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上海电气 SHANGHAI ELECTRIC *

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)

2026 INTERIM RESULTS

PERFORMANCE HIGHLIGHTS

- ► **Total revenue of the Company for first half of 2026 was RMB63,332 million, an increase of 16.6% as compared with the corresponding period of last year**
- ► **Profit attributable to owners of the Company for first half of 2026 was RMB970 million, an increase of 18.2% as compared with the corresponding period of last year**
- ► **Basic earnings per share of the Company for first half of 2026 was RMB0.062 yuan, an increase of 17.0% as compared with the corresponding period of last year**
- ► **New orders for first half of 2026 amounted to RMB100.39 billion**
- ► **The Board did not propose to declare an interim dividend of 2026**

The board of directors (the "**Board**") of Shanghai Electric Group Company Limited (the "**Company**") hereby announces the interim results of the Company and its subsidiaries (the "**Group**" or "**Shanghai Electric**") for the six months ended 30 June 2026 (the "**Reporting Period**"). The results have not been audited but have been reviewed by the audit committee of the Company (the "**Audit Committee**"). The interim results of the Company for the six months ended 30 June 2026 have been prepared in accordance with China Accounting Standards for Business Enterprises.

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS AT 30 JUNE 2026
(All amounts in RMB'000 Yuan unless otherwise stated)

	Notes	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Current assets			
Cash at bank and on hand		43,576,694	37,308,176
Clearing settlement funds		12,540	1,041
Placements with banks and other financial institutions		18,432,820	17,728,894
Held-for-trading financial assets		6,688,883	8,387,470
Derivative financial assets		6,488	14,734
Notes receivable		2,419,023	3,180,093
Accounts receivable	3	36,335,388	37,032,557
Receivables financing		1,460,887	2,102,130
Prepayments		12,282,364	11,501,808
Other receivables		3,771,356	3,526,815
Financial assets purchased under resale agreements		1,626,457	2,585,101
Inventories		53,789,306	47,296,351
Contract assets		23,302,758	22,347,381
Non-current assets due within one year		3,326,132	2,150,433
Other current assets		24,041,768	25,944,203
Total current assets		231,072,864	221,107,187
Non-current assets			
Loans and advances		6,582,682	8,708,524
Debt investments		151,895	152,040
Other debt investments		2,424,482	1,260,962
Long-term receivables		1,017,085	1,755,225
Long-term equity investments		14,977,754	14,664,306
Investment in other equity instruments		79,800	-
Other non-current financial assets		4,112,201	5,846,082
Investment properties		882,643	925,337
Fixed assets		21,883,338	23,336,971
Constructions in progress		6,483,531	5,449,861
Right-of-use assets		2,246,720	2,306,519
Intangible assets		10,527,449	10,909,957
Research and development expenditures		91,584	86,683
Goodwill		2,971,524	3,070,023
Long-term deferred expenses		540,531	512,387
Deferred tax assets		8,168,746	8,278,845
Other non-current assets		17,416,677	16,999,857
Total non-current assets		100,558,642	104,263,579
TOTAL ASSETS		331,631,506	325,370,766

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

CONSOLIDATED BALANCE SHEET (UNAUDITED) (CONT'D)
AS AT 30 JUNE 2026
(All amounts in RMB'000 Yuan unless otherwise stated)

	Notes	Unaudited 30 June 2026 RMB'000	Audited 31 December 2025 RMB'000
Current liabilities			
Short-term borrowings		12,174,829	10,066,806
Held-for-trading financial liabilities		9,968	38,564
Derivative financial liabilities		14,190	2,386
Notes payable		16,399,570	16,702,781
Accounts payable	4	75,538,491	70,637,292
Advances from customers		510,183	985,368
Contract liabilities		72,217,805	69,000,076
Deposits from customers, banks and other financial institutions		6,118,278	6,167,406
Employee benefits payable		3,993,437	5,247,768
Taxes payable		1,599,283	2,605,825
Other payables		8,412,019	8,355,843
Non-current liabilities maturing within one year		5,576,440	7,032,995
Other current liabilities		15,219,740	12,434,453
Total current liabilities		217,784,233	209,277,563
Non-current liabilities			
Long-term borrowings		19,509,588	25,835,719
Bonds payable	5	6,994,240	2,997,452
Lease liabilities		1,791,900	1,793,077
Long-term payables		982,788	1,063,791
Long-term employee benefits payable		166,349	180,141
Provisions		1,982,437	2,447,630
Deferred income		1,204,491	1,141,957
Deferred tax liabilities		630,087	648,569
Other non-current liabilities		123,329	78,113
Total non-current liabilities		33,385,209	36,186,449
Total liabilities		251,169,442	245,464,012
Owners' equity			
Share capital		15,540,122	15,540,122
Capital surplus		19,079,887	18,998,926
Other comprehensive income		(62,499)	129,282
Special reserve		149,964	132,699
Surplus reserve		6,044,402	6,044,402
Retained earnings	6	14,597,836	13,849,289
Total equity attributable to equity owners of the Company		55,349,712	54,694,720
Minority interests		25,112,352	25,212,034
Total owners' equity		80,462,064	79,906,754
TOTAL LIABILITIES AND OWNERS' EQUITY		331,631,506	325,370,766

SHANGHAI ELECTRIC GROUP COMPANY LIMITED

CONSOLIDATED INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2026

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

	Notes	Unaudited For the six months ended 30 June 2026 RMB'000	 2025 RMB'000
Total revenue		63,331,968	54,303,335
Including: Operating revenue	7	63,030,610	54,007,759
Interest income	7	299,543	295,015
Income from handling charges and commissions	7	1,815	561
Total cost of sales		60,955,177	52,136,586
Including: Operating cost	7	51,512,786	43,963,452
Interest expenses	7	26,335	43,242
Handling charges and commissions expenses	7	365	351
Taxes and surcharges	8	344,791	360,202
Selling and distribution expenses		1,553,811	1,481,932
General and administrative expenses		3,785,727	3,436,117
Research and development expenditures		3,086,809	2,545,795
Financial expenses - net		644,553	305,495
Including: Interest expenses		594,117	676,205
Interest income		246,534	275,260
Add: Other income		662,408	465,798
Investment income		1,403,810	1,058,818
Including: Share of profit of associates and joint ventures		1,112,920	822,267
Gain/(Loss) arising from derecognition of financial assets measured at amortized cost		10,086	(3,181)
Exchange (loss)/gain		(3,306)	4,722
(Loss)/ Gain on changes in fair value		(62,202)	25,700
Loss from credit impairment		(1,035,489)	(780,260)
Loss from asset impairment		(755,245)	(163,936)
(Loss)/ Gain on disposals of assets		(18,392)	35,682
Operating profit		2,568,375	2,813,273
Add: Non-operating income		46,262	41,643
Less: Non-operating expenses		43,770	23,249
Total profit		2,570,867	2,831,667
Less: Income tax expenses	9	898,450	784,753
Net profit		1,672,417	2,046,914
Attributable to equity owners of the Company		969,994	820,752
Minority interests		702,423	1,226,162

