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*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 363)**

## **ANNOUNCEMENT OF 2025 INTERIM RESULTS**

**(Unaudited)**

### **BUSINESS REVIEW**

The Board of Directors of Shanghai Industrial Holdings Limited (the “**Company**”) announces the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025. For the six months ended 30 June 2025, the Group’s unaudited revenue amounted to HK\$9,476 million, representing a decrease of 8.6% year-on-year. Profit attributable to shareholders was HK\$1,042 million, representing a decrease of 13.2% year-on-year. The decline in revenue and profit was primarily attributable to the decrease in booked sales from property delivery in real estate business compared with the same period last year as well as substantial provisions for impairment of real estate inventory and decrease in fair value of investment properties.

In the first half of 2025, the global economic landscape showed signs of recovery, resulting in both opportunities and challenges. Mainland China’s economy is stable and improving, with macroeconomic policies taking notable effect. However, escalating international geopolitical tensions, coupled with unilateral actions by some countries have further exacerbated market volatility.

In response to the volatile and ever-changing external environment, the Board of Directors and management of the Group have taken active steps to overcome challenges while focusing on further growth and development amidst stability. On one hand, we capitalized on opportunities arising from favourable national policies to explore new growth drivers; on the other hand, we continued to optimise our business layout, streamline our management and improve our operational efficiency to ensure the stable operation and development of our core businesses.

The Board of Directors has resolved to pay an interim dividend of HK42 cents per share for 2025 (2024: HK42 cents per share) to Shareholders whose names appear on the register of members of the Company on Friday, 26 September 2025. The above interim dividend will be paid to Shareholders on or around Wednesday, 15 October 2025.

## INFRASTRUCTURE AND ENVIRONMENTAL PROTECTION

The infrastructure and environmental protection business recorded a profit of HK\$933 million during the period, representing a year-on-year decrease of 11.6%, and accounted for approximately 92.2% of the Group's Net Business Profit\*. The toll road business continued to generate stable cash flow for the Group. During the period, in response to national policy directives, the Group concentrated its efforts on the development of its water-treatment and water-utilization core businesses. Action was also taken to broaden its market share and streamline its business layouts while enhancing operational efficiency and improving both scale and profitability, with a view to further consolidating its leading position in China's water-service and environmental-protection industries.

### Toll Roads

The overall traffic flow and toll revenue of the Group's three toll roads rose steadily during the period, mainly due to an increase in the volume of public travel vehicles during the Spring Festival travel season, the Tomb-Sweeping Day and Labour Day, resulting in the simultaneous growth of toll revenue. To ensure highway safety and smooth traffic flow during festival periods, including New Year's Day, the Spring Festival travel season, Tomb-Sweeping Day and Labour Day, the Group's three expressways implemented multiple proactive measures and formulated support plans in advance to consistently ensure the road safety as well as the smooth and orderly operation even under conditions of high traffic volume.

In addition, our toll road project companies have attached great importance to the upcoming National Expressway Maintenance and Management Performance Evaluation (hereinafter referred to as the "**National Assessment**"), and considered it a critical opportunity to enhance their comprehensive management and maintenance capabilities. In anticipation of this occasion, the companies have strictly aligned their operations in accordance with the National Assessment standards and requirements. Comprehensive gap analyses of current operations were conducted and systematic inspection response plans tailored to both industry standards and specific roadway characteristics were developed to ensure optimal readiness for the National Assessment review process.

In the second half of the year, the toll-road project companies will continue to strengthen their operation and management, focusing on the enhancement of support for major holidays and the 8th Import Expo. In addition, the companies will promote maintenance projects in a systematic way to upgrade road conditions and facilities, and endeavoring to implement preventions and controls against floods and typhoons to ensure safe passage. Simultaneously, the companies will promote intelligent transportation and digital transformation of expressways to further improve traffic efficiency, optimize user experience and reduce operating costs.

The key operating figures of the respective toll roads under the Group as at 30 June 2025 are as follows:

Toll Roads	Interest attributable to the Group	Net profit attributable to the Group	Change year-on-year	Toll revenue	Change year-on-year	Traffic flow (vehicle journeys)	Change year-on-year
Jing-Hu Expressway (Shanghai Section)	100%	HK\$186 million	-2.6%	HK\$305 million	+8.4%	21.85 million	+6.0%
Hu-Kun Expressway (Shanghai Section)	100%	HK\$287 million	+2.8%	HK\$458 million	+2.9%	36.52 million	-1.9%
Hu-Yu Expressway (Shanghai Section)	100%	HK\$75 million	-0.6%	HK\$256 million	+5.4%	18.95 million	+6.2%
<b>Total</b>		<b>HK\$548 million</b>	<b>+0.5%</b>	<b>HK\$1,019 million</b>	<b>+5.1%</b>	<b>77.32 million</b>	<b>+2.1%</b>

## Water Services/Clean Energy

The Group will continue to expand its water and solid-waste businesses, intensify the construction of key projects and proactively explore new investment opportunities in other environmental-protection sectors.

### *SIIC Environment*

In the first half of 2025, SIIC Environment Holdings Ltd. (“**SIIC Environment**”) recorded revenue of RMB3,177 million, representing a decline of 4.4% year-on-year, and net profit attributable to shareholders increased by 7.1% year-on-year to RMB344 million. The increase in net profit attributable to shareholders was primarily driven by SIIC Environment’s continuous optimization of its financing structure, resulting in a 12.5% year-on-year decrease in financial expenses.

