Shenzhen International Holdings Limited
深圳國際控股有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 00152)

2025 ANNUAL RESULTS ANNOUNCEMENT

The Board of Directors (the "Board") of Shenzhen International Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group"), and its joint ventures and associates for the year ended 31 December 2025 (the "Year") together with comparative figures for the year ended 31 December 2024 as follows:

Consolidated Income Statement:

	Notes	Year ended 31 December 2025 *HK$'000*	2024 *HK$'000*
Revenue	(3), (4)	**16,345,347**	15,570,615
Cost of sales and services		**(12,908,281)**	(12,012,658)
Gross profit		**3,437,066**	3,557,957
Other income		**181,934**	171,271
Other gains - net	(5)	**2,965,659**	3,202,516
Distribution costs		**(151,584)**	(120,633)
Administrative expenses		**(1,160,299)**	(1,349,973)
Impairment losses (including reversals of impairment losses or impairment gains) on trade and other receivables and contract assets		**(174,653)**	(239,846)
Operating profit		**5,098,123**	5,221,292
Share of results of associates		**442,067**	1,123,634
Share of results of joint ventures		**365,987**	360,064
Profit before finance costs and income tax		**5,906,177**	6,704,990
Finance income	(6)	**119,891**	173,596
Finance cost	(6)	**(1,530,194)**	(1,763,521)
Finance costs - net	(6)	**(1,410,303)**	(1,589,925)
Profit before income tax		**4,495,874**	5,115,065
Income tax expense	(7)	**(1,551,686)**	(1,428,061)
Profit for the year	(8)	**2,944,188**	3,687,004

Consolidated Income Statement (continued):

	Notes	Year ended 31 December **2025** *HK$'000*	2024 *HK$'000*
Attributable to:			
Ordinary shareholders of the Company		**2,249,450**	2,872,448
Non-controlling interests		**694,738**	814,556
		2,944,188	3,687,004
Earnings per share attributable to ordinary shareholders of the Company (expressed in HK dollars per share)			
- Basic	(9(a))	**0.93**	1.20
- Diluted	(9(b))	**0.92**	1.19

Consolidated Statement of Comprehensive Income:

	Year ended 31 December **2025** *HK$'000*	2024 *HK$'000*
Profit for the year	**2,944,188**	3,687,004
Other comprehensive income (expense):		
Items that may be reclassified subsequently to profit or loss:		
Share of other comprehensive (expense) income of associates and joint ventures	**(1,705)**	40,173
Exchange differences arising on translation of foreign operations	**74,515**	(299,439)
Sub-total	**72,810**	(259,266)
Items that will not be reclassified subsequently to profit or loss:		
Exchange difference arising from translation of functional currency to presentation currency	**2,774,508**	(1,915,575)
Fair value loss on equity security designated at fair value through other comprehensive income	**(288)**	(348)
Deferred taxation relating to revaluation of equity security	**72**	87
Gain on revaluation of properties previously occupied by the Group	**-**	240,523
Deferred taxation relating to revaluation of properties	**-**	(60,131)
Sub-total	**2,774,292**	(1,735,444)
Other comprehensive income (expense) for the year	**2,847,102**	(1,994,710)
Total comprehensive income for the year	**5,791,290**	1,692,294

Consolidated Statement of Comprehensive Income (continued):

	Year ended 31 December	
	2025	2024
	HK$'000	*HK$'000*
Total comprehensive income (expense) attributable to:		
Ordinary shareholders of the Company	**3,906,730**	1,741,094
Non-controlling interests	**1,884,560**	(48,800)
Total comprehensive income for the year	**5,791,290**	1,692,294

Consolidated Balance Sheet:

		As at 31 December	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
ASSETS			
Non-current assets			
Investment properties		**20,803,695**	18,519,634
Property, plant and equipment		**21,117,095**	20,391,880
Land use rights		**4,125,415**	4,056,454
Construction in progress		**6,319,908**	3,410,613
Intangible assets	(11)	**27,492,205**	26,187,883
Goodwill		**293,566**	515,097
Interests in associates		**18,348,257**	19,043,706
Interests in joint ventures		**10,956,279**	10,496,736
Other investments		**1,382,361**	1,209,394
Deferred tax assets		**648,080**	598,201
Other non-current assets		**8,183,693**	7,821,845
		119,670,554	112,251,443
Current assets			
Inventories and other contract costs		**8,422,592**	4,587,818
Contract assets		**593,685**	394,285
Other investments		**3,391,959**	637,956
Trade and other receivables	(12)	**5,644,274**	4,783,595
Other asset		**4,270,383**	3,534,628
Derivative financial instruments		**131,209**	138,110
Restricted bank deposits		**545,837**	329,644
Deposits in banks with original maturities over three months		**248,720**	620,745
Cash and cash equivalents		**9,408,845**	8,719,336
		32,657,504	23,746,117
Total assets		**152,328,058**	135,997,560

Consolidated Balance Sheet (continued):

	Note	As at 31 December 2025 HK$'000	2024 HK$'000
EQUITY AND LIABILITIES			
Equity attributable to ordinary shareholders of the Company			
Share capital and share premium		**13,652,985**	13,389,982
Other reserves and retained earnings		**21,931,204**	19,109,757
Equity attributable to ordinary shareholders of the Company		**35,584,189**	32,499,739
Non-controlling interests		**27,049,208**	22,023,419
Total equity		**62,633,397**	54,523,158
Liabilities			
Non-current liabilities			
Borrowings		**36,762,640**	41,057,761
Lease liabilities		**984,260**	872,235
Deferred tax liabilities		**2,397,716**	2,439,497
Other non-current liabilities		**2,258,016**	1,626,394
		42,402,632	45,995,887
Current liabilities			
Trade and other payables	(13)	**11,516,251**	13,730,276
Contract liabilities		**109,835**	250,414
Income tax payable		**2,424,899**	2,047,910
Borrowings		**33,134,097**	19,391,125
Lease liabilities		**106,947**	58,790
		47,292,029	35,478,515
Total liabilities		**89,694,661**	81,474,402
Total equity and liabilities		**152,328,058**	135,997,560

Notes:

(1) General information

The principal activities of the Group include the following businesses:

- Toll roads and general-environmental protection business; and
- Logistics business.

The Group's operations are mainly in the People's Republic of China ("PRC").

The Company is a limited liability company incorporated in Bermuda and is an investment holding company. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

(1) General information (continued)

The Company is listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). One of the major subsidiaries of the Company, Shenzhen Expressway Corporation Limited ("Shenzhen Expressway"), is dual listed on the Hong Kong Stock Exchange and Shanghai Stock Exchange.

As at 31 December 2025, Ultrarich International Limited ("Ultrarich") directly owned 1,058,717,983 ordinary shares of the Company, representing approximately 43.323% of the issued share capital of the Company. As Shenzhen Investment Holdings Company Limited ("SIHCL") held the 100% equity interest in Ultrarich, it had an indirect interest in 43.323% of the Company's equity held by Ultrarich. SIHCL directly owned 364,500 ordinary shares of the Company, representing approximately 0.015% of the issued share capital of the Company. SIHCL effectively held 43.338% of the issued share capital of the Company and is the largest shareholder of the Company. SIHCL is supervised and managed by Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission ("Shenzhen SASAC"). The directors of the Company regard Shenzhen SASAC as having control of the Company's relevant activities and is the de facto controller of the Company due to the voting power it held in the Company.