CONSOLIDATED INCOME STATEMENT (UNAUDITED) (CONT’D)
FOR THE SIX MONTHS ENDED 30 JUNE 2026

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

	Notes	Unaudited For the six months ended 30 June 2026 RMB’000	 2025 RMB’000
Other comprehensive income, net of tax		(194,885)	176,368
Attributable to equity owners of the Company		(191,781)	165,687
Other comprehensive income that will be subsequently reclassified to profit or loss		(191,781)	165,687
Changes in fair value of other debt investments		(10,148)	(1,658)
Provision for credit impairment of other debt investments and receivables financing		(5,403)	174
Cash flow hedges, net of tax		(730)	5,102
Exchange differences on translation of foreign operations		(175,500)	159,928
Others		-	2,141
Attributable to minority interests		(3,104)	10,681
Total comprehensive income		1,477,532	2,223,282
Attributable to equity owners of the Company		778,213	986,439
Attributable to minority interests		699,319	1,236,843
Earnings per share	10		
Basic earnings per share (RMB yuan/ share)		0.062	0.053
Diluted earnings per share (RMB yuan/ share)		0.062	0.053

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 half year, the Group was 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: provision of energy, environmental protection and automation engineering and services, including all kinds of traditional and new energy, comprehensive utilisation of solid wastes, sewage treatment, flue gas treatment, rail transit; provision of industrial Internet services; provision of financial services, including corporate finance, financial leasing, factoring, asset management and insurance brokerage; provision of park and property management services based on industrial real estate.

In the opinion of the Board, 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 periods. These consolidated financial statements include Shanghai Electric Group Company Limited and its subsidiaries.

2.1 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 on 15 February 2006 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.

The new Hong Kong Companies Ordinance came into effect on 3 March 2014. Certain related matters in the financial statements have been disclosed in accordance with the requirements of the Hong Kong Companies Ordinance.

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

3 Accounts receivable

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Accounts receivable	54,610,362	54,810,769
Less: Provision for bad debts	18,274,974	17,778,212
	36,335,388	37,032,557

The aging of accounts receivables was analysed as follows:

(i) The accounts receivable based on overdue aging was analysed as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Not overdue	20,904,860	23,091,096
Overdue within 1 year	9,668,522	8,287,332
Overdue 1 to 2 years	3,747,382	4,646,754
Overdue 2 to 3 years	3,035,306	2,630,070
Overdue 3 to 4 years	2,898,938	2,220,749
Overdue 4 to 5 years	2,055,321	4,294,992
Overdue over 5 years	12,300,033	9,639,776
	54,610,362	54,810,769

(ii) The aging of accounts receivable based on the date of entry was analysed as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Within 1 year	27,212,271	26,408,936
1 to 2 years	6,072,396	7,134,944
2 to 3 years	3,404,538	3,167,224
3 to 4 years	2,511,318	2,559,992
4 to 5 years	2,441,460	5,175,577
Over 5 years	12,968,379	10,364,096
	54,610,362	54,810,769

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

4 Accounts payable

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Accounts payable	75,538,491	70,637,292

The aging of accounts payable was analysed as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Within 3 months	50,373,183	46,242,745
3 to 6 months	5,384,494	4,567,391
6 months to 1 year	8,320,488	9,803,960
1 to 2 years	4,327,389	3,920,194
2 to 3 years	2,358,124	1,741,891
Over 3 years	4,774,813	4,361,111
	75,538,491	70,637,292

As of 30 June 2026, accounts payable over one year amounted to RMB 11,460,326 thousand (31 December 2025: RMB 10,023,196 thousand), mainly for project payments and material costs. Since the projects are not completed yet, this amount hasn't been finally settled.

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

5 Bonds payable

	31 December 2025	Addition in the current period	Interest accrued at par value	Amortisation of premium or discount	Repayment in the current period	30 June 2026
	(Audited)					(Unaudited)
25 Hudian MTN001(a)	1,000,086	-	9,670	173	-	1,009,929
25 Hudian MTN002(a)	1,000,086	-	9,670	173	-	1,009,929
26 Hudian MTN001(b)	-	2,000,000	9,416	(1,828)	-	2,007,588
26 Hudian MTN002(b)	-	2,000,000	9,416	(1,828)	-	2,007,588
25 Hufeng MTN002(c)	1,001,077	-	10,364	98	-	1,011,539
Less: Bonds payable due within one year	3,797					52,333
	2,997,452					6,994,240

(a) On 11 December 2025, the Company issued the first and second tranches of its 2025 Innovation and Technology Bonds. The bonds have a term of 3 years, with an issue date of 12 December 2025 and a maturity date of 12 December 2028. They were issued at par value, with a total issuance amount of RMB 1 billion for each tranche, a coupon rate of 1.85%, and interest payable annually.

(b) On 26 March 2026, the Company issued the first and second tranches of its 2026 Innovation and Technology Bonds. The bonds have a term of 3 years, with an issue date of 27 March 2026 and a maturity date of 27 March 2029. They were issued at par value, with a total issuance amount of RMB 2 billion for each tranche, a coupon rate of 1.69%, and interest payable annually.

(c) On 2 December 2025, Shanghai Electric Wind Power Group Co., Ltd., a subsidiary of the Group, issued its second tranche of 2025 Innovation and Technology Bonds. The bonds have a term of 3 years, with an issue date of 2 December 2025 and a maturity date of 2 December 2028. They were issued at par value, with a total issuance amount of RMB 1 billion, a coupon rate of 2.09%, and interest payable annually.

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

6 Dividends

On June 5, 2026, the 2025 annual general meeting of the Company approved the 2025 annual profit distribution plan, distributing a cash dividend of RMB 0.01425 per share (including tax) to all shareholders registered as of the record date.

The Board did not propose to declare an interim dividend of 2026.

