上海實業控股有限公司
SHANGHAI INDUSTRIAL HOLDINGS LIMITED
上海實業集團成員 A Member of SIIC

27 August 2026

Press Release

SIHL's Infrastructure and Environmental Protection Businesses Achieve High-Quality Development

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Construction Phase of Widening and Alteration Project of G50 Hu-Yu Expressway (Shanghai Section) Officially Kicks off

Interim Dividend of HK42 Cents per Share Declared to Reward Shareholders' Support, with Payout Ratio as High as 43.2%

Shanghai Industrial Holdings Limited ("SIHL" or the "Company", together with its subsidiaries, the "Group"; HKSE Stock Code: 363) announced its unaudited interim results for the six months ended 30 June 2026. Revenue amounted to HK$8,805 million, representing a year-on-year decrease of 7.1%, was mainly due to a decrease in booked sales from property delivery in the real estate business during the period. Profit attributable to owners of the Company was HK$1,058 million, up 1.6% year-on-year, primarily attributable to substantial provisions for impairment of real estate inventories recorded in the same period last year. The Board has declared an interim dividend of HK42 cents per share, representing a payout ratio of 43.2%, as a gesture of appreciation for shareholders' long-term support.

2026 Interim Results Highlights:

	For the six months ended 30 June (Unaudited)		
	2026	**2025**	**Change**
Revenue (HK$ million)	**8,805**	9,476	-7.1%
Profit attributable to owners of the Company (HK$ million)	**1,058**	1,042	+1.6%
Earnings per share - basic (HK$)	**0.973**	0.958	+1.6%
Interim dividend per share (HK cents)	**42**	42	
Dividend payout ratio	**43.2%**	43.8%	
	As at 30 June (Unaudited)	As at 31 December (Audited)	
	2026	**2025**	**Change**
Total assets (HK$ million)	**170,629**	164,966	+3.4%
Equity attributable to owners of the Company (HK$ million)	**51,674**	50,156	+3.0%
Cash and cash equivalents (HK$	**29,098**	31,524	-7.7%

million)			

Summary of Revenue and Profit by Business Segment:

	For the six months ended 30 June (Unaudited)		
Segment Revenue (HK$ million)	**2026**	**2025**	**Change**
Infrastructure and Environmental Protection	**4,699**	4,433	+6.0%
Real Estate	**2,429**	3,143	-22.7%
Consumer Products	**1,677**	1,901	-11.8%
Total	**8,805**	9,476	-7.1%
Segment Net Profit (HK$ million)	**2026**	**2025**	**Change**
Infrastructure and Environmental Protection	**951**	933	+1.9%
Real Estate	**-411**	-465	-11.6%
Consumer Products	**293**	403	-27.3%

In the first half of 2026, the Group remained committed to the development principle of "seeking progress while maintaining stability and upholding core businesses while fostering innovation", and continuously optimized its asset and business portfolio. While ensuring the stable operation of its three core businesses, the Group focused on advancing the deployment of its green and healthy business, with full dedication to driving high-quality business development.

For the six months ended 30 June 2026, the Group recorded unaudited revenue of HK$8,805 million, representing a decrease of 7.1% compared with the same period last year. The decline in revenue was primarily due to a decrease in booked sales from property delivery in the real estate business during the period. Profit attributable to owners of the Company was HK$1,058 million, up 1.6% year-on-year, mainly due to substantial provisions for impairment of real estate inventories recorded in the same period last year.

