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上海實業控股有限公司
SHANGHAI INDUSTRIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 363)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO ENTERING INTO THE LEASE AGREEMENTS

LEASE AGREEMENTS

On 5 January 2026, each of Nanyang Tobacco and the Company, as tenants, entered into the Lease Agreements (namely: the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement) with Nanyang Enterprises and International Hope respectively, as landlords, with a term commencing from 1 January 2026 to 31 December 2026 (both days inclusive) to renew the Existing Lease Agreements (namely: the Existing Lease Agreement I and the Existing Lease Agreement II), both of which expired by 31 December 2025, for the operation of the Group.

LISTING RULES IMPLICATIONS

Nanyang Tobacco is an indirect wholly-owned subsidiary of the Company. SIIC is the controlling shareholder of the Company holding approximately 63.16% of the entire issued share capital of the Company, and is therefore a connected person of the Company. Both Nanyang Enterprises and International Hope are wholly-owned subsidiaries of SIIC and are therefore associates of SIIC and connected persons of the Company. Accordingly, the entering into of the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios calculated with reference to an aggregate of the annual caps for the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement exceed 0.1% but all of them are less than 5%, the transactions contemplated under the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement are only subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

On 5 January 2026, each of Nanyang Tobacco and the Company, as tenants, entered into the Lease Agreements (namely: the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement) with Nanyang Enterprises and International Hope respectively, as landlords, with a term commencing from 1 January 2026 to 31 December 2026 (both days inclusive) to renew the Existing Lease Agreements (namely: the Existing Lease Agreement I and the Existing Lease Agreement II), both of which expired by 31 December 2025, for the operation of the Group.

The principal terms of the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement are summarised below.

THE LEASE AGREEMENTS

1. Tuen Mun Lease Agreement

Date

5 January 2026

Parties

(a) Nanyang Tobacco, an indirect wholly-owned subsidiary of the Company, as tenant

(b) Nanyang Enterprises, a wholly-owned subsidiary of SIIC, as landlord

Description of the Tuen Mun Property, Term and Monthly Rental

The Tuen Mun Property is situated at No. 9 Tsing Yeung Circuit, Tuen Mun, New Territories, Hong Kong. The Tuen Mun Property is a 16-storey property with a total gross floor area of approximately 423,244 square feet. It is currently used by Nanyang Tobacco as office properties and factory purpose.

The term of the Tuen Mun Lease Agreement is one year commencing from 1 January 2026 and expiring on 31 December 2026 (both days inclusive).

The monthly rental (exclusive of rates, management fee and other outgoings) under the Tuen Mun Lease Agreement is HK$2,750,000.

The rental payable under the Tuen Mun Lease Agreement was determined by the parties to the agreements on arm's length basis with reference to the current rental paid to Nanyang Enterprises for the Tuen Mun Property pursuant to the Existing Lease Agreement I and the market rent of the Tuen Mun Property appraised by an independent valuer.

2. Harcourt Tenancy Agreement

Date

5 January 2026

Parties

(a) the Company, as tenant

(b) International Hope, a wholly-owned subsidiary of SIIC, as landlord

Description of the Harcourt House Office, Term and Monthly Rental

The Harcourt House Office is situated at the whole of 26th Floor and a portion of 27th Floor of Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong. The Harcourt House Office with the leased area representing a total saleable area of approximately 19,901 square feet is the existing office properties of the Company.

The term of the Harcourt Tenancy Agreement is one year commencing from 1 January 2026 and expiring on 31 December 2026 (both days inclusive).

The monthly rental (exclusive of rates, management fee and other outgoings) under the Harcourt Tenancy Agreement is HK$937,400.

The rental payable under the Harcourt Tenancy Agreement was determined by the parties to the agreements on arm's length basis with reference to the current rental paid to International Hope for the Harcourt House Office pursuant to the Existing Lease Agreement II and the market rent of Harcourt House Office appraised by an independent valuer.

ANNUAL CAPS

An aggregate of the annual caps, which represents the sum of (i) the rental payable by Nanyang Tobacco to Nanyang Enterprises under the Tuen Mun Lease Agreement for the period from 1 January 2026 to 31 December 2026 in the amount of HK$33,000,000, and (ii) the rental payable by the Company to International Hope under the Harcourt Tenancy Agreement for the period from 1 January 2026 to 31 December 2026 in the amount of HK$11,248,800, will be HK$44,248,800.

The aggregate amount payable by Nanyang Tobacco to Nanyang Enterprises in respect of the lease of the Tuen Mun Property under the Existing Lease Agreement I for the year ended 31 December 2025 was HK$33,000,000. The aggregate amount payable by the Company to International Hope in respect of the lease of the Harcourt House Office under the Existing Lease Agreement II for the year ended 31 December 2025 was HK$11,248,800.

