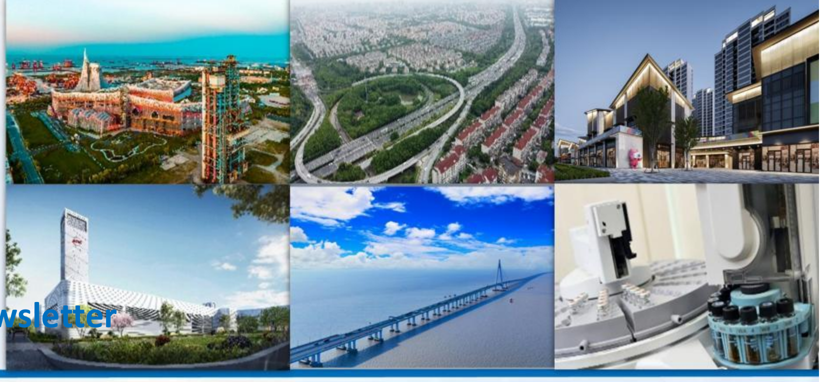
上海實業控股有限公司
SHANGHAI INDUSTRIAL HOLDINGS LIMITED
股份代號: 363.HK



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Company News

SIHL (0363.HK) 2025 Annual General Meeting Approves Key Resolutions

On May 27, SIHL held its 2025 Annual General Meeting. During the meeting, shareholders reviewed and approved key resolutions, including the declaration of a final dividend of HK52 cents per ordinary share for the year ended 31 December 2024; the re-election of Mr. Zhang Qian, Mr. Xu You Li, and Mr. Yuen Tin Fan, Francis as Directors of the Company; and the extension of the general mandate granted to the Board of Directors to issue shares, which includes additional shares by the number of shares repurchased.

SIHL (0363.HK) Disposal of Listed Securities Due to the Privatisation of Canvest

On May 22, SIHL (through True Victor, an indirect wholly-owned subsidiary of the Company) held 475,251,000 Canvest Shares, representing approximately 19.47% of the total issued share capital of Canvest Environmental Protection Group Company Limited. As the Scheme has been sanctioned by the Grand Court of the Cayman Islands on 20 May 2025 (Cayman Islands time), upon the Effective Date all the Canvest Shares subject to the Scheme (including the Disposal Shares which are owned by the Group) will be cancelled in exchange for the Cancellation Price. The Cancellation Price for each Disposal Share is HK$4.90, representing a premium of approximately 0.4% to the closing price of HK$4.88 per Disposal Share as quoted on the Stock Exchange on 20 May 2025.

Four Core Businesses

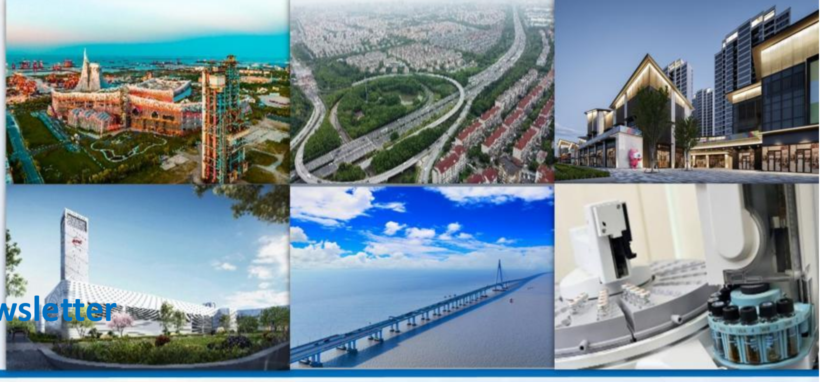
Infrastructure and Environmental Protection
Comprising water services, toll roads and investments in new business arena. SIHL owns three toll roads in Shanghai. The water services business operates through two platforms, namely SIIC Environment (807.HK/BHK SG) and General Water of China.

Comprehensive Healthcare Operations
Shanghai S.I. Yangtze River Delta Ecological Development Co., Ltd., of which the Company indirectly holds a 50% equity stake, successfully acquired a 40% equity stake in Shanghai Pharmaceutical Group. Currently, Shanghai Pharmaceutical Group holds 19.38% of A shares of Shanghai Pharmaceuticals (601607 SSE, 2607 HKSE), a company listed both in Shanghai and Hong Kong, which makes it the single largest shareholder of its A shares.

Real Estate
Comprising property development, investment properties and property management. The two real estate operating platforms are SI Development (600748.SSE) and SI Urban Development (563.HK).