7 Operating revenue and operating cost

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Revenue from main operations	61,214,794	51,581,756
Revenue from other operations	1,815,816	2,426,003
Interest income	299,543	295,015
Income from handling charges and commissions	1,815	561
	63,331,968	54,303,335

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Cost of sales from main operations	50,608,397	42,645,324
Cost of sales from other operations	904,389	1,318,128
Interest expenses	26,335	43,242
Handling charges and commissions expenses	365	351
	51,539,486	44,007,045

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

7 Operating revenue and operating cost (Cont'd)

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. The Group's segment information has been presented in Note 11.

Details of revenue from main operations are as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Sale of goods	49,982,915	42,868,244
Engineering construction	6,134,865	3,623,076
Rendering of services	5,097,014	5,090,436
	61,214,794	51,581,756

Details of revenue from other operations are as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Sales of raw materials and goods	867,454	1,608,493
Operating lease income	283,335	294,760
Finance lease income	34,492	39,311
Non-industrial labor services	376,619	130,775
Others	253,916	352,664
	1,815,816	2,426,003

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

7 Operating revenue and operating cost (Cont'd)

For the six months ended 30 June 2026(Unaudited)

	Sales of Goods			Engineering construction					
	China	Other Asian countries/ geographical areas	Other regions	China	Other Asian countries/ geographical areas	Other regions	Rendering of services	Others	Total
Revenue from main operations	42,526,533	1,390,141	6,066,241	2,656,368	3,303,714	174,783	5,097,014	-	61,214,794
Including: Recognised at a point in time	42,526,533	1,390,141	6,066,241	-	-	-	515,617	-	50,498,532
Recognised over time	-	-	-	2,656,368	3,303,714	174,783	4,581,397	-	10,716,262
Revenue from other operations	740,752	30,970	95,732	-	-	-	376,619	571,743	1,815,816
	43,267,285	1,421,111	6,161,973	2,656,368	3,303,714	174,783	5,473,633	571,743	63,030,610

For the six months ended 30 June 2025(Unaudited)

	Sales of Goods			Engineering construction					
	China	Other Asian countries/ geographical areas	Other regions	China	Other Asian countries/ geographical areas	Other regions	Rendering of services	Others	Total
Revenue from main operations	36,149,374	1,184,391	5,534,479	1,906,365	1,372,384	344,327	5,090,436	-	51,581,756
Including: Recognised at a point in time	36,149,374	1,184,391	5,534,479	-	-	-	752,057	-	43,620,301
Recognised over time	-	-	-	1,906,365	1,372,384	344,327	4,338,379	-	7,961,455
Revenue from other operations	1,562,841	14,138	31,514	-	-	-	130,775	686,735	2,426,003
	37,712,215	1,198,529	5,565,993	1,906,365	1,372,384	344,327	5,221,211	686,735	54,007,759

(i) For the six-month period ended 30 June 2026, 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.

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

8 Taxes and surcharges

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Real estate tax	82,143	77,365
City maintenance and construction tax	95,380	102,647
Stamp duty	60,107	58,945
Educational surcharge	73,903	74,249
Land use tax	19,896	19,195
Others	13,362	27,801
	344,791	360,202

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

9 Income tax expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Current tax	803,833	670,291
Deferred tax	94,617	114,462
	898,450	784,753

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 six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Total profit	2,570,867	2,831,667
Tax at the statutory tax rate (Note 1)	642,717	707,917
Lower tax rates for specific districts or concessions	(186,790)	(215,659)
Adjustments for current income tax of prior periods	36,782	39,685
Profits and loss attributable to joint ventures and associates	(274,049)	(192,029)
Income not subject to tax	(2,910)	(10,711)
Expenses not deductible for tax	33,347	46,101
Tax incentives on eligible expenditures	(131,983)	(105,298)
Utilization of previously unrecognised tax loss and deductible temporary differences	(47,230)	(36,538)
Tax loss and deductible temporary differences for which no deferred tax assets was recognised	828,566	551,285
Income tax expenses	898,450	784,753

Note 1: The Group's income tax is provided based on estimated taxable income in China and the applicable tax rates. Taxes on income assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

10 Earnings per share

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.

Basic earnings per share are calculated as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the parent company	969,994	820,752
Weighted average number of ordinary shares outstanding (Unit: 1,000 shares)	15,540,122	15,579,125
Basic earnings per share	RMB0.062 yuan	RMB0.053 yuan
Including:		
- Basic earnings per share from continuing operations:	RMB0.062 yuan	RMB0.053 yuan
- Basic earnings per share from discontinued operations:	-	-

Diluted earnings per share

Diluted earnings per share are calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of outstanding ordinary shares of the Company. For the six-month period ended 30 June 2026, the Company has no dilutive potential ordinary shares. Therefore, diluted earnings per share equals basic earnings per share.

11 Segment information

The Group's businesses are organised and managed separately based on business nature and the products and services provided. Each operating segment of the Group is a business group, which, distinctive from other operating segments, has its own risks in products and services and gains its own rewards.

Information of each operating segment is summarised as follows:

(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: provision of energy, environmental protection and automation engineering and services, including all kinds of traditional and new energy, comprehensive utilisation of solid wastes, sewage treatment, flue gas treatment, rail transit; provision of industrial Internet services; provision of financial services, including corporate finance, financial leasing, factoring, asset management and insurance brokerage; provision of park and property management services based on industrial real estate.

Management monitors the results of the business units separately for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on reported segment profit. Segment profit is an indicator of adjusted total profit, which is consistent with the Group's total profit but excludes interest income, financial expenses, dividend income, gains from changes in fair value of financial instruments and expenses of headquarters.

Financial assets held for trading, derivatives, dividends receivable, interest receivable, long-term equity investments, debt investments, other debt investments, investment in other equity instruments, other non-current financial assets, deferred tax assets and other undistributed assets of headquarters are not included in segment assets, which are under the unified management of the Group.

Financial liabilities held for trading, derivatives, dividends payable, interest payable, borrowings, income taxes payable, deferred tax liabilities and other undistributed liabilities of headquarters are not included in segment liabilities, which are under the unified management of the Group.

Inter-segment transfer prices are measured by reference to the prices of transactions with third parties.

