanghai Zhongyi Tongxiang Supply Chain Co., Ltd.	100.00	New establishment
Shanghai Dazhong GreenMobility New Energy Development Co., Ltd.	100.00	New establishment

(3) Changes in scope of consolidated statements of the Company in 2025

There were no changes in scope of consolidated statements of the Company in 2025.

(II) Balance Sheet, Income Statement and Cash Flow Statement of the Company in the
Most Recent Three Years

1. Consolidated Balance Sheet

Unit: RMB10,000 Yuan

Item	End of 2025	End of 2024	End of 2023
Current assets			
Monetary capital	299,185.83	341,187.67	321,630.63
Trading financial assets	11,789.70	11,109.39	11,696.21
Notes receivable	8.65	—	81.00
Accounts receivable	56,095.75	61,299.70	44,850.83
Prepayments	4,861.04	5,694.79	7,090.47
Other receivables	1,662.23	1,752.77	720.05
Wherein: dividends receivable	—	—	—
Inventories	26,705.33	27,411.16	29,838.97
Noncurrent assets due within one year	79,008.37	89,984.13	97,292.28
Other current assets	49,271.59	36,072.81	30,387.75
Total current assets	528,588.48	574,512.41	543,588.20
Noncurrent assets:			
Debt investments	—	1,900.70	19,117.08
Other debt investments	0.24	1.40	0.18
Long-term receivables	120,414.50	104,351.56	117,612.45
Long-term equity investments	794,018.45	740,769.92	724,444.21
Other equity instrument investments	12,067.27	9,736.13	5,802.92
Other noncurrent financial assets	230,923.81	262,821.00	294,487.17
Investment properties	22,720.54	23,345.41	23,636.41
Fixed assets	562,509.42	521,780.96	513,446.61
Construction in progress	28,054.10	32,102.99	16,212.64
Intangible assets	14,544.39	17,602.20	18,600.80
Right-of-use assets	2,439.49	2,614.21	1,014.92
Goodwill	—	1,273.69	1,273.69
Long-term unamortized expenses	981.56	631.16	429.63
Deferred tax assets	5,378.74	4,993.19	3,112.41
Other noncurrent assets	3,579.67	478.34	692.12
Total noncurrent assets	1,797,632.17	1,724,402.85	1,739,883.23
Total assets	2,326,220.66	2,298,915.26	2,283,471.43

Item	End of 2025	End of 2024	End of 2023
Current liabilities:			
Short-term borrowings	247,563.32	301,924.50	284,533.04
Notes payable	10,780.22	11,972.10	20,000.00
Accounts payable	225,619.53	172,097.86	141,275.60
Advance receipts	2,384.34	2,469.24	2,953.65
Payroll payable	20,601.46	15,610.71	13,202.51
Taxes and dues payable	4,860.24	6,819.84	4,939.93
Other payables	35,675.96	37,905.39	45,332.20
Wherein: dividends payable	91.13	91.13	91.13
Contract liabilities	71,338.93	77,980.81	83,287.65
Noncurrent liabilities due within one year	161,974.13	192,128.55	248,816.80
Other current liabilities	5,152.68	6,170.78	6,961.40
Total current liabilities	785,950.82	825,079.80	851,302.79
Noncurrent liabilities			
Long-term borrowings	64,551.07	39,314.72	33,739.42
Bonds payable	249,670.21	249,449.01	251,258.45
Lease liabilities	1,518.90	1,930.92	779.78
Long-term payables	9,858.07	10,579.80	8,953.09
Long-term payable payroll	—	—	—
Estimated liabilities	12,046.69	10,644.55	8,854.37
Deferred income	111,859.38	121,766.32	127,307.46
Deferred tax liabilities	15,929.86	15,935.51	16,384.95
Other noncurrent liabilities	31,095.15	20,168.32	11,223.58
Total noncurrent liabilities	496,529.32	469,789.15	458,501.10
Total liabilities	1,282,480.13	1,294,868.95	1,309,803.89
Ownership interest			
Share capital	295,243.47	295,243.47	295,243.47
Capital reserve	126,670.98	127,899.45	127,605.95
Other comprehensive income	14,450.07	10,065.42	548.68
Special reserve	542.45	546.91	476.87
Surplus reserve	77,405.98	73,391.12	71,216.79
Generic risk reserve	21.55	21.04	20.29
Undistributed profits	374,462.94	347,589.96	336,783.66
Total equities attributable to owners of the parent company	888,797.44	854,757.37	831,895.70
Minority interest	154,943.08	149,288.94	141,771.84
Total ownership interest	1,043,740.52	1,004,046.32	973,667.54
Total liabilities and ownership interest	2,326,220.66	2,298,915.26	2,283,471.43

2. Consolidated Income Statement

Unit: RMB10,000 Yuan

Item	2025	2024	2023
I. Total operating revenue	611,337.63	633,581.04	640,495.71
Wherein: operating revenue	602,307.33	624,833.60	630,254.00
interest revenue	9,030.30	8,747.43	10,241.71
earned premium	—	—	—
II. Total operating costs	603,727.41	626,682.58	634,852.71
Wherein: operating cost	516,818.47	537,189.61	539,810.66
Taxes and surcharges	2,282.88	2,401.48	2,368.32
Selling costs	19,583.54	19,655.27	20,328.67
General and administrative expenses	47,502.28	51,118.89	51,650.62
R&D costs	135.11	45.75	44.81
Financial expenses	17,405.13	16,271.58	20,649.63
Plus: other income	4,449.14	3,279.72	3,833.43
Investment income (loss to be denoted by “-”)	71,951.03	29,236.77	66,091.99
Wherein: income on investments in affiliates and joint ventures	67,222.76	19,042.94	37,548.69
Income from change in fair value (loss to be denoted by “-”)	-23,237.84	2,453.48	-34,148.34
Loss from credit impairment (loss to be denoted by “-”)	507.93	-156.01	-2,754.11
Loss from asset impairment (loss to be denoted by “-”)	-3,853.82	-5.31	-42.35
Income from asset disposal	1,859.67	1,199.16	1,664.73
III. Operating profits	59,286.33	42,906.26	40,288.35
Plus: Non-business revenue	285.31	1,337.01	140.57
Minus: non-business expenditure	514.46	771.77	140.97
IV. Total profits (total losses to be denoted by “-”)	59,057.18	43,471.49	40,287.94
Minus: income tax expense	8,819.23	10,628.86	9,924.45
V. Net profits (net losses to be denoted by “-”)	50,237.95	32,842.63	30,363.49
Net profits attributable to owners of the parent company	41,517.11	23,314.90	21,254.42
Minority interest income	8,720.84	9,527.72	9,109.07
VI. Other comprehensive income, net of tax	4,579.65	9,957.15	-4,171.58
After-tax net amount of other comprehensive income attributable to the owners of the parent company	4,384.66	9,516.74	-4,130.89
(I) Other comprehensive income that can not be subsequently reclassified into profit and loss	5,339.65	9,119.33	-4,596.67
1. changes resulting from re-measurement of net assets or net liabilities of the defined benefit plan	39.90	-78.75	-50.49

Item	2025	2024	2023
2. Share in other comprehensive income of the investee that cannot be reclassified into profit and loss under the equity method	3,896.25	6,130.13	-3,233.94
3. Changes in fair value of other equity instrument investments	1,403.50	3,067.95	-1,312.24
(II) Other comprehensive income that will be subsequently reclassified into profit and loss	-954.99	397.40	465.78
1. Share in other comprehensive income of the investee that will be reclassified into profit and loss under the equity method	-98.74	40.29	60.26
2. Changes in fair value of other bond investments	-1.15	1.21	-2.22
3. Profit or loss on changes in fair value of available-for-sale financial assets	—	—	—
4. Profit or loss on reclassification of held-to-maturity investments to available-for-sale financial assets	—	—	—
5. Credit impairment provision for other debt investments	-0.01	0.01	-0.02
6. Effective portion of cash flow hedging profit or loss	—	—	—
7. Foreign-currency statement translation difference	-855.09	355.89	407.77
8. Others	—	—	—
Other comprehensive income attributable to minority shareholders, net of tax	194.99	440.41	-40.69
VII. Total comprehensive income	54,817.60	42,799.77	26,191.91
Total comprehensive income attributable to owners of the parent company	45,901.77	32,831.64	17,123.53
Total comprehensive income attributable to minority shareholders	8,915.84	9,968.13	9,068.38

3. Consolidated Cash Flow Statement

Unit: RMB10,000 Yuan

Item	2025	2024	2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services	651,061.57	646,284.59	690,297.21
Cash from interest, handling fee and commission charged	11,116.60	10,769.95	10,259.50
Tax rebates received	—	—	—
Other cash received in connection with operating activities	12,173.27	16,673.49	19,988.95
Subtotal of cash inflows from operating activities	674,351.44	673,728.03	720,545.66
Cash paid for purchase of goods and receipt of services	451,254.97	514,027.49	536,180.17
Net increase in customer loans and advances	—	—	—
Cash paid to and for employees	73,542.07	79,545.58	79,369.18
Taxes and dues paid	24,648.45	23,734.80	21,246.88
Other cash paid in connection with operating activities	16,171.00	15,867.99	14,766.17
Subtotal of cash outflows from operating activities	565,616.49	633,175.86	651,562.39
Net cash flows from operating activities	108,734.95	40,552.17	68,983.27
II. Cash flows from investing activities:			
Cash received from investment recovery	428,030.29	393,162.43	189,786.74
Cash received from acquisition of income on investment	18,588.35	17,162.72	67,691.07
Net cash received from disposal of fixed assets, intangible assets and other long-term assets.	2,089.35	147.38	3,452.67
Net cash received from disposal of subsidiaries and other business units	—	—	—
Other cash received in connection with investing activities	5,320.93	5,593.54	4,750.14
Subtotal of cash inflows from investing activities	454,028.93	416,066.06	265,680.63
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets.	73,286.48	48,586.36	35,339.11
Cash paid for investment	450,778.09	355,098.70	187,913.43
Net cash paid for acquisition of subsidiaries and other business units	—	—	—
Other cash paid in connection with investing activities	1,824.20	1,072.14	2,706.54
Subtotal of cash outflows from investing activities	525,888.78	404,757.20	225,959.07
Net cash flows from investing activities	-71,859.86	11,308.86	39,721.56

Item	2025	2024	2023
III. Cash flows from financing activities:			
Cash received from acquisition of investments	—	400.00	—
Wherein: cash received from acquisition of minority shareholder investments by subsidiaries	—	400.00	—
Cash received from acquisition of borrowings	529,613.51	542,082.38	698,567.18
Other cash received in connection with financing activities	9,188.85	8,413.06	—
Subtotal of cash inflows from financing activities	538,802.37	550,895.44	698,567.18
Cash paid for debt repayment	580,071.97	544,009.32	742,920.49
Cash paid for distribution of dividends and profits or interest repayment	34,018.86	38,176.84	39,916.43
Wherein: dividends and profits paid by subsidiaries to minority shareholders	3,255.12	2,912.40	1,345.20
Other cash paid in connection with financing activities	809.81	1,453.18	2,382.42
Subtotal of cash outflows from financing activities	614,900.64	583,639.34	785,219.34
Net cash flows from financing activities	-76,098.28	-32,743.90	-86,652.16
IV. Effect of exchange rate changes on cash and cash equivalents	-2,722.24	1,461.25	1,509.42
V. Net increase in cash and cash equivalents	-41,945.43	20,578.38	23,562.08
Plus: Beginning balance of cash and cash equivalents	339,578.68	319,000.31	295,438.23
VI. Ending balance of cash and cash equivalents	297,633.26	339,578.68	319,000.31

4. *Parent Balance Sheet**Unit: RMB10,000 Yuan*

Item	End of 2025	End of 2024	End of 2023
Current assets			
Monetary capital	181,764.98	207,614.13	217,585.97
Trading financial assets	1,902.92	2,061.27	5,536.05
Notes receivable	—	—	—
Accounts receivable	1,491.90	1,829.62	2,080.74
Prepayments	41.57	61.89	9.09
Other receivables	38,233.88	48,083.64	51,307.02
Wherein: interest receivable	—	—	—
dividends receivable	—	—	—
Inventories	—	—	—
Noncurrent assets due within one year	1,001.21	898.55	806.42
Other current assets	9,499.30	624.51	818.17
Total current assets	233,935.76	261,173.62	278,143.45
Noncurrent assets:			
Long-term receivables	7,006.63	8,007.84	8,906.39
Long-term equity investments	1,174,655.05	1,120,285.36	1,105,879.73
Other noncurrent financial assets	56,166.81	66,374.43	82,278.22
Investment properties	19,497.04	19,979.49	20,480.71
Fixed assets	303.19	294.09	318.03
Construction in progress	644.33	293.88	11.73
Right-of-use assets	345.23	340.68	505.53
Intangible assets	509.66	310.75	520.87
Long-term unamortized expenses	182.74	261.06	339.37
Other noncurrent assets	3,000.00	—	—
Total noncurrent assets	1,262,310.68	1,216,147.57	1,219,240.58
Total assets	1,496,246.44	1,477,321.19	1,497,384.03
Current liabilities:			
Short-term borrowings	206,771.54	206,652.44	208,165.46
Accounts payable	—	—	—
Advance receipts	88.69	—	—
Payroll payable	13,083.61	7,163.89	6,001.67
Taxes and dues payable	157.65	363.06	176.15
Other payables	152,896.86	150,390.90	154,579.02
Wherein: interest payable	—	—	—
dividends payable	91.13	91.13	91.13
Noncurrent liabilities due within one year	136,836.53	157,613.73	188,312.42
Other current liabilities	113.29	144.36	140.01
Total current liabilities	509,948.16	522,328.40	557,374.73
Noncurrent liabilities			
Long-term borrowings	—	—	—
Bonds payable	249,670.21	249,449.01	249,547.18
Lease liabilities	—	233.12	438.66
Deferred income	52.64	110.06	167.48
Deferred tax liabilities	1,061.20	1,155.76	1,847.05
Other noncurrent liabilities	—	—	—
Total noncurrent liabilities	250,784.05	250,947.94	252,000.36
Total liabilities	760,732.21	773,276.33	809,375.08

Item	End of 2025	End of 2024	End of 2023
Ownership interest			
Share capital	295,243.47	295,243.47	295,243.47
Capital reserve	133,525.93	134,406.64	134,434.12
Other comprehensive income	20,257.99	17,427.73	12,774.14
Surplus reserve	77,405.98	73,391.12	71,216.79
Undistributed profits	209,080.86	183,575.89	174,340.43
Total ownership interest	735,514.23	704,044.86	688,008.95
Total liabilities and ownership interest	1,496,246.44	1,477,321.19	1,497,384.03

5. Parent Income Statement

RMB10,000 Yuan

Item	2025	2024	2023
I. Operating revenue	5,040.92	5,282.76	5,281.83
Minus: operating costs	506.85	501.23	501.23
Taxes and surcharges	300.10	327.88	337.13
General and administrative expenses	16,309.93	18,275.68	18,682.97
Financial expenses	14,483.33	10,815.94	14,342.60
Plus: Income from change in fair value (loss to be denoted by “-”)	-6,362.63	2,043.01	7,483.59
Other income	1,303.87	188.46	70.26
Investment income (loss to be denoted by “-”)	72,355.39	43,391.18	39,097.97
Wherein: income on investments in affiliates and joint ventures	65,445.81	15,362.34	33,286.60
Loss from asset impairment	-587.00	—	—
Loss from credit impairment	3.41	57.34	-34.51
Gain on Disposal of Assets	2.37	—	-1.14
II. Operating profits (losses to be denoted by “-”)	40,156.14	21,042.03	18,034.06
Plus: Non-business revenue	—	10.00	77.5
Wherein: gains from disposal of noncurrent assets	—	—	—
Minus: non-business expenditure	102.11	—	15.00
Wherein: loss from disposal of noncurrent assets	—	—	—
III. Total profits (total losses to be denoted by “-”)	40,054.03	21,052.03	18,096.57
Minus: income tax expense	-94.55	-691.29	817.46
IV. Net profits (net losses to be denoted by “-”)	40,148.59	21,743.32	17,279.11