During the period, while maintaining steady growth across all core businesses and improving efficiency through cost reduction, SIIC Environment actively pursued project expansion, continuously increasing its market share. During the first half of 2025, SIIC Environment has signed a concession agreement with the Beiliu City Urban Management Supervision Bureau of Guangxi Zhuang Autonomous Region, successfully securing the Urban Sewage Treatment Plant Phase III Project in Beiliu City, with a planned treatment capacity of 60,000 tonnes per day; a sewage treatment project in Shanghai was completed and put into operation, with a planned treatment capacity of 25,000 tonnes per day; an O&M project in Shanghai has commenced operations, with a planned treatment capacity of 100,000 tonnes per day; a total of two upgrading and expansion projects located in Sichuan and Heilongjiang Provinces have been completed and commenced operations, contributing a combined planned treatment capacity of 31,000 tonnes per day. In addition, an upgrading and expansion project in Shandong Province fulfilled water quality inspection and met commercial operation conditions, with a planned capacity of 30,000 tonnes per day. In terms of the extension of existing projects, the project in Guangxi Zhuang Autonomous Region was granted a concession extension, with a planned treatment capacity of 80,000 tonnes per day.

Looking forward, SIIC Environment will actively seize favorable policy opportunities in the industry, advancing the orderly construction and upgrading of existing projects while exploring high-quality new project opportunities. The company will continue to optimize its business layout, expand its market share, and further consolidate its leading position in China's water and environmental protection industry.

### ***General Water of China***

In 2025, General Water of China Co., Ltd. closely followed its development strategy, diligently implemented the work arrangements for the “Year of Value Creation”, adhered to the principle of seeking progress while maintaining stability and promoting stability through progress, and made every effort to ensure that established targets and objectives were accomplished. For the period under review, the company's revenue amounted to HK\$980 million, representing a year-on-year increase of 2.5%, and net profit amounted to HK\$120 million, representing a year-on-year decrease of 8.0%.

During the period, there are three newly secured/signed projects with a daily water-treatment capacity of 114,000 tonnes and entrusted operation contracts valued at RMB2,910,000. These new projects include: (1) the entrusted operation service project for water production of Guyang Water Plant in Guzhen county; (2) the demonstration project for comprehensive resources utilization at No. 1 sewage treatment plant in Huyi; and (3) the phase II expansion project of western sewage treatment plant in the Jian'ou city.

### ***Canvest Environmental***

On 22 July 2024, Canvest Environmental Protection Group Company Limited (“**Canvest Environmental**”) and an offeror jointly announced that, subject to satisfaction of certain conditions precedent, the offeror would propose the privatization of the company to the shareholders of Canvest Environmental by way of a general offer, at a cancellation price of HK\$4.90 per share. The privatization proposal was approved by the independent shareholders at the Cayman Islands Court Meeting and the extraordinary general meeting of the company on 12 May 2025. All of the 475,251,000 shares in Canvest Environmental indirectly held by the Company through its wholly-owned subsidiary were cancelled at a cancellation price of HK\$4.90 per share, representing a premium of approximately 0.4% to the closing price of HK\$4.88 per share of Canvest Environmental on the Stock Exchange on 20 May 2025, resulting in total proceeds of approximately HK\$2,329 million. Canvest Environmental withdrew its listing on the Stock Exchange on 2 June 2025.

Additionally, the Company subscribed for exchangeable bonds with a principal amount of HK\$1,637 million from the major shareholder of Canvest Environmental in 2023, which were subsequently redeemed early due to the privatization of Canvest Environmental, with the sum of the principal, accrued interest and early redemption compensation amounting to approximately HK\$1,700 million.

## ***SUS Environment***

As at the end of June 2025, the operation projects (including entrusted operation) of waste incineration of Shanghai SUS Environment Co., Ltd. (“**SUS Environment**”) cumulatively had a total daily capacity of 43,725 tonnes. The completed amount of total waste entering the plants for the first half of the year was 8,617,500 tonnes, representing a year-on-year increase of 4.3%. The amount of on-grid electricity sold was 3,093,327,800 kWh, representing a year-on-year growth of 9.1%.

## **COMPREHENSIVE HEALTHCARE OPERATIONS**

For the first half of 2025, the comprehensive healthcare operations business recorded a profit of HK\$141 million, representing a year-on-year increase of 118.4%, and accounting for approximately 14.0% of the Group’s Net Business Profit\*. During the period, Shanghai Pharmaceutical (Group) Co., Ltd. (“**Shanghai Pharmaceutical Group**”) recorded revenue of RMB141,901 million, representing an increase of 1.61% year-on-year. Net profit amounted to RMB834 million, representing a year-on-year increase of 39.5%. The significant growth in net profit is primarily due to an one-off gain recognized by Shanghai Pharmaceuticals Holding Co., Ltd., (“**Shanghai Pharmaceuticals Holding**”). Shanghai Pharmaceutical Group currently holds 19.348% of the A shares of Shanghai Pharmaceuticals Holding, a company dually listed in Shanghai and Hong Kong, and is the single-largest shareholder of its A shares.

## **NEW BUSINESS ARENA**

As at the end of June 2025, the photovoltaic assets capacity of Shanghai Galaxy Investment Co., Ltd. and its subsidiary, SIIC Aerospace Galaxy Energy (Shanghai) Co., Ltd., reached 740 MW. The total amount of on-grid electricity sold from their 15 photovoltaic power stations was approximately 472,489,600 kWh, representing a year-on-year decrease of 8.9%, primarily due to tightened restrictions on power generation. The photovoltaic team will continue to strengthen its efforts in power trading, macro policies, industry development, capital market research and acquisition of projects.