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

11 Segment information (Cont'd)

(a) Segment information as at and for the six months ended 30 June 2026 was as follows (unaudited):

	Energy equipment	Industrial equipment	Integration services	Others	Unallocated	Elimination	Total
Revenue							
Including: Revenue from external customers	35,425,172	18,368,625	9,531,499	5,748	924	-	63,331,968
Inter-segment revenue	1,132,965	585,449	1,330,438	9,424	49,119	(3,107,395)	-
	36,558,137	18,954,074	10,861,937	15,172	50,043	(3,107,395)	63,331,968
Cost of sales	29,727,675	15,525,518	9,311,632	1,715	98	(3,027,152)	51,539,486
Loss from credit impairment	96,033	298,432	643,141	8	39,780	(41,905)	1,035,489
Loss from asset impairment	317,801	276,806	104,983	-	-	55,655	755,245
Depreciation and amortisation	1,005,209	467,620	419,828	14,757	104,612	-	2,012,026
Financial expenses	-	-	-	-	644,553	-	644,553
Share of profit of associates and joint ventures	-	-	-	-	1,112,920	-	1,112,920
Operating profit/(loss)	2,053,924	412,829	144,218	(138,480)	285,087	(189,203)	2,568,375
Non-operating income or expenses							2,492
Total profit							2,570,867
Assets and liabilities							
Total assets	249,680,809	62,107,329	155,828,918	716,495	15,062,591	(151,764,636)	331,631,506
Total liabilities	208,241,943	48,510,363	129,326,131	500,180	8,547,423	(143,956,598)	251,169,442
Non-cash expenses other than depreciation and amortisation	770,555	30,708	114,098	-	-	-	915,361
Increase in non-current assets	1,116,624	348,739	955,230	4,491	25,764	-	2,450,848

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

11 Segment information (Cont'd)

(b) Segment information as at and for the six months ended 30 June 2025 was as follows (unaudited):

	Energy equipment	Industrial equipment	Integration services	Others	Unallocated	Elimination	Total
Revenue							
Including: Revenue from external customers	29,105,813	17,968,807	7,208,778	17,954	1,983	-	54,303,335
Inter-segment revenue	1,010,507	629,396	1,051,653	24,021	36,976	(2,752,553)	-
	30,116,320	18,598,203	8,260,431	41,975	38,959	(2,752,553)	54,303,335
Cost of sales	24,297,194	15,518,329	7,016,363	25,001	64	(2,849,906)	44,007,045
Loss from credit impairment	243,692	163,814	530,515	(315)	21,254	(178,700)	780,260
Loss from asset impairment	193,558	(17,103)	(7,674)	(6)	-	(4,839)	163,936
Depreciation and amortisation	756,965	402,009	394,151	4,830	86,503	-	1,644,458
Financial expenses	-	-	-	-	305,495	-	305,495
Share of profit of associates and joint ventures	-	-	-	-	822,267	-	822,267
Operating profit/(loss)	1,607,085	620,397	248,368	(136,016)	501,451	(28,012)	2,813,273
Non-operating income or expenses							18,394
Total profit							2,831,667
Assets and liabilities							
Total assets	173,281,924	59,474,604	138,544,844	974,955	13,847,087	(73,223,324)	312,900,090
Total liabilities	128,495,884	45,294,617	106,651,966	215,902	4,741,235	(50,814,588)	234,585,016
Non-cash expenses other than depreciation and amortisation	547,754	65,771	155,312	-	-	-	768,837
Increase in non-current assets	2,097,809	409,948	657,404	6,444	22,682	-	3,194,287

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

11 Segment information (Cont'd)

(c) Revenue from external customers

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Mainland China	51,910,893	45,606,847
Other countries and geographical areas	11,421,075	8,696,488
	63,331,968	54,303,335

Revenue from external customers is attributed to the region where corresponding customers are located.

(d) Total non-current assets

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Mainland China	75,701,289	75,704,207
Other countries and geographical areas	2,400,262	2,557,694
	78,101,551	78,261,901

Non-current assets, excluding financial assets and deferred tax assets, are attributed to the region where the assets are located.

No single customer generated more than 10% of the Group's operating income for the six months ended 30 June 2026 and for the six months ended 30 June 2025.

RESULTS REVIEW AND MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2026, China's development took place in a period marked by both strategic opportunities and risks and challenges, accompanied by growing uncertainties. Amidst a complex and turbulent external environment, the domestic economy withstood pressure and sustained an overall stable development trajectory, progressing toward higher quality and more innovative growth. Adhering to the overarching principle of "serving national strategies, aligning closely with national needs, developing new quality productive forces, building core competitiveness, and achieving high-quality development", the Group advanced all work streams in a solid and orderly manner, laying a strong foundation for accomplishing the full-year targets.

RESULTS REVIEW

During the Reporting Period, the Company achieved total revenue of RMB63,332 million, representing a year-on-year increase of 16.6%. The gross profit margin of the Company for the Reporting Period was 18.6%. The net profit attributable to owners of the Company for the Reporting Period was RMB970 million, representing a year-on-year increase of 18.2%. The basic earnings per share of the Company for the Reporting Period was RMB0.062 yuan, representing a year-on-year increase of 17.0%.

During the Reporting Period, the Company secured new orders totaling RMB100.39 billion. Of the new orders, energy equipment amounted to RMB64.24 billion (including: coal-fired power generation equipment of RMB20.23 billion, nuclear power equipment of RMB4.57 billion, wind power equipment of RMB12.39 billion, and energy storage equipment of RMB11.44 billion), orders for industrial equipment amounted to RMB21.25 billion, and orders for integration services amounted to RMB14.91 billion.

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

1. Anchoring the Strategic Opening to Elevate Industrial Competitiveness

The Company adhered to strategic guidance and focused on its core business of high-end equipment manufacturing. Centered on the theme of "high-quality development", the Company remained committed to serving national strategies, with comprehensively deepening reforms as the focus, and using the start of the 15th Five-Year Plan as an opportunity to drive industrial upgrading. Aligned with our mission and responsibilities in serving the nation's quest for strength, advancing new industrialization, and contributing to the city's "Five Centers" development, the Company was deeply integrated into the transformative trends of intelligence, green development, and industrial convergence. The Company accelerated its transformation from a traditional equipment manufacturer to an integrated industrial intelligence service provider. With a firm focus on the strategic goals of the 15th Five-Year Plan, the Company is promoting the coordinated development of traditional industries, strategic emerging industries, and future industries. For traditional industries, the Company will rely on technological transformation and digital empowerment to enhance industrial competitiveness, striving to achieve independent control over core technologies and fortify the security foundation of industrial and supply chains. For strategic emerging industries, the Company will closely align with national strategies, refine technology and market plans, build self-controllable industrial chains, and cultivate diversified growth drivers. For future industries, the Company is making forward-looking arrangements in cutting-edge sectors such as AI-powered high-end equipment, hydrogen energy, intelligent robotics, commercial aerospace, and controlled nuclear fusion equipment, thereby building a tiered and synergistic industrial development pattern.