In preparing the Group’s consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Company's current liabilities exceeded its current assets by approximately HKD14,634,525,000 as at 31 December 2025.

In order to improve the financial position, to provide liquidity and cash flows and to sustain the Group as a going concern, the Group has been implementing a number of measures. These measures include but not limited to considering usage of existing banking facilities, in which unutilised banking facilities amounted to approximately HKD118,020,368,000 as at 31 December 2025.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

(2) Changes in accounting policies and disclosures

The accounting policies applied are consistent with those of the 2024 Financial Statements as described therein, except for the accounting policy that is first effective for the current accounting period of the Group.

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

The Group has applied the following amendments to an HKFRS Accounting Standard issued by the HKICPA to these financial statements for the current accounting period:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in this financial information.

(3) Segment information

The Group's operations are organised in two main business segments:

- Toll roads and general-environmental protection business; and
- Logistics business.

Head office functions include corporate management functions and investment and financial activities of the Group. It also includes one-off and non-recurring activities of the Group.

The chief operating decision-maker has been identified as the Board of the Company. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

Toll roads and general-environmental protection business includes: (i) development, operation and management of toll highway; and (ii) sales of wind turbine equipment, kitchen waste disposal projects construction, operation and equipment sales, and operation of wind power stations.

Logistics business includes: (i) logistics parks which mainly include the construction, operation and management of logistics centres and integrated logistics hubs; (ii) logistics services which include the provision of third party logistics services, logistics information services and financial services to customers; (iii) port and related services (including sales of material); and (iv) logistics park transformation and upgrading business (including sales of properties).

The Board assesses the performance of the operating segments based on a measure of profit for the year.

(3) Segment information (continued)

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Board for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2025 and 2024 are set out below:

For the year ended 31 December 2025

		Logistics business						
	Toll roads and general-environmental protection business	Logistics parks	Logistics services	Port and related services	Logistics park transformation and upgrading business	Sub-total	Head Office functions and others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15								
-Point in time	**7,406,901**	**246**	**370,075**	**4,058,962**	**-**	**4,429,283**	**-**	**11,836,184**
-Over time	**2,688,425**	**294,674**	**-**	**-**	**40,632**	**335,306**	**-**	**3,023,731**
Subtotal	**10,095,326**	**294,920**	**370,075**	**4,058,962**	**40,632**	**4,764,589**	**-**	**14,859,915**
Revenue from leases	**-**	**1,366,458**	**-**	**-**	**118,974**	**1,485,432**	**-**	**1,485,432**
Revenue	**10,095,326**	**1,661,378**	**370,075**	**4,058,962**	**159,606**	**6,250,021**	**-**	**16,345,347**
Operating profit (loss)	**1,804,858**	**95,694**	**(69,112)**	**96,294**	**3,699,273**	**3,822,149**	**(528,884)**	**5,098,123**
Share of results of joint ventures	**343,486**	**31,306**	**-**	**3,218**	**-**	**34,524**	**(12,023)**	**365,987**
Share of results of associates	**460,566**	**1,176**	**(8,315)**	**-**	**(128,278)**	**(135,417)**	**116,918**	**442,067**
Finance income	**77,760**	**7,615**	**110**	**836**	**474**	**9,035**	**33,096**	**119,891**
Finance costs	**(886,184)**	**(119,522)**	**(1,907)**	**(26,771)**	**(58,117)**	**(206,317)**	**(437,693)**	**(1,530,194)**
Profit (loss) before income tax	**1,800,486**	**16,269**	**(79,224)**	**73,577**	**3,513,352**	**3,523,974**	**(828,586)**	**4,495,874**
Income tax expense	**(503,516)**	**(10,978)**	**(2,432)**	**(19,496)**	**(937,250)**	**(970,156)**	**(78,014)**	**(1,551,686)**
Profit (loss) for the year	**1,296,970**	**5,291**	**(81,656)**	**54,081**	**2,576,102**	**2,553,818**	**(906,600)**	**2,944,188**
(Profit) loss attributable to non-controlling interests	**(731,521)**	**23,522**	**(2,998)**	**(14,729)**	**30,456**	**36,251**	**532**	**(694,738)**
Profit (loss) attributable to ordinary shareholders of the Company	**565,449**	**28,813**	**(84,654)**	**39,352**	**2,606,558**	**2,590,069**	**(906,068)**	**2,249,450**
Depreciation and amortisation	**2,694,114**	**417,731**	**22,474**	**105,536**	**22,903**	**568,644**	**246,262**	**3,509,020**
Capital expenditure								
- Additions in investment properties, property, plant and equipment, construction in progress, land use rights and intangible assets	**2,531,365**	**4,403,290**	**115,490**	**182,025**	**38,947**	**4,739,752**	**1,301,531**	**8,572,648**
- Additions in interests in an associate	**-**	**-**	**-**	**-**	**-**	**-**	**61,078**	**61,078**
- Additions in interests in joint ventures	**321,183**	**-**	**-**	**-**	**-**	**-**	**1,137**	**322,320**

(3) Segment information (continued)

For the year ended 31 December 2024

	Toll roads and general-environmental protection business	Logistics business: Logistics parks	Logistics business: Logistics services	Logistics business: Port and related services	Logistics business: Logistics park transformation and upgrading business	Logistics business: Sub-total	Head Office functions and others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15								
-Point in time	7,283,124	464	332,587	3,585,793	-	3,918,844	-	11,201,968
-Over time	2,746,087	228,571	-	-	28,970	257,541	-	3,003,628
Subtotal	10,029,211	229,035	332,587	3,585,793	28,970	4,176,385	-	14,205,596
Revenue from leases	-	1,275,399	-	-	89,620	1,365,019	-	1,365,019
Revenue	10,029,211	1,504,434	332,587	3,585,793	118,590	5,541,404	-	15,570,615
Operating profit (loss)	2,069,512	609,200	(19,959)	142,097	2,865,201	3,596,539	(444,759)	5,221,292
Share of results of joint ventures	367,568	26,144	-	(817)	-	25,327	(32,831)	360,064
Share of results of associates	641,358	894	2,017	(1,085)	242,906	244,732	237,544	1,123,634
Finance income	81,161	6,086	1	1,460	9,225	16,772	75,663	173,596
Finance costs	(1,183,363)	(98,972)	2,733	(14,709)	(85,819)	(196,767)	(383,391)	(1,763,521)
Profit (loss) before income tax	1,976,236	543,352	(15,208)	126,946	3,031,513	3,686,603	(547,774)	5,115,065
Income tax expense	(613,056)	(18,586)	(4,046)	(37,574)	(680,733)	(740,939)	(74,066)	(1,428,061)
Profit (loss) for the year	1,363,180	524,766	(19,254)	89,372	2,350,780	2,945,664	(621,840)	3,687,004
(Profit) loss attributable to non-controlling interests	(803,392)	12,789	(2,177)	(28,973)	7,629	(10,732)	(432)	(814,556)
Profit (loss) attributable to ordinary shareholders of the Company	559,788	537,555	(21,431)	60,399	2,358,409	2,934,932	(622,272)	2,872,448
Depreciation and amortisation	2,472,071	518,190	31,138	69,596	33,752	652,676	174,971	3,299,718
Capital expenditure								
- Additions in investment properties, property, plant and equipment, construction in progress, land use rights and intangible assets	2,358,819	4,540,729	112,379	314,770	72,969	5,040,847	2,380,630	9,780,296
- Additions in investment properties, property, plant and equipment and land use rights arising from acquisition of subsidiaries	7,808	-	-	-	-	-	-	7,808
- Additions in interests in associates	888,479	-	759	1,086	-	1,845	519,446	1,409,770

(a) The revenue from toll roads included construction service revenue under Service Concessions amounted to HKD2,174,631,000 for the year (2024: HKD2,130,496,000).

