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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)

CONNECTED TRANSACTI
ON
ACQUISITION OF 58.02% OF THE SHARES IN ANWHA AUTOMATION BY YINGHE TECHNOLOGY

INTRODUCTION

The Board hereby announces that on 17 June 2026, the Board has considered and approved the relevant resolution, approving Yinghe Technology, a non-wholly owned subsidiary of the Company, to acquire 100% of the shares in Anwha Automation by way of non-public agreement transfer. The transaction price is determined based on the appraised value of all shareholders' equity of Anwha Automation with 31 December 2025 as the Valuation Benchmark Date, and the total transaction amount is RMB204.3484 million (determined according to the final appraised price filed with the state-owned assets authorities). Among the foregoing, Yinghe Technology will acquire the 58.02% of the shares in Anwha Automation held by SEGC for a consideration of RMB118.5629 million (determined on a pro-rata basis according to the final appraised price filed with the state-owned assets authorities), and acquire the remaining 41.98% of the shares from eight shareholders other than SEGC (all being independent third parties of the Company under the Listing Rules) for an aggregate consideration of approximately RMB85.7855 million. Upon completion of the share transfer, Yinghe Technology will hold 100% of the shares of Anwha Automation.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Yinghe Technology is a non-wholly owned subsidiary of the Company and SEGC is a controlling shareholder of the Company, holding an equity interest representing approximately 43.20% of the total issued share capital of the Company. Accordingly, SEGC is a connected person of the Company as defined under Chapter 14A of the Listing Rules. The Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio (as defined under the Listing Rules) for the Acquisition is more than 0.1%, but all the percentage ratios are less than 5%, the Acquisition is subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since all applicable percentage ratios (as defined under the Listing Rules) in respect of the acquisition of 100% of the shares in Anwha Automation are less than 5%, the transaction does not constitute a disclosable transaction and is not subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board hereby announces that on 17 June 2026, the Board considered and approved the relevant resolution in relation to Yinghe Technology, a non-wholly owned subsidiary of the Company, acquiring 100% of the shares in Anwha Automation by way of non-public agreement transfer. The transaction price is determined based on the appraised value of all shareholders' equity of Anwha Automation with 31 December 2025 as the Valuation Benchmark Date, and the total transaction amount is RMB204.3484 million (determined according to the final appraised price filed with the state-owned assets authorities). Among the foregoing, Yinghe Technology will acquire the 58.02% of the shares in Anwha Automation held by SEGC for a consideration of RMB118.5629 million (determined on a pro-rata basis according to the final appraised price filed with the state-owned assets authorities), and acquire the remaining 41.98% of the shares from eight shareholders other than SEGC (all being independent third parties of the Company under the Listing Rules) for an aggregate consideration of approximately RMB85.7855 million. Upon completion of the share transfer, Yinghe Technology will hold 100% of the shares of Anwha Automation.

SHARE TRANSFER AGREEMENT

Yinghe Technology intended to enter into a Share Transfer Agreement with SEGC. The principal contents of the Agreement are set out below:

(I) Parties

SEGC (transferor); and

Yinghe Technology (transferee).

(II) Consideration

The consideration for this share transfer is RMB118.5629 million, which takes 58.02% (the share transfer ratio) of the appraised value of the net assets of Anwha Automation (amounting to RMB204.3484 million) as confirmed in the appraisal report issued by the appraisal institution as of 31 December 2025 (the "**Valuation Benchmark Date**") as the reference benchmark for the transaction consideration.

The Acquisition was financed by Yinghe Technology's own funds.

(III) Major Content

(1) Share transfer

Both parties agree that Yinghe Technology shall acquire the 58.02% of the shares in Anwha Automation held by SEGC in cash in accordance with the terms and conditions stipulated under the Share Transfer Agreement to be entered into between Yinghe Technology and SEGC in respect of the Acquisition.