The annual caps were determined with reference to (a) the aggregate amounts payable by Nanyang Tobacco to Nanyang Enterprises and by the Company to International Hope under the Existing Lease Agreements, and (b) the rentals stipulated in the Lease Agreements.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE TRANSACTIONS

Since 1997, Nanyang Tobacco has been leasing the Tuen Mun Property from Nanyang Enterprises for use as office properties and factory purposes, and intends to continue the lease after the expiry of the Existing Lease Agreement I through the Tuen Mun Lease Agreement. The above property is rented as to the practical business needs of the Group. By entering into of the Tuen Mun Lease Agreement to renew the lease, Nanyang Tobacco can avoid incurring removal fees, renovation fees and all other incidental cost and expenses for moving into new properties.

The Company has been leasing the Harcourt House Office for use as office for more than 20 years, and intends to continue the lease after the expiry of the Existing Lease Agreement II through the Harcourt Tenancy Agreement. The above property is rented as to the practical business needs of the Group. By entering into of the Harcourt Tenancy Agreement to renew the lease, the Company can avoid incurring removal fees, renovation fees and all other incidental cost and expenses for moving into new properties.

The Directors (including the independent non-executive Directors) consider that the terms of the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement (including the annual caps) are on normal commercial terms, albeit not in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its shareholders as a whole. None of the Directors have a material interest in the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement, and accordingly no Director has been required to abstain from voting on the relevant resolutions of the Board for approving the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement. However, Ms. Leng Wei Qing, an executive director and the chairlady of SIIC; Mr. Zhang Qian, an executive director and the president of SIIC; Mr. Yao Jia Yong, an executive director of SIIC, have voluntarily abstained from voting on the Board resolutions approving the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement.

LISTING RULES IMPLICATIONS

Nanyang Tobacco is an indirect wholly-owned subsidiary of the Company. SIIC is the controlling shareholder of the Company holding approximately 63.16% of the entire issued share capital of the Company, and is therefore a connected person of the Company. Both Nanyang Enterprises and International Hope are wholly-owned subsidiaries of SIIC and are therefore associates of SIIC and connected persons of the Company. Accordingly, the entering into of the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios calculated with reference to an aggregate of the annual caps for the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement exceed 0.1% but all of them are less than 5%, the transactions contemplated under the Tuen Mun Lease Agreement and the Harcourt Tenancy Agreement are only subject to the reporting, announcement and annual

review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

The Group is principally engaged in the businesses of infrastructure and environmental protection, real estate and consumer products.

Nanyang Tobacco is an indirect wholly-owned subsidiary of the Company and its principal business activity is the manufacture and sale of cigarettes.

SIIC is principally engaged in financial investment, medicine, infrastructure and environmental protection, real estate and consumer products. It is wholly-owned by State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government.

Nanyang Enterprises is a wholly-owned subsidiary of SIIC and its principal business activity is investment properties holding.

International Hope, is a wholly-owned subsidiary of SIIC and its principal business activity is property investment.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	Shanghai Industrial Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 363)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the directors of the Company
"Existing Lease Agreements"	the Existing Lease Agreement I and the Existing Lease Agreement II

"Existing Lease Agreement I"	the lease agreement dated 6 January 2025 entered into between Nanyang Tobacco (as tenant) and Nanyang Enterprises (as landlord) in relation to the lease of the Tuen Mun Property from 1 January 2025 to 31 December 2025
"Existing Lease Agreement II"	the lease agreement dated 6 January 2025 entered into between the Company (as tenant) and International Hope (as landlord) in relation to the lease of the Harcourt House Office from 1 January 2025 to 31 December 2025
"Group"	the Company and its subsidiaries
"Harcourt House Office"	the property situated at the whole of 26th Floor and a portion of 27th Floor of Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong
"Harcourt Tenancy Agreement"	the tenancy agreement dated 5 January 2026 entered into between the Company as the tenant and International Hope as landlord in relation to the lease of the Harcourt House Office for a further term of one year from 1 January 2026 to 31 December 2026
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"International Hope"	International Hope Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of SIIC
"Lease Agreements"	the Harcourt Tenancy Agreement and the Tuen Mun Lease Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Nanyang Enterprises"	Nanyang Enterprises Properties Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of SIIC
"Nanyang Tobacco"	Nanyang Brothers Tobacco Company, Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules
"SIIC"	Shanghai Industrial Investment (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and the controlling shareholder of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Tuen Mun Lease Agreement"	the lease agreement dated 5 January 2026 entered into between Nanyang Tobacco (as tenant) and Nanyang Enterprises (as landlord) in relation to the lease of the Tuen Mun Property for a further term of one year from 1 January 2026 to 31 December 2026
"Tuen Mun Property"	the entire property situated at No. 9 Tsing Yeung Circuit, Tuen Mun, New Territories, Hong Kong
"%"	per cent.

By Order of the Board
Shanghai Industrial Holdings Limited
Yee Foo Hei
Company Secretary

Hong Kong, 5 January 2026

As at the date of this announcement, the Board comprises:

Executive Directors:
Ms. Leng Wei Qing, Mr. Zhang Qian, Mr. Yao Jia Yong and Mr. Xu You Li

Independent Non-Executive Directors:
Mr. Leung Pak To, Francis, Mr. Yuen Tin Fan, Francis, Prof. Zhang Qian and Mr. Tang, William Harry Jiasheng