Item	2025	2024	2023
V. Other comprehensive income, net of tax	2,830.26	4,653.59	-2,364.55
(I) Other comprehensive income that can not be subsequently reclassified into profit and loss	2,902.89	4,567.25	-2,409.44
1. changes resulting from re-measurement of net assets or net liabilities of the defined benefit plan	—	—	—
2. Share in other comprehensive income of the investee that cannot be reclassified into profit and loss under the equity method	2,902.89	4,567.25	-2,409.44
(II) Other comprehensive income that will be subsequently reclassified into profit and loss	-72.63	86.34	44.89
1. Share in other comprehensive income of the investee that will be reclassified into profit and loss under the equity method	-72.63	86.34	44.89
2. Profit or loss on changes in fair value of available-for-sale financial assets	—	—	—
3. Profit or loss on reclassification of held-to-maturity investments to available-for-sale financial assets	—	—	—
4. Effective portion of cash flow hedging profit or loss	—	—	—
5. Foreign-currency statement translation difference	—	—	—
6. Others	—	—	—
VI. Total comprehensive income	42,978.85	26,396.91	14,914.56

6. Parent Cash Flow Statement*Unit: RMB10,000 Yuan*

Item	2025	2024	2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of services	5,886.89	6,018.34	6,215.43
Tax rebates received	—	—	—
Other cash received in connection with operating activities	6,668.04	6,736.37	5,843.36
Subtotal of cash inflows from operating activities	12,554.93	12,754.72	12,058.79
Cash paid for purchase of goods and receipt of services	5.69	—	—
Cash paid to and for employees	6,813.01	13,250.24	14,967.35
Taxes and dues paid	322.02	353.91	352.55
Other cash paid in connection with operating activities	3,867.69	3,156.26	2,898.58
Subtotal of cash outflows from operating activities	11,008.41	16,760.40	18,218.48
Net cash flows from operating activities	1,546.52	-4,005.68	-6,159.69
II. Cash flows from investing activities:			
Cash received from investment recovery	158,519.36	169,295.87	31,310.18
Cash received from acquisition of income on investment	18,518.81	38,128.67	32,627.40
Net cash received from disposal of fixed assets, intangible assets and other long-term assets.	—	—	—
Net cash received from disposal of subsidiaries and other business units	—	—	—
Other cash received in connection with investing activities	898.56	806.42	723.74
Subtotal of cash inflows from investing activities	177,936.72	208,230.96	64,661.32
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets.	982.78	354.21	446.05
Cash paid for investment	156,745.72	148,434.55	39,017.78
Net cash paid for acquisition of subsidiaries and other business units	—	—	—
Other cash paid in connection with investing activities	—	—	—
Subtotal of cash outflows from investing activities	157,728.50	148,788.76	39,463.82
Net cash flows from investing activities	20,208.21	59,442.20	25,197.50

Item	2025	2024	2023
III. Cash flows from financing activities:			
Cash received from acquisition of investments	—	—	—
Cash received from acquisition of borrowings	403,466.23	389,857.60	559,856.41
Other cash received in connection with financing activities	—	—	—
Subtotal of cash inflows from financing activities	403,466.23	389,857.60	559,856.41
Cash paid for debt repayment	420,258.30	425,891.14	543,589.42
Cash paid for distribution of dividends and profits or interest repayment	27,706.79	30,384.46	32,162.76
Other cash paid in connection with financing activities	464.57	579.81	931.66
Subtotal of cash outflows from financing activities	448,429.65	456,855.41	576,683.85
Net cash flows from financing activities	-44,963.42	-66,997.81	-16,827.44
IV. Effect of exchange rate changes on cash and cash equivalents	-2,640.47	1,589.46	1,472.08
V. Net increase in cash and cash equivalents	-25,849.15	-9,971.84	3,682.45
Plus: Beginning balance of cash and cash equivalents	207,614.13	217,585.97	213,903.52
VI. Ending balance of cash and cash equivalents	181,764.98	207,614.13	217,585.97

(III) Key Financial Indicators of the Company in the Most Recent Three Years

Item	2025/end of 2025	2024/end of 2024	2023/end of 2023
Total assets (RMB100 million)	232.62	229.89	228.35
Total liabilities (RMB100 million)	128.25	129.49	130.98
Total operating revenue (RMB100 million)	61.13	63.36	64.05
Net profits (RMB100 million)	5.02	3.28	3.04
Net profits attributable to shareholders of the listed company after deduction of nonrecurring profit and loss (RMB100 million)	1.80	2.07	5.21
Net profits attributable to owners of the parent company (RMB100 million)	4.15	2.33	2.13
Current ratio	67.25%	69.63%	63.85%
Quick ratio	63.86%	66.31%	60.35%
Gearing ratio (%)	55.13	56.33	57.36
Weighted average ROE (%)	4.77	2.78	2.57
Weighted average ROE after deduction of nonrecurring profit and loss (%)	2.07	2.46	6.31
EBITDA(RMB100 million)	11.93	10.74	10.55
EBITDA/debt ratio	0.09	0.08	0.12
EBITDA interest coverage	5.86	4.13	3.58
A/R turnover rate	10.26	11.77	14.19
Inventory turnover rate	19.10	18.77	17.10
Loan repayment rate (%)	100.00	100.00	100.00
Interest coverage ratio (%)	100.00	100.00	100.00

(IV) Summary Financial Analysis of Management

1. Asset-liability Analysis

Unit: RMB Yuan

Item name	Ending amount of 2025	Ratio of ending amount of 2025 to total assets (%)	Ending amount of 2024	Ratio of ending amount of 2024 to total assets (%)	Percentage of change from ending amount of 2025 to ending amount of 2024 (%)	Remarks
Other current assets	492,715,867.10	2.12	360,728,131.28	1.57	36.59	Mainly due to additional short-term certificate of deposit investment in this reporting period.
Debt investments	—	—	19,006,953.20	0.08	-100.00	Mainly due to the fact that no additional 5G consumer installment program was launched in this reporting period.
Goodwill	—	—	12,736,861.44	0.06	-100.00	Mainly due to accrual of goodwill impairment in this reporting period.
Long-term unamortized expenses	9,815,645.29	0.04	6,311,647.66	0.03	55.52	Mainly due to increased expenditure on engineering improvement in this reporting period.
Other noncurrent assets	35,796,685.58	0.15	4,783,405.58	0.02	648.35	Mainly due to additional investment prepayments in this reporting period.
Accounts payable	2,256,195,294.04	9.70	1,720,978,594.30	7.49	31.10	Mainly due to increased purchase price payable in this reporting period.
Payroll payable	206,014,583.30	0.89	156,107,119.53	0.68	31.97	Mainly due to additional accrued HR expenses in this reporting period.

Item name	Ending amount of 2025	Ratio of ending amount of 2025 to total assets (%)	Ending amount of 2024	Ratio of ending amount of 2024 to total assets (%)	Percentage of change from ending amount of 2025 to ending amount of 2024 (%)	Remarks
Long-term borrowings	645,510,703.32	2.77	393,147,184.42	1.71	64.19	Mainly due to increased project loans for aging pipeline facilities renovation project in this reporting period.
Other noncurrent liabilities	310,951,498.26	1.34	201,683,220.24	0.88	54.18	Mainly due to increased funds for aging pipeline facilities renovation project in this reporting period.

At the end of 2025, the issuer's assets totaled RMB23,262,206,567.88, RMB273,053,920.05 more compared with the end of 2024, or 1.19% up. At the end of 2025, the issuer's liabilities totaled RMB12,824,801,336.46, RMB123,888,161.01 less compared with the end of 2024, or 0.96% down. At the end of 2025, the issuer's total ownership interest attributable to the parent company was RMB8,887,974,412.56, RMB340,400,682.66 more compared with the end of 2024, or 3.98% up.

2. Cash Flow Analysis

Unit: RMB Yuan

Key indicator	2025	2024	Increase or decrease (%)	Remarks
Net cash flows from operating activities	1,087,349,496.01	405,521,711.80	168.14	Mainly due to a YoY decrease in cash flows paid by the Company for purchase price in this reporting period.

Key indicator	2025	2024	Increase or decrease (%)	Remarks
Net cash flows from investing activities	-718,598,565.24	113,088,581.77	-735.43	Mainly due to a YoY decrease in net cash flows of the Company for investment recovery and payment in this reporting period; a YoY increase in investment in the aging gas pipeline facilities renovation project.
Net cash flows from financing activities	-760,982,796.70	-327,439,031.18	N/A	Mainly due to a decreased gearing ratio of the Company in the reporting period, as well as a YoY decrease in net cash flows from money borrowed minus debt repayment.

In 2025, net cash flows from operating activities of the Company were RMB1,087,349,496.01, RMB681,827,784.21 up from 2024, or 168.14% up, mainly due to a YoY decrease in cash flows paid by the Company for purchase price in this reporting period. In 2025, net cash flows from investing activities of the Company were RMB -718,598,565.24, RMB831,687,147.01 down from 2024, or 735.43% down, mainly due to a YoY decrease in net cash flows of the Company for investment recovery and payment in this reporting period; and a YoY increase in investment in the aging gas pipeline facilities renovation project. In 2025, net cash flows from financing activities of the Company were RMB -760,982,796.70, RMB433,543,765.52 up from 2024, or 132.40% up, mainly due to the decreased gearing ratio of the Company in this reporting period, as well as a YoY decrease in net cash flows from money borrowed minus debt repayment.

3. Solvency Analysis

Item	2025	2024	2023
Gearing ratio	55.13%	56.33%	57.36%
Current ratio	67.25%	69.63%	63.85%
Quick ratio	63.86%	66.31%	60.35%
EBITDA (RMB100 million)	11.93	10.74	10.55
EBITDA interest coverage ratio	5.86	4.13	3.58

Note: Gearing ratio = total liabilities/total assets

Current ratio = current assets/current liabilities

Quick ratio = (current assets-inventories)/current liabilities

EBITDA = total profits + interest expenditure charged to financial expenses + depreciation of fixed assets + amortization of intangible assets + amortization of long-term unamortized expenses

EBITDA interest coverage ratio = EBITDA / (interest expenditure charged to financial expenses + capitalized interest expenditure)

In 2025, the Company's current ratio was 67.25% and quick ratio 63.86%, registering a decrease compared with 2024; at the end of 2025, the Company's gearing ratio was 55.13%, somewhat down from the end of 2024.

4. Profitability Analysis

Unit: RMB Yuan

Item	2025	2024	Percentage of change (%)
Operating revenue	6,023,073,296.08	6,248,336,025.56	-3.61
Operating cost	5,168,184,727.87	5,371,896,085.42	-3.79
Selling cost	195,835,418.77	196,552,725.74	-0.36
General and administrative expenses	475,022,813.08	511,188,896.72	-7.07
Financial expenses	174,051,328.93	162,715,764.85	6.97
R&D costs	1,351,064.84	457,547.17	195.28
Net cash flows from operating activities	1,087,349,496.01	405,521,711.80	168.14
Net cash flows from investing activities	-718,598,565.24	113,088,581.77	-735.43
Net cash flows from financing activities	-760,982,796.70	-327,439,031.18	N/A

In 2025, the Company realized total operating income of RMB6,023,073,296.08, 3.61% down year-on-year; total consolidated profits were RMB590,571,817.55, 35.85% up year-on-year; consolidated net profits were RMB502,379,514.87, 52.97% up year-on-year. Net profits attributable to owners of the parent company were RMB415,171,077.82, 78.07% up year-on-year. In 2025, the company's weighted average ROE was 4.77%, 1.99% up from 2.78% in the same period of the last year.

5. *Objectives of future business development and sustainability of profitability*

(1) Seize the benefits of technological revolution and policies and enable intelligent development of public utilities

Based on the direction of the national movement to build smart cities and a new-type energy system, and by seizing the opportunities brought by technological revolution and favorable policies, the Company will actively explore a path to enabling high-quality development of traditional public utilities through intelligent upgrading, focus on the application of AI and digital technology in core scenarios such as intelligent gas dispatching, pipeline network inspection, intelligent aeration for sewage and dosing, explore the possible deployment of intelligent equipment and erection of smart operation platforms, perfect its safety governance system and continuously drive traditional public utilities to go smart.

(2) Continuously raise the ESG integrated management levels and steadily pursue green and low-carbon development of public utilities

By closely encompassing the core objectives of green transition under the national “dual carbon” initiative, the Company will actively explore a new path to integration between its presence in clean energy and low-carbon operation of public utilities, continuously raise its levels of ESG integrated management, steadily drive its public utilities business to go green and build its sustainable competitiveness by perfecting its ESG governance structure, intensifying low-carbon technology input and scenario application and deepening the green control across the industry chain.

(3) Solidify the red line for workplace safety and ensure stable and smooth supply

The Company will solidly establish a companywide awareness of workplace safety redline, enforce accountability for whole-process safety strictly, maintain “proactive safety management” as an ongoing process, keep conducting hazard identification and elimination efforts and safety education of personnel, prevent safety risks at the source, and spare no efforts to ensure stable supply with continuous and stable workplace safety performance as the foundation.

(4) Intensify internal control management and effectively prevent risks

The Company will build a total risk management system combining internal control, risk control and compliance pursuant to the latest laws and regulations and regulatory requirements, keep improving its rules and regulations and internal control process, constantly optimize its corporate governance structure, keep a watchful eye on “cash flow and gearing ratio”

as two red lines, pursue fine management of cash flows, tighten the control over gearing ratio, and strengthen its internal control system and risk prevention mechanism for sustainable and stable corporate growth.

(5) Intensify talent development efforts and enhance team building

The Company will keep improving its talent development system, always regard talent development as an important pillar of its effort to enhance innovative corporate advantages and industrial advantages, conduct level-by-level and category-by-category specialized training and employee job rotation, solidify the fundamental professional competency of its employees, enrich on-the-job practical experience, enable employee development in multiple dimensions, build a highly capable multidisciplinary team and inject continuous talent driving force into its corporate growth.

V. PURPOSE OF FUNDS RAISED FROM ISSUANCE OF CORPORATE BONDS AND OVERSEAS BONDS

Funds to be raised from issuance of corporate bonds and overseas bonds by the Company are proposed to be used for purposes including but not limited to repayment of debts, supplementing working capital and project construction. The amounts and ratios of raised funds to be used for the aforesaid purposes will be determined by the management in light of the actual circumstances of the Company such as financial condition under the authority of the general meeting upon the request of the Board of Directors.

The application of funds to be raised from issuance of corporate bonds and overseas bonds by the Company will meet the day-to-day production and operational needs of the Company to a certain extent, so as to help optimize the Company's debt structure and promote continuous and healthy development of the Company.

VI. OTHER IMPORTANT EVENTS

(I) External Guarantee

As at the end of 2025, the Issuer has not provided any guarantees to entities outside the scope of consolidated financial statements.

(II) Significant Outstanding Litigations and Arbitrations

As of the date of disclosure of this circular, the Company had no outstanding litigations or arbitrations that should be disclosed and might produce material adverse effects on the Company's financial condition, operating results, reputation, business activities or future prospects.

The aforesaid resolution will be submitted to the 2025 AGM of the Company for deliberation and be implemented after the 2025 AGM deliberates and passes it.

**APPENDIX VIII RESOLUTION ON RE-APPOINTMENT OF DOMESTIC AUDIT
FIRM AND INTERNAL CONTROL AUDIT FIRM OF THE
COMPANY FOR THE YEAR 2026**

In accordance with the Administrative Measures for the Selection and Appointment of Accounting Firms by State-owned Enterprises and Listed Companies issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission and the CSRC, the Company conducted a review and evaluation of the performance of BDO China Shu Lun Pan Certified Public Accountants LLP in the 2025 audit.

Upon evaluation, the Firm possesses the practice certificate for accounting firms and the qualification to engage in securities- and futures-related business. In the course of its practice, the Firm adhered to the principle of independent auditing, performed its duties diligently, expressed its opinions fairly, and was able to issue the Company's professional reports on schedule. The reports it issued were objective and impartial, demonstrating sound professional ethics and professional competence. In the 2025 audit, the Firm complied with the Chinese Standards on Auditing for Certified Public Accountants and the relevant rules on internal control audit, performed its duties diligently, and successfully completed the audit of the Company's 2025 financial report and other audit work.

Having comprehensively considered the Firm's audit quality, service standards, professional ethics and capability to perform its duties, and in order to maintain the continuity of the audit work, the Company, as proposed by the Audit Committee of the Board, intends to re-appoint BDO China Shu Lun Pan Certified Public Accountants LLP as the Company's domestic auditor and internal control auditor for 2026. The Firm will audit the Company's 2026 financial statements and issue an audit report, and will audit the effectiveness of the Company's internal control and issue an internal control audit report. The term of appointment shall be one year, and the audit fee and internal control audit fee shall be paid in accordance with the applicable standards.