(2) Basis of consideration and payment

(i) The price of the Acquisition is determined based on the appraised value of all shareholders' equity of Anwha Automation, and the total transaction amount is RMB118.5629 million (determined on a pro-rata basis according to the final appraised value filed with the state-owned assets authorities).

(ii) The transferee shall pay the full transfer price in a lump sum to the bank account designated by the transferor within five business days from the effective date of the Agreement.

(3) Transitional arrangements

All profits and losses arising from the operation of Anwha Automation during the transitional period (from the Valuation Benchmark Date to the closing date) shall belong to the transferee. The transferee shall independently enjoy the corresponding interests and assume the corresponding risks, and the transferor shall not share with the transferee any profits or losses arising during the transitional period.

(4) Effectiveness of the Agreement

The Agreement shall take effect upon being signed and sealed by both parties.

(5) Liability for breach of contract

If either party breaches any provisions under the Agreement, it shall be liable for breach of contract to the non-breaching party in accordance with applicable laws and the Agreement, including but not limited to continuing performance, taking remedial measures and compensating for losses.

INFORMATION OF THE TRANSACTION COUNTERPARTIES (INCLUDING CONNECTED PERSONS)

(I) Brief Introduction of Sellers

No.	Name of Sellers	Percentage of Shares Acquired (%)	Transaction Amount (RMB 0'000)
1	SEGC	58.02	11,856.29
2	Zhu Yanzhu	10.30	2,104.79
3	Li Jiaquan	8.76	1,790.09
4	Ma Huan	6.25	1,277.18
5	Wang Pengfei	5.72	1,168.87
6	Shanghai Qingwang Venture Capital Partnership (Limited Partnership) (上海青望創業投資合夥企業（有限合夥）)	4.30	878.70
7	Shanghai Dongshu Venture Capital Center (Limited Partnership) (上海東數創業投資中心（有限合夥）)	3.90	796.96
8	Shanghai Yuanpai Investment Center (Limited Partnership) (上海元派投資中心（有限合夥）)	1.80	367.83
9	Wei Feng	0.95	194.13

(II) Basic Information of Transaction Counterparties

1. Transaction Counterparties (Connected Person)

Name of connected person	Shanghai Electric Holding Group Co., Ltd.
Unified Social Credit Code	913100001322128733
Date of establishment	14 January 1985
Registered address	No. 110 Sichuan Middle Road, Huangpu District, Shanghai
Principal office address	No. 149 Sichuan Middle Road, Huangpu District, Shanghai
Legal representative	Wu Lei
Registered capital	RMB12,481.216 million
Principal business activities	Licensed items: production of Class II medical devices; production of Class III medical devices; operation of Class III medical devices; import and export of goods; import and export of technology. (Projects that require approval in accordance with the law may be operated only after obtaining approval from the relevant authorities. The specific approved business items shall be subject to the approval documents or licenses issued by the relevant authorities) General items: general contracting of power engineering projects, complete equipment supply or sub-supply, labor export for overseas projects, industrial investment, manufacturing and sale of mechanical and electrical products and related industry equipment, provision of technical consulting and training for domestic and export projects, state-owned asset operation and management within the scope

	authorized by the Municipal SASAC, domestic trade (except for specially regulated items), design, production, and agency placement of various advertisements; production of Class I medical devices; sale of Class I medical devices; sale of Class II medical devices; medical equipment leasing; engineering and technology research and development; software development; mechanical equipment research and development. (Except for projects requiring approval by law, independent business operations shall be conducted with the business license in accordance with the law)
Ultimate controlling party	Shanghai Municipal State-owned Assets Supervision and Administration Commission

2. Other Transaction Counterparties (Independent Third Parties)

(1) Shanghai Qingwang Venture Capital Partnership (Limited Partnership)

