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)

NOTIFICATION OF BOARD MEETING

The board of directors (the "**Board**") of Shanghai Electric Group Company Limited (the "**Company**") hereby announces that a meeting of the Board will be held on Monday, 18 April 2022 for the purpose of, among others, considering and approving the annual results of Company and its subsidiaries for the year ended 31 December 2021 (the "**2021 Annual Results**") and considering the recommendation of the payment of final dividend (if any).

Pursuant to Rule 13.49(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Company shall publish its 2021 Annual Results no later than three months after the end of the financial year (i.e., on or before 31 March 2022). The reasons for the delay in publication of the 2021 Annual Results are as follows:

Due to recent outbreak of coronavirus disease (COVID-19) in a number of cities and regions in Mainland China, the government has taken various degrees of restrictions on the movement of people and quarantine measures once cases were confirmed. In particular, since early March 2022, the outbreak has continued in Shanghai (the "**Epidemic**") and citywide coronavirus testing with district-by-district lockdown has been implemented. As the Company and most of the factories and offices of its major subsidiaries are located in Shanghai, which have been significantly affected by the Epidemic. In the light of the condition of the Epidemic, the Company believes that the impact on the audit work of the 2021 Annual Results will be focused on the following four issues:

1)The financial information of certain subsidiaries and factories was obtained later than scheduled

Several subsidiaries of the Company in Shanghai are located in key control areas of the Epidemic, such as Minhang District, Songjiang District and Pudong New District, and certain factories are subject to different degrees of control policies in accordance with the relevant regulations of governmental departments. During the control period, production and operation could not be carried out in an orderly manner and personnel could not even be allowed to enter into certain factories. As a result, certain financial information was obtained later than expected.

2) Preparation of financial statements and information of certain subsidiaries and branches of the Company are affected by the Epidemic

The preparation of the Company's consolidated financial statements depends on the individual financial statements and notes to financial information of each subsidiary and branch. Due to the Epidemic, a large number of financial officers and annual report auditors of some branches and subsidiaries of the Company are quarantined or work at home in accordance with the relevant regulations of government departments, and the relevant personnel could not work as planned, resulting in the lag of the preparation of the consolidated financial statements.

3) On-site spot check of audit certificates cannot be carried out normally

As access to the office premises of some of the Company's subsidiaries and branches is limited, the on-site spot check of audit certificates in the annual report audit process could not be carried out as originally planned and the progress of the annual report audit was seriously delayed.

4) Audit confirmations cannot be obtained timely and sufficiently

Due to the wide geographical coverage of the Company's business, auditors of the Company's annual report (the "**Auditors**") need to send bank confirmations and accounts receivable confirmations to banking institutions, customers and property owners all over the country. Due to the Epidemic, the reply progress of such bank confirmations and accounts receivable confirmations sent by the Auditors has been greatly delayed compared with that in previous years.

As of the date of this announcement, the Auditors have not comprehensively carried out on-site work for certain subsidiaries and branches of the Company as scheduled. The Auditors are assessing the impact on the overall audit plan of the Company caused by subsidiaries and branches of the Company where auditors have not started on-site work. Considering the impact of the Epidemic on staff mobility, travel and logistics, and the fact that certain of the Company's subsidiaries and branch offices are still under control, it is expected that sample check on accounting documents, the receipt of the audit confirmations and on-site visit will become the main obstacles to the Auditors' issuance of the final audit report. Given there is great uncertainty as to whether the above issues can be resolved by 31 March 2022, and the impact on the amount in financial statements of the Company is significant, the Company does not expect to be able to publish the audited 2021 Annual Results on or before 31 March 2022.

The Company is working closely with the Auditors to provide them with all required information and documents to complete the audit work as soon as possible. Through communication with the Auditors and after due and careful consideration, the Board expects that the publication of the audited 2021 Annual Results will be deferred to 18 April 2022.

Further announcement(s) will be made by the Company to keep the shareholders and potential investors of the Company informed of the 2021 annual financial performance of the Company and the audit work progress of the 2021 Annual Results as and when appropriate.

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

Shanghai, the PRC, 22 March 2022

As at the date of this announcement, the executive directors of the Company are Ms. LENG Weiqing, Mr. LIU Ping 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*