Consumer Products
Comprising two leading companies, namely Nanyang Tobacco and Wing Fat Printing, covering tobacco business with "Double Happiness" as its flagship brand, as well as printing/packaging and moulded fibre businesses respectively.

WeChat Official Account



Company News

The aggregate consideration for SIHL's disposal of Canvest shares is HK$2.329 billion. SIHL subscribed to HK$1,637 million exchangeable bonds from the major shareholder of Canvest in 2023. This time, the company redeemed the bonds in advance due to the privatization of Canvest. The principal, interest and compensation for early redemption totaled approximately HK$1,700 million. That is, the sale of shares plus the redemption of exchangeable bonds recovered a total of approximately HK$4,000 million.

The disposal will significantly enhance the Group's cash flow level and allow for timely reallocation of resources to other investment opportunities, thereby fully safeguarding the overall interests of the Company and its shareholders.

SIHL (0363.HK) Announces 2024 Environmental, Social, and Governance (ESG) Report

On April 16, SIHL released its Environmental, Social and Governance Report, highlighting the Group’s ESG performance for the year 2024. As stated in the report, this covers its principal businesses, including infrastructure facilities (water-related businesses), real estate, and consumer products (tobacco business and printing business), which are conducted in Mainland China and Hong Kong.

The report states that the Board leads the development of strategies for the Group’s environmental, social and governance issues as well as managing their performance and reporting. The ESG Steering Committee comprising the Group’s senior management directs the environmental, social and governance issues, and is responsible for formulating strategies and policies for sustainable development and effectively identifying and managing risk management matters that are related to sustainable development in a timely manner. In addition, a social, environmental and corporate governance planning and information disclosure working team (the “ESG Working Team”) comprising the heads of various business units facilitates and monitors and reports the progress of sustainable development issues regularly to the management of the Group. This governance structure has incorporated the expertise and experience of the business units, enabling them to facilitate the development of the Group’s sustainable development.

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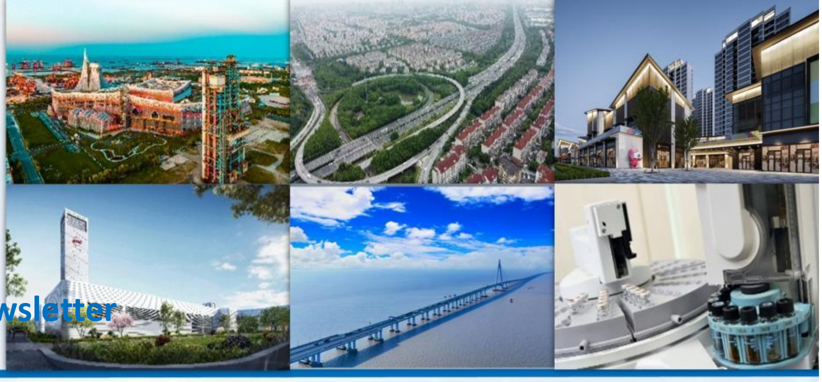


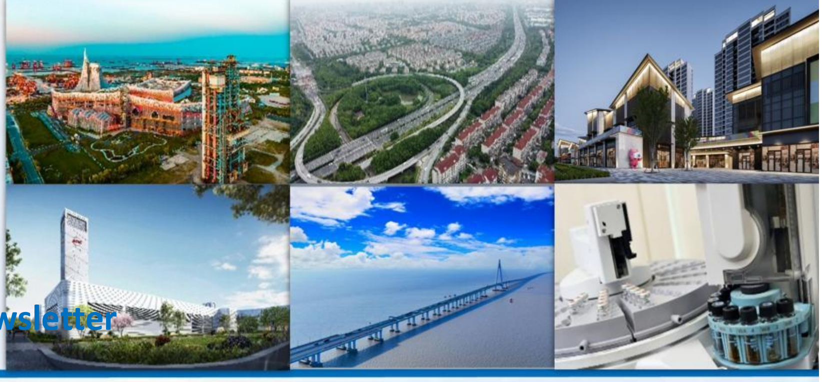
Company News

The Group gives high priority to environmental protection, and continuously explores opportunities and applies advanced technologies to minimise consumption of energy and resources, reduce wastes and contribute to the green development of the society. The Group strictly complies with the laws and regulations in which it operates related to air and greenhouse gas emissions, discharges into water and soil, and hazardous and non-hazardous wastes which have a significant impact on the Group.

The report further states that the Group regards green development as an integral part of our operation concept, and the real estate business of the Group adopts the green construction management concept of environmental protection and energy saving as our primary goal. Green construction involves not only construction of temporary drainage systems, temporary roads, and temporary construction facilities on site, but also construction of building structures and the production, processing and installation of building structural raw materials, components and parts. It covers different stages including construction planning, material procurement, on-site construction, and project inspection and completion.