## **REAL ESTATE**

The real estate business recorded a loss of HK\$465 million during the period, representing an increase of approximately 2.56 times compared to the loss recorded in the same period last year, and accounting for -46.0% of the Group’s Net Business Profit\*.

## **SI Development**

In terms of real estate sales, Shanghai Industrial Development Co., Ltd. (“**SI Development**”) further deepened its market research across regions, and implemented tailored city-specific strategies to facilitate inventory destocking amid evolving market conditions. In property services, sustained breakthroughs were achieved and its core competitiveness was continuously strengthened by service enhancement and business expansion, thereby the company remained committed to

improving its business capabilities and industry status. During the period under review, SI Development recorded revenue of RMB1,232 million, representing a year-on-year increase of 19.7%; loss attributable to shareholders amounted to RMB754 million, mainly due to the fact that the real estate market was still recovering from its decline and certain project inventories of the company showed signs of significant impairment. In addition, both revenue and profit booked from its real estate sales were low. Total contract sales of real estate projects amounted to approximately RMB290 million, including the Metropolis in Suzhou and Belle Rive in Qingpu, Shanghai, with a contracted area of approximately 13,400 square metres. Booked sales of properties delivered during the period amounted to RMB284 million, with a gross floor area of approximately 8,540 square metres, mainly including Belle Rive in Qingpu, Shanghai, the Metropolis in Suzhou and Sea Palace in Quanzhou. Rental income for the period was approximately RMB200 million.

In the second half of the year, the company will strengthen its sales to revitalize its stock and closely monitor market conditions in an effort to meet the annual target for all projects under construction. As of 30 June 2025, the company had five projects under construction, with a combined area of approximately 392,800 square metres.

### **SI Urban Development**

Shanghai Industrial Urban Development Group Limited (“**SI Urban Development**”) recorded revenue of HK\$1,828 million for the first half of 2025, representing a year-on-year decrease of 38.7%, primarily attributable to a decrease in sales from several delivered projects compared to the same period last year. Leasing, property management and hotel operations continued to provide stable streams of revenue for the company. The loss attributable to shareholders during the period amounted to HK\$492 million, mainly due to the decrease in gross profit from property sales during the period. The contract sales during the period amounted to RMB689 million, representing a year-on-year decrease of 69.8%, with a gross floor area of approximately 41,000 square metres, and the projects mainly included Ocean One in Shanghai, Summitopia in Tianjin, Felicity Mansion in Yantai, Ocean Times in Shanghai, Originally in Xi’an, etc. The amount value of properties delivered during the period amounted to HK\$1,349 million, with a gross floor area of approximately 57,000 square metres, and the projects mainly included Ocean One in Shanghai, Summitopia in Tianjin, Qiyuan in Xi’an, Originally in Xi’an, Cloud Vision in Shanghai, etc. Rental income for the first half of 2025 amounted to approximately HK\$365 million. During the period, a total of six projects were under construction, covering an area of 906,000 square metres.

### **CONSUMER PRODUCTS**

During the period, the consumer products business contributed a profit of HK\$403 million, representing a year-on-year increase of 26.0%, accounting for approximately 39.8% of the Group’s Net Business Profit\*. The economic outlook for 2025 remains uncertain, and competition in the consumer market is intensifying. Nanyang Brothers Tobacco Company, Limited (“**Nanyang Tobacco**”) proactively responded to market changes with timely adjustments, yielding continuous results and achieving steady improvements in business performance. Despite a year-on-year decline in the sales of wine-packaging, The Wing Fat Printing Company, Limited (“**Wing Fat Printing**”) recorded steady and incremental growth in overall performance, benefitting from continued stability of the tobacco-packaging business and the expansion of the medicine-packaging business as well as

accelerated growth in the sales volume of the e-cigarette business and the stable performance of its moulded-fibre segment.

## **Tobacco**

In the first half of 2025, facing multiple challenges such as continuous tightening global tobacco-control policies, intensified market competition and downward pressure on domestic and international economies, Nanyang Tobacco adhered to its guiding principles of “seizing opportunities, overcoming challenges, going further with strength and innovating the future with wisdom”. By focusing on its core business, enhancing its product innovation, further strengthening cost control and improvement in efficiency, the company achieved steady growth in operating performance. During the period, the company recorded revenue of HK\$1,273 million, representing a year-on-year increase of 16.4%. Net profit amounted to HK\$337 million, representing a growth of 20.0% year-on-year. Sales volume exceeded 746,000 boxes, representing a year-on-year growth of approximately 31.1%.

Sales in the duty-paid markets of Hong Kong and Macau declined year-on-year, primarily due to substantial increases in tobacco tax in Hong Kong for two consecutive years. In response to this, the company launched terminal sales promotion campaigns externally and implemented refined marketing management internally. As a result, the company was able to restore sales performance in Hong Kong and continued to narrow the decline in sales. During the period, sales in the mainland market remained flat year-on-year. In accordance with requirements from relevant national authorities, the company completed on schedule the mandated traceability QR code project for sales in the mainland market, ensuring timely delivery of products as planned. Sales volumes in the duty-free markets of Mainland China, Hong Kong, and Macau declined generally, impacted by purchase-curb policies imposed by customs, a significant reduction in retail outlets and other factors. Under such circumstances, the company proactively consolidated its product portfolio, launched new products, reinforced its duty-free channels in Hong Kong and explored overseas duty-free markets. Overseas markets recorded satisfactory sales performance, primarily due to strict channel-regulation and scientific-placement strategies to ensure the intended major product specifications and status, enabling the company to successfully break through its recovery bottleneck.