Given that, in the course of the 2025 audit, BDO China Shu Lun Pan Certified Public Accountants LLP was able to adhere to its practice principles, ensure audit quality, conduct an independent, objective, impartial and prudent audit of the accounting statements and related information provided by the Company, and put forward management recommendations, thereby playing a positive role in helping the Company continuously improve its internal control mechanism and ensure the quality of its financial reporting information, the Company proposes to pay the Firm a service fee of RMB1.5 million for the 2025 financial statement audit and RMB0.4 million for the 2025 internal control audit.

The H shares of the Company were officially listed for trading on The Stock Exchange of Hong Kong Limited on December 5, 2016, and the Company is therefore required to appoint an overseas audit firm in accordance with the applicable regulations. In accordance with the Administrative Measures for the Selection and Appointment of Accounting Firms by State-owned Enterprises and Listed Companies issued by the Ministry of Finance, the SASAC and the CSRC, the Audit Committee of the Board conducted a review and evaluation of the performance of BDO Limited, the Company's overseas audit firm, in the 2025 audit.

Upon evaluation, the Firm holds a practising certificate issued by the Hong Kong Institute of Certified Public Accountants. In the course of its practice, the Firm adhered to the principle of independent auditing, performed its duties diligently, expressed its opinions fairly, and was able to issue the Company's professional reports on schedule. The reports it issued were objective and impartial, demonstrating sound professional ethics and professional competence. In the 2025 audit, the Firm complied with normative requirements including the International Financial Reporting Standards, the Code of Ethics for Professional Accountants and the Hong Kong Standards on Auditing, performed its duties diligently, and successfully completed the audit of the Company's 2025 financial report and other audit work.

Having comprehensively considered the Firm's audit quality, service standards, professional ethics and capability to perform its duties, and in order to maintain the continuity of the audit work, the Company, as proposed by the Audit Committee of the Board, intends to re-appoint BDO Limited as the Company's overseas auditor for 2026. The Firm will audit the Company's 2026 financial statements and issue an audit report. The term of appointment shall be one year, and the audit fee shall be paid in accordance with the applicable standards. In respect of the audit fee for the 2026 financial year, the estimated audit fee shall range from HKD1,200,000 to HKD1,400,000.

Given that, in the course of the 2025 audit, BDO Limited was able to adhere to its practice principles, ensure audit quality, conduct an independent, objective, impartial and prudent audit of the accounting statements and related information provided by the Company, and put forward management recommendations, thereby playing a positive role in helping the Company continuously improve its internal control mechanism and ensure the quality of its financial reporting information, the Company proposes to pay the Firm a service fee of HKD1.3 million for the 2025 audit.

In accordance with the Company Law, the Securities Law, the Listing Rules of the Shanghai Stock Exchange, the Listing Rules of The Stock Exchange of Hong Kong Limited, the Code of Corporate Governance for Listed Companies and other applicable laws, regulations and normative documents, as well as the relevant provisions of the Articles of Association of the Company, and in light of the corporate governance adjustment of the Company whereby the board of supervisors has been lawfully abolished, Shanghai Dazhong Public Utilities (Group) Co., Ltd. proposes to revise the original Remuneration Management Policy for Directors, Supervisors and Senior Management Personnel into the Remuneration Management Policy for Directors and Senior Management Personnel, and improve the relevant provisions thereof.

The draft revised policy has been reviewed and approved by the Remuneration and Assessment Committee of the Board, and shall be submitted to the Board of Directors and the Shareholders' Meeting for consideration and approval. It shall take effect only after being approved by the Shareholders' Meeting. The detailed contents are set out in the appendix.

DIRECTOR AND OFFICER REMUNERATION MANAGEMENT POLICY

Article 1 This Policy is hereby established to standardize the remuneration and performance management of Directors and officers of the Company, establish and improve scientific and effective incentive and restrictive mechanisms, motivate the Company's Directors and officers to actively participate in decision making, management and supervision, and increase the operating profits and management performance of the Company, in accordance with the Company Law, the Securities Law, Shanghai Stock Exchange Listing Rules and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Corporate Governance Code, the Code of Corporate Governance for Listed Companies and other laws, regulations and normative documents, as well as the Articles of Association, and in light of the Company's operational realities.

Article 2 This Policy shall apply to Directors and officers of the Company, including executive Directors, non-executive Directors, independent non-executive Directors and officers appointed by the Board of Directors.

Article 3 The remunerations of the Company's Directors and officers shall follow the following principles:

- (I) Benefit sharing, risk sharing and equal emphasis on incentives and restrictive mechanisms
- (II) Distribution according to work and consistency among responsibility, rights, interests and contributions;
- (III) Combination of remunerations with long-term interests of the Company;
- (IV) Linking of remuneration with economic benefits of the Company and personal work objectives.

Article 4 The remuneration package of the Company's Directors and officers shall be appraised and decided and adjusted when appropriate according to the regional remuneration levels in the places where the Company is listed, levels in the industry in which the Company operates, the Company's operating condition, as well as factors like the job grades, positions, areas under purview, job responsibilities, personal performance and contributions of parties concerned in the Company.

Non-executive Directors shall receive no remunerations from the Company. Independent non-executive Directors receive fixed allowance for independent directors. Executive Directors shall receive employee compensation according to their job grades, job positions, job responsibilities and completion of personal performance targets in the Company and no longer receive any Director's remuneration. The allowance for independent non-executive Directors shall be paid on a yearly basis after the standard thereof is deliberated and passed by the General meeting. Costs and expenses incurred by Directors due to performance of their job duties, such as travel expenses and office expense, shall be borne by the Company.

Article 5 Executive Directors and officers shall sign labor contracts or appointment documents with the Company. Executive Directors and officers shall exercise the annual salary system, where the remuneration structure may in principle be divided into four parts, i.e., annual basic salary, annual salary increase, performance appraisal reward and special bonus (if any). Annual basic salary refers to basic annual salary, which shall be appraised and decided and paid on a monthly basis according to the pay levels in the places where the Company is listed and the industry in which the Company operates, the operating condition and compensation strategy of the Company, in conjunction with the job duties and areas under purview actually assumed by the parties concerned. Annual salary increase refers to the salary increase that becomes payable when the party concerned reaches a certain percentage of completion of annual performance appraisal indicators. The performance appraisal reward refers to a reward for exceeding the annual profit indicators of the Company for appraisal. The special bonus refers to a single reward granted based on special matters or special contributions.

Apart from annual basic salary, which shall be paid on a monthly basis, all other remunerations will be appraised and decided based on the performance appraisal scheme deliberated and confirmed by the Remuneration and Appraisal Committee of the Board of Directors at the beginning of each year. The Remuneration and Appraisal Committee of the Board shall determine the appraisal results based on the audit findings after the annual audit in each appraisal year and shall then deliberate and decide the implementation plan for remuneration appraisal.

Article 6 Within three months of the expiration of any appraisal year, the Remuneration and Appraisal Committee of the Board may issue performance evaluation opinions based on audit findings and shall then appraise and decide the remuneration composition and total amount of remuneration for the subject of appraisal accordingly. In the implementation plan for performance appraisal deliberated and determined by the Remuneration and Appraisal Committee of the Board for the appraisal year, the portion other than annual basic salary shall in principle hold no less than 50% of the remuneration structure for the appraisal year.

Article 7 The performance appraisal reward for each appraisal year, regardless of amount, shall be paid in full in three installments within three years, with no interest accruing on deferred remuneration. The first installment of the annual performance appraisal reward shall be 40% of the total, payable on the 15th day of the month immediately following the review and determination of annual performance appraisal reward by the Remuneration and Appraisal Committee of the Board, the second installment shall be 30%, payable on April 15 of the year immediately following such review and determination; and the third installment shall be 30%, payable on April 15 of the third year after review and determination of annual performance appraisal reward.

Article 8 The General Meeting of the Company authorizes the Remuneration and Appraisal Committee of the Board of the Company as the dedicated body responsible for formulating the remuneration system, policy and structure, remuneration standards and appraisal targets, performance appraisal system and indicators for Directors and officers, as well as management, appraisal and supervision of relevant remuneration. The Remuneration and Appraisal Committee of the Board of the Company will perform its duties in accordance with laws, regulations and listing rules in the places where the Company is listed and the Articles of Association, and under authority of the General Meeting and the Board of Directors. The work procedures and rules of procedure of the Remuneration and Appraisal Committee shall be carried out in accordance with the Work Rules for the Remuneration and Appraisal Committee of the Board of Directors.

Article 9 The General Meeting of the Company authorizes the Remuneration and Appraisal Committee of the Board to deliberate and approve the performance appraisal plan for Directors and officers and its execution, and to supervise the implementation of remuneration appraisal. When any of the following circumstances occurs, the Remuneration and Appraisal Committee of the Board shall have the right to approve, adjust or suspend the overall remunerations of Directors and officers or approve, adjust or suspend remunerations of individual Directors and officers:

- (I) There is any important or major change to the operating environment and external conditions of the Company;
- (II) The Company suffers operating losses;
- (III) Any Director or officer causes significant or material adverse effects to the Company due to circumstances or issues such as compliance, risk, violation of corporate policies or agreements;
- (IV) Any other act of any Director or officer causes significant or material adverse effects to the Company.

When the third or fourth circumstance described above occurs, the Remuneration and Appraisal Committee of the Board has the right to make further suggestions to the Nomination Committee.

Article 10 When the Company retrospectively restates its financial report due to misstatements such as financial fraud, the Company shall promptly reappraise the performance appraisal reward and medium- and long-term incentive incomes (if any) given to Directors and officers and recover the overpaid portion accordingly. Where any Director or officer of the Company causes losses to the Company by violating his or her obligations or is at fault for such legal or regulatory violations such as financial fraud, occupation of funds or unauthorized guarantee, the Company shall reduce or cease the payment of any unpaid performance appraisal reward and medium- and long-term incentive incomes (if any) depending on the severity of the circumstances, and fully or partially recover any performance appraisal reward and medium- and long-term incentive incomes (if any) paid during the period in which the relevant acts occurred.

The specific implementation plan shall be judged and decided by the Remuneration and Appraisal Committee of the Board in due course based on actual circumstances.

Article 11 The remunerations and allowances of Directors and officers of the Company shall be calculated as from the date when the parties concerned are elected, and paid on a monthly basis.

Article 12 Notwithstanding Article 9 (III) and (IV) and Article 10, where any Director or officer of the Company ceases to serve as Director or officer of the Company due to general election, re-election, job transfer, resignation, retirement or otherwise, his or her remuneration shall be calculated and paid according to his or her actual length of service.

Article 13 A separating employee who serves as Executive Director or officer shall accept internal exit audit by the internal audit department. The performance appraisal reward for the appraisal year in which the separation occurs shall be determined in accordance with Article 7, and completed in three installments after the Remuneration and Appraisal Committee of the Board appraises and confirms the corresponding portion payable for the period of service in that appraisal year, with the specific implementation plan to be judged and decided by the Remuneration and Appraisal Committee of the Board based on actual circumstances. The performance appraisal reward not yet paid to the separating employee before separation with respect to the previous appraisal years shall continue to be paid normally according to the original deferment arrangements, provided that the remaining payable amount and payment due date shall be made clear when the separating employee leaves the employment of the Company.

However, if an Executive Director or officer resigns and ceases to hold any position in the Company, his or her remuneration shall be calculated and paid according to his or her actual length of service, but the performance appraisal reward payable for the year of resignation and deferred for payment from the previous appraisal years shall no longer be paid in principle.

Article 14 The remuneration of the Directors and officers as set forth herein do not include any share incentive plan, employee stock ownership plan or other bonuses or rewards payable according to the Company's actual circumstances.

Article 15 The individual income tax payable on the remuneration set forth herein shall be withheld and paid by the Company in a unified manner according to the individual income tax standard.

Article 16 The Company shall disclose in its annual reports the remuneration received by its Directors and officers from the Company respectively within the reporting period.

Article 17 This Policy shall be interpreted by the Remuneration and Appraisal Committee of the Board of the Company. In the event of any inconsistency between this Policy and the provisions of relevant laws, regulations, departmental rules, normative documents or the Articles of Association, the latter shall prevail. Any matters not covered

by this Policy shall be dealt with in accordance with the applicable provisions of provisions of relevant laws, regulations, departmental rules, normative documents and the Articles of Association.

Article 18 Definitions:

- (I) Executive Director: shall mean a Director who has signed appointment documents or labor contracts with the Company and is responsible for managing relevant affairs (holding a plural office as the Board Chairman or other officer of the Company), the executive Director participating in day-to-day operations of the Company's business;
- (II) Non-executive Director: shall mean a non-independent director who holds no office other than directorship in the Company, with a non-executive Director not belonging to the Company's management nor being considered independent;
- (III) Independent non-executive Director: shall mean an independent Director who is not an employee of the Company and conforms to the criteria of independence under the Administrative Measures for Independent Directors of Listed Companies and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- (IV) Officers: shall mean manager and other senior management personnel stipulated in the Articles of Association.

Article 19 This Policy shall be formulated and revised by the Board of Directors of the Company and implemented after being submitted to the General Meeting for deliberation and approved thereby.

According to the Company Law, the Securities Law, the SSE Listing Rules, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Corporate Governance Code, the Code of Corporate Governance for Listed Companies, the Guidelines for the Articles of Association of Listed Companies and other laws, regulations, normative documents and the Articles of Association, and taking into account the Company's operating environment, region, industry and scale and by reference to industry remuneration levels, the remuneration scheme for the Directors and senior management of the Company is proposed as follows:

**I. REMUNERATION SCHEMES FOR NON-EXECUTIVE DIRECTORS AND
INDEPENDENT NON-EXECUTIVE DIRECTORS**

- (I) Non-executive Directors do not receive remuneration from the Company.
- (II) In accordance with the relevant provisions of the Administrative Measures for Independent Directors of Listed Companies, independent non-executive Directors receive a fixed allowance as independent directors. The annual allowance for independent directors is proposed to be adjusted upward to RMB250,000. The allowance standard for independent non-executive Directors shall be paid on an annual basis upon approval by the general meeting. Independent non-executive Directors shall not enjoy any other remuneration for positions held with the Company or social security benefits, nor shall they participate in the Company's internal performance appraisal linked to remuneration.

**II. REMUNERATION SCHEMES FOR EXECUTIVE DIRECTORS AND SENIOR
EXECUTIVES**

- (I) Executive Directors and senior management shall receive employee remuneration according to their rank, position, job responsibilities and individual performance within the Company, and executive Directors shall not receive separate remuneration in their capacity as Directors.
- (II) The remuneration of executive Directors and senior management shall be linked to the performance of the Company. The Remuneration and Appraisal Committee of the Board shall objectively assess their performance based on audit results, and performance-based remuneration shall in principle account for no less than 50% of the remuneration structure for the relevant assessment year. The performance-based bonus for each assessment year, regardless of amount, shall be deferred and paid in three instalments within three years, and no interest shall accrue on the deferred remuneration.
- (III) The remuneration scheme for executive Directors and senior management shall be assessed and evaluated by the Remuneration and Appraisal Committee of the Board in accordance with the Company's Remuneration Management Policy for Directors and Senior Management, and shall be implemented after confirmation.

III. OTHER MATTERS

- (I) The Remuneration and Appraisal Committee of the Board has the authority to determine the performance appraisal scheme for executive Directors and senior management and its implementation, and has the authority, in accordance with the Remuneration Management Policy for Directors and Senior Management, to approve, adjust or suspend the overall remuneration of Directors and senior management or the remuneration of individual Directors and senior management.
- (II) The Company shall withhold and pay individual income tax on the remuneration and allowances of Directors and senior management in a unified manner in accordance with the applicable individual income tax requirements.
- (III) Where a Director or senior management member leaves office due to expiry of term, re-election, job transfer, resignation, retirement or other reasons, remuneration shall be calculated based on the actual term of office and implemented in accordance with the Remuneration Management Policy for Directors and Senior Management.
- (IV) This scheme shall remain applicable until the date of the next annual general meeting.

As the term of the 12th session of the Board of Directors of the Company will expire on 27 June 2026, a general election of the Board is required in accordance with the Company Law and the Articles of Association. Pursuant to the provisions of the Articles of Association and the Detailed Rules of the Nomination Committee of the Board of Directors in relation to the nomination of director candidates, the Nomination Committee of the Board reviewed the qualifications of director candidates nominated by eligible shareholders, consulted relevant shareholders and sought the views of the director candidates themselves, and considers that the following nominees satisfy the qualifications for directors and are therefore determined as candidates for directors in this general election:

Mr. Yang Guoping, Mr. Liang Jiawei and Mr. Wang Baoping are nominated as candidates for executive Directors of the 13th session of the Board of Directors of the Company; Mr. Zhao Yeqing and Mr. Jin Yongsheng are nominated as candidates for non-executive Directors of the 13th session of the Board of Directors of the Company.