(b) The Group has a large number of customers, none of whom contributed 10% or more of the Group's revenue.

(c) All revenues are derived from external customers located in the PRC. The Group's non-current assets, other than financial instruments and deferred tax assets are mainly located in the PRC, revenues derived from non-current assets located in other countries and regions are not material.

(4) Revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2025	2024
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Toll roads and general-environmental protection business		
- Toll revenue	**5,583,360**	5,482,033
- Entrusted construction management service and construction consulting service revenue	**336,506**	481,714
- Construction service revenue under service concession arrangements	**2,174,631**	2,130,496
- General-environmental protection services	**1,653,826**	1,528,572
- Others	**347,003**	406,396
	10,095,326	10,029,211
Logistics business		
- Logistics parks	**294,920**	229,035
- Logistics services	**370,075**	332,587
- Port and related services	**4,058,962**	3,585,793
- Logistics park transformation and upgrading business	**40,632**	28,970
	4,764,589	4,176,385
	14,859,915	14,205,596
Revenue from other sources		
- Leases	**1,485,432**	1,365,019
	16,345,347	15,570,615

(5) Other gains - net

	2025	2024
	HK$'000	*HK$'000*
Gain on Land Preparation Project	**4,049,807**	3,157,598
(Loss) gain on disposal of other non-current assets	**(8,811)**	54,711
Change in fair value of other investments	**248,432**	46,804
Change in fair value of derivative financial instruments	**(88,772)**	(66,870)
Change in fair value of investment properties	**(363,966)**	(222,404)
Impairment loss recognised on goodwill	**(240,158)**	(10,464)
Impairment loss recognised on other non-current assets (Note)	**(404,579)**	(617,017)
Impairment loss recognised on interest in a joint venture	**(186,335)**	-
Gain on disposal of subsidiaries	**-**	783,349
Others	**(39,959)**	76,809
	2,965,659	3,202,516

Note: Mainly included: (a) an impairment loss of approximately HKD261,523,000 in respect of assets of logistics parks; and (b) an impairment loss of approximately HKD133,605,000 in respect of intangible assets of General-Environmental Protection Project.

(6) Finance income and costs

	2025	2024
	HK$'000	*HK$'000*
Finance income		
Interest income from bank deposits	**(85,666)**	(126,554)
Other interest income	**(34,225)**	(47,042)
Total finance income	**(119,891)**	(173,596)
Finance costs		
Interest expense		
- Bank borrowings	**959,457**	1,229,288
- Debt instruments issued	**665,283**	634,844
- Lease liabilities	**39,664**	42,269
- Others	**136,902**	145,273
Net foreign exchange (gains) losses	**(52,918)**	25,528
Less: finance costs capitalised on qualified assets	**(218,194)**	(313,681)
Total finance costs	**1,530,194**	1,763,521
Net finance costs	**1,410,303**	1,589,925

(7) Income tax expense

Hong Kong Profits Tax has not been provided as the Group did not generate any assessable profits in Hong Kong during the Year.

The PRC Corporate Income Tax charged to the consolidated income statement was calculated based on the assessable profits of the Company's subsidiaries located in the PRC of the Year at a rate of 25% (2024: 25%).

PRC Land Appreciation Tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures.

	2025	2024
	HK$'000	HK$'000
Current income tax		
- PRC Corporate Income Tax	**1,640,655**	1,335,573
- PRC Land Appreciation Tax	**-**	(61,880)
- Withholding income tax	**83,775**	-
Deferred tax	**(172,744)**	154,368
	1,551,686	1,428,061

(8) Expenses by nature

Profit for the year has been arrived at after charging:

	2025	2024
	HK$'000	*HK$'000*
Construction services cost under service concession arrangements	**2,049,184**	1,944,624
Kitchen waste disposal project costs	**853,043**	750,172
Depreciation and amortisation	**3,509,020**	3,299,718
Employee benefit expenses	**1,879,778**	1,752,914
Cost of inventories sold	**3,793,131**	3,539,565
Other tax expenses	**285,814**	360,832
Commission, management fee and maintenance expenses for toll roads	**370,437**	361,312
Entrusted construction management service costs	**161,223**	333,687
Auditors' remuneration : audit services	**7,421**	8,418
Legal and consultancy fees	**75,800**	89,492

(9) Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
	HK$'000	*HK$'000*
Profit attributable to ordinary shareholders of the Company	**2,249,450**	2,872,448
Weighted average number of ordinary shares in issue (thousands)	**2,427,855**	2,401,935
Basic earnings per share (HKD per share)	**0.93**	1.20

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

(9) Earnings per share (continued)

(b) Diluted (continued)

	2025	2024
	HK$'000	*HK$'000*
Profit attributable to ordinary shareholders of the Company	**2,249,450**	2,872,448
Weighted average number of ordinary shares in issue (thousands)	**2,427,855**	2,401,935
Adjustments - share options (thousands)	**15,882**	9,663
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**2,443,737**	2,411,598
Diluted earnings per share (HKD per share)	**0.92**	1.19

(10) Dividends

At the Board meeting on 26 March 2026, the Board recommended the payment of final dividend for the year of 2025 of HKD0.46 per ordinary share. Such dividends are to be approved by the shareholders at the forthcoming annual general meeting of the Company in 2026 ("Annual General Meeting"). These consolidated financial statements do not reflect this as dividend payable.

	2025	2024
	HK$'000	*HK$'000*
Proposed final and total dividend of HKD0.46 (2024: HKD0.598 per ordinary share)	**1,124,118**	1,440,964

The Board recommended that the final dividend be satisfied wholly in the form of an allotment of scrip shares. Shareholders will be given the option of receiving the final dividend wholly in cash in lieu of such allotment, or partly in cash and partly in the form of scrip shares. The arrangement is subject to: (1) the approval of proposed final dividend at the forthcoming Annual General Meeting; and (2) the Hong Kong Stock Exchange's granting the listing of and permission to deal in the scrip shares to be issued pursuant thereto.

(11) Intangible assets

Concession intangible assets

	2025	2024
	HK$'000	*HK$'000*
Cost	**50,946,095**	46,496,040
Accumulated amortisation and impairment	**(23,453,890)**	(20,308,157)
Net book value as at 31 December	**27,492,205**	26,187,883
Beginning of the year	**26,187,883**	29,280,325
Additions	**2,262,194**	2,212,008
Disposals	**(1,314)**	(5,253)
Amortisation	**(2,031,508)**	(1,889,762)
Acquisition of a subsidiary	**-**	7,758
Disposal of subsidiaries	**-**	(2,263,403)
Others	**-**	(45,090)
Impairment	**(133,605)**	(175,247)
Exchange difference	**1,208,555**	(933,453)
End of the year	**27,492,205**	26,187,883

Toll roads

Concession intangible assets related to toll roads represent the rights to operate the respective toll roads granted to the Group by the relevant local government authorities in the PRC to the Group. The remaining periods of rights to operate the respective toll roads are from 0.1 to 21 years (2024: 2 to 25 years). According to the service concessions, the Group is responsible for the construction of the toll roads and the acquisition of the related facilities and equipment. It is also responsible for the operations and management, maintenance and overhaul of the toll roads during the approved operating periods. The toll fees collected and collectible during the operating periods are attributable to the Group. The relevant toll roads assets are required to be returned to the local government authorities when the operating rights periods expire without any consideration payable to the Group.