We seized the opportunities of the green transformation of the energy structure, driven by the dual engines of technological iteration and model innovation, deepened industrial chain expansion and collaboration, and supported the construction of a new clean, low-carbon, safe and efficient energy system. We deeply participated in national key fusion projects, in which two core equipment for the main machine system of the compact controlled nuclear fusion experimental device (BEST) — the first 1/8-sector vacuum vessel and the first two sets of mid-plane cold screens for the 1/8 sector vacuum vessel as well as the lower-port cold screen — were successfully manufactured, delivered, and accepted, laying a solid foundation for the main machine assembly and system integration of the project. This marked a major step forward in China's continuous pursuit of engineering-scale, localized, and independent manufacturing capabilities in the extreme manufacturing of fusion reactor components. During the Reporting Period, we continued to advance the core technology R&D and iteration of green fuels. We have built a comprehensive technology matrix covering renewable energy power generation, hydrogen production from electrolyzed water, biomass gasifiers, methanol synthesis and carbon capture. We successfully won the bid for and officially commenced the EPC Phase I, Section 1 of the Lanzhou New Area 100,000-tonne-per-year Biomass Green Methanol Project, the first biomass gasifier-to-green methanol project in Gansu Province, which marked the formal entry into the stage of scalable replication of our proprietary full-industry-chain technology system for green methanol production from biomass gasifiers coupled with green power following its successful validation in the Taonan demonstration project in Jilin Province. During the Reporting Period, we signed a contract with Inner Mongolia Baofeng Coal-based New Materials Co., Ltd. to supply eight 1250 Nm^3/h alkaline electrolyzers and the world's largest single-set 5000 Nm^3/h separation and purification system for the world's first single-plant largest-scale green hydrogen + coal to olefin coupling demonstration project.

We have consolidated our industrial foundation through intelligent manufacturing upgrading, high-end equipment breakthroughs and full life cycle services, and fostered a tiered and coordinated industrial development landscape. Phase I of the Large Forgings and Castings Industrial Capacity Upgrading Project undertaken by Shanghai Electric SHMP Casting & Forging Co., Ltd. officially broke ground in Minhang District. The project aims to build a research, manufacturing and application hub for large high-end materials serving Shanghai and the Yangtze River Delta region, as well as a world-class digital intelligent rapid forging production line for large special alloy ingots with a 100MN capacity, which will primarily cater to strategic frontier sectors including advanced nuclear energy, aviation, aerospace and marine engineering. In the field of industrial basic parts, our blade business has achieved a leap from traditional coal-fired power turbine industry to the aviation, aerospace, and gas turbine industries, and upgraded from a single-focus 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. In terms of elevator segment, Shanghai Mitsubishi Elevator Co., Ltd. ("SMEC"), a subsidiary of the Company, was awarded China's first carbon footprint certificate for high-speed elevators issued by the National Elevator Testing and Evaluation Center (NETEC). SMEC secured the contract for the 180,000th set of the LNK Smart Elevator Digital Solution, with digital transformation and service extension continuously deepened. During the Reporting Period, core manufacturing affiliates of the Company, including Shanghai Generator Works and Shanghai Power Station Auxiliary Machinery Factory Co., Ltd. under Shanghai Electric Power Generation Equipment Co., Ltd., Shanghai No.1 Machine Tool Works Co., Ltd., Wuxi Turbine Blade Co., Ltd. and Shanghai Electric Group (Zhangjiagang) Transformer Co., Ltd., were selected into the list of newly cultivated "Green Factories" for 2025 released by the Ministry of Industry and Information Technology.

2. Accelerating Market Expansion to Expand Diversified Business Landscape

We focused on supporting the construction of a new-type power system, consolidated our market position in the coal, gas and nuclear power sectors, strived to enhance our competitiveness in the new energy sector, and accelerated expansion and layout in multiple fields. In the nuclear power sector, we have mastered the manufacturing and inspection (testing) technologies for key nuclear power equipment, supporting China's three-step strategy for nuclear energy development. During the Reporting Period, we undertook a total of 18 nuclear island main equipment units, won bids for 2 sets of conventional island equipment, and successfully produced 9 nuclear island main equipment units, encompassing the fully promoted mass construction of Hualong No.1, the CAP series reactor projects, as well as major national engineering projects such as high-temperature gas-cooled reactors. In the field of coal-fired power, we continued to focus on the market of "three reforms linkages (三改聯動) " initiative for 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 continuously advanced traditional coal-fired power toward a new generation of green, low-carbon, high-efficiency and flexible coal-fired power technologies, providing solid support for China's energy structure optimization and energy security. During the Reporting Period, we won bids for the three main units of projects including SPIC Hainan Prefecture Gobi Base 4×660MW Project (國家電投海南州戈壁基地4×660MW) and Zhejiang Energy Changxing Power Plant Relocation 2×1000MW Project (浙能長興電廠遷建2×1000MW項目), as well as China Energy Gansu Badain Jaran Desert 4×1000MW Project (國家能源甘肅巴丹吉林沙漠4X1000MW項目). In terms of gas turbines, as the only domestic supplier of heavy-duty gas turbines with mature full-life-cycle supply and service capabilities, we signed a supply contract with CGN New Energy and we will provide four sets of gas turbines and the complete main equipment for combined cycles for the Jilin Lishu and Changling gas power projects, which will be supported with tailored special technical solutions and one-stop proprietary services covering the entire life cycle by adopting the "gas turbine + new energy" model. The No. 4 combined cycle unit of the Jiangyin Gas Turbine Cogeneration Project undertaken by us has successfully passed the 168-hour full-load trial operation. In terms of wind power, during the Reporting Period, we successively secured full turbine orders for key offshore wind projects including Fujian Changle Offshore Zone K, Hainan CZ2 Phase II, Jiangsu Qidong H4, Binhai South Zone H4 and Dongtai H5. We won bids for offshore wind projects with a total capacity exceeding 2GW, placing us among the industry leaders in market share. For onshore wind power, Shanghai Electric Wind Power Group Co., Ltd ("SEWP") (上海電氣風電集團股份有限公司), a subsidiary of the Company, obtained nearly one million kilowatts of annual wind power centralized procurement orders issued by State Power Investment Corporation, ranking first in both bid capacity and number of bid sections. We delivered a series of landmark onshore wind power projects and successfully expanded into emerging wind power application scenarios within Sinopec's oil and gas mining areas. The "Zhizhen 100" (至臻100) maintenance mother vessel of SEWP won bids for the safety support service contract for the Qingzhou No.5 and No.7 offshore conversion stations, which ranks as the world's largest-scale and highest-voltage flexible HVDC transmission project for far-offshore wind power, marking that the offshore operation and maintenance supporting capacity of SEWP has formally joined the service ecosystem for world-class mega projects. In terms of energy storage, the Huai'an Salt Cavern Compressed Air Energy Storage Demonstration Project, the world's largest compressed air energy storage power station in which we participated in construction, was fully commissioned. We supplied complete sets of equipment including air-cooled generators, electric motors, cold molten salt tanks and hot molten salt tanks for the project.