In the second half of the year, the company will continue to deepen its market-oriented approach, launch new products in an orderly manner and respond accurately to consumer demands while striving to optimize its product portfolio and enhance brand influence. Nanyang Tobacco will unwaveringly adhere to its high-quality development strategies, build up a modern management system, improve operational efficiency and accelerate the implementation and application of intelligent technologies, to speed up its corporate growth. Concurrently, the company will reinforce its risk-control mechanism to ensure solid and sustainable development in the long term.

## **Printing**

Wing Fat Printing recorded revenue of HK\$759 million during the period, representing a year-on-year increase of 1.1%, mainly attributable to the stable and improved performance of the tobacco and medicine packaging and moulded-fibre businesses as compared to the same period last

year. Net profit during the period amounted to HK\$69.94 million, representing a year-on-year increase of 46.7%, mainly attributable to a streamlined business structure and better cost control as well as improved operational efficiency at core factories, resulting in significant improvements in overall profitability.

During the period, the company consistently adhered to the approach of “deeply developing core businesses and firmly adopting refined operations”. This has enabled steady improvement in its overall gross profit margins through synergistic effects among its three core business segments: tobacco packaging, medicine packaging and moulded-fibre products. In addition, by strengthening its cost control, optimizing the utilisation of its production capacity and improving its management efficiency, the company has ensured steady progress throughout its business segments.

In the second half of the year, the company will continue to follow its main action strategies of “expanding markets through external collaborations while adhering to cost reduction and efficiency improvement for internal merits”. By pursuing pragmatic and unified efforts, the company aims to achieve steady growth, meet the given annual performance targets and lay a robust foundation for the company’s sustainable long-term development.

*\*Net profit excluding net corporate expenses.  
expenses.*

## **PROSPECTS**

Looking ahead to the second half of 2025, China’s economy appears to be stabilizing and Government’s supportive policies continue to take effect. However, the outlook for the economy is still clouded by uncertainty arising from ongoing international geopolitical tensions and rising trade unilateralism. Against this background, the Group’s business development effort is expected to face both multifaceted challenges as well as emerging opportunities. We will continue to uphold our philosophy of being prudent with our operations and innovative with our development strategy: on one hand, we will speed up our transformation efforts and continue to upgrade our core businesses, integrating financing activities and business operations; on the other hand, we will strengthen our comprehensive risk-management system and enhance our profitability. At the same time, we will continue to closely monitor and assess market conditions and our operations, and develop plans to optimize our asset structure accordingly, so as to improve corporate core competitiveness and create long-term sustainable value for our Shareholders.

In respect of the infrastructure and environmental-protection segments, SIIC Environment will continue to streamline its business portfolio, expand its market share and consolidate its leading position in China’s water and environmental protection industry. The toll road business will continue to enhance its operational efficiency and maintain its stable development.

For the real estate business, in the second half of the year, we will closely monitor policy developments in the industry and make timely adjustments to our business strategies to revitalise existing assets, accelerate inventory destocking, expedite our payment collection and improve our capital turnover efficiency. As the effects of Central Government policies to stabilize the economy gradually become apparent, we expect the real estate industry to experience marginal improvement.



The Group will leverage its strengths to ensure prudent operations while proactively capturing opportunities arising from market recovery to enhance operating performance.

Nanyang Tobacco will unwaveringly adhere to its high-quality development strategies, build up a modern management system and improve its operational efficiency. To ensure solid and sustainable development in the long term, the company will also accelerate the application and implementation of intelligent technologies, empower its corporate growth and strengthen its risk control mechanism.

Wing Fat Printing will continue to uphold the main action strategies of “expanding markets through external collaborations while adhering to cost reduction and efficiency improvement for internal merits”. By pursuing pragmatic and unified efforts, we aim to achieve steady growth, meet the given annual-performance targets and lay a robust foundation for the company’s sustainable long-term development.

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to all Shareholders and business partners for their long-standing support and care over the years, as well as to the management team and all staff members for their dedication and contributions.

**Leng Wei Qing**

*Chairlady*

Hong Kong, 28 August 2025

## **INTERIM DIVIDEND**

The Board of Directors has resolved to pay an interim dividend of HK42 cents per share for 2025 (2024: HK42 cents per share) to Shareholders whose names appear on the register of members of the Company on Friday, 26 September 2025. The above interim dividend will be paid to Shareholders on or around Wednesday, 15 October 2025.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining Shareholders’ entitlement to the interim dividend, the register of members of the Company will be closed on Friday, 26 September 2025, on which no transfer of shares will be effected. As such, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Investor Services Limited of 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Thursday, 25 September 2025.

## **REVIEW OF INTERIM RESULTS**

The audit committee has reviewed the Company’s unaudited consolidated interim results for the six months ended 30 June 2025.

## **CORPORATE GOVERNANCE**

Throughout the six months ended 30 June 2025, the Company has complied with all the applicable code provisions set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities.

## **PUBLICATION OF THE INTERIM REPORT**

The 2025 interim report will be despatched to Shareholders in mid-September 2025 and will be made available at the HKExnews website of the Stock Exchange at *www.hkexnews.hk* and the website of the Company at *www.sihl.com.hk* accordingly.

## **BOARD OF DIRECTORS**

As at the date of this announcement, the Board comprises four executive Directors, namely, Ms. Leng Wei Qing, Mr. Zhang Qian, Mr. Yao Jia Yong and Mr. Xu You Li; two independent non-executive Directors, namely, Mr. Leung Pak To, Francis and Mr. Yuen Tin Fan, Francis.