(12) Trade and other receivables

The settlement period of the toll revenue from toll road operations is normally within a month due to the implementation of unified toll collection policy on expressways of the Group in the PRC. Trade receivables other than toll revenue are generally due within 120 days from the date of billing. As at 31 December 2025 and 2024, the ageing analysis of the trade receivables of the Group based on revenue recognition date was as follows:

	2025	2024
	HK$'000	*HK$'000*
0 -90 days	**1,034,176**	706,121
91 -180 days	**114,115**	226,068
181 -365 days	**713,769**	524,506
Over 365 days	**1,207,320**	774,557
	3,069,380	2,231,252

(13) Trade and other payables

The ageing analysis of the trade payables based on the date of invoices was as follows:

	2025	2024
	HK$'000	*HK$'000*
0 -90 days	**1,887,828**	2,217,907
91 -180 days	**214,193**	571,125
181 -365 days	**329,603**	217,941
Over 365 days	**2,136,216**	2,154,245
	4,567,840	5,161,218

MANAGEMENT DISCUSSION AND ANALYSIS

OVERALL REVIEW

Operating results	**2025** ***HK$'000***	2024 *HK$'000*	Increase/ (Decrease)
Revenue (excluding construction service revenue from toll roads)	**14,170,716**	13,440,119	5%
Construction service revenue from toll roads	**2,174,631**	2,130,496	2%
Total revenue	**16,345,347**	15,570,615	5%
Operating profit	**5,098,123**	5,221,292	(2%)
Profit before tax and finance costs	**5,906,177**	6,704,990	(12%)
Profit attributable to shareholders	**2,249,450**	2,872,448	(22%)
Basic earnings per share (HK dollars)	**0.93**	1.20	(23%)
Final Dividend per share (HK dollar)	**0.46**	0.598	(23%)

In 2025, the logistics industry underwent profound adjustments amid intensifying geopolitical tensions, mounting uncertainties arising from international trade and tariff barriers, and ongoing volatility in global supply chains. In navigating this complex and evolving external environment, the Group adhered to the principle of "Striving for Progress while Maintaining Stability". Leveraging its solid business foundation and diversified business portfolio, the Group effectively enhanced operational resilience and achieved steady development by continuously driving cost reduction, improving efficiency, and strengthening business promotion and service capabilities.

For the year ended 31 December 2025 (the "Year"), the Group recorded a total revenue of approximately HK$16,345 million, representing an increase of 5% as compared to the same period last year. Profit attributable to shareholders decreased by 22% to approximately HK$2,249 million, mainly due to the recognition of profit after tax of approximately HK$587 million in 2024 from the injection of two logistics hub projects to an infrastructure public REIT, which was absent during the Year, as well as the recognition of an impairment-related investment loss of approximately HK$436 million in an associate for the Year.

During the Year, the logistics business recorded a revenue of approximately HK$2,031 million, representing an increase of 11% as compared to the same period last year, mainly attributable to the commencement of operations of certain logistics hub projects in the Guangdong-Hong Kong-Macao Greater Bay Area (the "Greater Bay Area") during the Year. Loss attributable to shareholders was approximately HK$55.84 million, mainly due to the absence of gains from the injection of logistics hub projects into the REIT under the Group's "Investment, Construction, Financing and Operation" business model during the Year, as well as the relatively high initial operating expenses of certain new projects, which remain in the incubation phase.

As at 31 December 2025, the Group has established its presence in 42 cities nationwide, managing and operating 59 logistics hub projects with a total operating area of approximately 7.54 million square meters. The overall occupancy rate of mature logistics parks was approximately 87%.

The Group remains committed to the development strategy of "Establishing a Foothold in Shenzhen, Expanding across the Greater Bay Area, and Serving the National Market", focusing its investment in core economic regions such as the Greater Bay Area, the Yangtze River Delta, and the Beijing-Tianjin-Hebei Region to continuously strengthen its logistics business foundation. In 2025, the Group further expanded its logistics network and operating scale, with operating area increasing by approximately 1.75 million square meters. This was supported by the commencement of operations of 13 logistics hub projects during the Year, located in Shenzhen, Shunde (Foshan), Gaoming (Foshan) and Jiangning (Nanjing), which further enhanced the Group's national network coverage and service capabilities. In addition, seizing the strategic opportunities arising from the new development landscape, the Group will leverage its heavy-asset layout in key regions, extend service offerings, and further strengthen technological capabilities to accelerate its strategic transformation from a "logistics infrastructure developer and operator" to a "comprehensive logistics service provider", thereby continuously enhancing its core competitiveness.

During the Year, the logistics park transformation and upgrading business recorded a revenue of approximately HK$160 million, representing an increase of 35% as compared to the same period last year, mainly due to the improved leasing conditions of the office section at SZI South China Digital Valley. Profit attributable to shareholders amounted to approximately HK$2,607 million, increased by 11% as compared to the same period last year, primarily due to the recognition of profit after tax of approximately HK$2,933 million from the land consolidation and preparation of SZI South China Logistics Park.

The Group's long closed-loop "Investment, Construction, Operation and Transformation" business model continued to drive significant progress in 2025. During the Year, the Group entered into a land use right transfer agreement for phase 1 of the reserved land relating to the land consolidation and preparation of the SZI South China Logistics Park, and officially commenced its development and construction. As the transfer price of this land parcel was lower than originally estimated, the profit from the land consolidation and preparation increased accordingly, contributing an additional profit after tax of approximately HK$54.36 million. In addition, phase 2 of the reserved land (stage 1) was approved by the Shenzhen Longhua District People's Government (the "Longhua District Government") in December 2025, signifying the Group's acquisition of the development rights for this land parcel. The Group recognized profit after tax of approximately HK$2,878 million from the land consolidation and preparation of this land parcel during the Year. The Group will expedite the development and construction of the above land parcels and endeavor to develop a high-quality residential flagship project, so as to facilitate the timely receipt of sale proceeds and recovery of cash flow.

During the Year, the port and related services business recorded a revenue of approximately HK$4,059 million, representing an increase of 13% as compared to the same period last year, mainly driven by the increase in revenue from the port supply chain business. Profit attributable to shareholders dropped by 35% as compared to the same period last year to approximately HK$39.35 million, the decline was mainly attributable to the intensified competition in the port industry which compressed profit margins, along with the ongoing nurturing stage of the newly launched project, and increased depreciation and amortization costs arising from fixed assets.

The Group's toll road and general-environmental protection businesses are managed and operated through Shenzhen Expressway Corporation Limited (the "Shenzhen Expressway"), a listed subsidiary of the Company. During the Year, the overall revenue of Shenzhen Expressway was approximately HK$10,095 million, maintained at a similar level with that of last year. Its net profit slightly dropped by 2% as compared to the same period last year to approximately HK$1,292 million, mainly attributable to the absence of gains from the disposal of the Yichang Expressway project company, which were recognized in the same period last year. During the Year, the Group's share of profits from Shenzhen Expressway was approximately HK$565 million, remaining largely flat compared to the same period last year.

