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上海集優機械股份有限公司

Shanghai Prime Machinery Company Limited

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

(Stock Code: 02345)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**SPM EGM**”) of Shanghai Prime Machinery Company Limited (“**SPM**”) will be held at 9:00 a.m. on Monday, 11 January 2021 at Meeting Center, North 6th Floor, 2747 Songhuajiang Road, Hongkou District, Shanghai, PRC, for the purpose of considering and, if thought fit, passing the following resolution. Unless otherwise stated, capitalised terms used herein shall have the same meanings as defined in the composite document jointly issued by SEG, SPM and Shanghai Prime Mingyu Machinery Technology Co., Ltd.* (上海集優銘宇機械科技有限公司) (the “**Offeror**”) dated 11 December 2020.

AS SPECIAL RESOLUTION

- (1) (a) To consider and, if thought fit, to approve, confirm and ratify the Merger Agreement dated 15 October 2020 entered into between SPM and the Offeror and the Merger and the transactions contemplated under the Merger Agreement.
- (b) To consider and, if thought fit, to approve that any director and/or Company Secretary of SPM be authorised to do all such acts and things, to sign and execute all such other documents, deeds and instruments, to make applications to the relevant regulatory authorities and to take such steps as he may consider necessary, appropriate, expedient and in the interest of SPM to give effect to and in connection with any transactions contemplated under the Merger Agreement.

By order of the Board
Shanghai Prime Machinery Company Limited
Zhou Zhiyan
Chairman of the SPM Board

Shanghai, the PRC
11 December 2020

* *for identification purpose only*

As at the date of this notice, the Board consists of executive directors, namely Mr. Zhou Zhiyan, Mr. Zhang Mingjie, Mr. Si Wenpei, Mr. Xiao Yuman and Mr. Xia Sicheng; non-executive director, namely Mr. Dong Yeshun; and independent non-executive directors, namely Mr. Ling Hong, Mr. Chan Oi Fat and Mr. Sun Zechang.

Notes:

1. As set out in the Composite Document, it is one of the conditions to the effectiveness of the Merger Agreement that the special resolution in the SPM EGM approving the Merger under the Merger Agreement is passed by not less than two-thirds of the votes cast by way of poll by the SPM Shareholders present and voting in person or by proxy at the SPM EGM.
2. The register of members of SPM will be closed from Wednesday, 6 January 2021 to Monday, 11 January 2021 (both dates inclusive), during which no registration of transfers of SPM shares will be processed. If applicable, the SPM shareholders and the SPM H Shareholders intending to attend the SPM EGM and the SPM H shareholders' class meeting respectively must lodge their respective transfer documents and relevant share certificates with SPM H share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for the holders of H shares) or the Board office of SPM at South 4th Floor, 2747 Songhuajiang Road, Hongkou District, Shanghai, PRC (for the holders of domestic shares) no later than 4:30 p.m. on Tuesday, 5 January 2021.
3. A shareholder entitled to attend and vote at the SPM EGM may appoint one or more proxies (whether he/she is a shareholder) to attend and vote at the SPM EGM on his or her behalf. The form of proxy shall contain the number of the shares to be represented by the proxy. If several persons are authorised as the proxies of a shareholder, the form of proxy shall specify the number and class of shares to be represented by each proxy.
4. The form of proxy shall be signed by the appointer or his attorney duly authorised in writing or, in the case of a legal person, must be either executed under its common seal or under the hand of its directors or attorney duly authorised.
5. To be valid, the form of proxy must be lodged with SPM H share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for the holders of H shares), or to the Board office of SPM at South 4th Floor, 2747 Songhuajiang Road, Hongkou District, Shanghai, PRC (for the holders of domestic shares) not less than 24 hours prior to the holding of the SPM EGM. If the form of proxy is signed by another person under a power of attorney or other authorisation documents given by the appointer, such power of attorney or other authorisation documents shall be notarised. The notarised power of attorney or other authorisation documents shall, together with the form of proxy, be deposited at the specified place at the time set out in the form of proxy.
6. If the appointer is a legal person, its legal representative or any person authorised by resolutions of the board of directors or other governing bodies may attend the SPM EGM on behalf of the appointer.
7. SPM has the right to request a proxy who attends the SPM EGM on behalf of a shareholder to provide proof of identity. If a legal person shareholder appoints its representative to attend the meeting, SPM is entitled to require the representative to present his own identification document and a notarially certified copy of the resolution or power of attorney authorised by the board of directors or other competent body of such legal person shareholder (except for a recognised clearing house as defined by relevant ordinances in force from time to time in accordance with Hong Kong laws or its proxies).
8. SPM Shareholders intending to attend the SPM EGM must return the reply slip to SPM H Share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (for the holders of SPM H Shares) by hand or by post, or to the SPM Board office at South 4th Floor, 2747 Songhuajiang Road, Hongkou District, Shanghai, PRC (for the holders of SPM Domestic Shares) by hand or by post on or before Monday, 21 December 2020.

9. Contact details of the SPM Board office in the PRC are as follows:

Address : South 4th Floor, 2747 Songhuajiang Road, Hongkou District, Shanghai, PRC

Telephone number : (+86 21) 6472 9900-8111

Fax number : (+86 21) 6472 9889