During the period, profit from the infrastructure and environmental protection business increased by 1.9% year-on-year to HK$951 million, accounting for approximately 114.2% of the Group's Net Business Profit. Profit from the toll road business grew 11.1% year-on-year to HK$609 million, continuing to generate stable cash flow for the Group. The construction phase of the Widening and Alteration Project of the G50 Hu-Yu Expressway has commenced during the period, upgrading the existing four-to-six-lane to eight lanes dual carriageway, significantly increasing road capacity. The project adopts a "simultaneous operation and construction" model to ensure uninterrupted cross-regional traffic flow. In the sewage treatment sector, SIIC Environment Holdings Ltd. ("SIIC Environment") actively expanded its market presence by adopting a dual-driven strategy of "optimization of existing assets + external expansion", having completed the acquisition of 100% equity interests in Anshan Qingchang Water Services and Anshan Qinglang Water Services, thereby further consolidating the Group's leading position in China's water services and environmental protection industries. On 18 June 2026, Shanghai Jiyun, an indirect wholly-owned subsidiary of the Company, together with several enterprises, established a partnership with a target fund size of RMB1,000 million and an initial capital contribution by all partners of approximately RMB506 million. The partnership targets investments in sectors including water services and environmental protection, power and new energy, green and low-carbon initiatives, intelligent industrial upgrading and advanced equipment manufacturing, further expanding the Group's presence in environmentally sustainable industries.

The real estate business recorded a loss of HK$411 million during the period, representing a year-on-year loss reduction of approximately 11.6% and accounting for -49.4% of the Group's Net Business Profit.

Facing the dual challenges of mounting downward pressure in the consumer market and increasingly stringent industry regulation, the consumer products business contributed HK$293 million in profit during the period, representing a decrease of 27.3% year-on-year and accounting for 35.2% of the Group's Net Business Profit. Its subsidiaries, Nanyang Brothers Tobacco Company, Limited ("Nanyang Tobacco") and The Wing Fat Printing Company, Limited ("Wing Fat Printing"), maintained steady operational performance through measures, such as proactively adjusting business structure, deepening cost reduction and efficiency improvement, and actively expanding new businesses and markets.

Business Highlights:

Infrastructure and Environmental Protection

- The Group's three toll roads recorded a 1.0% year-on-year increase in overall traffic volume in the first half of the year, while toll revenue increased 4.9% to HK$1,070 million. Net profit attributable to the Group grew 11.1% year-on-year to HK$609 million, continuing to provide the Group with a stable cash flow.
- SIIC Environment (BHK SGX; 807 HKSE) reported revenue of RMB3,185 million for the first half of 2026, representing a 0.2% year-on-year increase, with profit attributable to shareholders of RMB325 million, down 5.5% year-on-year. During the period, SIIC Environment continuously enhanced the core competitiveness of its business while optimizing its financing and capital structure, resulting in a significant 18.4% year-on-year decrease in financial expenses to RMB286 million. Net cash inflow from operating activities for the first half of the year reached RMB547 million. As at 30 June 2026, the debt-to-asset ratio was further optimized from 63.8% a year earlier to 61.8%, the current ratio improved from 114% to 147%, and cash and cash equivalents reached RMB2,846 million.
- In the first half of the year, SIIC Environment added sewage treatment capacity of 230,000 tonnes/day. It completed the handover of the Dalian Lushun sewage treatment plant and reclaimed water pipeline construction project, involving a combined sewage treatment capacity of 60,000 tonnes/day; the Shanghai Hangzhou Bay industrial wastewater treatment plant project commenced operations, with a designed treatment capacity of 12,000 tonnes/day; and it won the bid for the Ningbo sewage treatment plant project, with a designed treatment capacity of 70,000 tonnes/day.
- During the period, General Water of China Co., Ltd. ("General Water of China") recorded revenue of HK$1,031 million, a year-on-year increase of 5.2%. Net profit was HK$173 million, up 43.9% year-on-year. During the period, five new/newly signed projects were secured, involving a combined water treatment capacity of 163,600 tonnes/day.
- As at 30 June 2026, the photovoltaic asset capacity held by SIIC New Energy Development

Company Limited ("SIIC New Energy") and its controlled companies reached 740 MW. Total on-grid electricity sold during the period from their 15 photovoltaic power stations was approximately 416 million kWh, a year-on-year decrease of 11.9%, primarily due to the ongoing impact of restrictions on power generation.