During the Year, the Group dynamically optimized its financing strategies to proactively respond to market changes. Through a series of precise measures, the Group continuously optimized its debt structure in terms of maturity and currency mix, securing preferential loan rates, leading to a decrease of 11% in finance costs as compared to the same period last year to approximately HK$1,410 million. In terms of exchange rate management, the Group actively navigated market fluctuations, achieving a net exchange gain of approximately HK$52.92 million for the Year. This marks a significant improvement compared to the net exchange loss of approximately HK$25.53 million reported for the same period last year. In January 2026, the Company successfully issued three-year medium-term notes in the amount of RMB1,000 million, with a coupon rate of 1.81%, marking a historical low in the Company's financing costs, and achieved a subscription ratio of 4.15 times. These fully demonstrate strong market recognition of the Group's operational strength and its promising growth prospects. Looking ahead, the Group will continue to strengthen its financial management, further optimize its debt structure, and enhance its resilience to market risks, ensuring stable and sustainable growth amidst a complex and volatile market.

Dividend

The Board is committed to maintaining a stable dividend policy and delivering sustainable and stable returns to the shareholders of the Company. Having considered the composition of the profit and cash flows of the Group, the Board recommended a final dividend of HK$0.46 per share for the Year (2024: HK$0.598 per share), representing a decrease of 23% as compared to last year. Total dividend amounted to HK$1,124 million (2024: HK$1,441 million), representing a decrease of 22% as compared to last year.

The Board recommended that the final dividend be satisfied wholly in the form of an allotment of scrip shares. Shareholders will be given the option of receiving the final dividend wholly in cash in lieu of such allotment, or partly in cash and partly in the form of scrip shares (the "Scrip Dividend Scheme"). The Scrip Dividend Scheme is subject to: (1) the approval of the proposed final dividend at the forthcoming annual general meeting of the Company (the "2026 Annual General Meeting"); and (2) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting the listing of and permission to deal in the scrip shares to be issued pursuant thereto.

LOGISTICS BUSINESS

Analysis of Operating Environment

In 2025, the global economy faced significant challenges due to shifting policies and cyclical factors, creating a complex and challenging external environment. Despite periodic pressures such as deflation, the Chinese economy, supported by a comprehensive industrial structure and institutional innovation, continued to demonstrate strong resilience and endogenous momentum, with its long-term economic fundamentals remained intact.

The logistics industry, in which the Group's core businesses operate, is experiencing an ongoing realignment between supply and demand. Adjustments in Sino-U.S. trade policies and decelerating growth in customers' respective industries continued to exert downward pressure on the effective warehouse rental rate, leading to a simultaneous decline in both demand and rent across the warehousing logistics market. Nevertheless, demand in niche sectors such as instant retail and emerging industries continued to grow steadily, while new sectors like green logistics, low-altitude logistics and digital logistics also helped to support the industry's development. Furthermore, the Chinese government has successively introduced a series of policies in recent years to promote the high-quality development in modern logistics, providing solid support for the industry's stable and healthy growth.

Amid an increasingly complex external environment and profound industry transformations, the Group has upheld its core development principle of "Striving for Progress while Maintaining Stability", and advanced high-quality development through a series of strategic initiatives. On the one hand, the Group adhered to a prudent and disciplined investment approach, focusing on high-quality projects in core cities such as Beijing and Shenzhen to strengthen its network layout and service capabilities. Building on this foundation, the Group is advancing the transformation of its business model from traditional warehouse leasing to becoming a hub for supply chain solutions. On the other hand, the Group continued to enhance coordination among its core business segments and strengthen its ability to offer integrated supply chain services. In line with national policies, the Group has actively explored opportunities in areas such as multi-modal transport and other businesses, advancing the development of an efficient, collaborative and integrated logistics service system. Meanwhile, by leveraging opportunities arising from urban logistics upgrades and industrial convergence, the Group introduced the "Logistics+" integrated development model in pilot cities such as Shenzhen, and actively explored emerging sectors, including data centers, green energy and low-altitude logistics.

The Group continues to drive technological innovation and digital transformation, accelerating the intelligent and automated upgrading of logistics and warehousing services to enhance operational efficiency and service quality, while proactively responding to industry changes. At the same time, the Group remains committed to integrating its ESG principles into its business operations and development plans. By pursuing green building certifications, implementing intelligent upgrades in logistics parks, developing photovoltaic power generation and charging infrastructure, and promoting water and energy conservation, the Group collaborates with its customers to build sustainable and green logistics parks. These efforts provide a solid foundation for the Group's long-term, stable and robust growth.

In addition, in response to the competitive dynamics in the current market, the Group improved coordination in business promotion across different segments. Through initiatives such as management engagement in strategic customer visits, systematic restructuring of leasing processes, and the implementation of a Customer Relationship Management (CRM) system, the Group has significantly strengthened customer relationship, resulting in a steady increase in project occupancy rates.

Analysis of Operating Performance

Logistics Park Business

I. Guangdong Province (including the Greater Bay Area)

Guided by the strategy of "Establishing a Foothold in Shenzhen and Focusing on the Greater Bay Area" and capitalizing the synergies of the Dual-zone Development Initiative, the Group continued to prioritize its development in Shenzhen, while establishing the "Second Home Base" in Foshan and expanding its footprint to cities such as Zhongshan, Zhaoqing, Zhanjiang and Jieyang, thereby building an intelligent logistics network across Guangdong Province. The logistics hub projects collaborate synergistically, focusing on the needs of the real economy, enhancing overall logistics efficiency, and further strengthening the Group's leading position in Guangdong Province.

As at 31 December 2025, the Group has established a total of 18 logistics hub projects in Guangdong Province (including the Greater Bay Area), of which 16 projects (including 8 projects in Shenzhen) were in operation or under management, with a total operating area of approximately 2.20 million square meters. The mature logistics parks achieved an occupancy rate of approximately 88%.

Projects in Shenzhen

SZI Western Highway Freight Logistics Hub (SZ Bao'an), located in Shenzhen's Bao'an District, has a site area of approximately 75,000 square meters and a gross floor area of approximately 159,000 square meters, and commenced operations at the end of 2025. The project is a National Production Service-oriented Logistics Hub in Shenzhen and one of the seven major gateway-type logistics hubs planned by the Shenzhen Municipal People's Government. It is also the first highway logistics hub project successfully launched under Shenzhen's three-tier "7+30+N" logistics station layout plan. Designed in alignment with China's Green Building Evaluation Standard 3-Star Grade and the internationally recognized LEED Platinum standards, the project features a five-story, above-ground high-standard warehouse. Leveraging the region's advanced manufacturing base and strategic location, it has been developed into an integrated cluster of modern intelligent logistics facilities, including intelligent logistics centers, smart logistics cloud warehouses and cold chain centers. The project has been included in the "List of Major Projects in Shenzhen for 2025", and has successfully attracted a diverse roster of tenants, including express delivery, third-party logistics and cold chain logistics enterprises.

SZI Intelligent Logistics Hub (SZ Liguang), located in Shenzhen's Longhua District, has a site area of approximately 45,000 square meters and a gross floor area of approximately 217,000 square meters. It has a high plot ratio comprising six above-ground floors and two underground floors, and commenced operations in 2023. The park is equipped with a comprehensive range of warehousing facilities, including cold storage, ambient storage and automated stereoscopic warehouses, as well as e-commerce incubation and operation centers and ancillary service centers. Key customers of the project include pharmaceuticals and logistics enterprises.