## INTERIM RESULTS

Below are the unaudited interim results of the Group for the six months ended 30 June 2025 extracted from the unaudited condensed consolidated financial statements as set out in its 2025 interim report:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended	
	<i>Notes</i>	<b>30.6.2025</b>	<b>30.6.2024</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
Revenue	3	<b>9,476,025</b>	10,369,131
Cost of sales		<b>(6,964,059)</b>	(7,061,588)
Gross profit		<b>2,511,966</b>	3,307,543
Net investment income		<b>391,911</b>	342,973
Other income, gains and losses		<b>144,628</b>	292,895
Selling and distribution costs		<b>(417,712)</b>	(410,691)
Administrative and other expenses		<b>(944,038)</b>	(991,634)
Finance costs		<b>(875,075)</b>	(1,030,039)
Share of results of joint ventures		<b>339,903</b>	182,122
Share of results of associates		<b>55,881</b>	314,660
Net (loss) gain on disposal of interests in associates/a subsidiary		<b>(42,570)</b>	51,559
Profit before taxation		<b>1,164,894</b>	2,059,388
Income tax expense	4	<b>(376,725)</b>	(650,894)
Profit for the period	5	<b>788,169</b>	1,408,494
Profit for the period attributable to			
- Owners of the Company		<b>1,041,797</b>	1,200,896
- Non-controlling interests		<b>(253,628)</b>	207,598
		<b>788,169</b>	1,408,494
Earnings per share	7		
		<b>HK\$</b>	<b>HK\$</b>
- Basic		<b>0.958</b>	1.105
- Diluted		<b>0.958</b>	1.105

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	<b>Six months ended</b>	
	<b><u>30.6.2025</u></b>	<b><u>30.6.2024</u></b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Profit for the period	<b>788,169</b>	1,408,494
<b>Other comprehensive income (expense)</b>		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences arising on translation of foreign operations		
- subsidiaries	<b>1,336,976</b>	(1,228,734)
- joint ventures	<b>315,484</b>	(396,703)
- associates	<b>102,642</b>	(101,435)
<i>Items that will not be reclassified to profit or loss</i>		
Fair value change on equity instruments at fair value through other comprehensive income held by subsidiaries, net of tax	<b>185,057</b>	(11,237)
Revaluation of properties upon transfer of property, plant and equipment to investment properties, net of tax	-	10,541
Other comprehensive income (expense) for the period	<b>1,940,159</b>	(1,727,568)
Total comprehensive income (expense) for the period	<b>2,728,328</b>	(319,074)
Total comprehensive income (expense) for the period attributable to		
- Owners of the Company	<b>2,149,733</b>	243,740
- Non-controlling interests	<b>578,595</b>	(562,814)
	<b>2,728,328</b>	(319,074)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AT 30 JUNE 2025**

	<i>Note</i>	<b>30.6.2025</b> <b>HK\$'000</b> <b>(unaudited)</b>	<b>31.12.2024</b> <b>HK\$'000</b> <b>(audited)</b>
Non-Current Assets			
Investment properties		<b>35,380,238</b>	34,681,718
Property, plant and equipment		<b>6,331,755</b>	6,244,781
Right-of-use assets		<b>697,091</b>	728,106
Toll road operating rights		<b>3,465,822</b>	3,740,466
Goodwill		<b>531,840</b>	517,743
Other intangible assets		<b>12,803,813</b>	12,143,540
Interests in joint ventures		<b>11,446,962</b>	10,791,679
Interests in associates		<b>3,541,288</b>	5,829,427
Investments		<b>2,053,419</b>	3,375,350
Receivables under service concession arrangements		<b>21,962,133</b>	22,554,450
Deposits paid on acquisition of non-current assets		<b>88,995</b>	62,817
Deferred tax assets		<b>180,284</b>	173,110
Bank deposits		<b>1,253,561</b>	1,679,438
		<b>99,737,201</b>	102,522,625
Current Assets			
Inventories		<b>24,221,605</b>	25,260,917
Trade and other receivables	8	<b>12,176,911</b>	11,731,030
Contract assets		<b>63,211</b>	57,035
Investments		<b>281,539</b>	225,532
Receivables under service concession arrangements		<b>942,929</b>	968,486
Prepaid taxation		<b>865,093</b>	797,875
Pledged bank deposits		<b>239,803</b>	211,619
Bank deposits		<b>2,854,649</b>	5,781,414
Cash and cash equivalents		<b>24,186,074</b>	20,841,493
		<b>65,831,814</b>	65,875,401
Assets classified as held for sale		-	114,667
		<b>65,831,814</b>	65,990,068

	<i>Note</i>	<b><u>30.6.2025</u></b> <b>HK\$'000</b> <b>(unaudited)</b>	<b><u>31.12.2024</u></b> <b>HK\$'000</b> <b>(audited)</b>
Current Liabilities			
Trade and other payables	9	13,839,154	16,091,478
Lease liabilities		48,151	51,606
Contract liabilities		874,388	1,395,294
Deferred income		508,187	466,506
Taxation payable		1,858,067	2,958,783
Bank and other borrowings		17,071,083	19,205,072
		<b>34,199,030</b>	<b>40,168,739</b>
Net Current Assets		<b>31,632,784</b>	<b>25,821,329</b>
Total Assets less Current Liabilities		<b>131,369,985</b>	<b>128,343,954</b>
Capital and Reserves			
Share capital		13,649,839	13,649,839
Reserves		35,505,533	33,920,666
Equity attributable to owners of the Company		<b>49,155,372</b>	<b>47,570,505</b>
Non-controlling interests		<b>31,175,185</b>	<b>30,722,825</b>
Total Equity		<b>80,330,557</b>	<b>78,293,330</b>
Non-Current Liabilities			
Provision for major overhauls		73,277	78,126
Deferred income		1,564,915	1,757,258
Bank and other borrowings		41,431,849	40,274,021
Deferred tax liabilities		7,770,882	7,705,109
Lease liabilities		198,505	236,110
		<b>51,039,428</b>	<b>50,050,624</b>
Total Equity and Non-Current Liabilities		<b>131,369,985</b>	<b>128,343,954</b>