The 50MW/200MWh independent energy storage power project located in Shanghai Songjiang Free Trade Zone, where we serve as a participating constructor, officially broke ground. It is the first project to commence construction among Shanghai's first batch of independent energy storage power station construction schemes for 2026.

We advanced our "internationalization" strategy in an orderly manner, continuously enhancing our capabilities in global resource integration and system solutions. Through higher-level open collaboration, we promoted the transformation of overseas business from engineering equipment supply to localized in-depth development. During the Reporting Period, by leveraging its technological expertise in premium elevator solutions for high-end scenarios and its continuous expansion into overseas markets, SMEC won bids for the Phase II of the Palm Jebel Ali project in Dubai, for which it will provide 700 elevators and related supporting services. Our power transmission and distribution business made its maiden entry into the high-end European market at scale, won bids for the supply project for low- and high-voltage switchgear cabinets for hyper-scale data center in Finland, and will deliver highly reliable intelligent power distribution solutions for the campus. During the Reporting Period, we signed the contract for the Minety Phase II Shiling energy storage 50MW/150MWh project in the United Kingdom (英國門迪二期石嶺儲能50MW/150MWh項目), marking a phased achievement in our deep-rooted presence in the UK's premium energy storage market. Shenzhen Yinghe Technology Co., Ltd. ("**Yinghe Technology**") (贏合科技股份有限公司), a subsidiary of the Company, leveraging its technological accumulation and customized service capabilities in lithium battery manufacturing equipment, steadily expanded its overseas footprint, providing comprehensive new energy production solutions to clients across Europe, Southeast Asia, and other regions.

3. Advancing Technological Innovation to Forge New Quality Productive Forces

In the first half of 2026, Shanghai Electric advanced technological innovation along its dual tracks of "Energy Equipment + Industrial Intelligence": the "Suyuan 2.0" humanoid robot made its domestic debut, more than 40 AI agents were deployed across R&D, production, and maintenance scenarios, while green equipment solutions, including 25MW offshore wind turbines, all-vanadium redox flow battery/compressed air energy storage, and hydrogen internal combustion engine marine propulsion, continued to achieve breakthroughs, propelling high-end manufacturing toward greater autonomy and AI integration.

We regarded technological innovation as the core engine driving development, adhered to organized research, and achieved continuous breakthroughs in both common foundational technologies and critical core technologies, while playing a pioneering and leading role in developing new quality productive forces and attaining high-level self-reliance in science and technology. During the Reporting Period, 1300MW-class nuclear power water-hydrogen-cooled four-pole generator, which was independently developed by Generator Plant of Shanghai Electric Power Generation Equipment Co., Ltd. (上海電氣電站設備有限公司發電機廠), passed authoritative certification. Featuring proprietary intellectual property rights and overall technical performance reaching the world's leading level, the generator provided strong support for the mass construction of the Hualong No. 1 nuclear power units. The Sustainable Aviation Fuel Key Technologies and Pilot-scale Verification project, for which we undertook the construction of the main facilities, successfully produced 100% sustainable aviation fuel (SAF), with designed annual production capacity of up to 5000 tonnes for Grease-based SAF. The implementation plan for the Direct Green Power Supply Projects for Degradable Plastics, jointly filed by us and Shandong UniFortune Group (山東恒信集團), was officially approved, which is oriented toward the degradable plastics industry and aims to build a green resource circular power supply system featuring "new energy + energy storage + direct connection + industrial loads". In the low-altitude economy sector, the megawatt-class aviation hybrid propulsion system, jointly developed with our participation, completed ground performance tests for the megawatt-class hybrid propulsion system, filling the gap in the engineering application of high-power high-speed aviation generator systems.

We remained committed to open innovation, deepening collaboration with universities and scientific research institutes to build a robust and efficient ecosystem for scientific and technological innovation. During the Reporting Period, the "Shanghai Key Laboratory of Efficient Synthesis of Green Fuels (under preparation) (上海市綠色燃料高效合成系統工程重點實驗室（籌）)", led by Shanghai Electric and jointly established with East China University of Science and Technology, was officially inaugurated. The laboratory focuses on addressing forward-looking and disruptive technological challenges in the efficient synthesis and application of green fuels, including green alcohol, green ammonia, and sustainable aviation fuel. The "Shanghai Key Laboratory of Large-scale Casting and Forging Materials and Extreme Manufacturing for High-end Equipment (under preparation) (上海市大型鑄鍛件新材料與極端製造重點實驗室（籌）)" was also officially inaugurated, integrating Shanghai Electric's industrial expertise with the innovation resources of Shanghai Jiao Tong University, with a focus on tackling bottleneck material challenges critical to the implementation of major national strategies, including next-generation advanced nuclear power, nuclear fusion, deep-sea equipment, and heavy gas turbine. The Shanghai Electric sub-center (steam turbine) of the "National Key Laboratory of Structural Strength and Life of Major Equipment in Complex Service Environments (複雜服役環境重大裝備結構強度與壽命全國重點實驗室)" was jointly established by Shanghai Turbine Works Co., Ltd., Shanghai Electric Power Generation Equipment Co., Ltd. (上海電氣電站設備有限公司上海汽輪機廠) and Xi'an Jiaotong University, and was officially inaugurated. During the Reporting Period, "the Pilot Test Platform for Advanced Nuclear Energy Systems and Key Equipment and Materials for Future Nuclear Energy (先進核能系統及未來核能關鍵裝備及材料中試平台)" of Shanghai Electric Nuclear Power Group Co., Ltd. (上海電氣核電集團有限公司), a subsidiary of the Company, was selected for the second batch of the Ministry of Industry and Information Technology's Key Cultivation Pilot-Scale Platform list. Additionally, Shanghai Electric Power Transmission and Distribution Test Center was included in the Ministry of Industry and Information Technology's "Seventh Batch of Industrial Technology Infrastructure Public Service Platforms" list.

