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SHANGHAI ELECTRIC GROUP COMPANY LIMITED

上海電氣集團股份有限公司

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

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

PERFORMANCE HIGHLIGHTS

- ▶ Total revenue of the Company for 2024 was RMB116,186 million, an increase of 1.2% year-on-year
- ▶ Profits attributable to owners of the Company for 2024 was RMB752 million, profits attributable to owners of the Company for the corresponding period of last year was RMB285 million before restatement and RMB803 million after restatement
- ▶ Basic profit per share of the Company for 2024 was RMB0.048 yuan, basic profit per share of the Company for the corresponding period of last year was RMB0.018 yuan before restatement and RMB0.052 yuan after restatement
- ▶ New orders for 2024 amounted to RMB153.60 billion, an increase of 11.9% year-on-year
- ▶ The Board proposed not to declare any final dividend for 2024

The board of directors (the “**Board**”) of Shanghai Electric Group Company Limited (the “**Company**” or “**Shanghai Electric**”) hereby announces the results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2024. The Group’s results have been audited by Ernst & Young Huaming LLP. The annual results of the Company for the year ended 31 December 2024 have been prepared in accordance with China Accounting Standards for Business Enterprises.

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

ASSETS	Notes	31 December 2024 RMB'000	31 December 2023 RMB'000 (Restated)
Current assets			
Cash at bank and on hand		32,569,013	30,252,380
Clearing settlement funds		1,134	5,804
Placements with banks and other financial institutions		26,207,572	18,054,967
Held-for-trading financial assets		7,779,560	7,492,363
Derivative financial assets		520	12,798
Notes receivable		3,169,750	3,995,445
Accounts receivable	3	37,547,437	40,477,926
Receivables financing		1,091,996	1,354,944
Prepayments		11,236,621	9,511,724
Other receivables		5,047,036	5,984,167
Financial assets purchased under resale agreements		2,905,106	1,135,620
Inventories		34,549,775	32,423,705
Contract assets		21,275,139	21,913,397
Non-current assets due within one year		1,551,044	1,976,785
Other current assets		18,857,078	17,322,203
Total current assets		203,788,781	191,914,228
Non-current assets			
Loans and advances		8,694,998	7,370,067
Debt investments		152,331	152,570
Other debt investments		368,431	-
Long-term receivables		2,332,623	3,067,193
Long-term equity investments		13,816,638	13,812,294
Other non-current financial assets		6,435,416	7,339,112
Investment properties		1,043,169	608,798
Fixed assets		20,896,633	20,427,312
Constructions in progress		3,777,699	1,934,072
Right-of-use assets		1,890,038	1,410,284
Intangible assets		12,020,517	12,256,813
Research and development expenditures		29,882	31,661
Goodwill		2,920,760	3,244,929
Long-term deferred expenses		473,404	504,145
Deferred tax assets		8,690,212	8,300,768
Other non-current assets		15,173,456	13,790,754
Total non-current assets		98,716,207	94,250,772
TOTAL ASSETS		302,504,988	286,165,000

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

CONSOLIDATED BALANCE SHEET (CONT'D)

AS AT 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2024 RMB'000	31 December 2023 RMB'000 (Restated)
Current liabilities			
Short-term borrowings		9,548,227	8,272,416
Held-for-trading financial liabilities		38,531	34,435
Derivative financial liabilities		25,507	3,425
Notes payable		15,124,080	12,074,199
Accounts payable	4	60,569,875	59,610,479
Advances from customers		833,268	859,959
Contract liabilities		57,928,502	44,207,113
Sales and repurchases of financial assets		-	1,000,000
Deposits from customers, banks and other financial institutions		7,333,529	7,240,915
Employee benefits payable		5,256,409	5,381,661
Taxes payable		2,473,766	2,466,140
Other payables		9,704,410	8,144,548
Non-current liabilities maturing within one year		10,188,235	6,898,720
Other current liabilities		11,467,275	11,501,165
Total current liabilities		190,491,614	167,695,175
Non-current liabilities			
Long-term borrowings		27,682,117	30,893,868
Bonds payable		-	749,300
Lease liabilities		1,463,726	1,150,996
Long-term payables		535,827	561,953
Deferred income		1,210,875	1,333,337
Long-term employee benefits payable		180,065	187,568
Provisions		2,832,979	3,028,758
Deferred tax liabilities		714,141	614,502
Other non-current liabilities		13,325	95,064
Total non-current liabilities		34,633,055	38,615,346
Total liabilities		225,124,669	206,310,521
Owners' equity			
Share capital		15,579,809	15,579,809
Capital surplus		18,727,393	21,833,681
Other comprehensive income		71,417	21,601
Special reserve		123,825	134,056
Surplus reserve		5,963,972	5,907,024
Retained earnings		12,723,500	12,249,556
Total equity attributable to equity owners of the Company		53,189,916	55,725,727
Minority interests		24,190,403	24,128,752
Total owners' equity		77,380,319	79,854,479
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		302,504,988	286,165,000

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 December 2024**

(All amounts in RMB'000 Yuan unless otherwise stated)

	Notes	For the year ended 31 December 2024 RMB'000	2023 RMB'000 (Restated)
Total revenue		116,186,116	114,797,077
Including: Operating revenue	5	115,456,181	114,218,209
Interest income	5	726,357	576,469
Income from handling charges and commissions	5	3,578	2,399
Total cost of sales		(112,369,793)	(112,573,284)
Including: Operating cost	5	(94,525,076)	(94,528,637)
Interest expenses	5	(98,265)	(86,519)
Handling charges and commissions expenses	5	(836)	(719)
Taxes and surcharges		(662,319)	(707,023)
Selling and distribution expenses		(2,900,659)	(2,798,415)
General and administrative expenses		(7,963,777)	(8,001,851)
Research and development expenditures		(5,664,514)	(5,369,294)
Financial expenses - net		(554,347)	(1,080,826)
Including: Interest expenses		(1,561,315)	(1,832,613)
Interest income		1,005,414	643,335
Add: Other income		1,414,214	1,474,030
Investment income		2,155,442	3,091,276
Including: Share of profit of associates and joint ventures		1,331,529	1,549,351
Gains /(losses) arising from derecognition of financial assets measured at amortised cost		4,645	(22,034)
Exchange gains		9,238	9,076
Losses on changes in fair value		(463,561)	(314,787)
Losses from asset impairment		(2,199,009)	(2,275,011)
Losses from credit impairment		(1,065,240)	(1,182,059)
Gains on disposals of assets		34,377	847,003
Operating profits		3,701,784	3,873,321
Add: Non-operating income		171,234	142,280
Less: Non-operating expenses		(133,273)	(202,601)
Total profits		3,739,745	3,813,000
Less: Income tax expenses	6	(1,044,335)	(1,139,883)
Net profits		2,695,410	2,673,117
Including: Net profit of the acquiree in a business combination under common control before the combination date		299,884	518,190
Attributable to equity owners of the Company		752,480	803,346
Minority interests		1,942,930	1,869,771

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

CONSOLIDATED INCOME STATEMENT (CONT'D)
FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