The qualifications of the aforesaid director candidates satisfy the requirements for directors under relevant laws, administrative regulations and normative documents. None of them falls under any of the circumstances in which a person may not serve as a director of the Company as provided in the Company Law or the Articles of Association; none has been subject to administrative penalties imposed by the China Securities Regulatory Commission or disciplinary sanctions imposed by the Shanghai Stock Exchange or The Stock Exchange of Hong Kong Limited; and none falls under any other circumstance in which he is considered unsuitable to serve as a director of a listed company by the Shanghai Stock Exchange or The Stock Exchange of Hong Kong Limited.

The aforesaid director candidates will be submitted to the 2025 annual general meeting of the Company for election by poll (please see the appendix for their biographies). Subject to approval at the general meeting, their term of office will be three years from the date on which the relevant resolution is approved at the general meeting.

This resolution has been considered and approved by the Nomination Committee of the Board of Directors.

Appendix:

**BIOGRAPHIES OF EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTOR
CANDIDATES FOR THE 13TH SESSION OF THE BOARD OF DIRECTORS****PROPOSE TO RE-ELECT EXECUTIVE DIRECTORS****(i) Mr. Yang Guoping**

Mr. Yang Guoping (楊國平), aged 68, joined the Company in January 1992 and was appointed as a Director on January 1, 1992. Mr. Yang is the chairman of the strategic development and ESG committee of the Board (the “**Strategic Development and ESG Committee**”) and a member of the Nomination Committee and remuneration and appraisal committee of the Board (the “**Remuneration and Appraisal Committee**”). He is currently a chairman and chief executive officer (CEO) of Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司) (Stock Code: 600611.SH) (“**Dazhong Transportation**”), the vice chairman of Shenzhen Capital Group Co., Ltd.* (深圳市創新投資集團有限公司) (“**Shenzhen Capital Group**”), a director of Shanghai Dazhong Gas Co., Ltd.* (上海大眾燃氣有限公司) (“**Shanghai Dazhong Gas**”), a director of Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) (“**Dazhong Business Management**”), a director of Shanghai Jialeng Songz Automobile Air Conditioning Co., Ltd.* (上海加冷松芝汽車空調股份有限公司) (Stock Code: 002454.SZ), a director of Nanjing Public Utilities Development Co., Ltd.* (南京公用發展股份有限公司) (Stock Code: 000421.SZ), an independent director of Shanghai Shentong Metro Co., Ltd.* (上海申通地鐵股份有限公司) (Stock Code: 600834.SH) and directors of certain subsidiaries of the Company. He served as a director of Shanghai Transportation Group Co., Ltd.* (上海交運集團股份有限公司) (Stock Code: 600676.SH) from April 18, 2016 to April 26, 2024. Mr. Yang is currently an executive director of the third session of China Association for Public Companies (中國上市公司協會), and the vice chairman of China Taxicab and Livery Association (中國出租汽車暨汽車租賃協會). As at the latest practicable date, Mr. Yang holds 2,097,861 A shares of the Company.

(ii) Mr. Liang Jiawei

Mr. Liang Jiawei (梁嘉瑋), aged 52, joined the Company in September 2000 and was appointed as an executive Director on July 28, 2015. Mr. Liang is a member of the Strategic Development and ESG Committee. He has been the chief executive officer of the Company since June 2015. Mr. Liang has been serving as a director of Dazhong Transportation since April 2016. Mr. Liang currently serves as a director of Dazhong Business Management, a director of Shanghai Dazhong Gas, a director of Shenzhen Capital Group, the chairman of Shanghai Dazhong Gas Investment & Development Co., Ltd., the executive vice president (legal representative) of The Listed Companies Association of Shanghai (上海上市公司協會), the director of the 8th Council of Shanghai Association of Stock System Enterprises (上海市股份公司聯合會) and directors of certain subsidiaries of the Company. Mr. Liang obtained a bachelor’s degree in administration from Shanghai University (上海大學) in July

1995 and a master's degree in business administration from Preston University in the United States in November 2002. As at the latest practicable date, Mr. Liang holds 222,300 A shares of the Company.

(iii) Mr. Wang Baoping

Mr. Wang Baoping (汪寶平), aged 66, was appointed as an executive Director on June 22, 2020, and is also the chairman of Nantong Dazhong Gas Co., Ltd.* (南通大眾燃氣有限公司) and directors of certain subsidiaries of the Company. Mr. Wang served as the deputy general manager of Shanghai Gas (Group) Co., Ltd.* (上海燃氣(集團)有限公司) and deputy general manager of Shanghai Gas Co., Ltd.* (上海燃氣有限公司) (“Shanghai Gas”). He obtained a professional degree in television and information processing from the Evening College of Shanghai Polytechnic University* (上海工業大學夜大學) in 1987.

PROPOSE TO RE-ELECT NON-EXECUTIVE DIRECTORS

(iv) Mr. Zhao Yeqing

Mr. Zhao Yeqing (趙曄青), aged 54, was appointed as a non-executive Director on June 13, 2025, Mr. Zhao currently serves as the vice president (presiding over daily operations) of Shanghai Gas. Mr. Zhao was the deputy general manager and general manager of Shanghai Dazhong Gas as well as the chairman of Shanghai Natural Gas Pipeline Network Co., Ltd.* (上海天然氣管網有限公司). He obtained a bachelor's degree in urban gas engineering from Tongji University (同濟大學) in July 1994.

(v) Mr. Jin Yongsheng

Mr. Jin Yongsheng (金永生), aged 61, was appointed as a non-executive Director on June 22, 2020. Mr. Jin now currently the president of council of shareholders affairs of ENN Energy Holdings Limited (新奧能源控股有限公司) (Stock Code: 2688.HK). He obtained a professional degree in finance from Tianjin College of Finance and Economics (天津財經學院) in 1986 and an executive master's degree of business administration from Peking University (北京大學) in 2005.

The Company intends to enter into a service contract or appointment letter with each of the aforesaid Re-elected executive Directors and non-executive Directors. Pursuant to the Articles of Association, the proposed term of appointment of each of the aforesaid Re-elected executive Directors and non-executive Directors will commence from the date when relevant resolutions are passed by shareholders of the Company (the “Shareholders”) at the 2025 annual general meeting of the Company (the “2025 AGM”) and expire on the expiration date of the tenure of the Thirteenth Session of the Board, for a period of three years. The Remuneration and Appraisal Committee has proposed to the Board with respect to the remunerations of the executive Directors and non-executive Directors of the Thirteenth Session of the Board. If appointed, the remuneration of the executive Directors

will be determined based on factors, such as business performance of the Group, work duties, work performance and market environment, the non-executive Directors receive no remunerations from the Company.

Except as otherwise disclosed in detailed biographical information of each of the aforesaid Re-elected executive Directors and non-executive Directors, each Re-elected executive Directors and non-executive Director confirms that (1) he or she does not hold any office in the Company or any other member company of the Group; (2) he or she didn't hold any directorship or supervisory office in any public company listed on any stock market in Hong Kong or overseas in the past three years; (3) he or she has no relationships whatsoever with any other directors, supervisors, senior management or major shareholders or controlling shareholder of the Company or any of its subsidiaries; and (4) he or she has no interests whatsoever in shares of the Company as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In addition, there is no other information about the aforesaid Re-elected executive Directors and non-executive Directors which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matters regarding the proposed Re-elected executive Directors and non-executive Directors that shall be brought to the attention of the Shareholders.

In proposing the re-election of executive Directors and non-executive Directors, the Board of Directors has taken into account a range of factors in accordance with the adopted Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, with a view to achieving diversity of the Board members. The Board is of the view that the educational background, professional experience and cultural background of the executive directors and non-executive directors proposed for re-election are conducive to Board diversity.

**APPENDIX XIII RESOLUTION ON GENERAL ELECTION OF THE BOARD OF DIRECTORS
AND ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE
THIRTEENTH SESSION OF THE BOARD OF DIRECTORS OF THE COMPANY**

As the term of the 12th session of the Board of Directors of the Company will expire on 27 June 2026, a general election of the Board is required in accordance with the Company Law and the Articles of Association. Pursuant to the provisions of the Articles of Association and the Detailed Rules of the Nomination Committee of the Board of Directors in relation to the nomination of independent non-executive director candidates, the Nomination Committee of the Board reviewed the qualifications of independent non-executive director candidates nominated by eligible shareholders, consulted relevant shareholders and sought the views of the candidates themselves, and considers that the following nominees satisfy the qualifications for independent non-executive directors and are therefore determined as candidates for independent non-executive directors in this general election:

Mr. Jiang Guofang, Ms. Li Yingqi, Mr. Yang Ping and Mr. Zheng Wei are nominated as candidates for independent non-executive Directors of the 13th session of the Board of Directors of the Company.

The qualifications of the aforesaid independent non-executive director candidates satisfy the requirements for directors under relevant laws, administrative regulations and normative documents. None of them falls under any of the circumstances in which a person may not serve as a director of the Company as provided in the Company Law or the Articles of Association; none has been subject to administrative penalties imposed by the China Securities Regulatory Commission or disciplinary sanctions imposed by the Shanghai Stock Exchange or The Stock Exchange of Hong Kong Limited; and none falls under any other circumstance in which he or she is considered unsuitable to serve as a director of a listed company by the Shanghai Stock Exchange or The Stock Exchange of Hong Kong Limited. The qualifications of the aforesaid independent non-executive director candidates have been reviewed by the Shanghai Stock Exchange without objection.

The aforesaid independent non-executive director candidates will be submitted to the 2025 annual general meeting of the Company for election by poll (please see the appendix for their biographies). Subject to approval at the general meeting, their term of office will be three years from the date on which the relevant resolution is approved at the general meeting.

This resolution has been considered and approved by the Nomination Committee of the Board of Directors.

Attachment:

**BIOGRAPHIES OF CANDIDATES FOR INDEPENDENT NON-EXECUTIVE
DIRECTORS OF THE 13TH SESSION OF THE BOARD OF DIRECTORS**

PROPOSE TO RE-ELECT INDEPENDENT NON-EXECUTIVE DIRECTORS

(i) Mr. Jiang Guofang

Mr. Jiang Guofang (姜國芳), aged 68, was appointed as an independent non-executive Director on June 28, 2023, Mr. Jiang is the chairman of the Nomination Committee and the Remuneration and Appraisal Committee, and a member of audit committee of the Board (the “**Audit Committee**”). He currently serves as an independent non-executive director of Tian An China Investments Company Limited (天安中國投資有限公司) (Stock Code: 28.HK). He served as the deputy general manager of Shenwan Hongyuan Group Co., Ltd. (申萬宏源集團股份有限公司) (Stock Codes: 6806.HK, 000166.SZ), the chairman of the board of SYWG BNP Paribas Asset Management Ltd. (申萬巴黎基金管理有限公司) and SWS MU Fund Management Co., Ltd. (申萬菱信基金管理有限公司), the executive vice president and the Hong Kong chairman of Shenyin & Wanguo Securities Co., Ltd. (申銀萬國證券股份有限公司), the director and executive vice president of Shanghai Shenyin Securities Co., Ltd.* (上海申銀證券公司), the director of the People’s Bank of China (中國人民銀行) and deputy section chief of Industrial and Commercial Bank of China (中國工商銀行). Mr. Jiang obtained a master’s degree from Universidade Aberta Internacional Da Ásia (Macau) (亞洲(澳門)國際公開大學) (currently known as the City University of Macau (澳門城市大學)) in February 1999.

(ii) Ms. Li Yingqi

Ms. Li Yingqi (李穎琦), aged 49, was appointed as an independent non-executive Director on May 27, 2022. Ms. Li is the chairman of Audit Committee and a member of Nomination Committee. She currently serves as a professor and doctoral supervisor of Shanghai National Accounting Institute (上海國家會計學院) and the independent director of China Everbright Bank Company Limited (中國光大銀行股份有限公司) (Stock Codes: 6818.HK, 601818.SH). Ms. Li enjoys special government allowance from the State Council (國務院). She also serves as a consulting expert with the Internal Control Standards Committee of the Ministry of Finance* (財政部內部控制標準委員會). From June 2021 to June 2024, Ms. Li served as an independent director of China Post Technology Co., Ltd.* (中郵科技股份有限公司) (Stock Code: 688648.SH), and an independent director of Eastern Air Logistics Co., Ltd.* (東方航空物流股份有限公司) (Stock Code: 601156.SH). From November 2022 to November 2025, Ms. Li served as independent director of Shanghai Modern Pharmaceutical Co., Ltd.* (上海現代製藥股份有限公司) (Stock Code: 600420.SH). Ms. Li obtained a doctoral degree in management from Fudan University (復旦大學) in June 2009. She is a senior member of The Chinese Institute of Certified Public Accountants (中國註冊會計師協會資深會員) (non-practicing).

(iii) Mr. Yang Ping

Mr. Yang Ping (楊平), aged 56, was appointed as an independent non-executive Director on May 27, 2022. Mr. Yang is a member of the Strategic Development and ESG Committee. He currently serves as the strategic director of Shanghai Yitai Investment Management Co., Ltd.* (上海以太投資管理有限公司) and a director of China Asset Management 30 Forum* (中國資產管理30人). He served as the CEO and president of Sailing Capital Management Co., Ltd.* (賽領資本管理有限公司), the chief investment officer and member of management committee of China Everbright Limited (中國光大控股有限公司) (Stock Code: 165.HK). Mr. Yang obtained a doctoral degree in economics from Shanghai Academy of Social Sciences (上海社會科學院) in July 2005.

PROPOSE TO APPOINT INDEPENDENT NON-EXECUTIVE DIRECTORS

(iv) Mr. Zheng Wei

Mr. Zheng Wei, aged 71, has served as an independent director of Songz AUTOMOBILE AIR Conditioning Co., Ltd. (stock code: 002454.SZ) from May 2020 to the present. He was a professor and doctoral supervisor at East China University of Political Science and Law from September 1983 to September 2017.

Mr. Zheng obtained his Bachelor of Laws degree from East China University of Political Science and Law (formerly known as East China College of Political Science and Law) in June 1983 and his Doctor of Laws degree from the University of Passau, Germany, in September 1992. From September 1997 to December 1998, Mr. Zheng pursued advanced studies as a Fulbright Senior Visiting Scholar at Rutgers, The State University of New Jersey. Mr. Zheng possesses the lawyer qualification in China.

The Company intends to enter into a service contract or appointment letter with each of the aforesaid Re-elected and Appointed Directors. Pursuant to the Articles of Association, the proposed term of appointment of each of the aforesaid Re-elected and Appointed Directors will commence from the date when relevant resolutions are passed by shareholders of the Company (the “Shareholders”) at the 2025 annual general meeting of the Company (the “2025 AGM”) and expire on the expiration date of the tenure of the Thirteenth Session of the Board, for a period of three years. The Remuneration and Appraisal Committee has proposed to the Board with respect to the remunerations of the Directors of the Thirteenth Session of the Board. If re-elected or appointed, the remuneration of each independent non-executive Director is RMB250,000 per year. Remuneration of independent non-executive Directors is determined with reference to their respective duties and responsibilities in the Company, the Company’s remuneration policy and prevailing market levels.

Except as otherwise disclosed in detailed biographical information of each of the aforesaid Re-elected and Appointed Directors, each Re-elected and Appointed Director confirms that (1) he or she does not hold any office in the Company or any other member company of the Group; (2) he or she didn’t hold any directorship or supervisory office in

**APPENDIX XIII RESOLUTION ON GENERAL ELECTION OF THE BOARD OF DIRECTORS
AND ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE
THIRTEENTH SESSION OF THE BOARD OF DIRECTORS OF THE COMPANY**

any public company listed on any stock market in Hong Kong or overseas in the past three years; (3) he or she has no relationships whatsoever with any other directors, supervisors, senior management or major shareholders or controlling shareholder of the Company or any of its subsidiaries; and (4) he or she has no interests whatsoever in shares of the Company as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In addition, there is no other information about the aforesaid Re-elected and Appointed Directors which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matters regarding the proposed Re-elected and Appointed Directors that shall be brought to the attention of the Shareholders.