In addition, the Group is proactively transforming into a low-carbon economy by switching to cleaner energy sources to reduce greenhouse gas emissions as a vital part for the Group to carry out sustainable development. In order to fulfill our commitment, we aim to gradually reduce air pollution and greenhouse gas emissions every year by using diesel fuel with lower sulphur content, purchasing models with less environmental impact when replacing production facilities and conducting regular training on environmental protection for employees.

Meanwhile, the Group will continue to monitor Scope 1 and Scope 2 greenhouse gas emissions to further set quantitative targets in order to achieve “carbon neutrality” in Hong Kong and China’s goals of “capping carbon emissions and achieving carbon neutrality”, while identifying opportunities to reduce emissions in businesses and contribute to the mitigation of climate change.

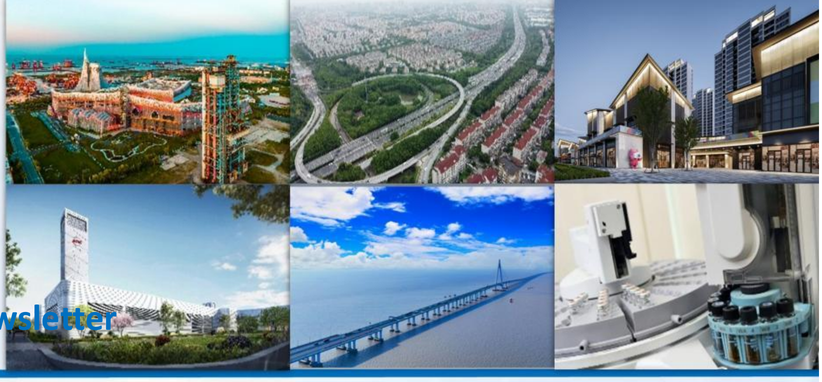


Company News

The Group has also initiated its evaluation of Scope 3 greenhouse gas emissions during the Reporting Year. This evaluation will calculate and disclose greenhouse gas emissions in three categories of Scope 3 based on fuel and energy usage data, business travel data and employment data. Such categories cover the greenhouse gas emissions from “fuel- and energy-related activities”, “business travel” and “employee commuting”. The Group will continue to improve the management of Scope 3 carbon emission data to enhance the completeness and availability of the data and hence continuously improve the quality of Scope 3 disclosure.

In terms of anti-corruption, the Group places great importance on corporate integrity and honesty, strictly adheres to laws and regulations relating to bribery, extortion, fraud and money laundering in which it operates. The Group also launched anti-corruption training activities in different forms such as thematic counselling seminars, forums, and visits to integrity education bases to enhance the professionalism of directors and employees in practicing integrity, which established and monitored the responsibility system and accountability system as well as developed an excellent corporate integrity culture.

In terms of social responsibility, as an established red chip company with a strong presence in the society, it has built a rapport with the local communities and fulfills community responsibilities. In 2024, it promoted its social responsibility work mainly through supporting education, helping the poor, promoting knowledge on the use of water and social health. The Group combines corporate brand development with proper use of corporate resources and innovates the pattern of charity and public welfare activities. By voluntarily initiating various public welfare activities, the Group actively demonstrates its commitment to caring for and giving back to society.



Research Report

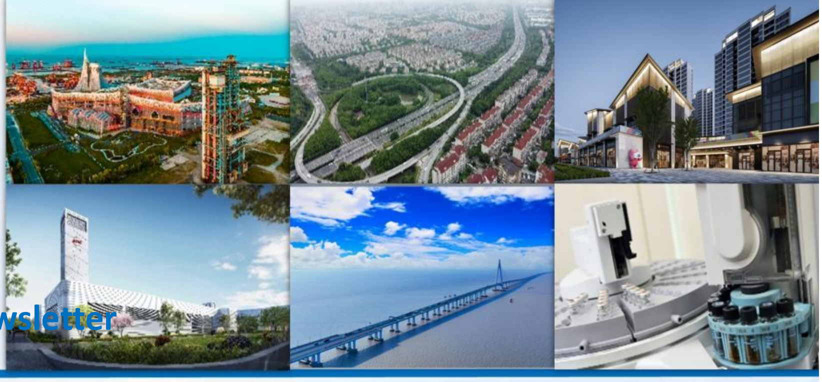
Southwest Securities Initiates Coverage on SIHL (0363.HK) with a "Buy" Rating

Southwest Securities has released a research report initiating coverage on SIHL, assigning a "Buy" rating and setting a target price of HK$15.03. The main viewpoints are as follows:

(i) Diversified business model ensures counter-cyclical and stable operations.
Since 2019, the company's revenue and net profit attributable to shareholders have experienced fluctuations due to factors such as real estate market regulations, changes in the macroeconomic environment, and strategic adjustments. However, supported by a diversified earnings structure, the company has maintained relatively stable profitability. In 2024, revenue declined primarily due to a sharp drop in income from property handovers by Shanghai Industrial Development Co.,Ltd. The profit decrease was also attributable to the fact that the "SI • Seaside Bay " project, in which the company holds a 49% equity stake, had made a significant profit contribution in the previous year from property handovers.