Our core industrial technologies have been continuously improved, and our independent R&D projects have received multiple awards. The project "R&D and Industrialization of Steam Generators and Reactor Pressure Vessels for Core Equipment of Hualong No. 1 Nuclear Island" (《華龍一號核島主設備蒸汽發生器、反應堆壓力容器研製及産業化》) led by Shanghai Electric Nuclear Power Equipment Co., Ltd., and the project "Homogenization Thermal Manufacturing Technology and Engineering Application of Large Forgings and Extra-Thick Plates for Extreme Environments" (《極端環境用大鍛件及特厚板的均質化熱製造技術與工程應用》) participated by Shanghai Electric SHMP Casting & Forging Co., Ltd., were awarded the Second Prize of the 2025 Shanghai Science and Technology Progress Award. The project "Key Technologies and Applications for Risk Prevention, Control and Resilience Regulation of High-Density Train Group Operations" (《高密度列車群運行風險防控與韌性調控關鍵技術與應用》) participated by Shanghai Electric Trusted & Safe Transportation Limited Company, and the project "High-Hardness and High-Toughness Nano-Multilayer Coated Cutting Tools and Key Technologies and Their Application in Aerospace Material Processing" (《高硬韌納米多層塗層刀具和關鍵技術及其在航空材料加工的應用》) participated by Shanghai Tool Works Co., Ltd., were awarded the Second Prize of the 2025 Shanghai Technology Invention Award. The project "Lubrication Material Technology and Engineering Application for Reliable Service of

Equipment under Extreme Conditions" (《極端工况裝備可靠服役潤滑材料技術及工程應用》) participated by Shanghai Tian'an Bearing Co., Ltd., was awarded the First Prize of the 2025 Gansu Science and Technology Progress Award. The project "Batch Manufacturing and Application Demonstration of Hollow Stationary Blades for Steam Turbines Based on Novel LPBF Laser Additive Manufacturing Process" (《基于新型LPBF激光增材工藝的汽輪機空心靜葉批量製造及應用示範》) submitted by Shanghai Electric was selected as a "Typical Application Scenario" case in the Ministry of Industry and Information Technology's "Outstanding Typical Cases of Future Industry Innovation and Development (First Batch)" (《未來産業創新發展優秀典型案例（第一批）》).

4. Focusing on Management Efficiency Enhancement to Strengthen the Foundation for Development

We have endeavored to enhance the quality and efficiency of management and control, deepened management reform, refined the management and control model, optimized resource allocation, and improved the Group's overall effectiveness. During the Reporting Period, the Company's treasury system was fully put into operation, achieving closed-loop online management across the entire process of core businesses including account management, financing and settlement, thereby building a solid safeguard for the Group's secure fund operations and providing strong support for the Group's digital and intelligent financial transformation and penetrating control. We were approved to access the supply chain note platform of the Shanghai Commercial Paper Exchange, becoming one of the first Shanghai state-owned enterprises to obtain such access qualification. This enables us to provide suppliers with services such as online price comparison and instant note discounting, delivering tangible cost reductions and efficiency improvements for upstream and downstream enterprises in the industrial chain, while significantly enhancing the centralized management and coordinated utilization capabilities of notes, and further advancing the Group's treasury system development. We have steadily and prudently advanced internationalization, establishing a "1+N+6" international business management architecture to coordinate global footprint expansion and localized operations, and enhance global resource allocation capabilities and management and control levels. During the Reporting Period, we set up regional headquarters in Central Asia, Southeast Asia, and the Middle East and North Africa, driving the Group's global business from decentralized presence towards collaborative integration, and ushering in a new stage of institutionalized, localized and in-depth development. We have advanced digital transformation by comprehensively strengthening digital management and control, building a unified digital platform to address complex management and control requirements across multiple tiers and business formats, and implementing a tiered, categorized, and precisely delegated management model to enable group-wide visibility, top-down linkage, and intelligent decision-making. We have made all-out efforts to drive digital transformation and upgrading, adhering to the principles of planning-led, phased implementation and dynamic optimization, accelerating enterprise digital transformation and upgrading, so as to promote cost reduction and efficiency improvement, and further realize flexible manufacturing. We have also made comprehensive arrangements for digital business, further optimizing industrial layout, reinforcing service and support capabilities, steadily consolidating and enhancing smart manufacturing and equipment, smart energy, and smart management, control and operation businesses, while accelerating the cultivation of incremental digital businesses and building independent core competencies.

We have consistently adhered to the principle of "talent as the primary resource", thoroughly implemented the strategy of strengthening the enterprise with talent in the new era, and continuously deepened the reform of talent development systems and mechanisms. Guided by market-oriented reforms, we have upheld the clear principle of "recognizing achievement through action and promoting based on performance", cultivating a composite talent team with international vision. We deepened the reform of the "three-capability mechanism" to stimulate the intrinsic motivation of employees, and fostered more industrial leaders, scientific and technological talents, and highly skilled craftsmen. We innovated incentive and constraint mechanisms driven by value creation and established a more market-competitive compensation allocation system. We improved the training and evaluation mechanism for core talents, launched the "Excellence E+" talent development program to accelerate the building of a high-quality talent team. Focusing on key core technologies, we established a training system for outstanding engineers featuring in-depth integration of "industry, university, research and application", piloted the "selecting the best candidates via open competition（揭榜掛帥）" for R&D mechanism, and innovated the profit-sharing mechanism for the commercialization of scientific and technological achievements. In addition, we organized training programs for chief technicians, model workers and skilled craftsmen, so as to accelerate the cultivation of versatile and highly skilled talents that meet the development needs of the high-end equipment manufacturing industry.

OUTLOOK

Looking ahead to the second half of 2026, we will take the Group's 15th Five-Year Strategic Plan as our guide. With "high-quality development" as the theme, we will adhere to the principle of "serving national strategies, aligning closely with national needs". Taking "full and rigorous Party self-governance" as the fundamental guarantee and with "comprehensively deepening reform" as the focus, we will concentrate on three new breakthroughs in efficient collaboration, internationalization and digitalization. We will firmly grasp the work approach of "serving national strategies, aligning closely with national needs, developing new quality productive forces, building core competitiveness, and achieving high-quality development", uphold the development direction of "high-endization, intelligence, greenization and integration", so as to open a new chapter of the high-quality development during the 15th Five-Year Plan period.