Company name	Shanghai Qingwang Venture Capital Partnership (Limited Partnership) (上海青望創業投資合夥企業（有限合夥）)
Unified Social Credit Code	91310118MA1JL62A1T
Date of establishment	22 February 2016
Registered address	Room B117, 1st Floor, Building 13, No. 201 Wushebang Road, Qingpu District, Shanghai
Executive partner	Shanghai Keke Investment Management Center (Limited Partnership) (上海恪可投資管理中心（有限合夥）)
Registered capital	RMB200 million
Principal business activities	Venture capital, investment consulting, investment management. (Projects that require approval in accordance with the law may be operated only after obtaining approval from the relevant authorities.)
Major shareholders	Zhou Jianqi (25%), Shanghai Keke Investment Management Center (Limited Partnership) (上海恪可投資管理中心（有限合夥）) (16%)

(2) Shanghai Dongshu Venture Capital Center (Limited Partnership)

Company name	Shanghai Dongshu Venture Capital Center (Limited Partnership) (上海東數創業投資中心（有限合夥）)
Unified Social Credit Code	913101043208497754
Date of establishment	6 November 2014
Registered address	Room 209, 2nd Floor, Building 1, No. 25 Cangwu Road, Xuhui District, Shanghai
Executive partner	Shanghai Dongxi Shuyuan Investment Management Center (Limited Partnership) (上海東熙數元投資管理中心（有限合夥）)
Registered capital	RMB295.20 million
Principal business activities	Venture capital. (Projects that require approval in accordance with the law may be operated only after obtaining approval from the relevant authorities.)
Major shareholders	Yinnchuang Baihui Investment (Beijing) Co., Ltd. (銀創百匯投資（北京）有限公司) (33.87%), Shandong Hi-Speed Qingdao Construction Management Co., Ltd. (山東高速青島建設管理有限公司) (27.10%)

(3) Shanghai Yuanpai Investment Center (Limited Partnership)

Company name	Shanghai Yuanpai Investment Center (Limited Partnership) (上海元派投資中心（有限合夥）)
Unified Social Credit Code	91310118583440007Y
Date of establishment	30 September 2011
Registered address	Room 1002, Zone R, 10th Floor, Building 26, No. 1289 Gongyuan East Road, Qingpu District, Shanghai
Executive partner	Jiang Yan
Registered capital	RMB0.1 million
Principal business activities	Industrial investment, investment management, asset management, investment consulting, business management consulting, economic information consulting, commercial information consulting. Projects that require approval in accordance with the law may be operated only after obtaining approval from the relevant authorities.
Major shareholders	Jiang Yan (55%), Sun Qiaomei (45%)

(4) Natural Persons

No.	Name	Gender	Nationality	Connected Relationship with the Company	Dishonest Judgment Debtor
1	Zhu Yanzhu	Male	Chinese	No	No
2	Li Jiaquan	Male	Chinese	No	No
3	Ma Huan	Male	Chinese	No	No
4	Wang Pengfei	Male	Chinese	No	No
5	Wei Feng	Male	Chinese	No	No

Except for SEGC, all the above transaction counterparties are independent third parties of the Company under the Listing Rules. Upon inquiry, none of the above transaction counterparties is a dishonest judgment debtor.

BASIC INFORMATION OF THE TRANSACTION TARGET

(I) Overview of Transaction Target

The Transaction Target of the Acquisition is 58.02% of the shares in Anwha Automation. The transaction is implemented by way of non-public agreement transfer and constitutes an asset acquisition by the Company.

(II) Ownership of Transaction Target

The shares in Anwha Automation to be acquired in this transaction have clear title, are not subject to any mortgage, pledge or other restriction on transfer, do not involve any litigation, arbitration, seizure, freezing or other judicial measures, and are not subject to any other circumstances that would hinder the transfer of title.

(III) Operational Status of Relevant Assets

Anwha Automation is principally engaged in intelligent automated equipment for sectors including lithium batteries. SEGC acquired 58.02% of the shares of Anwha Automation in 2019 at a purchase price of RMB156 million. Up to the present, Anwha Automation has maintained sound business performance.

(IV) Specific Information of Transaction Target

(1) Basic information

Name of Legal Person	Anwha (Shanghai) Automation Engineering Co., Ltd.