(ii) Toll road business continues steady growth.
The company operates three toll roads, all of which saw increases in traffic volume and toll revenue in 2024. Total net profit attributable to shareholders from this segment reached HK$1.081 billion, with a high profit margin of 53.3%, contributing 41.1% to the company's total operating profit. Infrastructure in the form of roads and bridges continues to provide stable long-term income. Some segments have implemented a quasi-free-flow tolling system, significantly improving traffic efficiency during peak periods and leaving room for further profit margin expansion.

(iii) Real estate business shows resilience amid industry volatility.
The company's real estate business includes both property development and investment, covering residential and commercial properties. In 2024, the real estate segment recorded a loss of HK$236 million, turning from profit to loss compared to the previous year, accounting for -7.7% of the company's total net profit. As of the end of 2024, the company held a total land reserve of 4.2 million square meters. With advantages such as low land costs and a highly capable operations team, SI Holdings' real estate business demonstrates strong value-added and profit-generating potential.



Research Report

(iv) Dividend payout ratio remains at a relatively high level.

Since 2000, the company has distributed dividends 53 times, with cumulative payouts reaching HK$21.38 billion, representing a cumulative payout ratio of 33%. In recent years, driven by its diversified business and strong cash flow, the company has maintained stable annual dividend payments. In 2024, the full-year dividend was HK$0.94 per share, including an interim dividend of HK$0.42 and a final dividend of HK$0.52, reflecting a payout ratio of 36.4% and a dividend yield of 8%.

Infrastructure and Environmental Protection Business

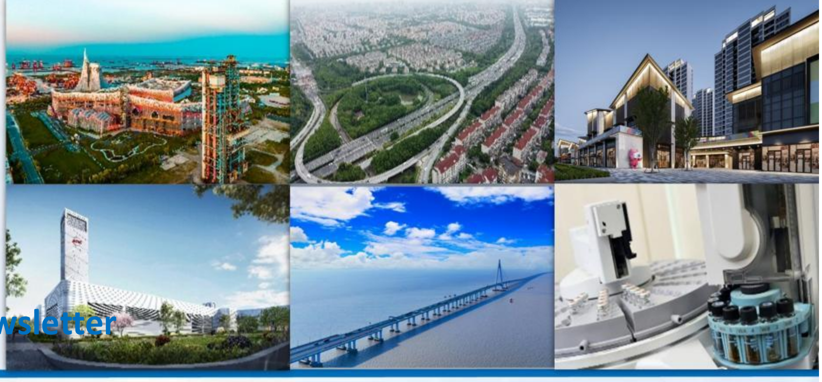
SIIC Environment (0807.HK) Announces Change of Place of Business Address in Hong Kong

On May 30, the Board of Directors of SIIC Environment Holdings Ltd. announced that the place of business in Hong Kong of the Company will be changed to Room 1601, 16th Floor, Wing On Centre, 111 Connaught Road Central, Hong Kong with effect from 1 June 2025.

SIIC Environment (0807.HK) Releases 2024 Sustainability Report

On April 2, SIIC Environment Holdings Ltd. released its 2024 Sustainability Report. The report highlights the Company's sustainable development practices across its core businesses, including water treatment, sludge disposal, and solid waste recycling. Key achievements in 2024 include the addition of 4 Wastewater Treatment Plant projects, bringing the total designed capacity facilities to 13.43 million tons per day, and achieving operating revenue of RMB7.596 billion.

In the future, SIIC Environment will further strengthen technological innovation and promote digital upgrading, and with energy saving and emission reduction and resource recycling as its core, build more efficient and intelligent environmental solutions. At the same time, the Company will align closely with the national strategic goals of "Carbon Peaking" and "Carbon Neutrality" fully supporting regional ecological protection and long-term sustainable development.



