

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

#### **SUPPLEMENTAL ANNOUNCEMENT ON LITIGATION AGAINST A SUBSIDIARY**

This announcement is made by the board of directors of Shanghai Electric Group Company Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the inside information announcement dated 18 October 2021 in which Jiangsu Zhongli Group Co., Ltd. (江蘇中利集團股份有限公司) ("**Jiangsu Zhongli**"), as the plaintiff, brought a claim against Shanghai Electric Communication Technology Co., Ltd. (上海電氣通訊技術有限公司) ("**SECT**") (the "**Announcement**"). The Company made the following supplemental disclosure in respect of the Announcement:

#### **I. Book Value of Accounts Payable of SECT Relating to the Litigation**

As at 30 September 2021, the book value of accounts payable of SECT was RMB842 million. As of the date of this announcement, certain suppliers have filed lawsuits against SECT, involving total book value of RMB516.506 million.

#### **II. Impact on the Profit and Loss of SECT and the Company**

As the litigation with which Jiangsu Zhongli, as the plaintiff, brought a claim against SECT (the "**Litigation**") has not been heard or judged, the impact of this litigation on the profit and loss of SECT is subject to uncertainties.

The major risks of the Company caused by the overdue accounts receivable of SECT have been disclosed in the inside information announcement dated 31 May 2021. The Litigation has been fully considered when assessing the expected loss from relevant significant risk, it will not have a material impact on the disclosed risks of the Company.

The Company will carry out corresponding accounting treatment according to the requirements of relevant accounting standards and actual conditions based on the trial progress and results of this litigation. Meanwhile, the Company will perform its obligation of information disclosure and make timely announcement on the progress of the litigation.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Shanghai Electric Group Company Limited**  
**LENG Weiqing**  
*Chairlady of the Board*

Shanghai, the PRC, 18 October 2021

*As at the date of this announcement, the executive directors of the Company are Ms. LENG Weiqing and Mr. ZHU Zhaokai; the non-executive directors of the Company are Mr. GAN Pin, Ms. YAO Minfang and Ms. LI An; and the independent non-executive directors of the Company are Dr. XI Juntong, Dr. XU Jianxin and Dr. LIU Yunhong.*

*\* For identification purpose only*