Unified Social Credit Code	91310000575820464F
Whether it is a subsidiary within the consolidated scope of the listed company	No
Whether the Acquisition results in a change to the scope of the consolidated statements of the listed company	Yes
Transaction Method	Cash payment to the counterparty
Date of Establishment	25 May 2011
Registered Address	No. 1089, Xuanzhen East Road, Pudong New Area, Shanghai
Principal Office Address	No. 1089, Xuanzhen East Road, Pudong New Area, Shanghai
Legal Representative	Weng Zhiyi
Registered Capital	RMB108.869,82 million
Principal Business	The major products include customized automated production lines, production equipment and supporting software systems for high-end equipment clients. It mainly provides clients with overall smart factory solutions ranging from scheme planning to on-site implementation. Its core technologies enable the in-depth integration of high-precision assembly and testing technologies with efficient logistics, quality traceability and information management such as MES systems.
Industry Category	Special Purpose Equipment Manufacturing

(2) Shareholding structure

As of the date of this announcement, the shareholding structure of Anwha Automation is set out below:

No.	Name of Shareholder	Registered Capital (RMB 0'000)	Shareholding Percentage (%)
1	SEGC	6,316.7852	58.02
2	Zhu Yanzhu	1,121.8032	10.30
3	Li Jiaquan	954.2424	8.76
4	Ma Huan	679.9484	6.25
5	Wang Pengfei	623.2472	5.72
6	Shanghai Qingwang Venture Capital Partnership (Limited Partnership)	467.6392	4.30
7	Shanghai Dongshu Venture Capital Center (Limited Partnership)	424.6176	3.90
8	Shanghai Yuanpai Investment Center (Limited Partnership)	195.5080	1.80
9	Wei Feng	103.1908	0.95

Upon completion of the equity transfer, the shareholding structure of Anwha Automation will be as follows:

No.	Name of Shareholder	Registered Capital (RMB 0'000)	Shareholding Percentage (%)
1	Yinghe Technology	10,886.9820	100

Yinghe Technology will acquire the shares held by nine shareholders of Anwha Automation respectively by way of non-public agreement transfer. The eight shareholders other than SEGC are all independent third parties of the Company under the Listing Rules. Upon completion of the share transfer, Yinghe Technology will hold 100% of the shares of Anwha Automation.

(3) Other information

Anwha Automation is not listed as a dishonest person subject to enforcement.

(V) Financial Information, Valuation and Pricing of This Share Transfer

Baker Tilly China Certified Public Accountants has audited and issued a standard unqualified audit report on Anwha Automation. The key financial data of Anwha Automation for the latest two years are set out below:

Unit: RMB 0'000

Items	2025/31 December 2025 (Audited)	2024/31 December 2024 (Audited)
Total assets	68,162.83	44,146.64
Total liabilities	50,044.62	27,095.31
Net assets	18,118.20	17,051.33
Operating revenue	44,965.04	32,081.49
Net profit	1,611.22	631.92

Immediately prior to this share transfer, the audited net profit before tax of Anwha Automation for the years ended 31 December 2025 and 31 December 2024 were RMB18.3835 million and RMB7.5354 million respectively, and the audited net profit after tax for the aforesaid periods was RMB16.1122 million and RMB6.3192 million respectively.

Shanghai Shenwei Asset Valuation Co., Ltd. (上海申威資產評估有限公司) issued an appraisal report on the total shareholders' equity value of Anwha Automation, which became effective on 15 June 2026. Shanghai Shenwei Asset Valuation Co., Ltd. is an independent third-party appraisal institution qualified for securities and futures related appraisal businesses.

1. Scope of appraisal work

1) Clarify basic business matters: Understand the general situation of the subject of appraisal, the purpose of the appraisal, and the appraisal project, and conduct a preliminary risk assessment of the project.