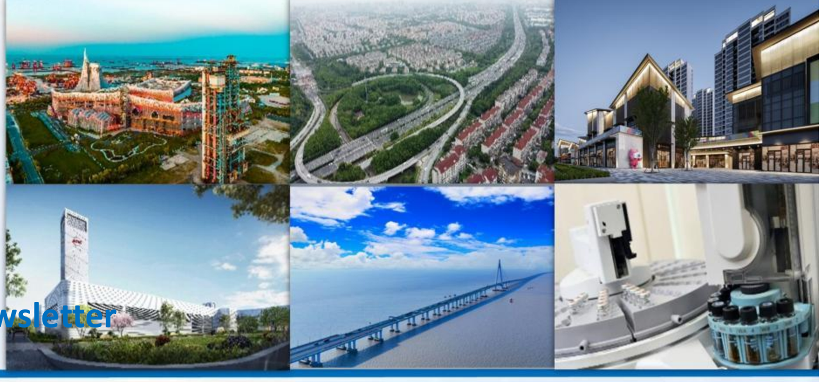
Comprehensive Healthcare Business

Shanghai Pharmaceuticals (2607.HK) Receives Production Approval for Formoterol Fumarate Inhalation Solution

On June 10, Shanghai Pharmaceuticals announced that its subsidiary Xinyi Jinzhu has received production approval from the National Medical Products Administration (NMPA) for Formoterol Fumarate Inhalation Solution (2ml:20μg). The medication is intended for the maintenance treatment of airway obstruction in patients with Chronic Obstructive Pulmonary Disease (COPD) and can be used twice daily for long-term therapy. The drug was originally developed by Mylan (U.S.), and its annual hospital procurement value in China exceeds RMB460 million. The company stated that this approval is expected to enhance market share and competitiveness, while also providing valuable experience for future generic drug filings.

Shanghai Pharmaceuticals (2607.HK) Receives FDA Approval for Generic Rivaroxaban Tablets

On May 21, Shanghai Pharmaceuticals announced that its subsidiary Changzhou Pharmaceutical Factory has received approval from the U.S. FDA for its Abbreviated New Drug Application (ANDA 216995) for generic Rivaroxaban tablets, covering strengths of 10mg, 15mg, and 20mg. Rivaroxaban is an anticoagulant used for the prevention of stroke in non-valvular atrial fibrillation, as well as the treatment of deep vein thrombosis (DVT) and pulmonary embolism (PE). The original drug was developed by Bayer and Janssen, with U.S. market sales reaching USD 8.13 billion in 2023. This FDA approval marks a significant advancement in the company’s efforts to expand its finished dosage formulations into overseas markets and presents an opportunity to capture a share of a large-scale market.



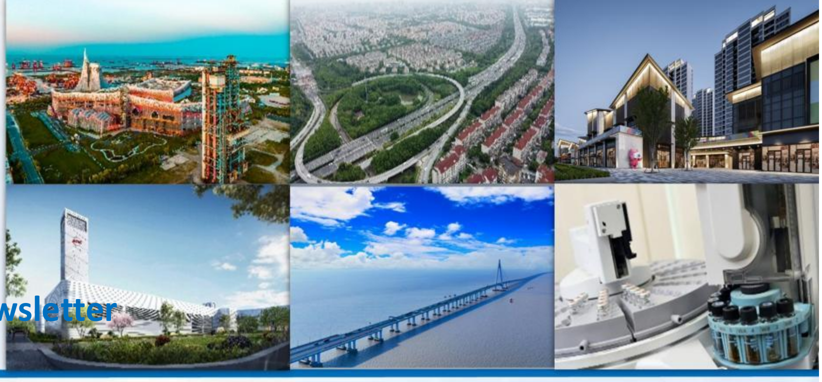
Comprehensive Healthcare Business

Shanghai Pharmaceuticals (2607.HK) Obtains Production Approval for New Traditional Chinese Medicine Product "Wenjingtang Granules"

On May 15, Shanghai Pharmaceuticals announced that its subsidiary, Shanghai Pharma Growful, has received production approval from the National Medical Products Administration for its new traditional Chinese medicine (TCM) product "Wenjingtang Granules". Classified as a Category 3.1 new TCM, the formula originates from the Song Dynasty classic "*Formulas for Women's Complete Health*", and is mainly indicated for irregular menstruation and abdominal pain. The product represents the company's latest achievement in transforming ancient classical prescriptions into modern pharmaceutical forms, with a development investment of approximately RMB4.69 million. The company noted that new TCM products are expected to benefit from policy support in medical insurance and procurement, potentially enhancing market competitiveness.