	Notes	For the year ended 31 December	
		2024 RMB'000	2023 RMB'000 (Restated)
Other comprehensive income, net of tax			
Attributable to equity owners of the Company		43,964	48,750
Other comprehensive income that will not be subsequently reclassified to profit or loss		49,816	46,492
Changes arising from remeasurement of net liability or net asset of defined benefit plan		(4,199)	(2,488)
Other comprehensive income that will be subsequently reclassified to profit or loss			
Changes in fair value of other debt investments		(4,199)	(2,488)
Changes in fair value of accounts receivable measured at fair value through other comprehensive income		54,015	48,980
Provision for impairment of other debt investments and receivables financing		60,909	185
Cash flow hedges, net of tax		-	-
Exchange differences on translation of foreign operations		333	(12,903)
Others		(195)	(931)
Attributable to minority interests		(9,624)	62,629
		2,592	-
		(5,852)	2,258
Total comprehensive income		2,739,374	2,721,867
Attributable to equity owners of the Company		802,296	849,838
Attributable to minority interests		1,937,078	1,872,029
Earnings per share	7		
Basic earnings per share (RMB yuan)		0.048	0.052
Diluted earnings per share (RMB yuan)		0.048	0.052

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

NOTES TO CONSOLIDATED FINANCIAL INFORMATION FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

1 Company information

Shanghai Electric Group Company Limited (the “**Company**”) is a joint stock limited liability company established in the People’s Republic of China (the “**PRC**”) on 1 March 2004. The registered office of the Company is located on No. 16, Lane 1100, Huashan Road, Changning District, Shanghai, the PRC.

During the year, the Company and its subsidiaries (together the “**Group**”) are engaged in the following principal activities:

(a) the energy equipment segment: design, manufacture and sales of nuclear power equipment, energy storage equipment, coal-fired power generation and corollary equipment, gas-fired power generation equipment, wind power equipment, hydrogen energy equipment, photovoltaic equipment, high-end vessels for chemical industry as well as providing power grid and industrial intelligent power supply system solutions;

(b) the industrial equipment segment: design, manufacture and sales of elevators, large and medium-sized electric motors, intelligent manufacturing equipment, industrial basic parts and construction industrialization equipment;

(c) the integration services segment: providing energy, environmental protection and automation engineering and services, covering traditional and new energy, comprehensive use of solid wastes, sewage treatment, flue gas treatment, rail transit, etc.; providing industrial internet services; providing financial services, covering financing leases, factoring, asset management, insurance brokerage, etc.; providing park and property management services mainly based on industrial real estate, etc.

In the opinion of the directors, the parent and the ultimate holding company of the Group is Shanghai Electric Holding Group Co., Ltd. (“**SEGC**”), a state-owned enterprise established in the PRC.

The Company has its ordinary shares listed on both the Stock Exchange of Hong Kong Limited and Shanghai Stock Exchange.

2 Summary of important accounting policies

The main accounting policies used in the preparation of these consolidated financial statements are set out below. Unless otherwise stated, these policies are applied in all reported years. These consolidated financial statements include Shanghai Electric Group Co., Ltd. and its subsidiaries.

2.1.1 Basis of preparation

The financial statements were prepared in accordance with the *Accounting Standard for Business Enterprises - Basic Standard*, and the specific accounting standards and other relevant regulations (hereafter collectively referred to as “**the Accounting Standards for Business Enterprises**” or “**CAS**”) issued by the Ministry of Finance and in subsequent periods and the disclosure requirements in the *Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No. 15 - General Rules on Financial Reporting* issued by the CSRC.

The financial statements are prepared on a going concern basis.

Certain related matters in the financial statements have been disclosed in accordance with the requirements of the Hong Kong Companies Ordinance.

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

NOTES TO CONSOLIDATED FINANCIAL INFORMATION(CONT'D) FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

2 Summary of important accounting policies (Cont'd)

2.1.2 Change in accounting policy

In accordance with the *Interpretation No. 18 of Accounting Standards for Business Enterprises*, the Group changes the assurance-type warranty originally presented in “selling expenses” to “operating costs”, and makes retrospective adjustment of the comparative financial information accordingly.

The effects of retrospective adjustments arising from the above changes in accounting policies on the financial statements are mainly as follows:

2023 RMB'000	Amount for the year before amendments to accounting policies	Changes	Amount for the year after amendments to accounting policies
Cost of sales	93,117,308	1,411,329	94,528,637
Selling expenses	4,209,744	(1,411,329)	2,798,415

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

**NOTES TO CONSOLIDATED FINANCIAL INFORMATION(CONT'D)
FOR THE YEAR ENDED 31 December 2024**

(All amounts in RMB'000 Yuan unless otherwise stated)

3 Accounts receivable

	31 December 2024	31 December 2023
Accounts receivable	55,196,640	58,427,795
Less: Provision for bad debts	(17,649,203)	(17,949,869)
	<u>37,547,437</u>	<u>40,477,926</u>

(i) The aging of accounts receivable was analyzed as follows:

	31 December 2024	31 December 2023
Undue	20,316,523	22,614,688
Overdue within 1 year	10,854,691	9,398,550
Overdue 1 year but within 2 years	6,119,012	6,488,398
Overdue 2 years but within 3 years	2,681,025	8,230,304
Overdue 3 years but within 4 years	4,805,595	4,557,370
Overdue 4 years but within 5 years	4,412,705	4,157,532
Overdue over 5 years	6,007,089	2,980,953
	<u>55,196,640</u>	<u>58,427,795</u>

(ii) The aging of accounts receivable according to the date of entry was analyzed as follows:

	31 December 2024	31 December 2023
Within 1 year	28,208,987	27,495,470
1 to 2 years	7,017,109	8,266,708
2 to 3 years	3,502,584	8,336,220
3 to 4 years	5,203,788	6,552,353
4 to 5 years	5,132,500	4,661,539
Over 5 years	6,131,672	3,115,505
	<u>55,196,640</u>	<u>58,427,795</u>

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

NOTES TO CONSOLIDATED FINANCIAL INFORMATION(CONT'D) FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

3 Accounts receivable (Cont'd)

Movements of provision for bad debts of accounts receivable:

Balance on 31 December 2023	17,949,869
Accrual in the current year	1,537,465
Reversal in the current year	(781,078)
Change in the scope of consolidation	(1,090,557)
Current year write-off	(115,570)
Others	149,074
Balance on 31 December 2024	<u>17,649,203</u>

The ageing of accounts receivable including related party was analysed as follows:

	31 December 2024		31 December 2023	
	Book balance	Bad debt provision	Book balance	Bad debt provision
SEGC	34,882	674	125,775	118
Company controlled by the parent company	1,351,280	123,201	6,798,713	141,555
Joint venture	1,333	-	-	-
Associates	574,846	49,800	934,559	49,209
Other affiliated enterprises	47,277	2,418	969,418	16,144
	<u>2,009,618</u>	<u>176,093</u>	<u>8,828,465</u>	<u>207,026</u>

4 Accounts payable

	31 December 2024	31 December 2023
Accounts payable	<u>60,569,875</u>	<u>59,610,479</u>

The aging of accounts payable was analysed as follows:

	31 December 2024	31 December 2023
Within 3 months	40,259,618	35,381,284
Over 3 months but within 6 months	3,144,207	4,815,801
Over 6 months but within 1 year	7,303,506	9,734,192
Over 1 year but within 2 years	4,092,796	4,050,065
Over 2 years but within 3 years	2,053,740	2,507,200
Over 3 years	3,716,008	3,121,937
	<u>60,569,875</u>	<u>59,610,479</u>

As at 31 December 2024, accounts payable with aging over one year amounted to RMB9,862,544 thousand (31 December 2023: RMB9,679,202 thousand), which mainly comprised payables for construction projects and payables for materials. Such accounts are unsettled as the projects are still under construction.

