
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 CHANGE OF AUDITOR;
(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 3 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 2:30 p.m. on Monday, 21 October 2024 is set out on pages 4 to 5 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 Monday, 30 September 2024. 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.

30 September 2024

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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 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;
“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 2:30 p.m. on Monday, 21 October 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, 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 Stock Exchange;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	27 September 2024, 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

“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); and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

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

Mr. DONG Jianhua

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

Independent Non-executive Directors:

Dr. XU Jianxin

Dr. LIU Yunhong

Dr. DU Zhaohui

Hong Kong

30 September 2024

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED CHANGE OF AUDITOR;

(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

I. 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 resolution at the EGM.

The following ordinary resolution will be proposed at the EGM to consider and approve, among other things: proposed appointment of Ernst & Young Hua Ming LLP as the Company's auditor for the year of 2024.

LETTER FROM THE BOARD

I. PROPOSED CHANGE OF AUDITOR

In view of the recent public information and considering the Company's existing business situation and the demand for audit services in the future, the Company proposes to appoint Ernst & Young Hua Ming LLP as the Company's auditor for the year of 2024. The services include: (1) performance of audit work and issuance of audit opinions on the Company's annual financial statements and consolidated financial statements prepared in accordance with the PRC Accounting Standard for Business Enterprises; (2) review of the quarterly reports and interim reports of the Company; (3) an audit on the effectiveness of internal controls in respect of financial reporting of the Company and issuance of the annual auditor's report; (4) a statutory audit of the important subsidiaries; and (5) training on new and revised accounting standards. The audit fee for the year of 2024 will not be higher than that of 2023 provided that there are no significant changes in the scope of audit services for the year of 2024 as compared to the scope of audit services for the year of 2023.

The aforesaid resolution was considered and approved by the Board on 27 September 2024 and is hereby proposed at the EGM for consideration and approval.

The Company's original auditor, PricewaterhouseCoopers Zhong Tian LLP, has confirmed to the Board that there are no matters in relation to the proposed change of auditor that need to be brought to the attention of the Shareholders.

II. EGM

The EGM will be held at 2:30 p.m. on Monday, 21 October 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 Thursday, 17 October 2024 to Monday, 21 October 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 Monday, 21 October 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 Wednesday, 16 October 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.

LETTER FROM THE BOARD

III. 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) recommends all relevant Shareholders to vote in favour of the resolution to be proposed at the EGM.

IV. 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.

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 2:30 p.m. on Monday, 21 October 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 resolution:

ORDINARY RESOLUTION:

1. To consider and approve the appointment of Ernst & Young Hua Ming LLP as the Company’s auditor for the year of 2024.

By order of the Board

Shanghai Electric Group Company Limited

WU Lei

Chairman of the Board

Shanghai, the PRC, 30 September 2024

As at the date of this notice, the executive directors of the Company are Dr. WU Lei, Mr. ZHU Zhaokai and Mr. DONG Jianhua; 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. XU Jianxin, Dr. LIU Yunhong and Dr. DU Zhaohui.

* *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 Thursday, 17 October 2024 to Monday, 21 October 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 Monday, 21 October 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 Wednesday, 16 October 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.