Shanghai Pharmaceuticals (2607.HK) Noradrenaline Bitartrate Injection Passes Consistency Evaluation

On May 13, Shanghai Pharmaceuticals announced that Noradrenaline Bitartrate Injection (1ml:2mg), developed by its subsidiary Shanghai Harvest Pharmaceutical, has been approved by the National Medical Products Administration (NMPA) for passing the generic drug consistency evaluation. This follows the approval of the 4ml:8mg specification in 2024, further expanding the product line. This medication is primarily used in the treatment of acute hypotension and cardiac arrest, and in 2024, hospital procurement in mainland China for this drug reached RMB 1.584 billion. The company stated that passing the consistency evaluation will help enhance the product's competitiveness and market share, while also building experience for the future development of generic drugs.



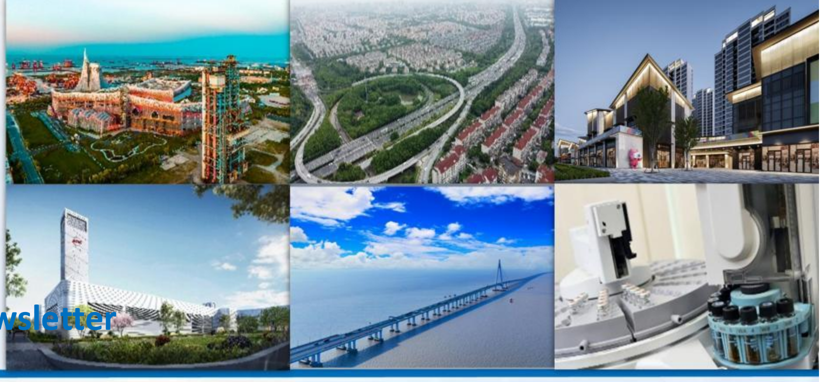
Comprehensive Healthcare Business

Shanghai Pharmaceuticals (2607.HK) Announces Controlling Shareholder SIIC Increases Stake, Reaching 1% Disclosure Threshold

On May 10, Shanghai Pharmaceuticals announced that its controlling shareholder, Shanghai Industrial (Group) Co., Ltd., and its concerted party SIIC increased their holdings by 1 million H shares on April 30, 2025, raising their combined stake from 36.974% to 37.001%, thereby reaching the 1% disclosure threshold. This share purchase was conducted through centralized bidding in accordance with a previously disclosed share increase plan, and was funded by self-owned capital. The company stated that this increase does not constitute a takeover offer, nor does it affect the shareholding structure or the status of the actual controller. The company will continue to fulfill its information disclosure obligations in the future.

Shanghai Pharmaceuticals (2607.HK) Participates in the 2024 Shanghai State-Owned Enterprises Collective Results Briefing

On May 9, Shanghai Pharmaceuticals Holding Co., Ltd. (02607.HK) participated in the “2024 Annual Collective Results Briefing for Shanghai State-Owned Listed Companies,” jointly organized by the Shanghai State-owned Assets Supervision and Administration Commission (SASAC) and the Shanghai Stock Exchange. The event was held that afternoon through video livestream and online interaction via the SSE Roadshow Center. The company’s Executive Director Shen Bo, Vice President and Board Secretary Zhong Tao, and Deputy General Manager of Shanghai Pharma Holdings Tang Pengcheng attended the meeting, where they communicated with investors regarding the company’s 2024 operating results and future strategies.

