
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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shanghai Electric Group Company Limited, you should at once hand this circular and the form of proxy to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SHANGHAI ELECTRIC GROUP COMPANY LIMITED****上海電氣集團股份有限公司***(a joint stock limited company incorporated in the People's Republic of China with limited liability)***(Stock Code: 02727)**

- (1) PROPOSED APPOINTMENT OF DIRECTOR;**
- (2) PROPOSED APPOINTMENT OF
INDEPENDENT NON-EXECUTIVE DIRECTOR;**
- (3) PROPOSED APPOINTMENT OF SUPERVISORS;**
- (4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

All capitalised terms used in this circular have the meanings set out in the section headed "Definitions" of this circular. A letter from the Board is set out on pages 1 to 7 of this circular.

A notice convening the EGM of the Company to be held at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC at 2:00 p.m. on Wednesday, 18 September 2024 is set out on pages 8 to 9 of this circular.

If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and in any event not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending the EGM and voting in person if you so wish.

* For identification purpose only

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DEFINITIONS

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

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| “A Share(s)” | the domestic ordinary share(s) of nominal value RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and traded in RMB; |
| “Articles of Association” | the articles of association of the Company as amended from time to time; |
| “Board” | the board of Directors of the Company; |
| “Company” | Shanghai Electric Group Company Limited (上海電氣集團股份有限公司), a joint stock limited company duly incorporated in the PRC with limited liability, the H shares of which are listed on The Stock Exchange of Hong Kong Limited under stock code 02727 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601727; |
| “Directors” | the directors of the Company; |
| “EGM” | the extraordinary general meeting of the Company to be convened at 2:00 p.m. on Wednesday, 18 September 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC and any adjournment thereof; |
| “H Share(s)” | the overseas listed foreign capital share(s) of nominal value RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars; |
| “Hong Kong” | the Hong Kong Special Administrative Region of China; |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Latest Practicable Date” | 23 August 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular; |

DEFINITIONS

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| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; |
| “PRC” or “China” | the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong, Macau Special Administrative Region and Taiwan; |
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “Share(s)” | the ordinary share(s) of nominal value RMB1.00 each in the share capital of the Company, including both A Share(s) and H Share(s); |
| “Shareholder(s)” | the shareholder(s) of the Company, including both holder(s) of A Share(s) and holders of H Share(s); |
| “subsidiary(ies)” | subsidiary(ies) within the meaning ascribed thereto under the Listing Rules; |
| “substantial shareholder(s)” | has the meaning ascribed thereto under the Listing Rules; |
| “Supervisor(s)” | the supervisors of the Company; and |
| “%” | per cent. |

LETTER FROM THE BOARD



SHANGHAI ELECTRIC GROUP COMPANY LIMITED

上海電氣集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02727)

Executive Directors:

Dr. WU Lei
Mr. ZHU Zhaokai

Registered office:

No.16, Lane 1100
Huashan Road
Shanghai
PRC

Non-executive Directors:

Mr. SHAO Jun
Ms. LU Wen

Principal place of business in Hong Kong:

Rooms 901-903
Tower Two, Lippo Centre
89 Queensway
Hong Kong

Independent Non-executive Directors:

Dr. XI Juntong
Dr. XU Jianxin
Dr. LIU Yunhong

26 August 2024

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED APPOINTMENT OF DIRECTOR;
(2) PROPOSED APPOINTMENT OF
INDEPENDENT NON-EXECUTIVE DIRECTOR;
(3) PROPOSED APPOINTMENT OF SUPERVISORS;
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular, of which this letter forms a part, is to give you a notice of the EGM, and to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM.

* For identification purpose only

LETTER FROM THE BOARD

The following ordinary resolutions will be proposed at the EGM to consider and approve, among other things: proposed appointment of Mr. DONG Jianhua as a Director; proposed appointment of Dr. DU Zhaohui as an independent non-executive Director; and proposed appointment of Supervisors.

I. PROPOSED APPOINTMENT OF MR. DONG JIANHUA AS A DIRECTOR

The meeting of the Board held on 23 August 2024 approved the nomination of Mr. DONG Jianhua (“**Mr. DONG**”) as a candidate for Director of the fifth session of the Board of the Company. The term of office of Mr. DONG will be from the date on which his appointment is approved at the general meeting to the end of the term of the fifth session of the Board.

The biography of Mr. DONG is as follows:

Mr. DONG Jianhua, aged 59, is currently the vice president of the Company, a director of Shanghai Electric Holding Group Co., Ltd. and the chairman of the board of directors of Shanghai Highly (Group) Co., Ltd. (上海海立(集團)股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600619). Mr. DONG was the assistant director and deputy director of the Infrastructure Department, the deputy director and director of the Fixed Assets Investment Audit Department, the director of the Finance and Audit Department of Shanghai Audit Bureau, the vice president and chief financial officer of Shanghai Electric (Group) Corporation, the chairman of the supervisory committee of the Company, a director of Shanghai Proton and Heavy Ion Center, and the secretary of the Party committee of J-Yuan Trust Co., Ltd. (建元信託股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600816). Mr. DONG graduated from Shanghai Tongji University with a bachelor’s degree in engineering and holds an executive master’s degree in business administration from Shanghai University of Finance and Economics, and is a professor-level senior economist.