2) Sign a business engagement contract: Accept the appraisal engagement, agree on the appraisal scope and subject relevant to the appraisal purpose, agree on the appraisal base date, and have the asset appraisal institution sign an engagement contract with the client.

3) Prepare the appraisal plan: Assign suitable personnel to form a project team and draft the appraisal work plan; submit to the client and the appraised entity a list of required appraisal materials and the asset appraisal declaration form, and provide necessary guidance on the asset inventory of the appraised entity.

4) Conduct on-site appraisal investigation: Appraisers perform necessary verification and check of the assets and liabilities involved in the appraisal subject, and conduct necessary due diligence on the business and management status of the appraised entity.

5) Collect information and desk work: Based on the specific circumstances of the appraisal project, appraisers collect appraisal data, including data independently obtained from channels such as the market, data obtained from the client and other relevant parties, and data obtained from government departments, various professional institutions, and other relevant authorities. They then perform necessary analysis, summarization, and organization of the collected data to form the basis for the appraisal estimate.

6) Evaluate and estimate to form preliminary results: Based on the specific circumstances of the assets and the selected valuation methods, appraisers choose appropriate formulas and parameters to analyze, calculate, and judge, thereby forming preliminary appraisal results. The project leader reviews and consolidates the

preliminary asset appraisal results, then drafts and forms a preliminary appraisal report.

7) Internal review and issuance of the report: After the preliminary appraisal report has undergone internal review, the project leader communicates with the client or other relevant parties agreed by the client regarding the content of the appraisal report, without affecting the independent judgment of the appraisal conclusion. Following an independent analysis of the communication, the project leader issues and submits the appraisal report.

2. Documents and materials relied on for the appraisal

1) Ownership basis: Equity investment proof documents; purchase contracts and invoices for major large-scale equipment; intellectual property title certificates such as patent certificates, software copyright certificates, and trademark registrations; other documents evidencing title.

2) Pricing basis: The latest Loan Prime Rate (LPR) authorized for publication by the National Interbank Funding Center; the Handbook of Common Methods and Parameters for Asset Appraisal (published by China Machine Press); relevant information and data provided by iFinD; procurement contracts signed between the company and relevant parties; the company's financial statements and audit reports for prior years and as of the appraisal base date; the company's historical operating statistics and future market forecasts; on-site investigation records and other relevant valuation information collected by the appraisers; other materials relevant to this appraisal.

3) Other reference basis: Asset list and appraisal declaration form provided by the company; the Accounting Standards for Business Enterprises.

3. Appraisal methods

In this valuation, all shareholders' equity of Anwha Automation was appraised using both the asset-based approach and the income approach, and the appraisal result under the asset-based approach was adopted as the appraisal conclusion. The appraised entity is mainly engaged in the production and sales of automation system projects. Given that it does not belong to a light-asset industry with high income elasticity, the overall enterprise value is highly tied to the actual value of its existing assets. The entire appraisal process is based on objectively existing asset and liability data as at the Valuation Benchmark Date, and the appraisal result under the asset-based approach can more accurately reflect the true value of the appraised entity as at the Valuation Benchmark Date. Therefore, the asset-based approach is adopted as the appraisal conclusion for this valuation.

4. Significant valuation assumptions and valuation parameters

(1) General Assumptions

1) Transaction assumption: The value of any asset derives from a transaction. Regardless of whether the appraised assets are involved in a transaction related to the appraisal purpose, we assume they are in the process of a transaction. The appraisers perform a simulated valuation based on the transaction conditions of the appraised assets;

2) Open market assumption: It is assumed that the transaction of the appraised assets takes place under open market conditions. An open market refers to fully developed and well-functioning market conditions – a competitive market with willing buyers and sellers. In this market, buyers and sellers have equal status, both have the opportunity and time to obtain sufficient market information, and their transactions are conducted voluntarily, rationally, and under non-coercive or unrestricted conditions;