In proposing the re-election and nomination of independent non-executive Directors, the Board has considered a range of factors in accordance with the adopted Board Diversity Policy, including without limitation gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, with a view to achieving diversity among Board members. The Board is of the opinion that the educational background, professional experience and cultural background of the independent non-executive Directors proposed for re-election and nomination are conducive to Board diversity. In assessing the proposed time commitment and contributions to be devoted by the independent non-executive Directors up for re-election and nomination to the Board, as well as their ability to effectively discharge their duties, the Nomination Committee has given special consideration to the time involvement of such independent non-executive Directors in other significant external commitments, as well as factors and circumstances relating to their personality, character, independence and experience.

In addition, the independent non-executive Directors proposed for re-election and nomination confirm that: (i) they satisfy all the independence criteria set out in Rules 3.13(1) to (8) of the Listing Rules; (ii) they do not have any financial or other interest in the business of the Company or its subsidiaries, whether past or present, and are not connected with any core connected persons of the Company (as defined under the Listing Rules); and (iii) as at the Latest Practicable Date, there are no other factors that may affect their independence. Accordingly, the Board is of the view that the independent non-executive Directors proposed for re-election and nomination comply with the independence requirements under Rule 3.13 of the Listing Rules, and recommends their re-election and nomination.

Work Report of Independent Non-executive Directors for the Year 2025
(JIANG Guofang)

As an independent non-executive Director of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (the “**Company**”), I have performed my duties diligently and independently on the principles of objectivity, fairness and independence, and in strict accordance with the Company Law, the Code of Corporate Governance for Listed Companies, the Administrative Measures for Independent Directors of Listed Companies and other relevant laws and regulations, as well as the relevant provisions and requirements of the Articles of Association of the Company, and the Independent Non-executive Director Rules and Regulations of the Company. I kept informed of the operational status and development of the Company, actively played the role of independent Directors, and effectively safeguarded the overall interests of the Company and the legitimate rights and interests of all shareholders. Now I will report my performance of duties in 2025 as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT NON-EXECUTIVE DIRECTOR

(I) Personal biographies and part-time jobs

The Board of the Company currently comprises 9 Directors, including 4 independent non-executive Directors, the basic information about whom is as follows:

Jiang Guofang: male, born in 1957, MBA and senior economist, currently serves as independent non-executive Director of the Company and doubles as independent non-executive director of Tian An China Investments Company Limited and President of the council of Shanghai Jinding Financial Historical and Cultural Development Foundation. He once served as chairman of SYWG BNP Paribas Asset Management Ltd and SWS MU Fund Management Co., Ltd, and deputy general manager of and advisor to Shenwan Hongyuan Group.

(II) Statement of Independence

As independent non-executive Director, I strictly comply with relevant provisions of laws, regulations and the Articles of Association. I didn’t assume any position other than independent non-executive Director in the Company or any position in substantial shareholders of the Company, nor am I otherwise connected with the Company, its substantial shareholders or other connected entities or individuals in a way that prevents me from making independent, objective judgment. There is no transactional relationship or kinship between me and the Company, nor is there any circumstance that affects the independence of an independent non-executive Director.

**II. ANNUAL ONSITE WORK AND THE COMPANY'S COOPERATION WITH THE
INDEPENDENT NON-EXECUTIVE DIRECTOR AT WORK**

During the Reporting Period, I kept fully informed of specific situations of the Company in terms of operation management, financial condition, standardized operation, risk control and internal control management and deeply carried out annual onsite work on that basis by attending meetings of the Board, general meeting (formerly known as the Shareholders' General Meeting), specialized committees of the Board and the meetings of independent directors and by participating in discussions and field surveys or otherwise. I attended all those meetings in person and always performed my responsibilities diligently following the principles of independence, objectivity and professionalism. Before a Board meeting, I took the initiative to obtain and understand the relevant information and materials about the meeting, and developed a detailed understanding of the Company's business and operations, and made thorough preparations for key decisions of the Board. At meetings, I seriously considered each proposed resolution, actively participated in discussions and put forward constructive and forward-looking personalized opinions using my rich industry experience and professional knowledge and following the principle of prudence and pragmatism, thereby making the Board decisions more sound, compliant and feasible. On a daily basis, I maintained efficient day-to-day communication and interactions with the Company to keep abreast of the Company's business operations, and latest developments of industry regulatory policies and laws and regulations, thus ensuring the timely, comprehensive and transparent information acquisition so as to better perform my supervisory and strategic support functions, safeguard the long-term interests of the Company and all of its shareholders and facilitate the robust corporate growth.

Before a Board meeting or general meeting, the Company would submit meeting materials to Directors for review in a timely manner. The Company's management highly values communication and exchanges with independent non-executive Directors, reports to the Board and independent non-executive Directors on the Company's operational status and progress of significant matters diligently and dutifully, and provides timely feedback on questions raised, thereby providing complete conditions and sufficient support for independent non-executive Directors to perform their duties.

My attendance at meetings is as follows:

(I) Attendance at Board meetings and general meetings during the Reporting Period

Director name	Board meetings required to be attended this year	Sessions attended in person	Sessions attended via communications	Sessions attended via proxy	Sessions absent from	General meetings attended
Jiang Guofang	5	5	3	0	0	1
Li Yingqi	5	5	3	0	0	1
Yang Ping	5	5	3	0	0	1
Liu Feng	5	5	3	0	0	1

I attended the general meeting held on June 13, 2025 in person, where I fully considered shareholder opinions.

(II) Attendance at meetings of specialized committees of the Board during the Reporting Period

1. Composition

Specialized committee	Member name
Audit Committee	Li Yingqi, Jiang Guofang, Liu Feng
Nomination Committee	Jiang Guofang Yang Guoping, Li Yingqi
Remuneration and Appraisal Committee	Jiang Guofang, Yang Guoping, Liu Feng
Strategic Development and ESG Committee	Yang Guoping, Liang Jiawei, Yang Ping

2. My attendance at meetings of specialized committees of the Board of Directors within the Reporting period is as follows:

	Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
Audit Committee	7	7	7	0
Nomination Committee	3	3	3	0
Remuneration and Appraisal Committee	1	1	1	0

The convening and holding procedures for meetings of all specialized committees of the Company complied with relevant laws, regulations and the Articles of Association, meeting notices and meeting materials were delivered in time, contents of resolutions were true, accurate and complete, and voting procedures and results were lawful and valid.

3. Attendance at special meetings of independent directors

Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
2	2	2	0

**III. MAJOR CONCERNS ARISING FROM THE PERFORMANCE OF DUTIES
DURING THE YEAR**

(I) Related-party Transactions

Related-party transactions of the Company are all necessary for the Company's business operations. In accordance with the requirements under the SSE Listing Rules, the HKSE Listing Rules, the Articles of Association, and the Related-party Transaction Management Policy, I reviewed the related-party transactions during the Reporting Period in terms of necessity, fairness, and compliance, and expressed prior consent statement and independent opinions respectively as follows:

1. With respect to the pre-event review of relevant materials regarding the Resolution on the Estimated Ordinary Related Party Transactions of the Company for the Year 2025, I expressed opinions as follows:
 - (1) Before the Board meeting, the Company sufficiently communicated with and submitted relevant transaction documents to independent non-executive Directors about this related-party transaction, who unanimously believed the proposal is feasible and realistic and consented to submitting the relevant resolution to the Board meeting for discussion and voting.
 - (2) Daily related-party transactions of the Company and its subsidiaries with related parties are necessary for normal business operations and conducive to maintaining the stable business operations of the Company and subsidiaries and reducing operating costs without adversely affecting the current and future financial condition and operating results of the Company or the independence of the listed company, followed the principles of fairness, free will and good faith and are in the long-term interests of the Company and its shareholders, without jeopardizing interests of the Company or its shareholders.

- (3) When the Board deliberated the relevant resolution, the connected Directors excused themselves from voting according to provisions, and the voting procedure complies with relevant laws and regulations. We expressed consent to this related-party transaction and to submitting the resolution to the 9th meeting of the 12th Board of Directors and the 2024 AGM for deliberation.
2. With respect to the pre-event review of relevant materials regarding the Resolution on Conduct of Factoring Financing Business by Subsidiaries to Connected Persons, I expressed opinions as follows:
- (1) The proposed conduct of A/R factoring business with recourse by a wholly-owned subsidiary of the Company, Shanghai Dazhong Commercial Factoring Co., Ltd with Shanghai Dazhong Wanxiang Auto Repair Co., Ltd, a tier-2 subsidiary of a related party Shanghai Dazhong Business Management Co., Ltd., helps Dazhong Wanxiang shorten its A/R turnover time and increase funds utilization efficiency and enables Dazhong Factoring to expand its business size and increase stable income. Moreover, Dazhong Wanxiang is creditworthy such that the collection of factoring financing proceeds and financing interest can be guaranteed, meaning the risks associated with this factoring business are relatively low.
- (2) The pricing of this related-party transaction is determined by both parties through friendly consultations based on market rates and using an objective and fair method, without any circumstances detrimental to interests of the Company or minority shareholders. This related-party transaction will not cause any material adverse effects on the financial condition, operating results or independence of the Company.
- (3) The Board strictly complies with relevant provisions of the SSE Listing Rules to ensure this related-party transaction is procedurally lawful.

In summary, I consented to submission to the 12th meeting of the 12th Board of Directors for deliberation.

(II) External guarantees and occupation of funds

In the spirit of the “Regulatory Guidelines for Listed Companies No. 8 — Regulatory Requirements for Fund Flow and External Guarantees of Listed Companies” issued by CSRC ([2022]No. 26), I carefully checked the external guarantees of the Company during 2025. In accordance with the 2025 Audit Report on Shanghai Dazhong Public Utilities (Group) Co., Ltd. from BDO China Shu Lun Pan Certified Public Accountants LLP and the actual situation of the Company, the Company has established relatively sound deliberation and approval procedures in respect of external guarantee and has fully fulfilled its information disclosure obligation in relation to external guarantee and related-party guarantee. All external

guarantees of the Company are in compliance with the requirements under relevant laws, regulations, and the Articles of Association, and it has performed approval procedures in accordance with laws and regulations. The Company provided no guarantees to its controlling shareholder, actual controller or its related parties, any unincorporated body or individual, and had no guarantees overdue. None of the controlling shareholders of the Company and their related parties occupied any funds of the Company for non-operating needs.

(III) Disclosure of financial information in financial accounting reports and periodical reports

The Company discloses periodical reports strictly in accordance with relevant provisions of the SSE Listing Rules. The periodical reports disclosed by the Company are free of any false records, misleading statements or significant omissions, and the Directors, Supervisors and senior executives of the Company all warrant that periodical reports are true, accurate and complete.

(IV) Results briefings and communications and exchanges with minority shareholders

During the Reporting Period, I participated in collective briefings on results of the Company for 2024, the first half of 2025 and third quarter of 2025. The Company made centralized exchanges and response surrounding topics of concern to investors such as results and performance, ESG achievements, and development planning in respective periods. Through a sound mechanism of communication between independent directors and investors, the Company further expanded the channels for minority shareholders to participate in corporate governance and effectively enhanced the quality of information disclosure and effects of interaction.

(V) Execution of internal control

The Company implements internal controls in strict accordance with the Basic Standards for Corporate Internal Control, the Guidance on Corporate Internal Control Evaluation and the Internal Control System Manual of the Company. As an independent non-executive Director, I take the Audit Committee as the main supervisory body to regularly listen to the relevant reports on the Company. Based on the Internal Control Evaluation Report of the Company and the audit by the internal control audit firm, the present internal control system can meet and satisfy relevant provisions of relevant national laws and regulations and the relevant requirements of regulatory authorities, and the internal control system and relevant policies of the Company have no major defects in completeness, reasonableness and effectiveness in all material aspects and have no major deviations during actual implementation. Therefore, they are sufficient and effective in guaranteeing the security of the Company's assets and normal conduct of operating and management activities.

(VI) Remunerations of senior management

The Company confirms the appraisal results of its senior management in strict accordance with the Remuneration and Appraisal Plan for Senior Management developed by the Board, and confirms the performance-based remuneration of senior management in light of the Company's actual operating condition. The remuneration of the senior management of the Company is in line with the requirements of the performance appraisal and relevant remuneration policies of the Company and the review procedures for the resolutions conform to relevant laws and regulations and the Articles of Association, causing no harm to interests of the Company and its minority shareholders. Therefore, I agree with this matter.

(VII) Guidance over internal audit

During the Reporting Period, the Audit Committee kept informed of internal audit activities of the Company by analyzing the Company's financial reports, internal control evaluation reports and external audit reports and participating in Board meetings and meetings of specialized committees of the Board, finding no material issues with internal audit work of the Company.

(VIII) Appointment of accounting firms

The Company continued engaging BDO China Shu Lun Pan Certified Public Accountants LLP as the domestic audit firm and the internal control audit firm for the Company, and continued engaging BDO Limited as the overseas audit firm for the Company. The aforesaid accounting firms are compliant with the relevant regulations of CSRC and the Hong Kong Stock Exchange in terms of qualifications for engaging in securities business. They can adhere to the principle of independent audit in providing annual financial report and internal control audit services to the Company, and completed various audit engagements agreed with the Company in an independent, objective, fair and timely manner. I believe the aforesaid audit firms have the experience and capabilities necessary to provide audit services to listed companies, and relevant deliberation and voting procedures comply with applicable provisions of relevant laws and regulations and the Articles of Association.

(IX) Cash dividends and other returns to investors

The Company considered and approved the 2024 Profit Distribution Plan of the Company at the 2024 annual general meeting, and implemented the distribution of profits in August 2025. After careful examination, I believe that the policies on cash dividends developed by the Company can deliver reasonable investment returns to investors, have due regard to the sustainability of the Company, are in line with the actual development of the Company and the industry in which it operates, safeguard the interests of minority shareholders, and are beneficial to the Company's continuous, steady and healthy development. The decision-making procedures in respect of cash

dividends of the Company are compliant with relevant laws and regulations and the Articles of Association, and cause no harm to the interests of the Company and its shareholders as a whole, especially minority shareholders.

IV. OTHER IMPORTANT MATTERS

(I) Information disclosure

The Company fulfilled its information disclosure obligations in strict accordance with relevant laws and regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the Company disclosed a total of 4 periodic reports and 86 interim announcements on the Shanghai Stock Exchange; it also made disclosure 88 times in total on the Hong Kong Stock Exchange without violating the Stock Listing Rules or the Articles of Association and other laws and regulations of the two places, and has fulfilled the relevant information disclosure obligation well. During the Reporting Period, I kept informed of and supervised the information disclosure work of the Company and I believe the Company's information disclosure policy is sound and the Company can perform its disclosure obligations in strict accordance with the SSE Listing Rules and other regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the information disclosed by the Company is true, accurate, timely and complete, free of any false records, misleading statements or material omissions.

(II) Results preannouncement

During the Reporting Period, the Company released the 2025 semiannual results preannouncement. The release of the Company's results preannouncements complies with provisions of the Company Law, the Articles of Association and relevant laws and regulations.

(III) Nomination of candidates for directorship of the Company

I earnestly deliberated and expressed independent opinions on the Resolution on Nomination of Candidates for Directorship of the Company. The nominated candidates for directorship met the conditions of appointment specified in relevant laws and regulations such as the Company Law and the Articles of Association in terms of job qualifications, professional background and work history, the deliberation procedure of the Board is lawful and compliant with regulations, and the decision, execution and disclosure of the aforesaid matters all complied with legal and regulatory requirements, without jeopardizing interests of the listed company and all of its shareholders, especially those of minority shareholders.

(IV) Performance of special authorities of independent Directors

During the Reporting Period, as an independent Director, I fully performed all of my special authorities in strict accordance with relevant laws and regulations and the corporate policies. Till now, there is no circumstance in which I exercised special

authorities such as proposing a Board meeting, independently engaging external audit or consultancy bodies, publicly soliciting voting rights of shareholders and requesting any extraordinary general meeting. Meanwhile, in the course of day-to-day performance of my duties, I always maintain a high level of attention, with no matters occurring with the Company during the Reporting Period that might jeopardize legitimate rights and interests of the Company or its minority shareholders after prudent examination.

(V) Field survey of Shanghai Dazhong Gas

During the Reporting Period, I participated in a field survey of Shanghai Dazhong Gas conducted by independent non-executive Directors, where I gained a full understanding of operating model, technology application and development history of gas pipeline inspection business through prioritized investigation of the “river-passing gas well” site and current application of intelligent inspection equipment. In response to the tests and challenges posed to the company, independent Directors brought forward constructive opinions and suggestions from their professional experience and external perspectives, helping the company further raise its levels of fine and intelligent operations and solidify the safety net for urban gas use.