LETTER FROM THE BOARD

II. PROPOSED APPOINTMENT OF DR. DU ZHAOHUI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

The meeting of the Board held on 23 August 2024 approved the nomination of Dr. DU Zhaohui (“**Dr. DU**”) as a candidate for independent non-executive Director of the fifth session of the Board of the Company. The term of office of Dr. DU will be from the date on which his appointment is approved at the general meeting to the end of the term of the fifth session of the Board. It was agreed that Dr. DU will serve as a member of the strategy committee, a member of the audit committee, the chairman and a member of the nomination committee, and the chairman and a member of the remuneration committee of the Company after he formally commences his term of office as an independent non-executive Director of the Company.

The biography of Dr. DU is as follows:

Dr. DU Zhaohui, aged 59, is the dean and Distinguished Professor of the School of Mechanical and Power Engineering of Shanghai Jiao Tong University. He is also the executive director of the Chinese Dynamic Engineering Society (中國動力工程學會), and chairman of the Shanghai Engineering Thermophysics Society (上海市工程熱物理學會). Dr. DU was a postdoctoral researcher and guest researcher at Tokyo University in Japan, Seoul National University in Korea, and the University of Illinois Urbana-Champaign in the U.S. Dr. DU was the executive vice dean of the Graduate School and the secretary of the Party committee of the School of Mechanical and Power Engineering of Shanghai Jiao Tong University. Dr. DU is engaged in the theoretical and experimental research on power machinery. In the past five years, he has presided over more than 20 projects of the National Natural Science Foundation of China, major projects of the National Defense Basic Research Program, national key R&D projects, international research cooperation projects, etc. He has published more than 120 papers, and has been granted 11 national invention patents and received the second prize of the National Achievement of Education Award and the first prize of the Shanghai Technological Invention Award, among other prizes. Dr. DU graduated from Northwestern Polytechnical University with a doctorate degree in engineering.

III. PROPOSED APPOINTMENT OF SUPERVISORS

The meeting of the supervisory committee of the Company held on 23 August 2024 approved the nomination of Mr. XU Jianguo (“**Mr. XU**”) and Ms. GUO Haohuan (“**Ms. GUO**”) as candidates for Supervisors of the fifth session of the supervisory committee of the Company. The term of office of Mr. XU and Ms. GUO will be from the date on which their appointment is approved at the general meeting to the end of the term of the fifth session of the supervisory committee.

LETTER FROM THE BOARD

The biography of Mr. XU is as follows:

Mr. XU Jianguo, aged 59, is currently vice president and chief financial officer of Shanghai Electric Holding Group Co., Ltd.. Mr. XU served as an assistant to the financial manager of the first management department of Shanghai Electric Assets Management Company Limited, the chief financial officer of Shanghai Li Da Heavy Industrial Manufacturing Limited, the deputy head of the assets and finance department of Shanghai Electric Assets Management Company Limited, the deputy head of the financial budget department of Shanghai Electric (Group) Corporation, a director of Shanghai Prime Machinery Company Limited, the head of the finance and budget department of Shanghai Electric Holding Group Co., Ltd., and the president of Shanghai Electric Finance Group. Mr. XU graduated from the Chinese University of Hong Kong with a master's degree in accounting and is a professor-level senior accountant.

The biography of Ms. GUO is as follows:

Ms. GUO Haohuan, aged 43, is currently the head of the finance and budget department of Shanghai Electric Holding Group Co., Ltd.. Ms. GUO served as the officer of the assets and finance department of Shanghai Electric Assets Management Company Limited, the officer, senior officer, manager and senior manager of the finance and budget department, the senior manager of the enterprise reform office and the deputy head of the integrated management department of Shanghai Electric (Group) Corporation, the senior manager of the enterprise reform office of the Company, the chief financial officer of Shanghai Electric Enterprise Development Co., Ltd., and the deputy head of the integrated management department of Shanghai Electric Holding Group Co., Ltd.. Ms. GUO graduated from Shanghai University of Finance and Economics with a master's degree in management and is a senior accountant.

As at the Latest Practicable Date and to the best knowledge of the Board, save as disclosed in this circular, (i) Mr. DONG, Dr. DU, Mr. XU and Ms. GUO did not hold any directorships in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) Mr. DONG, Dr. DU, Mr. XU and Ms. GUO do not have any other relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholder (as defined in the Hong Kong Listing Rules) of the Company; and (iii) Mr. DONG, Dr. DU, Mr. XU and Ms. GUO do not have any interest in the shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

During their term of office as Directors of the Company, the emoluments of Mr. DONG and Dr. DU will be determined based on a number of factors, including the operating results of the Company, their responsibilities, performance and market conditions. As at the Latest Practicable Date, the Company has not yet entered into any director service contract with Mr. DONG and Dr. DU.