3) Going-concern assumption: It is assumed that the production and business operations of the appraised entity and its long-term investees can continue as a going concern in their current state, without material changes in the foreseeable future, irrespective of the impact on the entity's operations caused by the economic transaction related to this appraisal purpose;

4) Assumption of continued use of assets for their existing purpose: It is assumed that the assets of the appraised entity and its long-term investees, which are currently in use, will continue to be used for their existing purposes and in their existing manner after the economic transaction covered by this appraisal;

5) External environment assumption: It is assumed that there will be no material changes in the relevant laws,

regulations, and policies of the state; no material changes in the political, economic, and social environment of the regions where the transaction parties are located; and no material changes in interest rates, exchange rates, tax bases, tax rates, or statutory levies in the future;

6) It is assumed that the management of the appraised entity and its long-term investees responsibly performs its obligations regarding the entity's operations and competently manages the relevant assets effectively. It is also assumed that the appraised entity and its long-term investees fully comply with all relevant laws and regulations in their operations;

7) This appraisal does not consider the potential impact on the valuation conclusion of any future mortgage, guarantee, or the price premium that may arise from a special transaction structure;

8) The title documents, financial accounting information, and other data provided by the client, the appraised entity, and its long-term investees are the fundamental basis of the appraisal work. It is assumed that such information is true, complete, and lawful;

9) It is assumed that there are no other force majeure events or unforeseeable factors that would have a material adverse effect on the entity.

(2) Special Assumptions

1) It is assumed that the accounting policies to be adopted in the future by the appraised entity and its long-term investees are materially consistent with those adopted in the preparation of this report;

2) It is assumed that future earnings forecasts are based on the existing equity structure, management approach, and management level, and that the business scope and methods remain consistent with the current situation;

3) It is assumed that the core team of the appraised entity and its long-term investees will continue to work for the appraised entity and its long-term investees in the future and will not engage in any business that competes with that of the appraised entity and its long-term investees outside;

4) It is assumed that the appraised entity and its long-term investees operate in compliance with laws and regulations, and that their currently obtained operating licenses can be normally renewed upon expiration;

5) It is assumed that the production and business premises leased by the appraised entity and its long-term investees can be normally renewed at market rental rates upon lease expiry, allowing continued operation;

6) It is assumed that the appraised entity and its long-term investees can raise the necessary funds as required for their operations, and that no financing issues will affect their business;

7) It is assumed that the trademarks used by the appraised entity will be renewed normally in the future and can be extended upon expiration of the trademark registration period;

8) It is assumed that the patents and software copyrights of the appraised entity and its long-term investees will be adequately protected against infringement;

9) Considering that the entity's R&D investment meets the criteria for High-Tech Enterprise status, it is assumed that the entity will continue to obtain High-Tech Enterprise certification in the future, with a corporate income tax rate of 15%;

10) Net cash flow is calculated on a fiscal year basis. It is assumed that the cash flows of the appraised entity at the consolidated level occur evenly throughout the fiscal year, and that the income level from the 6th year onward remains at the level of the 5th year (i.e., 2030).

(3) Valuation Parameters

1) Equipment-related assets are valued using the replacement cost method. The value is determined based on construction cost adjusted by index, or the ex-VAT market price of the equipment. The newness ratio is determined comprehensively by the age-life method and the technical observation method.

2) Current assets and liabilities are recognized at realizable amounts and actual obligations on the basis of verification. The net asset value is ultimately determined as total appraised assets minus total appraised liabilities.

3) Patents and software copyrights are mixed and cross-utilized in practice. Therefore, the software and software copyrights within the appraisal scope are valued as an asset portfolio.

4) Trademarks do not participate in the entity's operating activities and do not generate excess returns for the entity. Therefore, the cost approach is used separately to value them.

5. No events occurred between the Valuation Benchmark Date and the disclosure date of the relevant valuation results that could have a material impact on the valuation conclusions.