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

**NOTES TO CONSOLIDATED FINANCIAL INFORMATION(CONT'D)
FOR THE YEAR ENDED 31 December 2024**

(All amounts in RMB'000 Yuan unless otherwise stated)

4 Accounts payable(Cont'd)

The aging of accounts payable including related party was analysed as follows:

	31 December 2024	31 December 2023
Company controlled by the parent company	121,402	153,504
Joint ventures	1,306	50
Associates	297,656	429,847
Other affiliated enterprises	69,684	139,304
	<u>490,048</u>	<u>722,705</u>

5 Revenue and cost of sales

	For the year ended 31 December 2024	For the year ended 31 December 2023
Revenue from main operations	109,436,027	108,096,600
Revenue from other operations	6,020,154	6,121,609
Interest income	726,357	576,469
Income from handling charges and commissions	3,578	2,399
	<u>116,186,116</u>	<u>114,797,077</u>
	For the year ended 31 December 2024	For the year ended 31 December 2023 (restated)
Cost of sales from main operations	91,687,743	91,816,080
Cost of sales from other operations	2,837,333	2,712,557
Interest expenses	98,265	86,519
Handling charges and commissions expenses	836	719
	<u>94,624,177</u>	<u>94,615,875</u>

Revenue from main operations includes sales revenue from energy equipment, industrial equipment and integration services. Cost of sales refers to those of products related to main operations.

Details of revenue from main operations are as follows:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Sale of goods	89,168,857	85,057,697
Engineering construction	8,713,287	11,363,370
Rendering of services	11,553,883	11,675,533
	<u>109,436,027</u>	<u>108,096,600</u>

SHANGHAI ELECTRIC GROUP COMPANY LIMITED**NOTES TO CONSOLIDATED FINANCIAL INFORMATION(CONT'D)
FOR THE YEAR ENDED 31 December 2024**

(All amounts in RMB'000 Yuan unless otherwise stated)

5 Revenue and cost of sales(Cont'd)

Details of revenue from other operations are as follows:

	For the year ended 31 December 2024	For the year ended 31 December 2023
Sales of raw materials	4,559,872	4,467,831
Leasing income	466,000	820,561
Finance lease income	74,017	184,723
Rendering of non-industrial services	253,806	155,623
Others	666,459	492,871
	<u>6,020,154</u>	<u>6,121,609</u>

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

NOTES TO CONSOLIDATED FINANCIAL INFORMATION(CONT'D)
FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

5 Revenue and cost of sales (Cont'd)

	For the year ended 31 December 2024								
	Sales of Goods			Engineering construction					Total
	China	Other Asian countries/ geographical areas	Other regions	China	Other Asian countries/ geographical areas	Other regions	Rendering of services	Others	
Revenue from main operations	78,640,295	2,080,197	8,448,365	4,387,150	3,513,004	813,133	11,553,883	-	109,436,027
Including: Recognised at point of time	78,640,295	2,080,197	8,448,365	-	-	-	1,728,201	-	90,897,058
Recognised overtime	-	-	-	4,387,150	3,513,004	813,133	9,825,682	-	18,538,969
Revenue from other operations	1,159,534	123,510	3,276,828	-	-	-	253,806	1,206,476	6,020,154
	79,799,829	2,203,707	11,725,193	4,387,150	3,513,004	813,133	11,807,689	1,206,476	115,456,181

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

NOTES TO CONSOLIDATED FINANCIAL INFORMATION (CONT'D)
FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

5 Revenue and cost of sales (Cont'd)

	For the year ended 31 December 2023								
	Sales of Goods			Engineering construction					Total
	China	Other Asian countries/ geographical areas	Other regions	China	Other Asian countries/ geographical areas	Other regions	Rendering of services	Others	
Revenue from main operations	75,103,542	1,717,205	8,236,950	4,690,933	5,496,936	1,175,501	11,675,533	-	108,096,600
Including: Recognised at point of time	75,103,542	1,717,205	8,236,950	-	-	-	347,112	-	85,404,809
Recognised overtime	-	-	-	4,690,933	5,496,936	1,175,501	11,328,421	-	22,691,791
Revenue from other operations	992,585	36,237	3,439,009	-	-	-	155,623	1,498,155	6,121,609
	<u>76,096,127</u>	<u>1,753,442</u>	<u>11,675,959</u>	<u>4,690,933</u>	<u>5,496,936</u>	<u>1,175,501</u>	<u>11,831,156</u>	<u>1,498,155</u>	<u>114,218,209</u>

In 2024, the Group did not receive any additional rewards for the early completion of labour services. The Group's revenue from sales of materials is recognised at a time point. In addition, there are no material contract changes or transaction price adjustments in the group.

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

NOTES TO CONSOLIDATED FINANCIAL INFORMATION (CONT'D)
FOR THE YEAR ENDED 31 December 2024

(All amounts in RMB'000 Yuan unless otherwise stated)

6. Income tax expenses

	For the year ended 31 December 2024	For the year ended 31 December 2023
Current tax charger for the period	1,328,228	1,923,994
Deferred tax	(283,893)	(784,111)
	<u>1,044,335</u>	<u>1,139,883</u>

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the consolidated income statement to the income tax expenses is listed below:

	For the year ended 31 December 2024	For the year ended 31 December 2023 (restated)
Total profits	<u>3,739,745</u>	<u>3,813,000</u>
Tax at the statutory tax rate	934,936	953,250
Lower tax rates for specific districts or concessions	(353,589)	(155,027)
Adjustments for current income tax of prior periods	(21,147)	(22,688)
Profits and losses attributable to joint ventures and associates	(326,191)	(385,124)
Income not subject to tax	(64,967)	(45,072)
Expenses not deductible for tax	67,718	56,706
Tax incentives on eligible expenditures	(456,349)	(492,221)
Utilization of previously unrecognised tax losses and deductible temporary differences	(131,543)	(135,595)
Tax losses and deductible temporary differences for which no deferred tax assets was recognised	<u>1,395,467</u>	<u>1,365,654</u>
Income tax expenses	<u>1,044,335</u>	<u>1,139,883</u>

SHANGHAI ELECTRIC GROUP COMPANY LIMITED**NOTES TO CONSOLIDATED FINANCIAL INFORMATION (CONT'D)
FOR THE YEAR ENDED 31 December 2024**

(All amounts in RMB'000 Yuan unless otherwise stated)

7. Earnings per share**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing net profit for the current period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding. Newly issued ordinary shares are included in the weighted average number of shares from the date consideration is receivable (which is generally the date of their issue) according to specific terms of the issuance contract.