**Notes:**

**(1) REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The condensed consolidated financial statements for the six months ended 30 June 2025 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), by Deloitte Touche Tohmatsu, whose report on review of condensed consolidated financial statements is included in the interim report to be sent to shareholders.

**(2) BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES**

**(i) Basis of preparation**

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the HKICPA as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The financial information relating to the year ended 31 December 2024 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

**(ii) Principal Accounting Policies**

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

Other than additional/change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the preparation of condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2024.

### *Application of amendments to HKFRS Accounting Standards*

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual periods beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

## Amendments to HKAS 21

## Lack of Exchangeability

The application of the amendments to this HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### (3) SEGMENT INFORMATION

## Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

**Six months ended 30 June 2025 (unaudited)**

	Infrastructure and environmental protection	Real estate	Consumer products	Comprehensive healthcare operations	Elimination and unallocated	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>REVENUE</b>						
Segment revenue - external sales	4,432,900	3,142,524	1,900,601	-	-	9,476,025
Segment operating profit (loss)	1,754,042	(683,402)	485,204	-	130,911	1,686,755
Finance costs	(376,173)	(451,738)	(1,212)	-	(45,952)	(875,075)
Share of results of joint ventures	188,257	10,169	-	141,477	-	339,903
Share of results of associates	58,374	(2,493)	-	-	-	55,881
Net loss on disposal of interests in associates/a subsidiary	(42,570)	-	-	-	-	(42,570)
Segment profit (loss) before taxation	1,581,930	(1,127,464)	483,992	141,477	84,959	1,164,894
Income tax (expense) credit	(264,459)	16,271	(72,703)	-	(55,834)	(376,725)
Segment profit (loss) after taxation	1,317,471	(1,111,193)	411,289	141,477	29,125	788,169
Less: segment (profit) loss attributable to non-controlling interests	(384,159)	645,761	(7,974)	-	-	253,628
Segment profit (loss) after taxation attributable to owners of the Company	933,312	(465,432)	403,315	141,477	29,125	1,041,797



Six months ended 30 June 2024 (unaudited)

	Infrastructure and environmental protection	Real estate	Consumer products	Comprehensive healthcare operations	Elimination and unallocated	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
REVENUE						
Segment revenue - external sales	4,571,508	4,091,575	1,706,048	-	-	10,369,131
Segment operating profit	1,824,562	277,072	417,185	-	22,267	2,541,086
Finance costs	(433,567)	(487,218)	(1,538)	-	(107,716)	(1,030,039)
Share of results of joint ventures	108,936	8,421	-	64,765	-	182,122
Share of results of associates	218,381	96,279	-	-	-	314,660
Gain on disposal of interest in an associate	-	51,559	-	-	-	51,559
Segment profit (loss) before taxation	1,718,312	(53,887)	415,647	64,765	(85,449)	2,059,388
Income tax expense	(333,466)	(204,179)	(88,973)	-	(24,276)	(650,894)
Segment profit (loss) after taxation	1,384,846	(258,066)	326,674	64,765	(109,725)	1,408,494
Less: segment (profit) loss attributable to non-controlling interests	(328,498)	127,372	(6,472)	-	-	(207,598)
Segment profit (loss) after taxation attributable to owners of the Company	1,056,348	(130,694)	320,202	64,765	(109,725)	1,200,896

## Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

At 30 June 2025 (unaudited)

	Infrastructure and environmental protection	Real estate	Consumer products	Comprehensive healthcare operations	Elimination and unallocated	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	66,617,766	82,864,713	6,769,053	152,906	9,164,577	165,569,015
Segment liabilities	32,673,458	47,847,043	903,765	-	3,814,192	85,238,458

At 31 December 2024 (audited)

	Infrastructure and environmental protection	Real estate	Consumer products	Comprehensive healthcare operations	Elimination and unallocated	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	68,631,942	85,362,961	7,776,387	11,429	6,729,974	168,512,693
Segment liabilities	34,949,104	49,949,715	1,065,701	-	4,254,843	90,219,363

#### (4) INCOME TAX EXPENSE

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax		
- Hong Kong	52,164	52,259
- PRC Land Appreciation Tax ("LAT")	50,039	67,743
- PRC Enterprise income tax ("EIT") (including PRC withholding tax of HK\$99,132,000 (six months ended 30 June 2024: HK\$79,230,000))	511,363	561,739
	<b>613,566</b>	<b>681,741</b>
Under (over) provision in prior periods		
- Hong Kong	759	(356)
- PRC LAT	44,139	(47,227)
- PRC EIT	(76,331)	11,584
	<b>(31,433)</b>	<b>(35,999)</b>
Deferred taxation for the current period	<b>(205,408)</b>	<b>5,152</b>
	<b>376,725</b>	<b>650,894</b>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

Under the law of PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the Group's subsidiaries in the PRC are subject to PRC EIT at a rate of 25% for both periods, except that (i) certain PRC subsidiaries are qualified as High New Technology Enterprises and enjoy a preferential tax rate of 15% for both periods (the preferential tax rate is applicable for three years from the date of grant and subject to approval for renewal) and (ii) certain PRC subsidiaries, engaging in public infrastructure projects, are entitled to full exemption from PRC EIT for the first three years and a 50% reduction in PRC EIT for the next three years from the first year of generating operating income.