Details of valuation results are set out below:

Summary of the Valuation Results

Valuation Benchmark Date: 31 December 2025 Unit: RMB 0'000

Items	Book value	Appraised value	Appreciation or depreciation	Value appreciation rate (%)
Current assets	64,633.20	64,920.34	287.14	0.44
Non-current assets	3,545.66	6,422.21	2,876.55	81.13
Total assets	68,178.86	71,342.55	3,163.69	4.64
Current liabilities	48,663.44	48,663.44	0.00	0.00
Non-current liabilities	2,244.27	2,244.27	0.00	0.00
Total liabilities	50,907.71	50,907.71	0.00	0.00
Net assets (owner's equity)	17,271.15	20,434.84	3,163.69	18.32

The appraised value appreciation of non-current assets is primarily attributable to the appraised value appreciation of net long-term equity investments and net intangible assets. In particular, the appraised value appreciation of long-term equity investments amounted to RMB13.2529 million, representing a value appreciation rate of 530.12%. Such appreciation is mainly due to the fact that Anwha Automation accounts for long-term equity investments in investee entities using the cost method. In this regard, a comprehensive valuation of the investee entities was carried out, the appraised value of the long-term investments was determined by applying the proportion of shares held to the net assets upon valuation, resulting in a value higher than the book value and thus giving rise to the appraised value appreciation. The appraised value appreciation of intangible assets amounted to RMB15.1658 million, representing a value appreciation rate of 875.02%. The main reason for the appreciation is that off-balance-sheet patents, software copyrights and off-balance-sheet trademarks are included in the appraisal scope, resulting in appraisal appreciation.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Anwha Automation boasts mature technology and rich experience in the field of lithium battery back-end equipment. Upon completion of this acquisition, in the lithium battery equipment sector, Anwha Automation's flexible and intelligent back-end integration technology will form a strong complement to Yinghe Technology's high-precision, high-stability front and mid-stage equipment. Yinghe Technology will achieve a seamless connection across the full process flow from electrode manufacturing to module PACK, and build equipment supply capacity covering the entire lithium battery manufacturing process. This will not only enable the provision of one-stop solutions for downstream customers, but also effectively improve the consistency, stability and intelligence level of production lines, better meet customers' high-standard and large-scale requirements, and help Yinghe Technology seize the strategic opportunities in the new energy vehicle industry.

The Acquisition will help the Company accelerate the enhancement of its one-stop smart factory solution capabilities for the lithium battery sector, and is consistent with the Company's strategic development plan and the interests of all shareholders. The connected transaction will not have an adverse impact on the Company's business development, nor will it prejudice the interests of the Company and all its shareholders. The Acquisition will not have a material impact on the Company's production, operations or financial position.

Upon the acquisition of Anwha Automation, it will be included in the scope of consolidation of the

Company's financial statements. The Acquisition will not constitute competition within the same industry.

As at the date of this announcement, Anwha Automation has no external guarantees or entrusted investment arrangements. The Acquisition will not result in the controlling shareholder of the listed company or its connected persons engaging in non-operating fund occupation of the Company.

OPINION FROM THE BOARD

On 17 June 2026, the relevant resolution was considered and approved at the 6th meeting of the sixth session of the Board of the Company. Due to their positions at SEGC, Dr. WU Lei, Mr. ZHU Zhaokai and Mr. WANG Chenhao (each being a Director) have abstained from voting on the relevant Board resolution approving such matters, while all other Directors approved the resolution. Voting results: 6 votes in favour, 0 vote against and 0 abstaining vote.