	For the year ended 31 December 2024	For the year ended 31 December 2023 (restated)
Consolidated net profits attributable to ordinary shareholders of the parent company	752,480	803,346
Weighted average number of ordinary shares outstanding (Unit: 1,000 shares)	15,579,809	15,579,809
Basic earnings per share	<u>RMB0.048 yuan</u>	<u>RMB0.052 yuan</u>
Including:		
- Basic earnings per share from continuing operations:	RMB0.048 yuan	RMB0.052 yuan

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the consolidated net profit attributable to common shareholders of the parent company, adjusted for the effects of dilutive potential common shares, by the adjusted weighted average of the Company's outstanding common shares. There are no potentially dilutive common shares of the Company in 2024. Therefore, diluted earnings per share equals basic earnings per share.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION REVIEW

In 2024, the global economy experienced a slow recovery, showing differentiated development trends, while the domestic economy operated with overall stability and steady progress, with Chinese-style modernization taking new and solid steps forward. Facing a complex environment with opportunities and challenges, the Group focused on the general principle of “serving national strategies, aligning closely with national needs, developing new quality productive forces, building core competitiveness, and achieving high-quality development”. By benchmarking leading companies, maintaining stability while seeking progress, making key breakthroughs, overcoming difficulties, seizing opportunities and steadily advancing various key tasks, we laid a solid foundation for further promoting high-quality development.

During the year ended 31 December 2024 (the **"Reporting Period"**), the Company achieved the total revenue of RMB116,186 million, and the gross profit margin of the Company was 18.6%. The net profits attributable to owners of the Company was RMB752 million, and the basic profit per share of the Company was RMB0.048 yuan.

During the Reporting Period, the Company obtained new orders in the amount of RMB153.60 billion. Among the new orders of the Company, orders for energy equipment amounted to RMB89.10 billion (of which orders for coal-fired power equipment, nuclear power equipment, wind power equipment and energy storage equipment amounted to RMB32.62 billion, RMB7.89 billion, RMB17.38 billion and RMB11.92 billion, respectively), orders for industrial equipment amounted to RMB42.29 billion, and orders for integration services amounted to RMB22.21 billion.

During the Reporting Period, the main business operation of the Company is as follows:

1. Focusing on National Strategies and Insisting on Deep Integration into the Overall Development

We took serving national strategies as our responsibility, persistently integrating deeply into the optimization of national industries and the overall economic development of Shanghai. We actively undertook key national projects, focused on solving the national "bottleneck" core technologies, and continuously cultivate and forge capabilities to undertake national strategies. During the Reporting Period, we deeply engaged in national major projects, assisting in the successful assembly and ignition of the domestically developed 300 MW F-class heavy-duty gas turbine prototype. In the field of nuclear power, during the Reporting Period, we undertook a total of 39 nuclear island main equipment units and 2 set of conventional island equipment, and successfully produced 31 nuclear island main equipment units and 1 set of conventional island equipment; we cumulatively completed and delivered 31 sets of nuclear island main equipment, encompassing the fully promoted mass construction of the "Hualong No.1", CAP series reactor projects, as well as significant national engineering projects such as high-temperature gas cooled reactors and sodium cooled fast reactors. We have achieved 100% localization capability of the Hualong series shaft sealed nuclear main pump, the batch production and processing of F-class heavy-duty gas turbine blades, and preliminary engineering application of precision machining technology for domestically produced heavy-duty gas turbine blades. During the Reporting Period, we supported a number of national and Shanghai key research projects in the fields of gas turbines, advanced nuclear energy, renewable energy, energy storage, industrial master machinery and artificial intelligence.

We actively seize opportunities of national energy policies to support the construction of a new electricity system. Through significant technological innovations and the first applications of new

equipment, we demonstrate the responsibility as a major player in the industry. In the field of coal-fired power, we have made efforts towards the market of "three reforms linkages" (三改聯動) of coal-fired power generation stations, maintained the global record for the lowest coal consumption of coal-fired power units, achieved coal saving and carbon reduction, deep peak modulation, thermal electric decoupling and efficient heating, and continued to play an important role in building a clean, low-carbon, safe and efficient energy system. During the Reporting Period, we successively won the bids for multiple projects, including the Gansu Tengger Desert Hexi New Energy Base supporting Jinchang 2×1000 MW peak regulation coal power project, the Rongsheng Jintang 2×660 MW project, the State Power Investment Corporation's Fenxi Power Plant 2×1000 MW units expansion project, the Huainan Luohe Power Plant Phase IV 2×1000 MW ultra-supercritical reheat coal-fired power project, the China Resources Xiantao Phase II 2×660 MW ultra-supercritical coal-fired project, and the Huadian Wangting 2×660 MW unit expansion project, injecting new momentum into the upgrading of energy structures. In the field of wind power, Shanghai Electric Wind Power Group Co., Ltd (上海電氣風電集團股份有限公司) ("SEWP"), a subsidiary of the Company, has maintained the top position in cumulative installed offshore wind power capacity in China for eleven consecutive years, amassing the country's largest offshore wind power sample library and creating multiple benchmark offshore wind projects. During the Reporting Period, SEWP customized Asia's first offshore wind SOV (service operation vessels), "Zhi Zhen 100" and "Zhi Cheng 60", which integrate efficient, green, intelligent, and safe operation and maintenance capabilities. These two vessels not only meet domestic market demands for offshore wind power plant operation and maintenance services but also fill the international demand for offshore wind operation and maintenance equipment. SEWP is poised to capitalize on domestic and international market opportunities to maximize the economic benefits of these vessels. The "Design Requirements for Floating Offshore Wind Turbines", drafted by the lead of SEWP, was released in May 2024, promoting the standardization of floating wind turbine design specifications in China and further facilitating the development of China's deep-sea wind power market.

We have accelerated the cultivation and establishment of key industry "chain leaders" to serve the development of national strategic industries. In the field of aviation assembly and manufacturing lines, we rely on our advanced manufacturing capabilities and integrated equipment strength to provide safe and controllable intelligent solutions for high-end manufacturing customers such as aircraft manufacturer and aviation engine manufacturer, and as a part of China's aviation industry, we are committed to building independent and controllable localization capabilities. During the Reporting Period, Broetje, a subsidiary of the Company, won the contract for the aircraft assembly line in China from an international aircraft manufacturer, and will achieve localized delivery of the turnkey project through Broetje Shanghai, leading the sustainable development of the aerospace business on an ongoing basis. During the Reporting Period, we won the bid for the digital aviation engine assembly smart factory (Phase I) project, providing a turnkey solution for the first domestic smart factory for aviation engines with multiple modules and systems, we also secured the order of an automatic drilling and riveting production line for the front and middle fuselage panels of the C919, contributing to the localization of automatic drilling and riveting equipment. In the field of intelligent transport, Thales SEC Transportation System Limited Company, a subsidiary of the Company won bids for several signaling system projects with its TSTCBTC[®] autonomous signaling system, including the Changchun Metro Line 9 (Airport Line) Phase I, Qingdao Metro Line 8 branch line, Shanghai Metro Line 21 Phase I and its eastern extension, Shanghai Metro Line 6 renovation, and Wuhan Metro Line 3 Phase I and II renovations, and delivered signaling system projects for six metro lines in cities including Guangzhou, Zhengzhou and Hefei, contributing to the rapid development of the city and convenient travel for the masses. In the field of industrial basic parts our blade business has achieved a leap from traditional coal-fired power turbines industry to the aviation, aerospace, and gas turbine industries, and upgraded from single energy blade business to various high-end products such as aviation blades, key core components, and hot end components, becoming a leading enterprise in the manufacturing of key core components in the "gas turbine and aircraft engine" field. Our bearing business continues to expand its

market in fields such as aerospace and aviation, high-speed rail transit, medical equipment, industrial equipment, and automotive bearings.