PRC LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including cost of land use rights, borrowing costs and all qualified property development expenditures.

## (5) PROFIT FOR THE PERIOD

	Six months ended	
	<u>30.6.2025</u>	<u>30.6.2024</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging (crediting) the following items:		
Amortisation of other intangible assets (included in cost of sales)	412,663	259,869
Amortisation of toll road operating rights (included in cost of sales)	377,815	339,570
Depreciation of property, plant and equipment	286,542	265,188
Depreciation of right-of-use assets	52,711	56,330
Dividend income from investments (included in net investment income)	(51,690)	(3,762)
Government compensation of toll road operating rights (included in other income, gains and losses)	(212,244)	(190,740)
Impairment loss on trade receivables (included in other income, gains and losses)	122,567	8,159
(Increase) decrease in fair value of financial assets at fair value through profit or loss (included in net investment income)	(60,722)	28,801
Interest expenses for lease liabilities	4,341	2,718
Interest income (included in net investment income)	(278,418)	(366,972)
Net decrease in fair value of investment properties (included in other income, gains and losses)	454,542	36,804
Net foreign exchange (gain) loss (included in other income, gains and losses)	(54,340)	26,869
Net gain on disposal of property, plant and equipment (included in other income, gains and losses)	(7,421)	(1,109)

## (6) DIVIDENDS

	Six months ended	
	<u>30.6.2025</u>	<u>30.6.2024</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
2024 final dividend paid of HK52 cents (six months ended 30 June 2024: 2023 final dividend paid of HK52 cents) per share	565,350	565,350

Subsequent to the end of the current interim period, the directors of the Company have determined that a 2025 interim cash dividend of HK42 cents (2024 interim: HK42 cents) per share will be paid to the shareholders of the Company whose names appear on the Company's register of members on 26 September 2025.

## (7) EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share attributable to owners of the Company are based on the following data:

	Six months ended	
	<u>30.6.2025</u>	<u>30.6.2024</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Earnings for the purpose of basic and diluted earnings per share:</b>		
Profit for the period attributable to owners of the Company	<u>1,041,797</u>	<u>1,200,896</u>
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>1,087,211,600</u>	<u>1,087,211,600</u>

## (8) TRADE AND OTHER RECEIVABLES

The following is an aged analysis of trade receivables, net of allowance for credit loss, presented based on the invoice or contract date, which approximates the respective revenue recognition dates.

	<u>30.6.2025</u>	<u>31.12.2024</u>
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Within 30 days	1,385,407	1,192,689
Within 31 – 60 days	508,161	548,503
Within 61 – 90 days	497,875	504,205
Within 91 – 180 days	1,095,094	1,180,031
Within 181 – 365 days	1,625,943	1,601,723
Over 365 days	2,229,101	1,735,593
	<u>7,341,581</u>	<u>6,762,744</u>

## (9) TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables, presented based on the invoice date at the end of the reporting period.

	<u>30.6.2025</u>	<u>31.12.2024</u>
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Within 30 days	1,216,434	3,071,754
Within 31 – 60 days	180,706	272,984
Within 61 – 90 days	159,068	125,802
Within 91 – 180 days	279,244	340,136
Within 181 – 365 days	1,096,814	447,631
Over 365 days	1,858,966	1,470,550
	<u>4,791,232</u>	<u>5,728,857</u>

## FINANCIAL REVIEW

### I. Analysis of Financial Results

#### 1. Revenue

For the six months ended 30 June 2025, revenue amounted to approximately HK\$9,476.03 million, representing a decrease of 8.6% as compared to the same period last year. This was mainly due to a decrease in properties sales booked upon delivery of properties in the real estate business as compared to the same period last year, and a year-on-year decrease in construction revenue of SIIC Environment. However, the increase in tobacco sales in the consumer products business partially offset the decrease in revenue.

#### 2. Profit Contribution from Each Business

Net profit from the infrastructure and environmental protection business for the period amounted to approximately HK\$933.31 million, accounting for 92.2% of Net Business Profit, and representing a year-on-year decrease of 11.6%. The decrease was mainly due to the profit of Hangzhou Bay Bridge was no longer shared from the current period onwards following the completion of the disposal of its equity interest at the end of last year as well as a loss of HK\$56.84 million resulted from the disposal of the equity interest in Canvest Environmental. However, the receipt of HK\$27.83 million in compensation for the early redemption of the exchangeable bonds of Canvest Environmental partially offset the decrease in net profit from the infrastructure and environmental protection business.

The real estate business recorded a loss of approximately HK\$465.43 million, accounting for negative 46.0% of Net Business Profit, and representing a year-on-year increase in loss by approximately 2.56 times as compared to a loss of HK\$130.69 million in the same period of 2024. This was primarily due to a decrease in properties sales booked upon delivery of properties in the real estate business during the period, coupled with provision for impairment of inventories for certain real estate projects and decrease in the fair value of certain investment properties. Additionally, during the same period last year, SI Development recorded a profit from the sales of equity interest in an elderly care investment company, resulting in a significant year-on-year increase in loss.