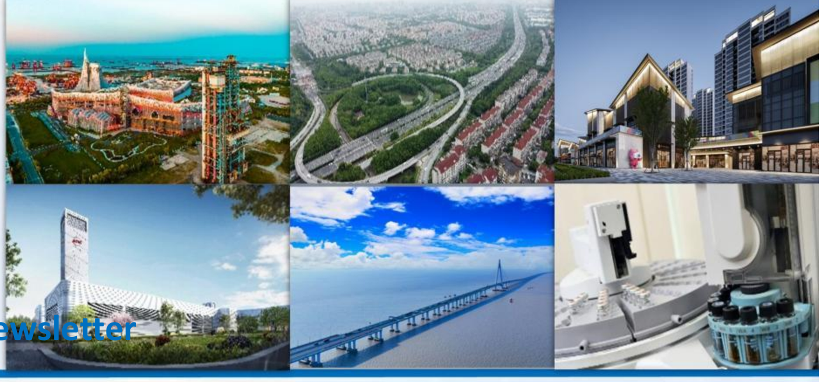


Comprehensive Healthcare Business

Shanghai Pharmaceuticals (2607.HK) Announces Q1 2025 Report

On April, 29, Shanghai Pharmaceuticals announces its Q1 2025 Report. During the reporting period, the company achieved operating revenue of RMB70.763 billion, representing a year-on-year increase of 0.87%. Among this, the pharmaceutical manufacturing segment achieved sales revenue of RMB5.885 billion, and the pharmaceutical distribution segment achieved sales revenue of RMB64.878 billion. The company achieved net profit attributable to shareholders of the listed company of RMB 1.333billion, representing a 13.56% year-on-year decrease. Of this, the industrial segment contributed RMB532 million in profit, the commercial segment contributed RMB 834 million, and major equity-accounted subsidiaries contributed RMB 196 million. The net profit attributable to shareholders of the listed company excluding non-recurring gains and losses was RMB1.263 billion. During the reporting period, the company invested RMB612 million in R&D, including RMB497 million in R&D expenses, which was basically flat year-on-year.

During the reporting period, with continued R&D investment, multiple products were approved or filed for production, and several innovative drug development and secondary development projects of traditional Chinese medicine achieved positive progress. Ursodeoxycholic acid capsules from Changzhou Pharmaceutical Factory Co., Ltd., and Omeprazole Sodium Bicarbonate for Oral Suspension (II) from Shanghai Sine Pharmaceutical Laboratories Co., Ltd. received production approvals. Additionally, 8 products (13 specifications) were submitted for production registration. Secondary development of major products progressed in an orderly manner, with significant advancements in evidence-based medical research for products such as Yuxuebi, Weifuchun, Yangxinshi, Kuaiwei tablets, Ginkgo ketone ester, and Babao Dan. During the reporting period, the company’s multiple innovative businesses—including exclusive import agency, innovative drug services, CSO, medical devices, and general health—maintained strong growth.



Comprehensive Healthcare Business

Shanghai Pharmaceuticals (2607.HK) Ranked Among Top 25 Most Valuable Pharmaceutical Brands Globally for Sixth Consecutive Year

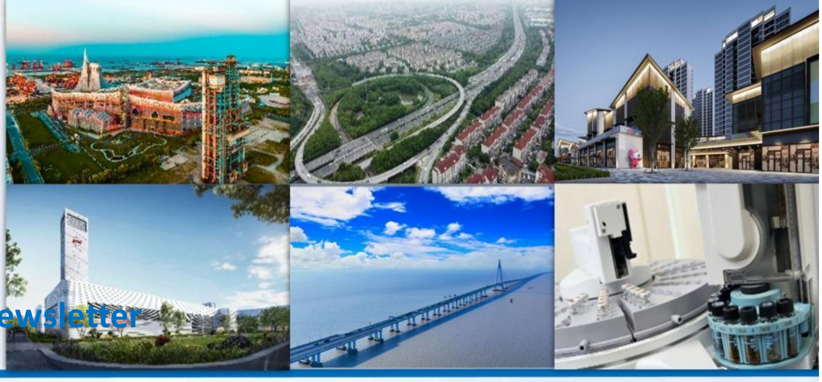
On April 8, Shanghai Pharmaceuticals announced that it has once again been included in the "2025 Global Pharmaceutical Brand Value Ranking" released by the internationally recognized brand valuation agency Brand Finance. The company rose to 19th place globally, up one position from 2024, marking its sixth consecutive year on the list since 2020. The company noted that this recognition reflects the continued growth of its brand influence.

Shanghai Pharmaceuticals (2607.HK) Announces Resignation of Vice President Li Dongming

On April 1, Shanghai Pharmaceuticals announced that Vice President Li Dongming has stepped down from his position as of the same day. The resignation follows the expiration of his employment contract, which was not renewed. He will also cease to hold any roles in the company's subsidiaries. The company stated that there are no matters requiring special attention from shareholders regarding his departure and expressed gratitude for Li Dongming's contributions during his tenure.

Shanghai Pharmaceuticals (2607.HK) Announces No Exercise of Reserved Stock Options in Third Exercise Period for Q1

On April 1, Shanghai Pharmaceuticals announced that no stock options were exercised during the third exercise period of the reserved stock options under its 2019 A-share Stock Option Incentive Plan in the first quarter of 2025. The number of options exercised was zero. This exercise period runs from February 8, 2025, to February 7, 2026, with a total of 680,000 options available to 20 incentive recipients. The company stated that this non-exercise has no material impact on its shareholding structure, capital raising, or financial position. As of the end of Q1, the company's total share capital remained at approximately 3.708 billion shares. The company emphasized that this non-exercise does not affect the handling of previously exercised options or the overall progress of the incentive plan.