2. Insisting on Self-reliance and Self-improvement and Accelerating Breakthroughs in Technology Research and Development

We promoted industrial layout with hard-core technology and realized breakthroughs in core technology fields. The first "300 MW coal-fired power unit generator renovation project to add synchronous condenser functions", in which we participated, was selected as part of the fourth batch of significant technological equipment in the energy sector announced by the National Energy Administration. We jointly developed the first domestic set of million-level (1300MW) nuclear power generator protective rings, which passed expert group acceptance, and achieved manufacturing standards on par with imported protective rings, marking a significant breakthrough in the localization of million-level nuclear power protective ring manufacturing. We also launched the largest domestic 2×9 MW dual-drive mill motor, which was designed with collaborative efforts using digital simulation analysis techniques, optimizing technical parameters and structural forms through multiple iterations on electromagnetic scheme, cooling scheme, structural scheme, etc., greatly enhancing the reliability and stability of motor operation. In the field of new energy, SEWP has completed the production of the world's largest capacity grid-type 10MW wind turbine, which is customized and developed for the high wind speed environment in deserts and wasteland and large capacity model requirements. We completed the launch of the world's first 16MW low-frequency offshore wind turbine, with broad application scenarios including mid- and far-sea large-scale offshore wind power, large-scale new energy aggregation grid in deserts and wasteland, and wide-area weak power grids. We released a new generation of Z-series alkaline electrolyzer product with single-unit hydrogen production capacity covering 50-3000 Nm³/h, providing customers with high-efficiency, high-reliability and low-cost electrolysis water hydrogen production products. The first 20Hz low-frequency high-voltage universal circuit breaker, developed by the People's Electric Factory of Shanghai Electric Co., Ltd., has obtained certification from the China Quality Certification Center, indicating that China has reached international leading levels in the field of low-frequency high-voltage universal circuit breakers. By leveraging digital simulation technology, intelligent manufacturing technology, and evaluation and testing technology, Shanghai Mitsubishi Elevator Co., Ltd. ("SMEC"), a subsidiary of the Company, focused on breakthroughs in core technology and key components, and released 12.5 m/s ultra-high-speed elevator, setting a new speed record for elevators made in China and fully covering the current demand for elevators in super high-rise buildings.

We adhered to the principle of "steadfastly following the path of high-level Sci-tech self-reliance and self-strengthening, supporting the high-quality development of industries", continuously increasing R&D investment and accelerating the transformation of scientific achievements. We strengthened collaboration with domestic universities and research institutions with professional expertise to promote the in-depth integration of industry, university and research, build a technological innovation ecosystem. We issued the Shanghai Electric Technology Innovation Opinions (2024 Edition) (上海電氣科技創新若干意見(2024版)) to lead development with major projects, accelerate the construction of an open technological innovation system, create a high-level science and technology innovation platform, cultivate a team of high-quality innovative talents, and foster a favourable environment for technological innovation. Led and jointly established by the central research institute of the Company, the "Shanghai Key Laboratory of Resource Electrothermal Conversion and Cycling" was approved by Shanghai Science and Technology Commission for its establishment. The laboratory will closely align with the national dual-carbon goals, new industrialization strategies, as well as Shanghai green shipping and waste-free cities strategies, conduct in-depth research on electrochemistry and thermochemistry technology pathways, and actively expand the new AI for Science research and development paradigm of "data + mechanism", aiming to convert end-of-life waste into green fuels and materials for efficient resource recycling.

The technological strength of our key industries continued to advance, with independent R&D projects receiving multiple awards. During the Reporting Period, the project of "Core Technology and Equipment for Precision Manufacturing of High-Capacity Lithium-Ion Batteries" participated by Shenzhen Yinghe Technology Co., Ltd. ("**Yinghe Technology**"), a subsidiary of the Company, won the second prize for National Science and Technology Progress in 2023. Among the 2023 Shanghai Science and Technology Awards, the project of "Key Technologies, Equipment, and Applications for Fine Control of Battery Energy Storage Systems" that we participated won the first prize for technological invention, the project of "Low Emission and High Stability Combustion Technology for Civil Aviation Engines based on Unsteady Combustion Theory and Its Application" that we participated won the second prize for technological invention, the projects of "Development and Application of Ultra-Low Back Pressure, Extra-Long Shaft Secondary Reheat Steam Turbine with Million-Kilowatt Capacity", "Precision Calculation and Decoupling Tracing and Full-Process Management Technology for Vibration Noise in Generalized Motor Systems" and "R&D and Industrialization of Large Forgings for Core Equipment of Hualong One Nuclear Island" that we participated all won second prizes of science and technological progress prize. The project of "R&D and Industrialization of 600MW High-Temperature Gas-Cooled Reactor Main Equipment" that we participated won the Excellent Project Award for Shanghai Industry-University-Research Cooperation in 2023.

3. Deepening High-end Equipment Industry Chain and Continuously Promote Industrial Upgrading and Transformation

We have deepened the expansion and collaboration of industrial chains, accelerating the green and low-carbon transformation of core industries. In the field of energy storage, we actively deployed technologies such as compressed air energy storage and liquid flow energy storage, building a diverse energy storage industry ecosystem. We have mastered integrated equipment solutions for compressed air energy storage systems ranging from 10MW to 660MW, capable of flexibly meeting the demands for air storage projects of various scales. During the Reporting Period, the Hubei Yingcheng 300MW compressed air energy storage power plant demonstration project that we participated in the construction achieved grid connection, setting three world records in single unit power, energy storage scale, and conversion efficiency. This project is a national pilot demonstration project for new energy storage and has been selected as the first major technical equipment in the third batch of the national energy field. The Jiangsu Guoxin Huai'an 2×300 MW compressed air energy storage project we participated is the first compressed air storage power plant project using molten salt as the high-temperature heat storage medium, with the highest design heat storage temperature in the industry, and the conversion efficiency of the entire energy storage system has reached a leading level in China. During the Reporting Period, with our profound technical expertise in the field of all vanadium flow batteries, we won the bid for the 10MW/20MWh all vanadium flow energy storage system in the Jiangsu Guanyun energy storage project. We have completed the delivery of 50MW/200MWh all vanadium flow energy storage system for the 605MW/1410MWh energy storage project in Dengkou County for Inner Mongolia Energy Group. In the field of hydrogen energy, the Taonan wind power coupled biomass green methanol integrated demonstration project invested and constructed by us has obtained ISCC EU certification for biomass collection, treatment, and gasification coupled with green hydrogen production, achieving full-process certification from raw material to production, making it the first large-scale green methanol production project in China to receive ISCC certification using biomass and green hydrogen as raw materials. During the Reporting Period, we continued to make efforts in the alkaline and PEM electrolyzed water markets, won hydrogen energy orders in multiple fields such as electricity, transportation and chemical industry, and entered into contract for the 5-megawatt photovoltaic hydrogen production station project in Wenberg, France, achieving breakthroughs in overseas markets.