V. OVERALL EVALUATION AND SUGGESTIONS

In 2025, as an independent Director of the Company, I faithfully and diligently performed my duties according to various legal and regulatory requirements, expressed opinions and exercised voting rights independently and fairly using my professional knowledge, and effectively performed my obligation to safeguard interests of the Company and its shareholders. I kept closely informed of the Company’s governance operation and business decision-making, maintained good and effective communication with the Board, the Supervisory Board and the executive team, and contributed to the further increased levels of the Company’s scientific decision-making.

In 2026, I will continue learning more about new regulations, prudently, conscientiously, diligently and faithfully perform the duties of independent non-executive Director strictly in accordance with the provisions and requirements of relevant laws and regulations and the Articles of Association for independent non-executive Directors. I will participate in corporate governance adhering to the principles of independent, objective and prudent judgment, gain an in-depth understanding of the Company’s production and operations, and strengthen communication with members of the Board and the management of the Company. I will endeavor to further improve the Company’s decision-making and business performance, effectively safeguard the overall interests of the Company, and ensure that the legitimate rights and interests of all shareholders, especially minority shareholders, are not infringed, so as to promote the sustainable, healthy and high-quality development of the Company.

Work Report of Independent Non-executive Directors for the Year 2025
(LI Yingqi)

As an independent non-executive Director of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (the “**Company**”), I have performed my duties diligently and independently on the principles of objectivity, fairness and independence, and in strict accordance with the Company Law, the Code of Corporate Governance for Listed Companies, the Administrative Measures for Independent Directors of Listed Companies and other relevant laws and regulations, as well as the relevant provisions and requirements of the Articles of Association of the Company, and the Independent Non-executive Director Rules and Regulations of the Company. I kept informed of the operational status and development of the Company, actively played the role of independent Directors, and effectively safeguarded the overall interests of the Company and the legitimate rights and interests of all shareholders. Now I will report my performance of duties in 2025 as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT NON-EXECUTIVE DIRECTOR

(I) Personal biographies and part-time jobs

The Board of the Company currently comprises 9 Directors, including 4 independent non-executive Directors, the basic information about whom is as follows:

Li Yingqi, female, born in 1976, professor and doctoral supervisor of Shanghai National Accounting Institute, and senior member of The Chinese Institute of Certified Public Accountants (non-practicing). Ms. Li now serves as independent non-executive director of the Company and doubles as independent director of Shanghai Shyndec Pharmaceutical Co., Ltd.

(II) Statement of Independence

As independent non-executive Director, I strictly comply with relevant provisions of laws, regulations and the Articles of Association. I didn’t assume any position other than independent non-executive Director in the Company or any position in substantial shareholders of the Company, nor am I otherwise connected with the Company, its substantial shareholders or other connected entities or individuals in a way that prevents me from making independent, objective judgment. There is no transactional relationship or kinship between me and the Company, nor is there any circumstance that affects the independence of independent non-executive Director.

II. ANNUAL ONSITE WORK AND THE COMPANY’S COOPERATION WITH THE INDEPENDENT DIRECTOR AT WORK

During the Reporting Period, I kept fully informed of specific situations of the Company in terms of operation management, financial condition, standardized operation, risk control and internal control management and deeply carried out annual onsite work on that basis by attending meetings of the Board, general meeting (formerly known as the Shareholders’ General Meeting), specialized committees of the Board and the meetings of

independent directors and by participating in discussions and field surveys or otherwise. I attended all those meetings in person and always performed my responsibilities diligently following the principles of independence, objectivity and professionalism. Before a Board meeting, I took the initiative to obtain and understand the relevant information and materials about the meeting, and developed a detailed understanding of the Company's business and operation, and made full preparations for the important decisions of the Board. At meetings, I seriously considered each proposed resolution, actively participated in discussions and put forward constructive and forward-looking personalized suggestions using my rich industry experience and professional knowledge and following the principle of prudence and pragmatism, thereby making the Board decisions more scientific, compliant and feasible. On a daily basis, I maintained efficient day-to-day communication and interactions with the Company to keep abreast of the Company's business operations, and latest developments of industry regulatory policies and laws and regulations, thus ensuring the timely, comprehensive and transparent information acquisition so as to better perform my supervisory and strategic support functions, safeguard the long-term interests of the Company and all of its shareholders and facilitate the robust corporate growth.

Before a Board meeting or general meeting, the Company would submit meeting materials to Directors for review in a timely manner. The Company's management highly values communication and exchanges with independent non-executive Directors, reports to the Board and independent non-executive Directors on the Company's operational status and progress of significant matters diligently and dutifully, and provides timely feedback on questions raised, thereby providing complete conditions and sufficient support for independent non-executive Directors to perform their duties.

My attendance at meetings is as follows:

(I) Attendance at Board meetings and general meetings during the Reporting Period

Director name	Board meetings required to be attended this year	Sessions attended in person	Sessions attended via communications	Sessions attended via proxy	Sessions absent from	General meetings attended
Jiang Guofang	5	5	3	0	0	1
Li Yingqi	5	5	3	0	0	1
Yang Ping	5	5	3	0	0	1
Liu Feng	5	5	3	0	0	1

I attended the general meeting held on June 13, 2025 in person, where I fully considered shareholder opinions.

(II) Attendance at meetings of specialized committees of the Board during the Reporting Period**1. Composition**

Specialized committee	Member name
Audit Committee	Li Yingqi, Jiang Guofang, Liu Feng
Nomination Committee	Jiang Guofang, Yang Guoping, Li Yingqi
Remuneration and Appraisal Committee	Jiang Guofang, Yang Guoping, Liu Feng
Strategic Development and ESG Committee	Yang Guoping, Liang Jiawei, Yang Ping

2. My attendance at meetings of specialized committees of the Board of Directors within the Reporting period is as follows:

	Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
Audit Committee	7	7	7	0
Nomination Committee	1	1	1	0

The convening and holding procedures for meetings of all specialized committees of the Company complied with relevant laws, regulations and the Articles of Association, meeting notices and meeting materials were delivered in time, contents of resolutions were true, accurate and complete, and voting procedures and results were lawful and valid.

3. Attendance at special meetings of independent directors

Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
2	2	2	0

**III. MAJOR CONCERNS ARISING FROM THE PERFORMANCE OF DUTIES
DURING THE YEAR****(I) Related-party Transactions**

Related-party transactions of the Company are all necessary for the Company's business operations. In accordance with the requirements under the SSE Listing Rules, the HKSE Listing Rules, the Articles of Association, and the Related-party Transaction Management Policy, I reviewed the related-party transactions during the Reporting Period in terms of necessity, fairness, and compliance, and expressed prior consent statement and independent opinions respectively as follows:

1. With respect to the pre-event review of relevant materials regarding the Resolution on the Estimated Ordinary Related Party Transactions of the Company for the Year 2025, I expressed opinions as follows:
 - (1) Before the Board meeting, the Company sufficiently communicated with and submitted relevant transaction documents to independent non-executive Directors about this related-party transaction, who unanimously believed the proposal is feasible and realistic and consented to submitting the relevant resolution to the Board meeting for discussion and voting.
 - (2) Daily related-party transactions of the Company and its subsidiaries with related parties are necessary for normal business operations and conducive to maintaining the stable business operations of the Company and subsidiaries and reducing operating costs without adversely affecting the current and future financial condition and operating results of the Company or the independence of the listed company, followed the principles of fairness, free will and good faith and are in the long-term interests of the Company and its shareholders, without jeopardizing interests of the Company or its shareholders.
 - (3) When the Board deliberated the relevant resolution, the connected Directors excused themselves from voting according to provisions, and the voting procedure complies with relevant laws and regulations. We expressed consent to this related-party transaction and to submitting the resolution to the 9th meeting of the 12th Board of Directors and the 2024 AGM for deliberation.
2. With respect to the pre-event review of relevant materials regarding the Resolution on Conduct of Factoring Financing Business by Subsidiaries to Connected Person, I expressed opinion as follows:
 - (1) The proposed conduct of A/R factoring business with recourse by a wholly-owned subsidiary of the Company Shanghai Dazhong Commercial Factoring Co., Ltd with Shanghai Dazhong Wanxiang

Auto Repair Co., Ltd, a tier-2 subsidiary of a related party Shanghai Dazhong Business Management Co., Ltd., helps Dazhong Wanxiang shorten its A/R turnover time and increase funds utilization efficiency and enables Dazhong Factoring to expand its business size and increase stable income. Moreover, Dazhong Wanxiang is creditworthy such that the collection of factoring financing proceeds and financing interest can be guaranteed, meaning the risk associated with this factoring business are relatively low.

- (2) This related-party transaction is priced by both parties through friendly consultations based on market rates and using an objective and fair method, without any circumstances detrimental to interests of the Company or minority shareholders. This related-party transaction will not cause any material adverse effects on the financial condition, operating results or independence of the Company.
- (3) The Board strictly complies with relevant provisions of the SSE Listing Rules to ensure this related-party transaction is procedurally lawful.

In summary, I consented to its submission to the 12th meeting of the 12th Board of Directors for deliberation.

(II) External guarantees and occupation of funds

In the spirit of the “Regulatory Guidelines for Listed Companies No. 8 — Regulatory Requirements for Fund-Flow and External Guarantees of Listed Companies” issued by CSRC ([2022]No. 26), I carefully checked the external guarantees of the Company during 2025. In accordance with the 2025 Audit Report on Shanghai Dazhong Public Utilities (Group) Co., Ltd. from BDO China Shu Lun Pan Certified Public Accountants LLP and the actual situation of the Company, the Company has established relatively sound deliberation and approval procedures in respect of external guarantee and has dully fulfilled its information disclosure obligation in relation to external guarantee and related-party guarantee. All external guarantees of the Company are in compliance with the requirements under relevant laws, regulations, and the Articles of Association, and it has performed approval procedures in accordance with laws and regulations. The Company provided no guarantees to its controlling shareholder, actual controller or its related parties, any unincorporated body or individual, and had no guarantees overdue. None of the controlling shareholders of the Company or their related parties occupied any funds of the Company for non-operating needs.

(III) Disclosure of financial information in financial accounting reports and periodical reports

The Company discloses periodical reports strictly according to relevant provisions of the SSE Listing Rules. The periodical reports disclosed by the Company are free of any false records, misleading statements or significant omissions, and the Directors, Supervisors and senior executives of the Company all warrant that periodical reports are true, accurate and complete.

(IV) Results preannouncement

During the Reporting Period, the Company released the 2025 semiannual results preannouncement. The release of the Company's results preannouncements complies with provisions of the Company Law, the Articles of Association and relevant laws and regulations.

(V) Execution of internal control

The Company implements internal controls in strict accordance with the Basic Standards for Corporate Internal Control, the Guidance on Corporate Internal Control Evaluation and the Internal Control System Manual of the Company. As an independent non-executive director, I take the Audit Committee as the main supervisory body to regularly listen to the relevant reports on the Company. Based on the Internal Control Evaluation Report of the Company and the audit by the internal control audit firm, the present internal control system can meet and satisfy relevant provisions of relevant national laws and regulations and the relevant requirements of regulatory authorities, and the internal control system and relevant policies of the Company have no major defects in completeness, reasonableness and effectiveness in all material aspects and have no major deviations during actual implementation. Therefore, they are sufficient and effective in guaranteeing the security of the Company's assets and normal conduct of operating and management activities.

(VI) Guidance over internal audit

During the Reporting Period, the Audit Committee kept informed of internal audit activities of the Company by analyzing the Company's financial reports, internal control evaluation reports and external audit reports and participating in Board meetings and meetings of specialized committees of the Board, finding no material issues with internal audit work of the Company.

(VII) Appointment of accounting firms

The Company continued engaging BDO China Shu Lun Pan Certified Public Accountants LLP as the domestic audit firm and the internal control audit firm for the Company, and continued engaging BDO Limited as the overseas audit firm for the Company. The aforesaid accounting firms are compliant with the relevant regulations

of CSRC and the Hong Kong Stock Exchange in terms of qualifications for engaging in securities business. They can adhere to the principle of independent audit in providing annual financial report and internal control audit services to the Company, and completed various audit engagements agreed with the Company in an independent, objective, fair and timely manner. I believe the aforesaid audit firms have the experience and capabilities necessary to provide audit services to listed companies, and relevant deliberation and voting procedures comply with applicable provisions of relevant laws and regulations and the Articles of Association.

(VIII) Cash dividends and other returns to investors

The Company considered and approved the 2024 Profit Distribution Plan of the Company at the 2024 annual general meeting, and implemented the distribution of profits in August 2025. After careful examination, I believe that the policies on cash dividends developed by the Company can deliver reasonable investment returns to investors, have due regard to the sustainability of the Company, are in line with the actual development of the Company and the industry in which it operates, safeguard the interests of minority shareholders, and are beneficial to the Company's continuous, steady and healthy development. The decision-making procedures in respect of cash dividends of the Company are compliant with relevant laws and regulations and the Articles of Association, and cause no harm to the interests of the Company and its shareholders as a whole, especially minority shareholders.

(IX) Remunerations of senior management

The Company confirms the appraisal results of its senior management in strict accordance with the Remuneration and Appraisal Plan for Senior Management developed by the Board, and confirms the performance-based remuneration of senior management based on the Company's actual operating condition. The remunerations of the senior management of the Company are in line with the requirements of the performance appraisal and relevant remuneration policies of the Company and the review procedures for the resolutions conform to relevant laws and regulations and the Articles of Association, causing no harm to interests of the Company and its minority shareholders. Therefore, I agree with this matter.

IV. OTHER IMPORTANT MATTERS

(I) Information Disclosure

The Company fulfilled its information disclosure obligations in strict accordance with relevant laws and regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the Company disclosed a total of 4 periodic reports and 86 interim announcements on the Shanghai Stock Exchange; it also made disclosure 88 times in total on the Hong Kong Stock Exchange without violating the Stock Listing Rules or the Articles of Association and other laws and regulations of the two places, and has fulfilled the relevant information disclosure obligation well. During the Reporting Period, I kept myself informed of and supervised

the information disclosure work of the Company and I believe the Company's information disclosure policy is sound and the Company can perform its disclosure obligations in strict accordance with the SSE Listing Rules and other regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the information disclosed by the Company is true, accurate, timely and complete, free of any false records, misleading statements or material omissions.

(II) Nomination of candidates for directorship of the Company

I earnestly deliberated and expressed independent opinions on the Resolution on Nomination of Candidates for Directorship of the Company. The nominated candidates for directorship met the conditions of appointment specified in relevant laws and regulations such as the Company Law and the Articles of Association in terms of job qualifications, professional background and work history, the deliberation procedure of the Board is lawful and compliant with regulations, and the decision, execution and disclosure of the aforesaid matters all complied with legal and regulatory requirements, without jeopardizing interests of the listed company and all of its shareholders, especially those of minority shareholders.

(III) Performance of special authorities of independent Directors

During the Reporting Period, as an independent Director, I fully performed all of my special authorities in strict accordance with relevant laws and regulations and the corporate policies. Till now, there is no circumstance in which I exercised special authorities such as proposing a Board meeting, independently engaging external audit or consultancy bodies, publicly soliciting voting rights of shareholders and requesting any extraordinary general meeting. Meanwhile, in the course of day-to-day performance of my duties, I always maintain a high level of attention, with no matters occurring with the Company during the Reporting Period that might jeopardize legitimate rights and interests of the Company or its minority shareholders after prudent examination.

(IV) Communication and exchanges with minority shareholders

During the Reporting Period, I valued communication and exchanges with minority shareholders, performed my duties in strict accordance with relevant provisions of relevant laws and regulations, seriously reviewed relevant materials regarding resolutions submitted to the Board and General Meeting for deliberation, understood relevant information and made independent and impartial judgments using my professional knowledge; when attending general meetings, I paid particular attention to voting on resolutions involving separate vote counting of minority shareholders, and effectively safeguarded legitimate rights and interests of minority shareholders.

V. OVERALL EVALUATION AND SUGGESTIONS

In 2025, as an independent Director of the Company, I faithfully and diligently performed my duties according to various legal and regulatory requirements, expressed opinions and exercised voting rights independently and fairly using my professional knowledge, and effectively performed my obligation to safeguard interests of the Company and its shareholders. I kept closely informed of the Company's governance operation and business decision-making, maintained good and effective communication with the Board, the Supervisory Board and the executive team, and contributed to the further increased levels of the Company's scientific decision-making.