As a pioneering initiative of the Group, the SZ Liguang Project has established itself as a flagship smart platform project. Leveraging cutting-edge information technologies such as 5G, it integrates intelligent hardware with a digital management platform, enabling fully digitalized, intelligent and visualized operations in the project. It covers various aspects, including operational management, asset management, logistics services and green zero-carbon initiatives. The project was awarded the Second Prize in the "2024 Smart City Pioneer List – Outstanding Cases" and was further recognized in 2025 as an "Outstanding Case of the Shenzhen Near-Zero Carbon Emission Pilot Project".

SZI Intelligent Logistics Hub (SZ Yantian), located in Shenzhen's Yantian District, has a site area of approximately 32,000 square meters and a gross floor area of approximately 91,000 square meters. The project serves as the Group's modern and high-standard demonstration project for "Multi-story Warehouses" and "Bonded Logistics+", and commenced operations in early 2024. Leveraging the distinct regional advantages of Yantian Port and Yantian Comprehensive Bonded Zone, the project focuses on high-value-added comprehensive logistics services, including bonded warehousing, import distribution, export consolidation and "front-store, back-warehouse" operations for Hong Kong retailers, aiming to become an internationally-leading, digitalized, intelligent and sustainable bonded logistics complex. The project's key customers include retail chains and leading logistics enterprises.

SZI Intelligent Logistics Hub (SZ Pingshan), located in Shenzhen's Pingshan District, has a site area of approximately 120,000 square meters and a gross floor area of approximately 286,000 square meters, and commenced operations in December 2024. The project is a "Demonstration Base for Deep Integration of Manufacturing and Logistics Industries" within Shenzhen's "20+8" strategic emerging industry clusters. It also serves as an "Intelligent Logistics Shared Service Center" for "9+2" strategic emerging industries in Pingshan District, helping to address the shortage of high-standard logistics facilities in the district, and promoting the deep integration of the manufacturing and logistics industries in the area. It has been successfully selected as one of "Shenzhen's Key Projects for 2025". Leveraging its dual-format synergy of "Industrial + Warehousing" and its commitment to targeted services, the SZ Pingshan Project has successfully attracted numerous high-growth enterprises. The project's key customers include retail chains, food companies and logistics enterprises.

SZI Intelligent Logistics Hub (SZ Pingshan East), located in Shenzhen's Pingshan District, has a site area of approximately 267,000 square meters and a gross floor area of approximately 94,000 square meters. Being adjacent to several of the Group's logistics hub projects, the project can benefit from collaborative development within the area. The project's key customers include retail chains and renowned logistics enterprises.

SZI Kanghuai E-commerce Center, located in Shenzhen's Longhua District, has an operating area of approximately 143,000 square meters. It is the first asset-light management service project operated by the Group. The project is committed to developing an "intensified, efficient, green and intelligent" urban freight distribution service system, and has been designated as one of Shenzhen's Model City Programs for Green Urban Freight Distribution. It provides a wide range of services, including logistics and warehousing, large-scale data centers, office towers, dormitories and restaurants. The project also supports sharing and exchange of data and intelligent connection of facilities across the park through an intelligent park information management system. In 2025, the project was successfully awarded the tender for Shenzhen's inaugural "Inspect Before Loading" pilot program for cross-border e-commerce export less than container load (LCL) cargo. By facilitating the customs authority's innovation in supervision models, it contributed to the high-quality development of the cross-border e-commerce. The project has successfully attracted numerous branded logistics enterprises.

SZI Western Logistics Park, located in Shenzhen's Qianhai Pilot Free Trade Zone, has an operating area of approximately 91,000 square meters. It is a project operated by the Group under a government lease, following the realization of benefits from the land consolidation and preparation in Qianhai. Leveraging the advantages offered by the Qianhai Pilot Free Trade Zone, including its pioneering policy benefits, prime location, mature logistics infrastructure, efficient customs clearance and a professional operations team, it provides integrated logistics services, including bonded logistics, warehousing and storage, loading and unloading, customs declaration and on-site value-added services. It has been recognized as an advanced certified enterprise under the Authorized Economic Operator (AEO) Program. The project's key customers include several top-tier logistics enterprises.

SZI Intelligent Logistics Hub (Shenzhen Qianhai), located in Shenzhen's Bao'an District, is jointly developed by the Group and Shenzhen Qianhai Construction Investment Holding Group Co., Ltd. (深圳市前海建設投資控股集團有限公司), which hold 49% and 51% equity interest in the project company, respectively. In early 2026, the project company successfully acquired the land parcel for the development. Spanning approximately 58,000 square meters of site area and a planned gross floor area of approximately 79,000 square meters, the project is positioned as a critical modern public logistics hub along the Shenzhen-Zhongshan Link. It integrates core functions, including intelligent warehousing, cross-border e-commerce, international consolidation and emergency support, while serving as a "Dual-Use" (normal and emergency) public infrastructure facility for the city. Upon completion, the project will significantly enhance regional freight consolidation and distribution capacity, and create powerful synergies with the Group's existing logistics hub projects.

Key Projects in the Greater Bay Area

SZI Intelligent Logistics Hub (Foshan Nanhai), located in Foshan's Nanhai District, has a site area of approximately 76,000 square meters and a gross floor area exceeding 89,000 square meters, and commenced operations in the second half of 2024. The project has successfully attracted a leading cross-border e-commerce enterprise through operational intensification, smart technologies, green practices and its excellent market reputation. This has effectively driven quality and efficiency optimization within the local e-commerce industry.

SZI Intelligent Logistics Hub (Foshan Shunde), located in Foshan's Shunde District, has a site area of approximately 200,000 square meters and a gross floor area of approximately 329,000 square meters, and commenced operations in March 2025. The project leverages Foshan's outstanding location, transportation network and industrial foundation to create a high-standard, digitalized and modern integrated logistics hub that combines a range of functions, including high-standard warehousing, intelligent logistics and cold chain logistics services. It has successfully attracted tenants from the cross-border e-commerce sector.

SZI Intelligent Logistics Hub (Foshan Gaoming), located in Foshan's Gaoming District, has a site area exceeding 157,000 square meters and a gross floor area exceeding 184,000 square meters, and commenced operations in November 2025. Leveraging the region's excellent transportation and industrial logistics market environment, the project focuses on "intensification" and "intelligence" to develop a modern logistics park integrating warehousing, distribution, freight forwarding, trading, after-sales services and e-commerce. It has successfully attracted tenants from the cross-border e-commerce and pharmaceutical sectors.

SZI Intelligent Logistics Hub (Zhongshan Torch), located in Zhongshan Torch Hi-tech Industrial Development Zone, has a site area of approximately 58,000 square meters and a gross floor area exceeding 66,000 square meters. The official opening of the Shenzhen-Zhongshan Link in 2024 has fostered further integration of the cities along the east and west banks of the Pearl River, promoting the further development of local manufacturing, logistics and other industries in Zhongshan while injecting new momentum into the project's stable operation. The project has successfully attracted tenants from the third-party logistics, pharmaceutical and manufacturing industries, while providing integrated logistics solutions to the surrounding automotive supply chain industry.