By leveraging digital and intelligent technologies, we have accelerated the transformation of core industries towards digitization and intelligence. We continued to increase our investment in intelligent manufacturing, promoting intelligent upgrades of more factories. Currently, ten of our subsidiaries have been recognized as advanced intelligent factories in Shanghai. We have actively created the "Shanghai Electric Scheme" for the digital intelligence transformation of energy and high-end equipment. We strengthened the construction of cloud computing, industrial Internet, artificial intelligence, blockchain and other digital infrastructure and the application of cutting-edge technologies, to closely integrate with the industry, promote the efficient complementation and synergy of all entities in the digital industry ecosystem, expand the new scene of digital intelligence integration and application to comprehensively improve the automation, digitization and intelligence of industry. During the Reporting Period, we released the "SEunicloud" industrial internet platform 5.0, integrating updates across four dimensions: smart supply chain, energy-carbon smart management, digital engineers, and safety and reliability, thereby establishing connections within the industrial value chain on the platform.

4. Implementing Management Reforms and Fully Activating Enterprise Development Potential

By leveraging the deepening reforms of state-owned enterprises, we continued to optimize corporate governance and control, enhancing the standard of operation and management and activating enterprise development potential. Shanghai United Rolling Bearing Co., Ltd. and Shanghai Electric Power Station Equipment Co., Ltd., two subsidiaries of the Company, were selected as "Sci-Tech Reform Enterprises" and "Double Hundred Enterprises" by the State-owned Assets Supervision and Administration Commission of the State Council. They will participate in special reform projects for state-owned enterprises of "Sci-Tech Reform Enterprises" and "Double Hundred Enterprises" as the pilot entities, aiming to become innovative state-owned enterprises driven by two wheels of deepening market-based reforms and enhancing autonomous innovation capabilities. Through implementing institutional reforms at headquarters of the Group, we further strengthened core functions of the Group's headquarters, including "party building leadership, strategic management and control, resource allocation, team building and risk prevention", emphasized strategic leadership, enhanced market capabilities, optimized operational functions, and integrated and optimized the promotion of the "big department system"; optimized resource sharing and fostered cross-sector collaboration within the Group via the "Major Client Director System"; continuously expanded and optimized intelligent supply chain management platforms to increase centralized procurement categories and coverage, and improve management efficiency; and established a carbon management service platform to systematically conduct green and low-carbon management by using carbon emission statistics and accounting standards.

We prioritize the strategy of "talent as the primary resource", continuously strengthening the building of the cadre and talent team. We improve the technological talent training system, implement programs such as the Science and Technology Experts Lecture and Project Leader Training Courses, summarize and optimize the recruitment and training mechanisms for group technical trainees and selected engineers from Shanghai, ensuring a reserve of future outstanding engineers in key areas. We deepen cooperation with universities around an open technological innovation system, and strive to create new ecology for talent cultivation through collaborative training for engineering master's and doctoral students and creation of industry-specific demonstration bases for industry-university-research integration. Based on Li Bin Technical Institute, we established the Shanghai Intelligent Manufacturing Craftsman Academy, actively cultivating urgently needed, multi-skilled craftsmen to advance the high-end, intelligent, and green development of industries. This academy has been included in the list of one hundred key supported craftsmen academies announced by the All-China Federation of Trade Unions for 2024. We continuously make efforts to select and optimize cadres and improve assessment and incentive mechanisms, emphasize a clear orientation in personnel selection and application of assessment results, implement the principle of "cadres can work both at the top and bottom", and

promote the gradual optimization of the age structure of the cadre team; increase the intensity of assessment incentives to balance rewards and penalties.

BUSINESS REVIEW OF MAJOR BUSINESS SEGMENTS

During the Reporting Period, the Company achieved the total revenue of RMB116,186 million, representing a year-on-year increase of 1.2%. The net profits attributable to owners of the Company for 2024 was RMB752 million, and net profits attributable to owners of the Company for the corresponding period of last year was RMB285 million before restatement and RMB803 after restatement.

The basic profit per share of the Company for 2024 was RMB0.048 yuan, basic profit per share for the corresponding period of last year was RMB0.018 yuan before restatement and RMB0.052 yuan after restatement. The average return on net assets for 2024 was a profit of 1.42% and the average return on net assets for the corresponding period of last year was a profit of 0.53% before restatement and 1.42% after restatement. The Board of the Company proposed not to declare final dividend for the year 2024.

During the Reporting Period, the energy equipment segment achieved total operating revenue of RMB61,758 million, a year-on-year increase of 5.3%, primarily driven by the favourable domestic coal-fired power policies, which led to an increase in sales revenue from coal-fired power generation business compared to the same period last year. The gross profit margin for the energy equipment segment was 19.7%, an increase of 2.0 percentage points compared to the same period last year.

During the Reporting Period, the industrial equipment segment achieved total operating revenue of RMB38,649 million, a year-on-year decrease of 4.3%, mainly due to the impact of the real estate industry on the elevator business, resulting in a decline in revenue. The gross profit margin for the industrial equipment segment was 16.7%, a slight increase compared to the same period last year.

During the Reporting Period, the integration services segment achieved total operating revenue of RMB20,735 million, a year-on-year decrease of 3.0%, primarily due to a decline in sales revenue from engineering projects compared to the same period last year. The gross profit margin for the integration services segment was 13.7%, a slight increase compared to the same period last year.