In 2026, I will continue learning more about new regulations, prudently, conscientiously, diligently and faithfully perform the duties of independent non-executive Director strictly in accordance with the provisions and requirements of relevant laws and regulations and the Articles of Association for independent non-executive Directors. I will participate in corporate governance adhering to the principles of independent, objective and prudent judgment, gain an in-depth understanding of the Company's production and operations, and strengthen communication with members of the Board and the management of the Company. I will endeavor to further improve the Company's decision-making and business performance, effectively safeguard the overall interests of the Company, and ensure that the legitimate rights and interests of all shareholders, especially minority shareholders, are not infringed, so as to promote the sustainable, healthy and high-quality development of the Company.

Work Report of Independent Non-executive Directors for the Year 2025
(YANG Ping)

As an independent non-executive Director of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (the “**Company**”), I have performed my duties diligently and independently on the principles of objectivity, fairness and independence, and in strict accordance with the Company Law, the Code of Corporate Governance for Listed Companies, the Administrative Measures for Independent Directors of Listed Companies and other relevant laws and regulations, as well as the relevant provisions and requirements of the Articles of Association of the Company, and the Independent Non-executive Director Rules and Regulations of the Company. I kept informed of the operational status and development of the Company, actively played the role of independent Directors, and effectively safeguarded the overall interests of the Company and the legitimate rights and interests of all shareholders. Now I will report my performance of duties in 2025 as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT NON-EXECUTIVE DIRECTOR

(I) Personal biographies and part-time jobs

The Board of the Company currently comprises 9 Directors, including 4 independent non-executive Directors, the basic information about whom is as follows:

Yang Ping: male, born in 1969, Doctor of Economics from Shanghai Academy of Social Sciences, currently serves as independent non-executive Director of the Company and doubles as a director of China Asset Management 30 Forum. He once served as CEO and President of Sailing Capital Management Co., Ltd, board chairman of Hong Kong Sailing Capital Holding Company Limited and President of Shanghai Sailing Capital Management Co., Ltd.

(II) Statement of Independence

As an independent non-executive Director, I strictly comply with relevant provisions of laws, regulations and the Articles of Association. I didn’t assume any position other than independent non-executive Director in the Company or any position in substantial shareholders of the Company, nor am I otherwise connected with the Company, its substantial shareholders or other connected entities or individuals in a way that prevents me from making independent, objective judgment. There is no transactional relationship or kinship between me and the Company, nor is there any circumstance that affects the independence of an independent non-executive Director.

II. ANNUAL ONSITE WORK AND THE COMPANY’S COOPERATION WITH THE INDEPENDENT DIRECTOR AT WORK

During the Reporting Period, I kept fully informed of specific situations of the Company in terms of operation management, financial condition, standardized operation, and risk control, and deeply carried out annual onsite work on that basis by attending

meetings of the Board, general meeting (formerly known as the Shareholders' General Meeting), specialized committees of the Board and the meeting of independent directors and by participating in discussions and field surveys or otherwise. I attended all those meetings in person and always performed my responsibilities diligently following the principles of independence, objectivity and professionalism. Before a Board meeting, I took the initiative to obtain and understand the relevant information and materials about the meeting, and developed a detailed understanding of the Company's business and operation, and made full preparations for the important decisions of the Board. At meetings, I seriously considered each proposed resolution, actively participated in discussions and put forward constructive and forward-looking personalized opinions using my rich industry experience and professional knowledge and following the principle of prudence and pragmatism, thereby making the Board decisions more scientific, compliant and feasible. On a daily basis, I maintained efficient day-to-day communication and interactions with the Company to keep abreast of the Company's business operations, and latest developments of industry regulatory policies and laws and regulations, thus ensuring the timely, comprehensive and transparent information acquisition so as to better perform my supervisory and strategic support functions, safeguard the long-term interests of the Company and all of its shareholders and facilitate the robust corporate growth.

Before a Board meeting or general meeting, the Company would submit meeting materials to Directors for review in a timely manner. The Company's management highly values communication and exchanges with independent non-executive Directors, reports to the Board and independent non-executive Directors on the Company's operational status and progress of significant matters diligently and dutifully, and provides timely feedback on questions raised, thereby providing complete conditions and sufficient support for independent non-executive Directors to perform their duties.

My attendance at meetings is as follows:

(I) Attendance at Board meetings and general meetings during the Reporting Period

Director name	Board meetings required to be attended this year	Sessions attended in person	Sessions attended via communications	Sessions attended via proxy	Sessions absent from	General meetings attended
Jiang Guofang	5	5	3	0	0	1
Li Yingqi	5	5	3	0	0	1
Yang Ping	5	5	3	0	0	1
Liu Feng	5	5	3	0	0	1

I attended the general meeting held on June 13, 2025 in person, where I fully considered shareholder opinion.

(II) Attendance at meetings of specialized committees of the Board during the Reporting Period

1. Composition

Specialized committee	Member name
Audit Committee	Li Yingqi, Jiang Guofang, Liu Feng
Nomination Committee	Jiang Guofang, Yang Guoping, Li Yingqi
Remuneration and Appraisal Committee	Jiang Guofang, Yang Guoping, Liu Feng
Strategic Development and ESG Committee	Yang Guoping, Liang Jiawei, Yang Ping

2. My attendance at meetings of specialized committees of the Board of Directors within the Reporting period is as follows:

	Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
Strategic Development and ESG Committee	1	1	1	0

The convening and holding procedures for meetings of all specialized committees of the Company complied with relevant laws, regulations and the Articles of Association, meeting notices and meeting materials were delivered in time, contents of resolutions were true, accurate and complete, and voting procedures and results were lawful and valid.

3. Attendance at special meetings of independent directors

Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
2	2	2	0

**III. MAJOR CONCERNS ARISING FROM THE PERFORMANCE OF DUTIES
DURING THE YEAR****(I) Related-party Transactions**

Related-party transactions of the Company are all necessary for the Company's business operations. In accordance with the requirements under the SSE Listing Rules, the HKSE Listing Rules, the Articles of Association, and the Related-party Transaction Management Policy, I reviewed the related-party transactions during the Reporting Period in terms of necessity, fairness, and compliance, and expressed prior consent statement and independent opinions respectively as follows:

1. With respect to the pre-event review of relevant materials regarding the Resolution on the Estimated Ordinary Related Party Transactions of the Company for the Year 2025, I expressed opinions as follows:
 - (1) Before the Board meeting, the Company sufficiently communicated with and submitted relevant transaction documents to independent non-executive Directors about this related-party transaction, who unanimously believed the proposal is feasible and realistic and consented to submitting the relevant resolution to the Board meeting for discussion and voting.
 - (2) Daily related-party transactions of the Company and its subsidiaries with related parties are necessary for normal business operations and conducive to maintaining the stable business operations of the Company and subsidiaries and reducing operating costs without adversely affecting the current and future financial condition and operating results of the Company or the independence of the listed company, followed the principles of fairness, free will and good faith and are in the long-term interests of the Company and its shareholders, without jeopardizing interests of the Company or its shareholders.
 - (3) When the Board deliberated the relevant resolution, the connected Directors excused themselves from voting according to provisions, and the voting procedure complies with relevant laws and regulations. We expressed consent to this related-party transaction and to submitting the resolution to the 9th meeting of the 12th Board of Directors and the 2024 AGM for deliberation.
2. With respect to the pre-event review of relevant materials regarding the Resolution on Conduct of Factoring Financing Business by Subsidiaries to Connected Person, I expressed opinions as follows:
 - (1) The proposed conduct of A/R factoring business with recourse by a wholly-owned subsidiary of the Company Shanghai Dazhong Commercial Factoring Co., Ltd with Shanghai Dazhong Wanxiang

Auto Repair Co., Ltd, a tier-2 subsidiary of a related party Shanghai Dazhong Business Management Co., Ltd., helps Dazhong Wanxiang shorten its A/R turnover time and increase funds utilization efficiency and enables Dazhong Factoring to expand its business size and increase stable income. Moreover, Dazhong Wanxiang is creditworthy such that the collection of factoring financing proceeds and financing interest can be guaranteed, meaning the risks of this factoring business are relatively low.

- (2) The pricing of this related-party transaction is determined by both parties through friendly consultations based on market rates and using an objective and fair method, without any circumstances detrimental to interests of the Company or minority shareholders. This related-party transaction will not cause any material adverse effects on the financial condition, operating results or independence of the Company.
- (3) The Board strictly complies with relevant provisions of the SSE Listing Rules to ensure this related-party transaction is procedurally lawful.

In summary, I consented to submission to the 12th meeting of the 12th Board of Directors for deliberation.

(II) External guarantees and occupation of funds

In the spirit of the “Regulatory Guidelines for Listed Companies No. 8 — Regulatory Requirements for Fund Flow and External Guarantees of Listed Companies” issued by CSRC ([2022]No. 26), I carefully checked the external guarantees of the Company during 2025. In accordance with the 2025 Audit Report on Shanghai Dazhong Public Utilities (Group) Co., Ltd. from BDO China Shu Lun Pan Certified Public Accountants LLP and the actual situation of the Company, the Company has established relatively sound deliberation and approval procedures in respect of external guarantee and has dully fulfilled its information disclosure obligation in relation to external guarantee and related-party guarantee. All external guarantees of the Company are in compliance with the requirements under relevant laws, regulations, and the Articles of Association, and it has performed approval procedures in accordance with laws and regulations. The Company provided no guarantees to its controlling shareholder, actual controller or its related parties, any unincorporated body or individual, and had no guarantees overdue. None of the controlling shareholders of the Company and their related parties occupied any funds of the Company for non-operating needs.

(III) Disclosure of financial information in financial accounting reports and periodical reports

The Company discloses periodical reports strictly in accordance with relevant provisions of the SSE Listing Rules. The periodical reports disclosed by the Company are free of any false records, misleading statements or significant omissions, and the Directors, Supervisors and senior executives of the Company all warrant that periodical reports are true, accurate and complete.

(IV) Results briefings and communications and exchanges with minority shareholders

During the Reporting Period, I participated in collective briefings on results of the Company for the first half of 2025 and third quarter of 2025. The Company made centralized exchanges and response surrounding topics of concern to investors such as results and performance, ESG achievements, and development planning in respective periods. Through a sound mechanism of communication between independent directors and investors, the Company further expanded the channels for minority shareholders to participate in corporate governance and effectively enhanced the quality of information disclosure and effects of interaction.

(V) Execution of internal control

The Company implements internal controls in strict accordance with the Basic Standards for Corporate Internal Control, the Guidance on Corporate Internal Control Evaluation and the Internal Control System Manual of the Company. As an independent non-executive Director, I take the Audit Committee as the main supervisory body to regularly listen to the relevant reports on the Company. Based on the Internal Control Evaluation Report of the Company and the audit by the internal control audit firm, the present internal control system can meet and satisfy relevant provisions of relevant national laws and regulations and the relevant requirements of regulatory authorities, and the internal control system and relevant policies of the Company have no major defects in completeness, reasonableness and effectiveness in all material aspects and have no major deviations during actual implementation. Therefore, they are sufficient and effective in guaranteeing the security of the Company's assets and normal conduct of operating and management activities.

(VI) Guidance over internal audit

During the Reporting Period, the Audit Committee kept informed of internal audit activities of the Company by analyzing the Company's financial reports, internal control evaluation reports and external audit reports and participating in Board meetings and meetings of specialized committees of the Board, finding no material issues with internal audit work of the Company.

(VII) Appointment of accounting firms

The Company continued engaging BDO China Shu Lun Pan Certified Public Accountants LLP as the domestic audit firm and the internal control audit firm for the Company, and continued engaging BDO Limited as the overseas audit firm for the Company. The aforesaid accounting firms are compliant with the relevant regulations of CSRC and the Hong Kong Stock Exchange in terms of qualifications for engaging in securities business. They can adhere to the principle of independent audit in providing annual financial report and internal control audit services to the Company, and completed various audit engagements agreed with the Company in an independent, objective, fair and timely manner. I believe the aforesaid audit firms have the experience and capabilities necessary to provide audit services to listed companies, and relevant deliberation and voting procedures comply with applicable provisions of relevant laws and regulations and the Articles of Association.

(VIII) Cash dividends and other returns to investors

The Company considered and approved the 2024 Profit Distribution Plan of the Company at the 2024 annual general meeting, and implemented the distribution of profits in August 2025. After careful examination, I believe that the policies on cash dividends developed by the Company can deliver reasonable investment returns to investors, have due regard to the sustainability of the Company, are in line with the actual development of the Company and the industry in which it operates, safeguard the interests of minority shareholders, and are beneficial to the Company's continuous, steady and healthy development. The decision-making procedures in respect of cash dividends of the Company are compliant with relevant laws and regulations and the Articles of Association, and cause no harm to the interests of the Company and its shareholders as a whole, especially minority shareholders.

(IX) Remunerations of senior management

The Company confirms the appraisal results of its senior management in strict accordance with the Remuneration and Appraisal Plan for Senior Management developed by the Board, and confirms the performance-based remuneration of senior management in light of the Company's actual operating condition. The remuneration of the senior management of the Company is in line with the requirements of the performance appraisal and relevant remuneration policies of the Company and the review procedures for the resolutions conform to relevant laws and regulations and the Articles of Association, causing no harm to interests of the Company and its minority shareholders. Therefore, I agree with this matter.

IV. OTHER IMPORTANT MATTERS

(I) Results preannouncement

During the Reporting Period, the Company released the 2025 semiannual results preannouncement. The release of the Company's results preannouncements complies with provisions of the Company Law, the Articles of Association and relevant laws and regulations.

(II) Information disclosure

The Company fulfilled its information disclosure obligations in strict accordance with relevant laws and regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the Company disclosed a total of 4 periodic reports and 86 interim announcements on the Shanghai Stock Exchange; it also made disclosure 88 times in total on the Hong Kong Stock Exchange without violating the Stock Listing Rules or the Articles of Association and other laws and regulations of the two places, and has fulfilled the relevant information disclosure obligation well. During the Reporting Period, I kept informed of and supervised the information disclosure work of the Company and I believe the Company's information disclosure policy is sound and the Company can perform its disclosure obligations in strict accordance with the SSE Listing Rules and other regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the information disclosed by the Company is true, accurate, timely and complete, free of any false records, misleading statements or material omissions.

(III) Field survey of Shanghai Dazhong Gas

During the Reporting Period, I participated in a field survey of Shanghai Dazhong Gas conducted by independent non-executive Directors, where I gained a full understanding of operating model, technology application and development history of gas pipeline inspection business through prioritized investigation of the "river-passing gas well" site and current application of intelligent inspection equipment. In response to the tests and challenges posed to the company, independent Directors brought forward constructive opinions and suggestions from their professional experience and external perspectives, helping the company further raise its levels of fine and intelligent operations and solidify the safety net for urban gas use.

V. OVERALL EVALUATION AND SUGGESTIONS

In 2025, as an independent Director of the Company, I faithfully and diligently performed my duties according to various legal and regulatory requirements, expressed opinions and exercised voting rights independently and fairly using my professional knowledge, and effectively performed my obligation to safeguard interests of the Company and its shareholders. I kept closely informed of the Company's governance operation and

business decision-making, maintained good and effective communication with the Board, the Supervisory Board and the executive team, and contributed to the further increased levels of the Company's scientific decision-making.

In 2026, I will continue learning more about new regulations, prudently, conscientiously, diligently and faithfully perform the duties of independent non-executive Director strictly in accordance with the provisions and requirements of relevant laws and regulations and the Articles of Association for independent non-executive Directors. I will participate in corporate governance adhering to the principles of independent, objective and prudent judgment, gain an in-depth understanding of the Company's production and operations, and strengthen communication with members of the Board and the management of the Company. I will endeavor to further improve the Company's decision-making and business performance, effectively safeguard the overall interests of the Company, and ensure that the legitimate rights and interests of all shareholders, especially minority shareholders, are not infringed, so as to promote the sustainable, healthy and high-quality development of the Company.