LETTER FROM THE BOARD

During their term of office as Supervisors of the Company, the emoluments of Mr. XU and Ms. GUO will be determined based on a number of factors, including the operating results of the Company, their responsibilities, performance and market conditions. As at the Latest Practicable Date, the Company has not yet entered into any supervisor service contract with Mr. XU and Ms. GUO.

Save as disclosed above, there is no information relating to the proposed appointment of Mr. DONG, Dr. DU, Mr. XU and Ms. GUO which shall be disclosed pursuant to the requirements set out in Rules 13.51(2)(h) to (v) of the Listing Rules nor any matter which needs to be brought to the attention of the Shareholders.

III EGM

The EGM will be held at 2:00 p.m. on Wednesday, 18 September 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC.

In order to determine the list of Shareholders who are entitled to attend the EGM, the register of members of the H Shares will be closed from Wednesday, 11 September 2024 to Wednesday, 18 September 2024 (both days inclusive), during which period no transfer of H Shares will be effected. Holders of the Company's H Shares whose names appear on the register of members on Wednesday, 18 September 2024 are entitled to attend the EGM.

In order to qualify for attending and voting at the EGM, the holders of H Shares of the Company whose transfers have not been registered must deposit transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Tuesday, 10 September 2024, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

None of the Shareholders has a material interest in any resolution proposed at the EGM and thus none is required to abstain from voting at the EGM. None of the Directors has a material interest in any resolution proposed at the EGM.

IV RECOMMENDATION

The Directors are of the view that the resolutions described in this circular are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Board recommends Shareholders to vote in favour of the resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

V VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, the resolutions at the general meeting of the Company will be taken by way of poll (Cumulative voting system). The cumulative voting system means that during the election of directors or supervisors at the general meeting, each share entitled to vote carries a number of voting rights equivalent to the number of directors or supervisors to be elected. The voting rights held by a Shareholder may be used in a concentrated way.

By order of the Board
Shanghai Electric Group Company Limited
WU Lei
Chairman of the Board

Shanghai, the PRC

NOTICE OF EXTRAORDINARY GENERAL MEETING



SHANGHAI ELECTRIC GROUP COMPANY LIMITED 上海電氣集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02727)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Shanghai Electric Group Company Limited (the “Company”) will be held at 2:00 p.m. on Wednesday, 18 September 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC for the purpose of considering and, if thought fit, approving the following resolutions:

ORDINARY RESOLUTIONS (CUMULATIVE VOTING):

1. To consider and approve the appointment of Mr. DONG Jianhua as a director of the fifth session of the board of directors of the Company.
2. To consider and approve the appointment of Dr. DU Zhaohui as an independent non-executive director of the fifth session of the board of directors of the Company.
3. To consider and approve the appointment of supervisors:
 - 3.01 To consider and approve the appointment of Mr. XU Jianguo as a supervisor of the fifth session of the supervisory committee of the Company;
 - 3.02 To consider and approve the appointment of Ms. GUO Haohuan as a supervisor of the fifth session of the supervisory committee of the Company.

By order of the Board
Shanghai Electric Group Company Limited
WU Lei
Chairman of the Board

Shanghai, the PRC, 23 August 2024

As at the date of this notice, the executive directors of the Company are Dr. WU Lei and Mr. ZHU Zhaokai; the non-executive directors of the Company are Mr. SHAO Jun and Ms. LU Wen; and the independent non-executive directors of the Company are Dr. XI Juntong, Dr. XU Jianxin and Dr. LIU Yunhong.

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes to Notice of EGM:

1. The voting at the EGM shall be conducted by way of poll. The above resolutions will adopt the cumulative voting system. The cumulative voting system means that during the election of directors or supervisors at the general meeting, each share entitled to vote carries a number of voting rights equivalent to the number of directors or supervisors to be elected. The voting rights held by a shareholder may be used in a concentrated way.
2. The holders of A Shares and H Shares will vote as one class of shareholders. The Company's register of members for the H Shares will be closed from Wednesday, 11 September 2024 to Wednesday, 18 September 2024 (both days inclusive), during which period no transfer of H Shares will be effected. The holders of H Shares whose names appear on the Company's register of members on Wednesday, 18 September 2024 are entitled to attend the EGM. In order to qualify for attending the EGM, the holders of H Shares whose transfers have not been registered must deposit transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Tuesday, 10 September 2024. The address of Computershare Hong Kong Investor Services Limited is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
3. Each Shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a Shareholder. Each Shareholder who wishes to appoint one or more proxies should first review the circular in respect of the EGM of the Company.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised attorney(s). If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorisation document must be notarised.
5. In order to be valid, the form of proxy together with the power of attorney or other authorization document (if any) signed by the authorised person or notarially certified power of attorney must be deposited to Computershare Hong Kong Investor Services Limited for holders of H Shares at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM if he/she so wishes.
6. The EGM is expected to last for no more than half a day. Shareholders (or their proxies) attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders (or their proxies) attending the meeting shall produce their identity documents.
7. All times refer to Hong Kong local time, except as otherwise stated.