SZI Intelligent Logistics Hub (Zhaoqing Gaoyao), located in Zhaoqing's Gaoyao District, has a site area of 100,000 square meters and a gross floor area exceeding 108,000 square meters, and commenced operations in November 2025. The project boasts a prominent locational advantage with a "one-hour transport circle" encompassing core cities in the Greater Bay Area such as Guangzhou and Foshan. This strategic positioning enables highly efficient connectivity and business synergies with the Group's existing logistics hub projects in Foshan, Zhongshan and surrounding areas. Positioned as an integrated intelligent logistics service platform, the project introduces modern logistics models including cloud warehousing, urban joint distribution, and cargo consolidation and transportation. By providing high-standard warehousing facilities and supply chain optimization solutions, the project has successfully attracted cross-border e-commerce enterprises.

Other Projects in Guangdong Province

SZI Logistics Hub (Zhanjiang), located in Zhanjiang's Mazhang District, has a site area of approximately 110,000 square meters and a gross floor area exceeding 90,000 square meters. As the first modern, high-standard warehousing facility in Zhanjiang and the largest of its kind in western Guangdong, the project commenced operations in the second half of 2024. It features a consolidation and distribution center and a modern warehousing center, positioning itself as an integrated urban logistics hub serving western Guangdong and Beibu Gulf regions, while extending its reach into Southeast Asia. It coordinates with the Hainan Chengmai Project and Haikou Gaoxin Project to act as the Group's strategic footholds in its expansion into the Beibu Gulf Economic Zone and its layout along the western Guangdong logistics corridor. The project's key customers include third-party logistics providers, express delivery operators and industrial manufacturers.

SZI Logistics Hub (Jieyang), located in Jieyang's High-tech Industrial Development Zone, has a site area of approximately 96,000 square meters and a planned gross floor area of approximately 109,000 square meters. Strategically located at the junction of Chaozhou, Shantou and Jieyang, the project enjoys superior transportation connectivity serving all three cities. It is designed to establish an "air logistics service center + cross-border e-commerce service center" to enhance Jieyang Airport's freight consolidation and distribution capacity. The main structure of the project is currently under construction, and operations are expected to commence in the first half of 2026.

II. Other Regions of the PRC

While strengthening its presence in Guangdong Province, the Group has optimized its nationwide network by adopting a "prioritizing excellence" strategy. It focuses on key cities in economically developed regions such as the Yangtze River Delta and the Beijing-Tianjin-Hebei Region, aiming to increase market share, enhance penetration rate and project density in key cities, strengthen its high-standard warehouse network, and building nationwide synergies.

As at 31 December 2025, the Group has extended its logistics hub network beyond Guangdong Province to 35 cities across other regions of the PRC, among which a total of 43 projects have been put into operation, with an operating area of approximately 5.34 million square meters. The mature logistics parks achieved an occupancy rate of approximately 87%, indicating stable leasing conditions.

Key Projects in Other Regions of the PRC

SZI Logistics Hub (Shijiazhuang Zhengding), located in Zhengding County, Shijiazhuang, Hebei Province, has a site area of approximately 310,000 square meters and a gross floor area exceeding 500,000 square meters. It is the first industrial-city complex in the PRC that combines the two major industries of logistics and commerce. Guided by the construction objectives of "Premium Standard with Artistic Excellence", the Group is leveraging this project to establish a closed-loop ecosystem of "Winter Sports + Business + Cultural Tourism + Hospitality" that integrates diverse business formats, including intelligent logistics parks, ice-and-snow sports venues, international hotels, cultural districts, commercial complexes and startup incubators, thereby establishing a development model where winter sports attract visitors, commercial spaces keep them engaged, and logistics capabilities provide the necessary support.

The logistics park section of the project has a site area of approximately 200,000 square meters and a gross floor area exceeding 100,000 square meters. It is positioned as a digital, intelligent cold-chain logistics base for pharmaceuticals, where approximately 70,000 square meters are currently in operation, including approximately 40,000 square meters designated as pharmaceutical industrial park. It offers high-standard, full-temperature-range facilities capable of storing pharmaceuticals, fresh food, ready meals and frozen products through integrated freezing, refrigeration, cooling and temperature-control functions. By leveraging intelligent technologies and automated equipment, the park has achieved fully intelligent and visualized management across all processes, significantly improved logistics efficiency and contributed to the high-quality development and industrial advancement of the "Pharmaceutical Hub of Northern China". The park is a certified member of the national Pharmaceutical Supply Chain Alliance. It serves as the regional warehouse for China Resources Pharmaceutical in Hebei. It has also attracted renowned enterprises from the pharmaceutical and food industries, including Sinopharm Le-Ren-Tang, Kinghey and Yonghui, thereby fostering clustering effect for the pharmaceutical and food cold chain sectors. Moreover, the A1 intelligent pharmaceutical cold chain warehouse, with a gross floor area of 30,000 square meters, has received the GSP certification and is expected to commence operations in the first half of 2026. Once put into operation, it will further enhance the park's pharmaceutical cold chain service capacity and scale advantage.

The commercial section of the project is a large-scale complex integrating cultural, sports, commerce and tourism offerings, with a site area of approximately 110,000 square meters and a planned gross floor area of approximately 320,000 square meters. Among these, the Sunac Snow Park, which officially opened in early July 2025, is currently the largest indoor ski resort in northern China, with a gross floor area of approximately 30,000 square meters. The project has also formed partnerships with several renowned domestic and international brands, including Sunac Resort, Hampton by Hilton, Jinjiang Radisson Hotels, SEZ Construction, PH Alpha and JERDE, etc. These collaborations are collectively driving the project toward a distinctive, modern, integrated complex for cultural and tourism activities, as well as a micro-vacation destination within the Beijing-Tianjin-Hebei Capital Economic Circle. The entire project is expected to be completed and commence operations in 2026.

SZI Logistics Hub (Jinhua Yiwu), located in Jinhua, Zhejiang Province, has a site area of approximately 417,000 square meters and a gross floor area of approximately 558,000 square meters. The project comprises two major functional zones, high-standard warehouse and industrial park zone. The high-standard warehouse primarily serves customers in e-commerce cloud warehousing, modern storage, and consolidation and distribution. At the same time, the industrial park focuses on developing a cross-border trade hub that integrates business offices, warehousing logistics, staff residential facilities and public service facilities. The project has successfully attracted medium- to large-sized e-commerce enterprises, international trading companies, and enterprises from upstream and downstream industry chains.

SZI Logistics Hub (Ningbo), located in Ningbo, Zhejiang Province, has a site area of approximately 92,000 square meters and a gross floor area of approximately 57,000 square meters. With significant advantages in superior transportation connectivity, comprehensive facilities and high-quality services, the project is positioned as a multi-functional modern logistics park that facilitates e-commerce development while serving as an important pillar and driving force for the logistics industry in Ningbo and surrounding regions. It has successfully attracted large-scale tenant from the express delivery industry.

SZI Logistics Hub (Wuxi Huishan), located in Wuxi, Jiangsu Province, has a site area of approximately 246,000 square meters and a gross floor area exceeding 120,000 square meters. Strategically positioned to serve Wuxi and the surrounding Taihu Lake Economic Circle, the project leverages its core locational advantages within the Yangtze River Delta. Driven by the dual engines of freight and e-commerce logistics, the project focuses on three core functional segments, being modern warehousing, consolidation and distribution, and comprehensive business services. It has successfully evolved from a traditional standalone logistics park into a fully functional urban logistics complex. The project's primary customers include express delivery operators, third-party logistics providers and manufacturing enterprises.