Unit: 100 million Currency: RMB

Principal businesses by segment						
By segment	Revenue	Operating costs	Gross profit margin (%)	YoY change in revenue (%)	YoY change in operating costs (%)	YoY change in gross profit margin (%)
Energy equipment	617.58	496.00	19.7	5.3	2.8	An increase of 2.0 percentage points
Industrial equipment	386.49	322.00	16.7	-4.3	-4.9	An increase of 0.5 percentage point
Integration services	207.35	178.99	13.7	-3.0	-3.1	An increase of 0.02 percentage point
Principal businesses by geographic location						
Geographic location	Revenue	Operating costs	Gross profit margin (%)	YoY change in	YoY change in	YoY change in gross profit margin (%)

				revenue (%)	operating costs (%)	
Mainland China	975.97	785.74	19.5	3.1	0.9	An increase of 1.7 percentage points
Other countries/jurisdiction	185.89	160.50	13.7	-7.5	-4.2	A decrease of 3.0 percentage points

SOURCE OF FUNDING AND INDEBTEDNESS

As at 31 December 2024, the Group had an aggregate amount of bank and other borrowings and bonds of RMB46,786 million (2023: RMB46,047 million), representing an increase of RMB739 million as compared with that of the beginning of the year. Borrowings and bonds repayable by the Group within one year amounted to RMB19,104 million, representing an increase of RMB4,700 million as compared with that of the beginning of the year. Borrowings and bonds repayable after one year amounted to RMB27,682 million, representing a decrease of RMB3,961 million as compared with that of the beginning of the year. As at 31 December 2024, among the Group's bank and other borrowings:

(1) unsecured bank borrowings

borrowings denominated in US dollars amounted to USD70,000 thousand in total (2023: USD337,000 thousand), equivalent to RMB503,188 thousand (2023: RMB2,386,870 thousand);

borrowings denominated in Euros amounted to EUR221,714 thousand in total (2023: EUR456,619 thousand), equivalent to RMB1,668,551 thousand (2023: RMB3,588,658 thousand);

borrowings denominated in Hong Kong dollars amounted to HKD815,000 thousand in total (2023: HKD499,989 thousand), equivalent to RMB754,723 thousand (2023: RMB453,100 thousand);

borrowings denominated in Yen amounted to JPY538,008 thousand in total (2023: Nil), equivalent to RMB24,874 thousand (2023: Nil).

(2) secured bank borrowings

borrowings denominated in US dollars amounted to USD4,502 thousand in total (2023: USD4,502 thousand), equivalent to RMB32,362 thousand (2023: RMB31,886 thousand);

borrowings denominated in Euros amounted to EUR4,395 thousand in total (2023: EUR4,202 thousand), equivalent to RMB33,072 thousand (2023: RMB33,021 thousand).

(3) guaranteed bank borrowings

borrowings denominated in US dollars amounted to USD82,792 thousand in total (2023: USD 122,876 thousand), equivalent to RMB595,140 thousand (2023: RMB799,469 thousand);

borrowings denominated in Euros amounted to EUR227,300 thousand in total (2023: EUR95,000 thousand), equivalent to RMB1,710,592 thousand (2023: RMB746,624 thousand).

(4) all other unsecured bank borrowings are denominated in RMB.

As at 31 December 2024, gearing ratio of the Group, which represents the ratio of the sum of interest-bearing bank borrowings and other borrowings and bonds to the sum of total equity of the shareholders plus interest-bearing bank borrowings and other borrowings and bonds, was 41.97%, representing an increase of 1.30 percentage points as compared with 40.67%(restated) at the beginning of the year.

PLEDGE OF ASSETS

As at 31 December 2024, the Group's bank deposits amounted to RMB1,585 million (2023: RMB1,379 million), receivable financing with a carrying amount of RMB0 million (2023: RMB12 million), notes receivable with a carrying amount of RMB0 million (2023: RMB4 million) and certain property and

equipment with a carrying amount of RMB1,747 million (2023: RMB1,922 million) were secured to banks to obtain bank borrowings or credit facilities. Part of the Group's bank borrowings was secured by the Group's long-term receivables, with a carrying amount of RMB2,493 million (2023: RMB2,351 million).

FUTURE DEVELOPMENT AND OUTLOOK OF THE GROUP

In 2025, we will continue to focus on the main theme of “serving national strategies, aligning closely with national needs, developing new quality productive forces, building core competitiveness, and achieving high-quality development”, proactively serve national strategies, concentrate on main responsibilities and businesses, upgrade industrial capacity and level, breakthrough hard-core technologies, optimize control and governance, cultivate new-quality productive forces for the future, strive to build core competitiveness, further elevate the golden brand of “Made in Shanghai”, so as to make greater contributions to the building of a great country and development of the city.

SIGNIFICANT EVENTS

Acquisition of 4.4415% Equity Interest in Shanghai Prime by SMEIC

On 13 May 2024, the Board considered and approved the relevant resolution, pursuant to which, Shanghai Mechanical & Electrical Industry Co., Ltd. (上海機電股份有限公司) ("SMEIC"), a non-wholly owned subsidiary of the Company, was approved to acquire 4.4415% equity interest in Shanghai Prime Mingyu Machinery Technology Co., Ltd. (上海集優銘宇機械科技有限公司)("Shanghai Prime"), a non-wholly owned subsidiary of the Company held by Shanghai Electric Group Hongkong Company Limited, a wholly-owned subsidiary of Shanghai Electric Holding Group Co., Ltd. ("SEGC"), in cash at a total consideration of approximately RMB236,216.7 thousand, which is based on the appraisal value of the total shareholders' equity in Shanghai Prime of RMB5,318,400 thousand. On 24 June 2024, the shareholders' meeting of SMEIC disapproved the relevant resolution, and the transaction was terminated.

Acquisition of Production and Operation Equipment

On 27 September 2024, the Board considered and approved the relevant resolution, pursuant to which Shanghai Electric SHMP Casting & Forging Co., Ltd., a wholly-owned subsidiary of the Company, was approved to enter into an agreement with Shanghai Electric Enterprise Development Co., Ltd. for the purchase of 2,637 units of production and operation equipment. The acquisition price, totaling approximately RMB277.2066 million (excluding value-added tax), is the appraised value of the above assets as at the valuation benchmark date, i.e. 30 June 2024, as filed with the state-owned assets authorities. As of the date of this announcement, the transaction has been completed.

Acquisition of 100% Equity Interests in Ningsheng Industrial

On 18 October 2024, the Board considered and approved the relevant resolution, pursuant to which Shanghai Electric Automation Group Co., Ltd.* (上海電氣自動化集團有限公司), a wholly-owned subsidiary of the Company, was approved to acquire 100% equity interest in Shanghai Ningsheng Industrial Co., Ltd.* (上海寧笙實業有限公司) ("Ningsheng Industrial") held by SEGC in cash. The appraised value of 100% equity interest in Ningsheng Industrial amounted to RMB3,282,421.1 thousand as at the valuation benchmark date, i.e. 30 June 2024. On 15 October 2024, Ningsheng Industrial considered and approved the profit distribution plan, and distributed dividends to shareholders amounting to RMB200,000.0 thousand. The transaction price is based on the above valuation results, and after deducting the above profit distribution amount from the appraised value and

friendly negotiations between the parties to the transaction, the transaction price was RMB3,082,421.1 thousand. The transaction was approved by the extraordinary general meeting the Company on 22 November 2024. As of the date of this announcement, the transaction has been completed.

Pledge and Pledge Release of Shares of the Company by Controlling Shareholder

SEGC completed the offering of 2021 Non-Public Issuance of Exchangeable Corporate Bonds (Phase I) (the "**21 Electric EB**") using the A shares of the Company held by SEGC and its yields as the exchange objects on 23 March 2021, and completed registration procedures for the share pledge of 254,545,455 A shares of the Company on 15 March 2021. In accordance with the maintenance guarantee ratio and additional guarantee mechanism set out in the "Offering Memorandum for 2021 Non-Public Issuance of Exchangeable Corporate Bonds by Shanghai Electric (Group) Corporation (Phase I) (for eligible investors)", SEGC completed registration procedures for the supplemental share pledge of 30,000,000 A shares of the Company on 17 August 2021. 21 Electric EB was delisted on 25 March 2024 and had been exchanged for a total of 0 shares of the Company. SEGC completed the pledge release procedures for the 284,545,455 tradable shares of the Company on 29 March 2024 at China Securities Depository and Clearing Corporation Limited Shanghai Branch.