The consumer products business recorded a net profit of HK\$403.32 million for the period, accounting for 39.8% of Net Business Profit, and representing a year-on-year increase of 26.0% in net profit. The cigarette sales of Nanyang Tobacco increased by 16.4% year-on-year, resulting in the simultaneous increase in profit driven by the increase in sales. Wing Fat Printing only recorded a year-on-year increase in sales slightly by 1.1%. With the benefits from the optimization of business structure, cost reduction and efficiency improvement conducted by core factories significantly improved overall profitability leading to a gross profit margin increased by 3.4 percentage points year-on-year, resulting in a substantial increase in net profit.

Comprehensive healthcare operations business recorded a net profit of HK\$141.48 million for the period, representing a significant increase of 118.4% year-on-year, and accounting for 14.0% of Net Business Profit. The increase was mainly attributable to the growth in profit sharing from Shanghai Pharmaceutical Group (the growth in profit was mainly due to an one-off gain recognized by Shanghai Pharmaceuticals Holding).

### 3. Profit before Taxation

#### (1) *Gross profit margin*

The overall gross profit margin for the period decreased by 5.4 percentage points as compared to the first half of 2024, mainly due to the provision for impairment of inventories in the real estate business during the period.

#### (2) *Other income, gains and losses*

Other income, gains and losses decreased, mainly due to the increase in loss recorded in the change in fair value of investment properties during the period as compared to the same period last year.

#### (3) *Net (loss) gain on disposal of interests in associates/a subsidiary*

The loss on disposal for the period mainly represented the disposal of an associate, Canvest Environmental Protection. In the same period last year, the gain was mainly attributable to the disposal of an associate, SIIC Elderly Care Investment Co., Ltd.

### 4. Dividend

The Board of Directors of the Group has resolved to declare an interim dividend of HK42 cents per share, which is the same as 2024 interim dividend of HK42 cents per share. The interim dividend payout ratio is 43.8% (2024 interim: 38.0%).

## II. Financial Position of the Group

### 1. Capital and Equity attributable to owners of the Company

The Company had a total of 1,087,211,600 shares in issue as at 30 June 2025. There is no change compared with 1,087,211,600 shares as at the end of 2024.

Equity attributable to owners of the Company reached HK\$49,155.37 million as at 30 June 2025, it was attributable to the net profit for the first half of the year after deducting the dividend actually paid during the period.

## 2. Indebtedness

### (1) Borrowings

As at 30 June 2025, the total borrowings of the Group including bank borrowings and other borrowings amounted to approximately HK\$58,513.20 million (31 December 2024: HK\$59,492.16 million), of which 65.3% (31 December 2024: 65.6%) was unsecured credit facilities. The proportions of US dollars and other currencies, Renminbi and HK dollars of total borrowings were 0.1%, 96.1% and 3.8% (31 December 2024: 1%, 93% and 6%) respectively.

### (2) Pledge of assets

The following assets were pledged by the Group to banks to secure banking facilities granted by these banks to the Group:

- (a) investment properties with an aggregate carrying value of HK\$17,194,882,000 (31 December 2024: HK\$17,007,157,000);
- (b) property, plant and equipment with an aggregate carrying value of HK\$577,142,000 (31 December 2024: HK\$582,653,000);
- (c) receivables under service concession arrangements/intangible assets with an aggregate carrying value of HK\$18,196,244,000 (31 December 2024: HK\$18,416,934,000);
- (d) properties under development held for sale with an aggregate carrying value of HK\$9,091,788,000 (31 December 2024: HK\$8,338,620,000);
- (e) properties held for sale with an aggregate carrying value of HK\$94,098,000 (31 December 2024: HK\$91,394,000);
- (f) trade receivables with an aggregate carrying value of HK\$11,320,000 (31 December 2024: HK\$410,334,000);
- (g) bank deposits with an aggregate carrying value of HK\$239,803,000 (31 December 2024: HK\$211,619,000); and
- (h) land use rights with an aggregate carrying value of HK\$nil (31 December 2024: HK\$467,000).

### (3) Contingent liabilities

As at 30 June 2025, the guarantees given to banks by the Group in respect of banking facilities utilised by property buyers, associates and joint ventures amounted to approximately HK\$891.04 million, HK\$151.33 million and HK\$1,788.40 million (31 December 2024: HK\$1,232.28 million, HK\$231.02 million and HK\$1,889.17 million) respectively.

### 3. Commitments

As at 30 June 2025, the Group had capital commitments mainly contracted for business development and investments in fixed assets of HK\$2,967.76 million (31 December 2024: HK\$3,338.45 million). The Group had sufficient internal resources and/or through loan markets for the finance of its capital expenditures.

### 4. Bank Balances and Short-term Investments

As at 30 June 2025, bank balances (including pledged bank deposits, bank deposits and cash and cash equivalents) and short-term investments held by the Group amounted to HK\$28,534.09 million (31 December 2024: HK\$28,513.96 million) and HK\$281.54 million (31 December 2024: HK\$225.53 million) respectively. The proportions of US dollars and other currencies, Renminbi and HK dollars of bank balances (including pledged bank deposits, bank deposits and cash and cash equivalents) were 2%, 75% and 23% (31 December 2024: 2%, 86% and 12%) respectively. Short-term investments mainly consisted of investments such as Hong Kong and PRC listed shares.

While having sufficient working capital and a healthy interest coverage ratio, the Group is monitoring the market situation and respective funding requirements on a regular basis for business development, and will seek opportunities to optimize its capital structure should the need arises.