
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 MR. LIU PING AS A DIRECTOR; (2) 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 4 of this circular.

A notice convening the EGM of the Company to be held at Reporting Hall, Shanghai Electric Training Base, 2748 Pudong Avenue, Shanghai, the PRC, at 2:00 p.m. on Monday, 8 November 2021 is set out on pages 5 to 6 of this circular.

A form of proxy for use at the EGM has been published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) on Friday, 8 October 2021. If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the forms of proxy in accordance with the instructions printed thereon 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 forms of proxy will not preclude you from attending the EGM and voting in person if you so wish.

22 October 2021

* 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; |
| “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 Monday, 8 November 2021 at Reporting Hall, Shanghai Electric Training Base, 2748 Pudong Avenue, Shanghai, the PRC; |
| “H Share(s)” | the H Share(s), being the overseas listed foreign share(s) issued, in the capital of the Company with a RMB denominated par value of RMB1.00 each and are listed on the main board of the Hong Kong Stock Exchange; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Latest Practicable Date” | 19 October 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular; |
| “Listing Rules” | The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; |

DEFINITIONS

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| “PRC” or “China” | the People’s Republic of China, but for the purposes of this announcement only, excludes Hong Kong Special Administrative Region, 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) of the Company; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; 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:

Ms. LENG Weiqing

Mr. ZHU Zhaokai

Non-executive Directors:

Mr. GAN Pin

Ms. YAO Minfang

Ms. LI An

Independent non-executive Directors:

Dr. XI Juntong

Dr. XU Jianxin

Dr. LIU Yunhong

Registered office:

30th Floor, Maxdo Center

No. 8 Xingyi Road

Shanghai

PRC

Principal place of business in Hong Kong:

Rooms 901–903

Tower Two Lippo Centre

89 Queensway, Hong Kong

22 October 2021

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED APPOINTMENT OF MR. LIU PING AS A DIRECTOR;

(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

References are made to the announcement of the Company dated 8 October 2021 in relation to the proposed appointment of Mr. LIU Ping as a Director of the fifth session of the Board. The resolution of the proposed appointment of Mr. LIU Ping as a Director are subject to the Shareholders' approval at the EGM.

LETTER FROM THE BOARD

The purpose of this circular, to which this letter forms a part of, is to give you a notice of 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 resolution at the EGM.

At the EGM, the following resolution will be proposed for the Shareholders to approve: proposed appointment of Mr. LIU Ping as a Director.

II. PROPOSED APPOINTMENT OF MR. LIU PING AS DIRECTOR

The Board hereby resolved to nominate Mr. LIU Ping (“**Mr. LIU**”) as a Director of the fifth session of the Board. The tenure of his appointment shall commence from the date of approval by the general meeting of the Company, and shall end when the term of the fifth session of the Board expires.

The biographical details of Mr. LIU are set out as below:

Mr. LIU Ping, male, aged 51, currently serves as the president and deputy secretary of the Party Committee of the Company. Mr. LIU served as the executive vice manager of the Finance Department of Shanghai Textile Holdings (Group) Company, the deputy general manager of Shanghai Dragon Corporation, the deputy general manager of the Commerce Business Department of Shanghai Fosun High Technology (Group) Co., Ltd., the deputy chief accountant of Shanghai Textile Holdings (Group) Company, the general manager of the Assets Operation Department of and the Chief Finance Officer of Shangtex Holding Co., Ltd., the Chief Finance Officer of Shanghai Textile Holdings (Group) Company, the vice president of Shangtex Holding Co., Ltd., a member of the standing committee under and a member of Shanghai Changning District Party Committee and deputy Changning District Chief, the president, the deputy secretary of CPC Party Committee of and a director of Bright Food (Group) Co., Ltd.. Mr. LIU obtained a master’s degree of engineering majoring in mechanical manufacturing from Shanghai Jiao Tong University.

As at the Latest Practicable Date and to the best knowledge of the Board, save as disclosed above, (1) Mr. LIU 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; (2) Mr. LIU does not have any relationship with any other directors, supervisors, senior management, substantial shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) or controlling shareholders (as defined in the Listing Rules) of the Company; (3) Mr. LIU does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

LETTER FROM THE BOARD

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

Save as disclosed above, there is no other information relating to the proposed appointment of Mr. LIU to 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 of the Company.

III. EGM

A notice convening the EGM to be held at 2:00 p.m. on Monday, 8 November 2021 at Reporting Hall, Shanghai Electric Training Base, 2748 Pudong Avenue, Shanghai, the PRC, is set out on pages 5 to 6 of this circular.

Notice of the EGM and the Original Form of Proxy to be used at the EGM were published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.shanghai-electric.com) on 8 October 2021 and have been despatched to the Shareholders by the Company.

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, 3 November 2021 to Monday, 8 November 2021 (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 of the H Shares on Monday, 8 November 2021 are entitled to attend the EGM.

In order to attend and vote at the EGM, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at or before 4:30 p.m. on Tuesday, 2 November 2021. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

None of the Shareholders has a material interest in the abovementioned resolution proposed at the EGM and thus none is required to abstain from voting at the EGM on the resolution. No Directors has material interests in any resolution proposed at the EGM.

LETTER FROM THE BOARD

IV. RECOMMENDATION

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

Accordingly, the Directors (including the independent non-executive Directors) recommend all the relevant Shareholders to vote in favour of the resolution to be proposed at the EGM.

V. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, the resolution at the general meeting of the Company will be taken by way of poll.

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

Shanghai, the PRC, 22 October 2021

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 an extraordinary general meeting (the “EGM”) of Shanghai Electric Group Company Limited (the “**Company**”) will be held at 2:00 p.m. on Monday, 8 November 2021 at Reporting Hall, Shanghai Electric Training Base, 2748 Pudong Avenue, Shanghai, the PRC for the purpose of considering and, if thought fit, approving the following resolution:

ORDINARY RESOLUTION:

1. To consider and approve the appointment of Mr. LIU Ping as a director of the fifth session of board of directors of the Company.

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

Shanghai, the PRC, 8 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*

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes to Notice of EGM:

1. The voting at the EGM shall be conducted by way of poll.
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, 3 November 2021 to Monday, 8 November 2021, 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 Monday, 8 November 2021 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, 2 November 2021. 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.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his 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 authorising 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 authorisation 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 one 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. Please refer to the circular of the Company in relation to the EGM to be published on or before 22 October 2021 for details of the resolution to be proposed at the EGM for consideration and approval.