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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)

REVISED TIMETABLE IN RELATION TO THE RIGHTS ISSUE

Reference is made to the announcements of Shanghai Prime Machinery Company Limited (the “**Company**”) dated 21 June 2018 and 20 August 2018 (the “**Announcements**”) in relation to the rights issue. Unless otherwise defined, terms used in this announcement shall have the same meaning as those defined in the Announcements.

The Board is pleased to announce that, the Company has obtained the approval of the CSRC on 8 October 2018. Accordingly, the timetable of the Rights Issue has been revised as set out in this announcement.

REVISED TIMETABLE IN RELATION TO THE RIGHTS ISSUE

H Share Rights Issue Timetable

The timetable of the H Share Rights Issue is revised as follows:

Last day of dealings in H Shares on a cum-rights basis	Wednesday, 7 November 2018
First day of dealings in H Shares on an ex-rights basis	Thursday, 8 November 2018
Latest time for lodging transfers of H Shares in order to qualify for the H Share Rights Issue	4:30 p.m., Friday, 9 November 2018
Register of the H Shareholders closed (Both days inclusive)	Monday to Thursday, 12 to 15 November 2018

H Share Record Date	Thursday, 15 November 2018
Despatch of Prospectus Documents	Friday, 16 November 2018
Register of the H Shareholders re-opens	Friday, 16 November 2018
First day for acceptance of and payment for H Rights Shares and application and payment for excess H Rights Shares	Monday, 19 November 2018
First day of dealings in Nil Paid H Rights	9:00 a.m., Tuesday, 20 November 2018
Latest time for splitting Provisional Allotment Letters	4:30 p.m., Thursday, 22 November 2018
Last day of dealings in Nil Paid H Rights	4:00 p.m., Tuesday, 27 November 2018
Latest time for acceptance of and payment for H Rights Shares and application and payment for excess H Rights Shares	4:00 p.m., Friday, 30 November 2018
Latest time for the termination of the Underwriting Agreement and for the H Share Rights Issue to become unconditional	5:00 p.m., Wednesday, 5 December 2018
Announcement of results of acceptance of and excess applications for H Rights Shares	Friday, 7 December 2018
Despatch of certificates for fully-paid H Rights Shares	Monday, 10 December 2018
Despatch of refund cheques in respect of wholly or partially unsuccessful applications for excess H Rights Shares	Monday, 10 December 2018
Commencement of dealings in H Rights Shares in fully-paid form	9:00 a.m., Tuesday, 11 December 2018

Domestic Share Rights Issue Timetable

The timetable of the Domestic Share Rights Issue is revised as follows:

Domestic Share Record Date	Thursday, 15 November 2018
First day for acceptance of and payment for the Domestic Rights Shares	Monday, 19 November 2018
Last day for acceptance of and payment for the Domestic Rights Shares	4:00 p.m., Monday, 3 December 2018

CONDITIONS OF THE RIGHTS ISSUE

Conditions of the H Share Rights Issue

As set out in the Announcements, the H Share Rights Issue will be conditional upon the fulfilment of the following conditions:

- (i) the approval of the Rights Issue by the Board;
- (ii) the approval of the Rights Issue by the boards of directors of Shanghai Electric and SEG;
- (iii) the registration of the Prospectus Documents to the H Shares Qualifying shareholders on or before the Prospectus Date;
- (iv) the approval of the H Share Rights Issue by the State-owned Asset Regulator;
- (v) the approval of the H Share Rights Issue by the CSRC;
- (vi) the Executive granting a waiver of the obligation of Shanghai Electric to make a general offer for the shares of the Company pursuant to Rule 26.1 of the Takeovers Code as a result of the Rights Issue and the subscription of the H Rights Shares by SEC HK under the Underwriting Agreement;
- (vii) the Listing Committee of the Hong Kong Stock Exchange agreeing to grant the listing of, and permission to deal in, the Nil Paid H Rights and the H Rights Shares in their fully-paid forms, either unconditionally or subject to such conditions which the Company accepts; and

- (viii) the delivery to the Hong Kong Stock Exchange and filing and registration of all documents in relation to the H Share Rights Issue as required by law to be filed by and registered with the Registrar of Companies in Hong Kong.

In addition to the conditions above, as the H Share Rights Issue and the Domestic Share Rights Issue are inter-conditional, the Company will not proceed with the H Share Rights Issue if the Domestic Share Rights Issue fails to become unconditional.

None of the conditions above can be waived by the Company or the Underwriter. Conditions (i), (ii), (iv), (v) and (vi) have been satisfied as at the date of this announcement. **If any of the conditions is not fulfilled, the H Share Rights Issue will not proceed.**

Conditions of the Domestic Share Rights Issue

As set out in the Announcements, the Domestic Share Rights Issue is conditional upon the fulfilment of the following matters:

- (i) the approval of the Rights Issue by the Board ;
- (ii) the approval of the Rights Issue by the board of directors of Shanghai Electric and SEG, respectively;
- (iii) the approval of the Domestic Share Rights Issue by the State-owned Asset Regulator; and
- (iv) the approval of the Domestic Share Rights Issue by the CSRC.

None of the conditions above can be waived by the Company or the Underwriter. All conditions have been satisfied as at the date of this announcement.

In addition to the conditions above, as the H Share Rights Issue and the Domestic Share Rights Issue are inter-conditional, the Company will not proceed with the Domestic Share Rights Issue if the H Share Rights Issue fails to become unconditional.

Shareholders and potential investor of the Company should note that the Rights Issue may or may not proceed and will be subject to, among others, the terms and conditions of the Underwriting Agreement. If any of the conditions of the H Share Rights Issue are not fulfilled, the H Share Rights Issue will not proceed. The Underwriting Agreement contains provisions entitling SEC HK as the Underwriter by notice in writing to terminate the Underwriting Agreement upon the occurrence of certain events. In the event that the Underwriting Agreement

does not become unconditional or if it is terminated in accordance with the terms thereof, the H Share Rights Issue will not proceed. As the H Share Rights Issue and the Domestic Rights Issue are inter-conditional, the Domestic Rights Issue will not proceed as well under such circumstance.

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

Shanghai, the PRC
12 October 2018

As at the date of this announcement, the Board consists of Executive Directors, namely Mr. Zhou Zhiyan, Mr. Xiao Yuman, Mr. Zhang Mingjie, Mr. Zhang Jie and Mr. Chen Hui; Non-executive Director, namely Mr. Dong Yeshun, and Independent Non-executive Directors, namely Mr. Ling Hong, Mr. Chan Oi Fat and Mr. Sun Zechang