Work Report of Independent Non-executive Directors for the Year 2025 (LIU Feng)

As an independent non-executive Director of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (the “**Company**”), I have performed my duties diligently and independently on the principles of objectivity, fairness and independence, and in strict accordance with the Company Law, the Code of Corporate Governance for Listed Companies, the Administrative Measures for Independent Directors of Listed Companies and other relevant laws and regulations, as well as the relevant provisions and requirements of the Articles of Association of the Company, and the Independent Non-executive Director Rules and Regulations of the Company. I kept informed of the operational status and development of the Company, actively played the role of independent Directors, and effectively safeguarded the overall interests of the Company and the legitimate rights and interests of all shareholders. Now I will report my performance of duties in 2025 as follows:

I. BASIC INFORMATION ABOUT INDEPENDENT NON-EXECUTIVE DIRECTOR**(I) Personal biographies and part-time jobs**

The Board of the Company currently comprises 9 Directors, including 4 independent non-executive Directors, the basic information about whom is as follows:

Liu Feng, male, born in 1968, Master, lawyer, senior economist, and senior partner of Beijing Dacheng (Shanghai) Law Firm, currently works as an independent non-executive Director of the Company, doubling as independent director of China Post Technology Co., Ltd and Shanghai Jiaoda Withub Information Industrial Co., Ltd. Mr. Liu serves as a civil and administrative consulting expert of the Supreme People’s Procuratorate, director of Intellectual Property Business Committee of Shanghai Lawyers Association, mediator of Shanghai Economic and Trade Mediation Center, deputy director of the practice dispute mediation committee and disciplinary sanction committee of Shanghai Lawyers Association, member of Shanghai Intellectual Property Service Industry Association, member of Intellectual Property Research Association of Shanghai Law Society, member of Intellectual Property Association of China (Shanghai) Pilot Free Trade Zone, member of the lawyers group for the legal advisory committee of Shanghai Association for Science and Technology, and acted as a member of the expert justification panel of Shanghai Municipal Superior People’s Court many times.

(II) Statement of Independence

As independent non-executive Director, I strictly comply with relevant provisions of laws, regulations and the Articles of Association. I didn’t assume any position other than independent non-executive Director in the Company or any position in substantial shareholders of the Company, nor am I otherwise connected with the Company, its substantial shareholders or other connected entities or individuals in a way that prevents me from making independent, objective judgment. There is no transactional relationship or kinship between me and the Company, nor is there any circumstance that affects the independence of an independent non-executive Director.

**II. ANNUAL ONSITE WORK AND THE COMPANY'S COOPERATION WITH THE
INDEPENDENT DIRECTOR AT WORK**

During the Reporting Period, I kept fully informed of specific situations of the Company in terms of operation management, financial condition, standardized operation, risk control and internal control management and deeply carried out annual onsite work on that basis by attending meetings of the Board, general meeting (formerly known as the Shareholders' General Meeting), specialized committees of the Board and the meeting of independent directors and by participating in discussions and field surveys or otherwise. I attended all those meetings in person and always performed my responsibilities diligently following the principles of independence, objectivity and professionalism. Before a Board meeting, I took the initiative to obtain and understand the relevant information and materials about the meeting, and developed a detailed understanding of the Company's business and operation, and made full preparations for the important decisions of the Board. At meetings, I seriously considered each proposed resolution, actively participated in discussions and put forward constructive and forward-looking personalized opinions using my rich industry experience and professional knowledge and following the principle of prudence and pragmatism, thereby making the Board decisions more scientific, compliant and feasible. On a daily basis, I maintained efficient day-to-day communication and interactions with the Company to keep abreast of the Company's business operations, and latest developments of industry regulatory policies and laws and regulations, thus ensuring the timely, comprehensive and transparent information acquisition so as to better perform my supervisory and strategic support functions, safeguard the long-term interests of the Company and all of its shareholders and facilitate the robust corporate growth.

Before a Board meeting or general meeting, the Company would submit meeting materials to Directors for review in a timely manner. The Company's management highly values communication and exchanges with independent non-executive Directors, reports to the Board and independent non-executive Directors on the Company's operational status and progress of significant matters diligently and dutifully, and provides timely feedback on questions raised, thereby providing complete conditions and sufficient support for independent non-executive Directors to perform their duties.

My attendance at meetings is as follows:

(I) Attendance at Board meetings and general meetings during the Reporting Period

Director name	Board meetings required to be attended this year	Sessions attended in person	Sessions attended via communications	Sessions attended via proxy	Sessions absent from	General meetings attended
Jiang Guofang	5	5	3	0	0	1
Li Yingqi	5	5	3	0	0	1
Yang Ping	5	5	3	0	0	1
Liu Feng	5	5	3	0	0	1

I attended the general meeting held on June 13, 2025 in person, where I fully considered shareholder opinion.

(II) Attendance at meetings of specialized committees of the Board during the Reporting Period

1. Composition

Specialized committee	Member name
Audit Committee	Li Yingqi, Jiang Guofang, Liu Feng
Nomination Committee	Liu Feng, Yang Guoping, Jiang Guofang
Remuneration and Appraisal Committee	Jiang Guofang, Yang Guoping, Liu Feng
Strategic Development and ESG Committee	Yang Guoping, Liang Jiawei, Yang Ping

2. My attendance at meetings of specialized committees of the Board of Directors within the Reporting period is as follows:

	Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
Audit Committee	7	7	7	0
Remuneration and Appraisal Committee	1	1	1	0
Nomination Committee	2	2	2	0

The convening and holding procedures for meetings of all specialized committees of the Company complied with relevant laws, regulations and the Articles of Association, meeting notices and meeting materials were delivered in time, contents of resolutions were true, accurate and complete, and voting procedures and results were lawful and valid.

3. Attendance at special meetings of independent directors

Meetings held in the Reporting period	Meetings required to be attended	Meetings attended	Meetings attended via proxy
2	2	2	0

**III. MAJOR CONCERNS ARISING FROM THE PERFORMANCE OF DUTIES
DURING THE YEAR**

(I) Related-party Transactions

Related-party transactions of the Company are all necessary for the Company's business operations. In accordance with the requirements under the SSE Listing Rules, the HKSE Listing Rules, the Articles of Association, and the Related-party Transaction Management Policy, I reviewed the related-party transactions during the Reporting Period in terms of necessity, fairness, and compliance, and expressed prior consent statement and independent opinions respectively as follows:

1. With respect to the pre-event review of relevant materials regarding the Resolution on the Estimated Ordinary Related Party Transactions of the Company for the Year 2025, I expressed opinions as follows:
 - (1) Before the Board meeting, the Company sufficiently communicated with and submitted relevant transaction documents to independent non-executive Directors about this related-party transaction, who unanimously believed the proposal is feasible and realistic and consented to submitting the relevant resolution to the Board meeting for discussion and voting.
 - (2) Daily related-party transactions of the Company and its subsidiaries with related parties are necessary for normal business operations and conducive to maintaining the stable business operations of the Company and subsidiaries and reducing operating costs without adversely affecting the current and future financial condition and operating results of the Company or the independence of the listed company, followed the principles of fairness, free will and good faith and are in the long-term interests of the Company and its shareholders, without jeopardizing interests of the Company or its shareholders.

- (3) When the Board deliberated the relevant resolution, the connected Directors excused themselves from voting according to provisions, and the voting procedure complies with relevant laws and regulations. We expressed consent to this related-party transaction and to submitting the resolution to the 9th meeting of the 12th Board of Directors and the 2024 AGM for deliberation.
2. With respect to the pre-event review of relevant materials regarding the Resolution on Conduct of Factoring Financing Business by Subsidiaries to Connected Person, I expressed opinions as follows:
- (1) The proposed conduct of A/R factoring business with recourse by a wholly-owned subsidiary of the Company Shanghai Dazhong Commercial Factoring Co., Ltd with Shanghai Dazhong Wanxiang Auto Repair Co., Ltd, a tier-2 subsidiary of a related party Shanghai Dazhong Business Management Co., Ltd., helps Dazhong Wanxiang shorten its A/R turnover time and increase funds utilization efficiency and enables Dazhong Factoring to expand its business size and increase stable income. Moreover, Dazhong Wanxiang is creditworthy such that the collection of factoring financing proceeds and financing interest can be guaranteed, meaning the risks of this factoring business are relatively low.
- (2) The pricing of this related-party transaction is determined by both parties through friendly consultations based on market rates and using an objective and fair method, without any circumstances detrimental to interests of the Company or minority shareholders. This related-party transaction will not cause any material adverse effects on the financial condition, operating results or independence of the Company.
- (3) The Board strictly complies with relevant provisions of the SSE Listing Rules to ensure this related-party transaction is procedurally lawful.

In summary, I consented to submission to the 12th meeting of the 12th Board of Directors for deliberation.

(II) External guarantees and occupation of funds

In the spirit of the “Regulatory Guidelines for Listed Companies No. 8 — Regulatory Requirements for Fund Flow and External Guarantees of Listed Companies” issued by CSRC ([2022]No. 26), I carefully checked the external guarantees of the Company during 2025. In accordance with the 2025 Audit Report on Shanghai Dazhong Public Utilities (Group) Co., Ltd. from BDO China Shu Lun Pan Certified Public Accountants LLP and the actual situation of the Company, the Company has established relatively sound deliberation and approval procedures in respect of external guarantee and has fully fulfilled its information disclosure obligation in relation to external guarantee and related-party guarantee. All external

guarantees of the Company are in compliance with the requirements under relevant laws, regulations, and the Articles of Association, and it has performed approval procedures in accordance with laws and regulations. The Company provided no guarantees to its controlling shareholder, actual controller or its related parties, any unincorporated body or individual, and had no guarantees overdue. None of the controlling shareholders of the Company and their related parties occupied any funds of the Company for non-operating needs.

(III) Disclosure of financial information in financial accounting reports and periodical reports

The Company discloses periodical reports strictly in accordance with relevant provisions of the SSE Listing Rules. The periodical reports disclosed by the Company are free of any false records, misleading statements or significant omissions, and the Directors, Supervisors and senior executives of the Company all warrant that periodical reports are true, accurate and complete.

(IV) Execution of internal control

The Company implements internal controls in strict accordance with the Basic Standards for Corporate Internal Control, the Guidance on Corporate Internal Control Evaluation and the Internal Control System Manual of the Company. As an independent non-executive Director, I take the Audit Committee as the main supervisory body to regularly listen to the relevant reports on the Company. Based on the Internal Control Evaluation Report of the Company and the audit by the internal control audit firm, the present internal control system can meet and satisfy relevant provisions of relevant national laws and regulations and the relevant requirements of regulatory authorities, and the internal control system and relevant policies of the Company have no major defects in completeness, reasonableness and effectiveness in all material aspects and have no major deviations during actual implementation. Therefore, they are sufficient and effective in guaranteeing the security of the Company's assets and normal conduct of operating and management activities.

(V) Guidance over internal audit

During the Reporting Period, the Audit Committee kept informed of internal audit activities of the Company by analyzing the Company's financial reports, internal control evaluation reports and external audit reports and participating in Board meetings and meetings of specialized committees of the Board, finding no material issues with internal audit work of the Company.

(VI) Appointment of accounting firms

The Company continued engaging BDO China Shu Lun Pan Certified Public Accountants LLP as the domestic audit firm and the internal control audit firm for the Company, and continued engaging BDO Limited as the overseas audit firm for the

Company. The aforesaid accounting firms are compliant with the relevant regulations of CSRC and the Hong Kong Stock Exchange in terms of qualifications for engaging in securities business. They can adhere to the principle of independent audit in providing annual financial report and internal control audit services to the Company, and completed various audit engagements agreed with the Company in an independent, objective, fair and timely manner. I believe the aforesaid audit firms have the experience and capabilities necessary to provide audit services to listed companies, and relevant deliberation and voting procedures comply with applicable provisions of relevant laws and regulations and the Articles of Association.

(VII) Cash dividends and other returns to investors

The Company considered and approved the 2024 Profit Distribution Plan of the Company at the 2024 annual general meeting, and implemented the distribution of profits in August 2025. After careful examination, I believe that the policies on cash dividends developed by the Company can deliver reasonable investment returns to investors, have due regard to the sustainability of the Company, are in line with the actual development of the Company and the industry in which it operates, safeguard the interests of minority shareholders, and are beneficial to the Company's continuous, steady and healthy development. The decision-making procedures in respect of cash dividends of the Company are compliant with relevant laws and regulations and the Articles of Association, and cause no harm to the interests of the Company and its shareholders as a whole, especially minority shareholders.

(VIII) Remunerations of senior management

The Company confirms the appraisal results of its senior management in strict accordance with the Remuneration and Appraisal Plan for Senior Management developed by the Board, and confirms the performance-based remuneration of senior management in light of the Company's actual operating condition. The remuneration of the senior management of the Company is in line with the requirements of the performance appraisal and relevant remuneration policies of the Company and the review procedures for the resolutions conform to relevant laws and regulations and the Articles of Association, causing no harm to interests of the Company and its minority shareholders. Therefore, I agree with this matter.

IV. OTHER IMPORTANT MATTERS

(I) Information disclosure

The Company fulfilled its information disclosure obligations in strict accordance with relevant laws and regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the Company disclosed a total of 4 periodic reports and 86 interim announcements on the Shanghai Stock Exchange; it also made disclosure 88 times in total on the Hong Kong Stock Exchange without violating the Stock Listing Rules or the Articles of Association and other laws and regulations of the two places, and has fulfilled the relevant information disclosure

obligation well. During the Reporting Period, I kept informed of and supervised the information disclosure work of the Company and I believe the Company's information disclosure policy is sound and the Company can perform its disclosure obligations in strict accordance with the SSE Listing Rules and other regulations and the Management Policy for Information Disclosure Affairs of the Company. In 2025, the information disclosed by the Company is true, accurate, timely and complete, free of any false records, misleading statements or material omissions.

(II) Results preannouncement

During the Reporting Period, the Company released the 2025 semiannual results preannouncement. The release of the Company's results preannouncements complies with provisions of the Company Law, the Articles of Association and relevant laws and regulations.

(III) Performance of special authorities of independent Directors

During the Reporting Period, as an independent Director, I fully performed all of my special authorities in strict accordance with relevant laws and regulations and the corporate policies. Till now, there is no circumstance in which I exercised special authorities such as proposing a Board meeting, independently engaging external audit or consultancy bodies, publicly soliciting voting rights of shareholders and requesting any extraordinary general meeting. Meanwhile, in the course of day-to-day performance of my duties, I always maintain a high level of attention, with no matters occurring with the Company during the Reporting Period that might jeopardize legitimate rights and interests of the Company or its minority shareholders after prudent examination.

(IV) Communication and exchanges with minority shareholders

During the Reporting Period, I valued communication and exchanges with minority shareholders, performed my duties in strict accordance with relevant provisions of relevant laws and regulations, seriously reviewed relevant materials regarding resolutions submitted to the Board and General Meeting for deliberation, understood relevant information and made independent and impartial judgments using my professional knowledge; when attending general meetings, I paid particular attention to voting on resolutions involving separate vote counting of minority shareholders, and effectively safeguarded legitimate rights and interests of minority shareholders.

(V) Field survey of Shanghai Dazhong Gas

During the Reporting Period, I participated in a field survey of Shanghai Dazhong Gas conducted by independent non-executive Directors, where I gained a full understanding of operating model, technology application and development history of gas pipeline inspection business through prioritized investigation of the "river-passing gas well" site and current application of intelligent inspection equipment. In response

to the tests and challenges posed to the company, independent Directors brought forward constructive opinions and suggestions from their professional experience and external perspectives, helping the company further raise its levels of fine and intelligent operations and solidify the safety net for urban gas use.

V. OVERALL EVALUATION AND SUGGESTIONS

In 2025, as an independent Director of the Company, I faithfully and diligently performed my duties according to various legal and regulatory requirements, expressed opinions and exercised voting rights independently and fairly using my professional knowledge, and effectively performed my obligation to safeguard interests of the Company and its shareholders. I kept closely informed of the Company's governance operation and business decision-making, maintained good and effective communication with the Board, the Supervisory Board and the executive team, and contributed to the further increased levels of the Company's scientific decision-making.

In 2026, I will continue learning more about new regulations, prudently, conscientiously, diligently and faithfully perform the duties of independent non-executive Director strictly in accordance with the provisions and requirements of relevant laws and regulations and the Articles of Association for independent non-executive Directors. I will participate in corporate governance adhering to the principles of independent, objective and prudent judgment, gain an in-depth understanding of the Company's production and operations, and strengthen communication with members of the Board and the management of the Company. I will endeavor to further improve the Company's decision-making and business performance, effectively safeguard the overall interests of the Company, and ensure that the legitimate rights and interests of all shareholders, especially minority shareholders, are not infringed, so as to promote the sustainable, healthy and high-quality development of the Company.