The Board of the Company (including the independent non-executive Directors) is of the view that: the Acquisition is in line with the operation and development requirements of the Company. The transaction price is based on the appraised value of the total shareholders' equity interest in Anwha Automation, the terms of the Share Transfer Agreement were determined after arm's length negotiations, and the transactions contemplated under such Agreement are carried out in the ordinary and usual course of the Company's business on normal commercial terms, which are fair and reasonable and in the interests of the Company and all its shareholders.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Yinghe Technology is a non-wholly owned subsidiary of the Company and SEGC is a controlling shareholder of the Company, holding approximately 43.20% equity interest in the total issued share capital of the Company. Accordingly, SEGC is a connected person of the Company as defined under Chapter 14A of the Listing Rules. The Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio (as defined under the Listing Rules) for the Acquisition is more than 0.1%, but all the percentage ratios are less than 5%, the Acquisition is subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Since all applicable percentage ratios (as defined under the Listing Rules) in respect of the acquisition of 100% of the shares in Anwha Automation are less than 5%, the transaction does not constitute a disclosable transaction and is not subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The Group is one of the largest industrial equipment manufacturing conglomerates in China engaged in the following principal activities: (i) the energy equipment segment: including 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; (ii) the industrial equipment segment: including design, manufacture and sales of elevators, large and medium-size electric motors, intelligent manufacturing equipment, industrial basic parts and construction industrialization equipment; and (iii) the integration services segment: including 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 corporate finance, financing leases, commercial factoring, asset management, insurance brokerage, etc.; providing park and property management services mainly based on industrial real estate, etc. The ultimate beneficial owner of the Group is Shanghai State-owned Assets Supervision and Administration Commission.

Yinghe Technology is a non-wholly owned subsidiary of the Company. Shanghai Electric Automation Group

Co., Ltd., a wholly-owned subsidiary of the Company, holds 28.59% equity interest in Yinghe Technology and is its indirect controlling shareholder. Yinghe Technology is principally engaged in the following businesses: research, development, production, sales, commissioning, installation and after-sales service of automated equipment and mask machines; technical development, design, production and sales of hardware products; sales of battery raw materials, finished batteries, electronic components, mobile phones, mobile phone accessories and vehicle-mounted accessories; domestic commerce, supply and marketing of materials, import and export of goods and technologies; property leasing; property management; equipment leasing (excluding financial leasing activities); processing and modification of automated equipment and spare parts; production and sales of labor protection articles (masks, protective clothing and gloves). (All the above do not include items prohibited by laws, administrative regulations and decisions of the State Council or items subject to pre-approval requirements).

SEGC is a limited liability company incorporated on 14 January 1985, which is principally engaged in the management of state-owned assets and investment activities. It is the controlling shareholder of the Company, and its ultimate beneficial owner is Shanghai State-owned Assets Supervision and Administration Commission. As at the date of this announcement, SEGC is the controlling shareholder of the Company, holding approximately 43.20% of equity interest in the total issued share capital of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

"Agreement"	the Share Transfer Agreement to be entered into between Yinghe Technology and SEGC;
"Acquisition"	Yinghe Technology's proposed acquisition of 58.02% of the shares in Anwha Automation held by SEGC at a consideration of RMB118.5629 million;
"Board"	the board of Directors of the Company;
"Company"	Shanghai Electric Group Company Limited, 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;
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules;
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules;
"Directors"	the directors of the Company;
"Group"	the Company and its subsidiaries from time to time;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
"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;

"SEGC"	Shanghai Electric Holding Group Co., Ltd., the controlling shareholder (as defined in the Listing Rules) of the Company, directly and indirectly holding 43.20% of the total issued share capital of the Company as at the date of this announcement;
"Yinghe Technology"	Shenzhen Yinghe Technology Co., Ltd., a joint stock limited company established in the PRC on 26 June 2006, which is a non-wholly owned subsidiary of the Company and the A shares of which are listed on the Shenzhen Stock Exchange under the stock code 300457;
"Anwha Automation" or "Target Company"	Anwha (Shanghai) Automation Engineering Co., Ltd., a joint stock limited company established in the PRC on 25 May 2011 which is a non-wholly owned subsidiary of SEGC;
"Transaction Target"	58.02% of the shares in Anwha Automation held by SEGC;
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules; and
"%"	Percentage.

By Order of the Board
Shanghai Electric Group Company Limited
Hu Xupeng
Joint Company Secretary

Shanghai, the PRC, 17 June 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*