SIGNIFICANT EVENTS

Amendments to the Articles of Association and Its Appendices

In order to fully implement laws, regulations and regulatory requirements, and further enhance the level of corporate governance, according to the provisions of the Company Law of the People's Republic of China, the Guidelines for the Articles of Association of Listed Companies, and other relevant laws, regulations and normative documents, and having regard to the Company's actual circumstances in connection with its implementation of the repurchase of A shares through centralized price bidding for the purpose of reducing its registered capital, the Company proposed to make amendments to the Articles of Association and its appendices, namely the Rules of Procedure for the General Meeting and the Rules of Procedure for the Board of Directors. On 29 April 2026, the Board considered and approved, among other things, the resolution on the proposed amendments to the Articles of Association and its appendices. The above proposal was approved at the 2025 annual general meeting, 2026 first A share class meeting and 2026 first H share class meeting of the Company held on 5 June 2026. The latest version of the Articles of Association has been published on the websites of the Company and The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

Connected Transaction of Disposal of Equity Interest in Five Project Companies

On 29 April 2026, the Board considered and approved the relevant resolution, pursuant to which Shanghai Electric (Anhui) Investment Co., Ltd. * (上海電氣（安徽）投資有限公司), a wholly-owned subsidiary of the Company, was approved to transfer its 100% equity interest in Shanghai Electric (Wuhe) Biomass Thermal Power Co., Ltd.* (上海電氣（五河）生物質熱電有限公司), Shanghai Electric (Tianchang) Biomass Power Generation Co., Ltd.* (上海電氣（天長）生物質發電有限公司), Shanghai Electric (Mengcheng) Biomass Power Generation Co., Ltd.* (上海電氣（蒙城）生物質發電有限公司) and Shanghai Electric (Suixi) Biomass Power Generation Co., Ltd.* (上海電氣（濉溪）生物質發電有限公司) to SEGC by way of non-public transfer agreement, and Shanghai Electric Investment Co., Ltd.* (上海電氣投資有限公司), a wholly-owned subsidiary of the Company, was approved to transfer its 100% equity interest in Shanghai Electric Xiangshui Biomass Power Generation Co., Ltd.* (上海電氣響水生物質發電有限公司) to SEGC by way of non-public transfer agreement. The total consideration amounted to RMB426.91 million. Upon completion of the equity transfers, the five project companies ceased to be subsidiaries of the Company. The Group no longer holds any interest in the five project companies, and their financial results are no longer consolidated into the Group's accounts. As at the date of this announcement, the above transaction has been completed.

Connected Transaction of Acquisition of 58.02% of the Shares in Anwha Automation

On 17 June 2026, the Board 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 (Shanghai) Automation Engineering Co., Ltd. * (昂華（上海）自動化工程股份有限公司) ("**Anwha Automation**") by way of non-public agreement transfer. The total transaction amount is RMB204.3484 million. Among the foregoing, Yinghe Technology was approved to acquire 58.02% of the shares in Anwha Automation held by SEGC for a consideration of RMB118.5629 million, and to acquire the remaining 41.98% of the shares from eight shareholders other than SEGC (all being independent third parties of the Company under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Hong Kong 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. As at the date of this announcement, the above transaction is still in progress.

Material Arbitrations in Relation to the Sasan Project in India

In June 2008, the Company and Reliance Infra Projects (UK) Limited ("**Reliance UK**") entered into the Equipment Supply and Service Contract (the "**Contract**") with a contracted amount of USD1,311,000,000, pursuant to which, the Company (as the supplier) shall provide major equipment and relevant services for the project of Sasan 6*660MW Ultra Large Supercritical Coal-fired Power Station in India, Reliance Infrastructure Limited ("**Reliance**") issued the letter of guarantee for the payment obligations of Reliance UK under the Contract, and Sasan Power Limited (the "**Sasan Power**") owned and operated the power station. Since Reliance UK still failed to pay for the equipment purchased and other relevant payables to the Company after the project commenced commercial operation for several years, the Company filed an arbitration application with the Singapore International Arbitration Centre ("SIAC") in December 2019, requiring Reliance to pay for equipment purchased and other relevant payables in the amount of at least USD135,320,728.42 to the Company as agreed in the letter of guarantee issued by Reliance for Reliance UK (the "**First Arbitration**"). In December 2021, the Company received a notice of acceptance for an arbitration brought by Reliance UK against the Company issued by the SIAC, pursuant to which Reliance UK requested the Company to compensate it for losses of approximately USD388.75 million related to the contract (the "**Second Arbitration**"). Reliance UK also believed that the letter of performance guarantee was unreasonably released and requested the Company to issue a letter of performance guarantee in the amount of approximately USD120.175 million to guarantee its claims. In December 2022, the Company received the award issued by the SIAC for the First Arbitration, which ordered Reliance to pay the sum of USD146,309,239.27 to the Company. In May 2023, the Company received a notice from the Singapore International Commercial Court (the "SICC") that Reliance has filed an application to the SICC seeking to have the award for the First Arbitration by the SIAC set aside. The application was accepted by the SICC. In January 2024, the Company received a notice from the SICC that the SICC had entered a judgment, rejecting Reliance's application to set aside the award for the First Arbitration in its entirety and also ordering Reliance to pay to the Company the litigation costs related to this case. In June 2026, the Company received the award issued by the SIAC for the Second Arbitration, which dismissed all substantive claims brought by Oxagon Enterprises Limited (formerly Reliance UK). The dismissal carries preclusive effect, and the Company prevailed in the case.

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 to the Hong Kong Listing Rules in relation to dealings in the shares of the Company by the directors of the Company , and all directors of the Company confirmed that they have complied with the requirements set out in the Model Code during the period from 1 January 2026 to 30 June 2026. The Company is not aware of any breach of the Model Code by any of its employees.

CORPORATE GOVERNANCE FUNCTIONS

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 was of the view that the Company complied with all applicable provisions of the Corporate Governance Code contained in Appendix C1 to the Hong Kong Listing Rules (the "**Code**"), except for the deviation from requirements of code provision F.1.3. Pursuant to code provision F.1.3, 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 2025 annual general meeting due to business arrangements, Mr. WANG Chenhao, an executive director of the Company, chaired and presided over the 2025 annual general meeting.

REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The Audit Committee is responsible for the communication, supervision and review of the Company's internal and external audit work and providing professional advice to the Board. The Audit Committee has reviewed and confirmed the Group's interim results and interim financial report for the six months ended 30 June 2026 and has raised no objection to the accounting policies and practices adopted by the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

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)) have been made by the Company or any of its subsidiaries.

As at the end of the Reporting Period, the Company did not hold any treasury shares (including any treasury shares held or deposited in the Hong Kong CCASS).

INTERIM DIVIDEND

The Board did not propose to declare an interim dividend in respect of the Reporting Period.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

During the period from the end of the Reporting Period to the date of this announcement, no significant events have occurred with respect to the Group.

DISCLOSURE OF INFORMATION ON HONG KONG 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 2026 interim 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 Hong Kong 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 August 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 purposes only*