SEGC completed the offering of 2024 Non-Public Issuance of Exchangeable Corporate Bonds to Professional Investors (Phase I) (the "**24 Electric EB**") using the A shares of the Company held by SEGC and its yields as the exchange objects on 27 March 2024, and completed registration procedures for the share pledge of 1,710,000,000 A shares of the Company on 15 March 2024. 24 Electric EB was fully exchanged by 19 November 2024, with a total of 1,041,666,528 shares exchanged, and was early delisted on 29 November 2024. In view of the completion of exchange and early delisting of the exchangeable bonds, SEGC completed the procedures for the pledge release of 668,333,472 unrestricted shares in the pledge special account at the China Securities Depository and Clearing Corporation Limited Shanghai Branch on 12 December 2024.

Change of Domicile of the Company and Proposed Amendments to the Articles of Association

Based on the actual situation of the Company, it was proposed to change the domicile of the Company from "30/F, Maxdo Center, No.8 Xingyi Road, Shanghai" to "No. 16 Lane 1100, Huashan Road, Shanghai" and amendments to the relevant provisions of the articles of association of the Company. In accordance with the "Guidelines on the Articles of Association of Listed Companies" (amended in December 2023), "Trial Measures for the Administration of Overseas Issuance of Securities and Listing of Domestic Enterprises" (promulgated in February 2023), "Measures for the Administration of Independent Directors of Listed Companies" (promulgated in August 2023), "Supervisory Guidelines No. 3 for Listed Companies – Cash Dividends of Listed Companies (revised in 2023)" and other laws, regulations and regulatory documents, as well as the requirements of The Stock Exchange of Hong Kong in relation to the paperless regime, and in order to improve its governance structure and further enhance the quality and effectiveness of its governance, the Company amended certain provisions of the Articles of Association and the Rules of Procedures for the General Meeting and the Rules of Procedures for the Board of Directors annexed to the Articles of Association. The change of domicile and the proposed amendments to the articles of association was approved at the 2023 annual general meeting of the Company.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

Participation of Shareholder Holding More than 5% of the Shares in Exchange for Securities Investment Fund

Shanghai State-owned Capital Investment Co., Ltd. (“SSCI”) cumulatively exchanged 77,899,000 A shares which are the Company’s tradable shares not subject to any restrictions of sale for shares in CSI Shanghai State-owned Exchange Traded Index-based Investment Fund, accounting for 0.50% of the total share capital of the Company from 24 January 2025 to 7 February 19, 2025. The shareholding percentage of SSCI decreased from 5.04% to 4.54% of the total share capital of the Company.

CORPORATE GOVERNANCE

During the Reporting Period, the Board of the Company performed the following functions: to formulate and review the Company’s policies and practices on corporate governance and make recommendations; to review and monitor the training and continuous professional development of Directors and senior management; to review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements; to develop, review and monitor the ethics and compliance of employees and Directors; and to review the Company’s compliance with the code provisions and disclosure in the “Corporate Governance Report”.

During the Reporting Period, the Board is of the view that the Company has complied with the requirements of Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) Hong Kong Listing Rules (the “Code”), except for the deviation from requirements of code provision C.2.1 and F.2.2. Pursuant to code provision C.2.1, roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. During the Reporting Period, except for the vacancy caused by the resignation of the former executive director and president, the chairman of the Board of the Company was assumed by one person, who was mainly responsible for the strategic decisions of the Company. The executive director and president of the Company was assumed by another person, who was fully responsible for the daily operation and execution of the Company. The Company considers that the roles and responsibilities of the Board and the management are clear and there is no concentration of management power. Pursuant to code provision F.2.2, the chairman of the board should attend the annual general meeting. As Dr. Wu Lei, the chairman of the Board and the executive Director of the Company, was unable to attend the 2023 annual general meeting due to business arrangements, Mr. Zhu Zhaokai, the executive Director of the Company, chaired and presided over the 2023 annual general meeting.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code provisions set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix C3 of the Hong Kong Listing Rules in relation to dealings in the shares of the Company by the Directors of the Company, and all Directors and supervisors of the Company confirmed that they have complied with the requirements set out in the Model Code throughout the year 2024. The Company is not aware of any breach of the Model Code by any of its employees.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The resolution on the grant of general mandate to the Board to buy back A Shares not exceeding 10% of the number of issued A Shares of the Company or to buy back H Shares not exceeding 10% of the number of issued H Shares of the Company was considered and approved at the 2024 fifth extraordinary general meeting, the 2024 first A Share class meeting and the 2024 first H Share class meeting held on 22 November 2024. A general mandate be granted to the Board by the general meeting and the class meetings to decide on the buy-back of the Company's A Shares not exceeding 10% of the number of

issued A Shares or H Shares not exceeding 10% of the number of issued H Shares of the Company (whichever is preferred) in the light of market conditions and the needs of the Company.

During the Reporting Period, no purchase, sale or redemption of the Company's listed securities (including sale of treasury shares (as defined in the Hong Kong Listing Rules)) has been made by the Company or any of its subsidiaries. As at the end of the Reporting Period, the Company does not hold any treasury shares (including any treasury shares held or deposited in the Hong Kong Central Clearing and Settlement System).

CHANGES IN ACCOUNTING POLICIES

In accordance with the "Compilation of Application Guide to the Accounting Standards for Business Enterprises 2024" (《企業會計準則應用指南彙編2024》) issued by the Ministry of Finance of the People's Republic of China (the "Ministry of Finance"), the Company would class the assurance-type warranty expenses related to sales of products from main operations to cost of sales from 1 January 2024, and restate the comparative data for the six months ended 12 December 2023 pursuant to the changes in accounting policies. For details, please refer to the Company's announcement on changes in accounting policies published on 30 August 2024.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The Audit Committee of the Board has reviewed and confirmed the Group's audited financial statements of the Company for the year ended 31 December 2024 and has raised no objection to the accounting policies and practices adopted by the Group.

FINAL DIVIDEND

The Board of the Company proposed not to declare final dividend for the year 2024, which is subject to approval at the forthcoming annual general meeting of the Company.

DISCLOSURE OF INFORMATION ON STOCK EXCHANGE'S WEBSITE

This results announcement will be published on the Company's website (<http://www.shanghai-electric.com>) and the Hong Kong Stock Exchange's website (<http://www.hkexnews.hk>). The 2024 annual report will be despatched to the shareholders of the Company who have already provided instructions indicating their preference to receive hard copies and will be made available on the websites of the Company and the Stock Exchange in due course.

By order of the Board

Shanghai Electric Group Company Limited

Wu Lei

Chairman of the Board

Shanghai, the PRC, 28 March 2025

As at the date of this announcement, 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*