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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)

ANNOUNCEMENT ON THE PROGRESS OF TRANSFER OF PROPERTY THROUGH PUBLIC TENDER

This announcement is made by the board of directors of Shanghai Electric Group Company Limited (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and with reference to Rule 13.10B of the Listing Rules.

I. Overview

References are made to the announcements of the Company dated 30 December 2025 and 30 March 2026. in relation to the Company's transfer of its property and ancillary facilities at No. 188 Linchun Road, Minhang District, Shanghai (the "**Target Assets**") through public tender on the Shanghai United Assets and Equity Exchange (the "**United Assets and Equity Exchange**"). From 27 February 2026 to 26 March 2026, the Company publicly listed the Target Assets for transfer on the United Assets and Equity Exchange at a tender price of RMB166.5701 million, being the appraised value duly filed with the competent state-owned assets authority. On 27 March 2026, the Company received a notice from the United Assets and Equity Exchange that the announcement period of the transfer had expired and no interested transferees were solicited.

II. Update on Transaction Progress

The transfer of Target Assets was listed through a second public tender on the United Assets and Equity Exchange by the Company from 14 April 2026 to 14 May 2026 at a tender price 10% lower than the first listing price (i.e. RMB149.91309 million). On 15 May 2026, the Company received a notice from the United Assets and Equity Exchange that the announcement period of the transfer had expired and no interested transferees were solicited. The transfer will be conducted through a third public tender by the Company on the United Assets and Equity Exchange at a price 10% lower than the second listing price (i.e., RMB 134.921781 million).

The Company will fulfil its information disclosure obligations in a timely manner depending on subsequent progress. Shareholders and potential investors of the Company are advised to exercise caution when trading the Company's securities.

By Order of the Board

Shanghai Electric Group Company Limited

HU Xupeng

Joint Company Secretary

Shanghai, the PRC, 18 May 2026

As at the date of this announcement, the executive directors of the Company are Dr. WU Lei, Mr. ZHU Zhaokai and Mr. WANG Chenhao; the non-executive directors of the Company are Ms. ZHU Yun, Mr. ZHU Jiaqi and Mr. CAO Qingwei; and the independent non-executive directors of the Company are Dr. LIU Yunhong, Dr. DU Zhaohui and Dr. CHEN Xinyuan.

** For identification purpose only*