Real Estate

- Shanghai Industrial Development Co., Ltd. ("SI Development"; 600748 SSE) recorded revenue of RMB1,016 million for the period, down 17.6% year-on-year, and reported a net loss of RMB258 million, representing a year-on-year loss reduction of 65.8%. The reduction in loss was primarily due to substantial provisions for impairment of real estate inventories recorded in the same period last year. Contract sales amounted to RMB211 million during the period, while rental income for the half-year was approximately RMB173 million.
- Shanghai Industrial Urban Development Group Limited ("SI Urban Development"; 563 HKSE) recorded revenue of HK$1,272 million for the period, down 30.4% year-on-year, mainly due to a decrease in sales booked upon delivery of several projects compared with the same period last year. Loss attributable to shareholders for the period was HK$414 million, representing a year-on-year loss reduction of 15.8%. Contract sales during the period amounted to RMB1,290 million, with five projects under construction. Rental income for the half-year was approximately HK$418 million. Income from rental, property management and hotel operations continued to provide SI Urban Development with a stable source of income.

Consumer Products

- Facing the dual challenges of mounting downward market pressure and increasingly stringent industry regulation, Nanyang Tobacco recorded revenue of HK$1,114 million in the first half of the year, representing a year-on-year decrease of 12.5%, while net profit amounted to HK$250 million, down 25.8% year-on-year.
- Nanyang Tobacco responded proactively to these challenges. Through newly introduced distributed cigarette products, sales revenue in the Hong Kong market remained generally stable, while sales revenue in the Macau market grew significantly. The duty-free market delivered a strong performance in the first half of the year, with overall sales surpassing the same period last year. In the Mainland market, Nanyang Tobacco successfully completed the replacement of three products with new offerings and accomplished the production and shipment of planned volumes for the first half of the year within a short timeframe.
- During the period, Wing Fat Printing recorded revenue of HK$671 million, down 11.6% year-on-year; net profit for the period was HK$43.6 million, down 37.7% compared with the same period last year. Benefiting from increased orders from core customers, the medicine-packaging business recorded double-digit growth, serving as the primary driver of revenue growth during the period. For the moulded-fibre business, revenue experienced fluctuations during the period due to factors such as price reductions by major customers and chip shortages.

Ms. Leng Wei Qing, Chairlady of SIHL, said, "In the second half of the year, while adhering to a prudent operating philosophy, the Group will stay closely aligned with the main theme of 'united endeavour and hard work', firmly focus on the core areas of environmental health, and comprehensively enhance corporate competitiveness. In the infrastructure and environmental protection business, SIIC

Environment will capitalize on policy opportunities under the 15th Five-Year Plan and market opportunities to actively pursue high-quality projects and strategic mergers and acquisitions, continuously expand its market share, and consolidate its leading position in China's water services and environmental protection industries. The toll road business will systematically advance the widening and alteration works and related construction projects to improve road and facility conditions, ensuring safe and stable operations. In the real estate business, the Group will closely monitor policy trends and market evolution, actively seize structural opportunities arising from prime cities and demand for housing improvement, and make every effort to enhance business quality and efficiency. Nanyang Tobacco will continue to deepen its focus on its core business, accelerate the pace of digital transformation, promote capacity and equipment upgrades, and enhance the competitiveness of its core industry. Wing Fat Printing will firmly advance its four-pronged strategy of 'green, intelligent, international and brand-oriented development', deepen its focus on medicine-packaging and high-value-added businesses, and enhance overall profitability and risk resilience. Overall, while ensuring the stable operation of all core businesses, the Group will drive progress towards higher-quality development and create greater value for our shareholders."

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About SIHL

Shanghai Industrial Holdings Limited ("SIHL", HKSE Stock Code: 363) is the largest overseas conglomerate of Shanghai Industrial Investment (Holdings) Co., Ltd. ("SIIC"). As the flagship of the SIIC Group, SIHL captures prime investment opportunities in mainland China, leveraging its distinct advantages of being rooted in Shanghai and Hong Kong with international connectivity. After 30 years of development, SIHL has become a conglomerate with three core businesses: infrastructure and environmental protection (including toll roads, and environmental protection-related businesses such as sewage treatment and solid waste treatment), real estate, and consumer products (including Nanyang Tobacco and Wing Fat Printing). SIHL will continue to enhance its corporate governance and strive to create greater value for its shareholders.

For more information about SIHL, please visit the company website at www.sihl.com.hk.

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