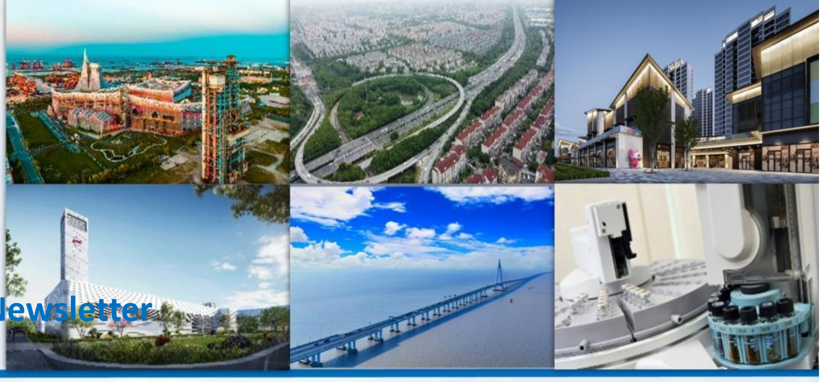
Real Estate Business

SIUD (0563.HK) Announces Issuance of First Tranche of 2025 Medium-Term Notes in Mainland China

The board of directors of Shanghai Industrial Urban Development (00563.HK) announced that on May 27, 2025, its non-wholly owned subsidiary Shanghai Urban Development (Group) Co., Ltd. successfully completed the issuance of the first tranche of its 2025 medium-term notes in mainland China, with a total principal amount of RMB900 million, a three-year maturity, and a coupon rate of 1.99%. The issuance was oversubscribed by 2.28 times. The notes received a AA+ credit rating from China Chengxin International Credit Rating Co., Ltd. Notably, the 2025 medium-term notes set a record low coupon rate among comparable medium-term notes issued by Chinese real estate developers with the same credit rating and maturity. Notably, the 2025 medium-term notes set a record low coupon rate among comparable medium-term notes issued by Chinese real estate developers with the same credit rating and maturity in the same year. The proceeds from this issuance will be used to repay the company’s 2022 first tranche of medium-term notes, which carried a coupon rate of 2.85%. The issuance of the 2025 notes not only significantly reduces the Group’s financing costs, but also reflects the capital market’s confidence in the Group and recognition of its growing comprehensive strength and brand reputation.

Shanghai Industrial Development (600748.SH) Announces Arrangements for 2024 Annual General Meeting

Shanghai Industrial Development (600748.SH) announced that it held its 2024 Annual General Meeting on May 21, 2025, in Shanghai. The meeting deliberated on seven proposals, including the "2024 Board of Directors Work Report," the "Annual Report and Summary," the "Financial Final Accounts and Budget Report," the "Proposal Not to Distribute Profits," the "Chairman’s Remuneration Plan," and the "Appointment of the Auditing Firm." Among these, Proposal 5 (Chairman’s Remuneration Plan) and Proposal 7 (Appointment of the Auditing Firm) had their voting results separately counted for minority shareholders. The company stated that, in view of the operating loss in 2024 and the challenging industry environment, it did not plan to distribute cash dividends for the year.



Real Estate Business

Shanghai Industrial Development (600748.SH) Narrows Losses in Q1 2025 Results

On April 28, Shanghai Industrial Development released its Q1 2025 financial results. During the reporting period, the company achieved operating revenue of RMB634 million, representing a 17.44% year-on-year increase. The net loss attributable to shareholders was RMB81.65 million, marking a significant narrowing of losses compared to the same period last year. Cash outflow from operating activities amounted to approximately RMB889 million. While this reflects some improvement year-on-year, it still indicates that the industry environment continues to place pressure on liquidity. As of the end of the reporting period, the company's total assets stood at RMB 29.534 billion, a 3.02% decrease from the beginning of the year; net assets attributable to shareholders were RMB10.971 billion, down 0.74%. Non-recurring gains and losses contributed approximately RMB10.68 million, mainly from government subsidies and other non-operating income. The company stated it will continue to strengthen internal controls and financial management, maintaining stable operations during the industry recovery period, and laying a foundation for future performance improvement and shareholder returns.

Top 10 Shareholders

#	Name of Shareholders	Number of shares	%
1	Shanghai Industrial Investment (Holdings) Co Ltd.	685,410,748	63.04
2	Vanguard Group, Inc.	17,632,608	1.62
3	Dimensional Fund Advisors LP	9,516,720	0.88
4	BlackRock Inc	8,536,917	0.79
5	SEI Investments Co	1,490,204	0.14
6	American Century Cos Inc	1,083,000	0.10
7	Allianz SE	920,000	0.08
8	State Street Corp	839,062	0.08
9	Power Corp of Canada	820,807	0.08
10	Charles Schwab Corp	714,523	0.07

Sources: Bloomberg (As of 30 June 2025)

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