SZI Logistics Hub (Wuhan Caidian), located in Wuhan, Hubei Province, has a site area exceeding 129,000 square meters and a gross floor area of approximately 117,000 square meters. Adjacent to the Wuhan Economic and Technological Development Zone, the project enjoys a significant locational advantage, with a strategic focus on warehousing automotive components and electrical appliances. The Group is dedicated to establishing the project as a modern, integrated urban logistics hub that consolidates functions such as modern warehousing, consolidation and distribution, and comprehensive ancillary services, primarily catering to urban consumption and regional logistics demand. The project's key customers include e-commerce logistics providers and express delivery enterprises.

SZI Logistics Hub (Zhengzhou Erqi), located in Zhengzhou, Henan Province, has a site area of approximately 110,000 square meters and a gross floor area exceeding 117,000 square meters. Fully capitalizing on its prime location, the project deeply integrates industrial processing with urban distribution functions. It establishes an innovative system that combines a "supply chain infrastructure platform" with an "industry chain servicing platform". By developing a modern intelligent logistics ecosystem featuring close upstream-downstream collaboration, the project achieves comprehensive industrial integration, operational synergy and clustered development. The project's key customers include e-commerce, express delivery, pharmaceuticals and other enterprises.

SZI Logistics Hub (Nanning Jingkai), located in Nanning, Guangxi Zhuang Autonomous Region, has a site area of 100,000 square meters and a gross floor area exceeding 55,000 square meters, and commenced operations in November 2025. As a pivotal node in the Group's strategic logistics expansion in Guangxi, the project is dedicated to building a new type of integrated logistics hub focused on consolidation and distribution, urban delivery and ancillary services. It will support the development of a cohesive logistics network across Southwest China, enabling synergistic development, integrated management and the sharing of customer resources among the Group's logistics hubs in the area.

SZI Logistics Hub (Guiyang Xiuwen), located in Guiyang, Guizhou Province, has a site area of approximately 206,000 square meters and a planned gross floor area of approximately 147,000 square meters. Adjacent to Guiyang's primary logistics corridors, the project enjoys distinct locational advantages and is dedicated to establishing an integrated development platform in Southwest China that combines a logistics infrastructure platform with supply chain service platform. In 2025, the project was selected for the third batch of Guizhou Province's "Dual Major" construction projects. Construction of the project commenced in September 2025, with an expected date of completion and commencement of operations in 2027.

Management Service Business

Leveraging its proven expertise in logistics park operation, the Group has successfully undertaken a number of management service projects nationwide, accumulating extensive practical experience in recent years. Its management services business has evolved from initial business promotion and operation to comprehensive, multi-phase management spanning the entire lifecycle of "Investment, Construction, Business Promotion and Operations", delivering sustained value to partners.

The Group's management service business has achieved considerable scale nationwide. As at the end of 2025, operational projects including Yueyang Project, Hainan Yangpu Project, Wuxi Xishan Project, Huizhou Dayawan Project and Foshan Shunde (Jun'an) Project, with a total operating area of approximately 512,000 square meters. In 2025, the Group expanded its footprint by adding seven new management service projects. Notably, the Shaoxing Zhuji Project marked the first extension of the Group's management service into the investment phase, while the Nanchang Luoting Project incorporated construction management services for the first time. Together, these milestones signify the continuous refinement of the Group's management service system. Furthermore, the Group has simultaneously advanced pre-leasing and operational setup for several projects under construction to enhance their value and competitiveness upon becoming operational.

Looking ahead, the Group intends to expand its management service business and broaden the geographical coverage by expanding service offerings and improving service quality to drive high-quality growth in this segment.

III. Expanding the Short Closed-loop "Investment, Construction, Financing and Operation" Business Model

With the development of the logistics and warehousing industry, the intrinsic resilience of logistics hubs continued to strengthen. The Group is actively exploring the securitization of its logistics hub assets and implementing the short closed-loop "Investment, Construction, Financing and Operation" business model. Through the issuance of logistics real estate investment funds, the Group can expedite the recoupment of the upfront capital investment, shorten project return cycles, optimize its capital structure, lower its gearing ratio, and realize asset appreciation returns ahead of schedule during the development, construction, incubation and operation phases of its logistics hub projects. This initiative will significantly drive the expansion of the management scale and profitability of the Group's logistics hub projects, thereby injecting new momentum into the Group's long-term stable development. The Group continues to refine its short closed-loop "Investment, Construction, Financing and Operation" business model, leveraging diverse approaches to maximize value through the securitization of logistics assets.

In 2024, the Group launched its first logistics and warehousing REIT, namely the ChinaAMC-Shenzhen International Warehousing & Logistics Close-end Infrastructure Securities Investment Fund (the "ChinaAMC-Shenzhen International REIT"), through the asset securitization of the Hangzhou Phase I Project and Guizhou Longli Project. This enabled the Group to realize the closed-loop "Investment, Construction, Financing and Operation" business model. Through this issuance, the Group has effectively revitalized its premium logistics hub assets, accelerated the recoupment of its capital investment, strengthened its positive investment cycle, and further enhanced its reputation in the domestic capital market.

On 9 July 2024, ChinaAMC-Shenzhen International REIT was successfully listed on the Shenzhen Stock Exchange. Since then, it has demonstrated stable market performance and consistent dividend payouts, gaining widespread recognition from the capital market. In May 2025, the Company and ChinaAMC-Shenzhen International REIT were awarded the "Innovative Organization of the Year" and the "Outstanding Public REITs Project of the Year", respectively, from the China Securitization Forum. These accolades reflect the industry's prestigious recognitions of the Group's proven expertise in logistics park operation and management, as well as its innovative practices in asset securitization. As at 31 December 2025, the Group held 30% of the total units of ChinaAMC-Shenzhen International REIT and has received dividend payouts totaling approximately RMB22.12 million for the Year.

In addition, the Group receives service fees for providing operational and maintenance services to the underlying assets of ChinaAMC-Shenzhen International REIT, namely the Hangzhou Phase I Project and Guizhou Longli Project.

In respect of private funds, the Group established Shenshi (Shenzhen) Smart Logistics Infrastructure Private Fund Partnership (Limited Partnership) with Goldstone Investment Limited, a subsidiary of CITIC Securities Co., Ltd., in 2021. The Group has progressively transferred its logistics hub projects in Nanchang, Hefei and Hangzhou to the fund, while retaining the operational and management rights over the underlying assets. The fund is currently operating smoothly and the Group earns service fees for providing operational and maintenance services for those logistics hub projects.

The Group is currently advancing the establishment of a new-phase of logistics warehousing Pre-REITs private fund. By injecting mature and premium logistics hub projects into the fund, it helps to build a pool of high-quality assets for the expansion of ChinaAMC-Shenzhen International REIT. This initiative aims to accelerate capital recovery, unlock asset value and further institutionalizing the closed-loop "Investment, Construction, Financing and Operation" business model.

Looking ahead, the Group will continue to develop a fund system anchored by publicly offered REITs and complemented by a flexible mix of private equity products, fostering a synergistic integration between industry and capital to create a virtuous cycle. Furthermore, aligned with market conditions and its development goals, the Group intends to establish diversified logistics-focused funds, including M&A-oriented, development-oriented and industrial-investment-oriented funds, at opportune moments to support the sustainable and healthy growth of its core logistics business.

IV. Railway Integrated Logistics Hub

Shenzhen International Integrated Logistics Hub Center (the "Pinghunan Project")

In August 2021, the Group partnered with China Railway Guangzhou Group Co., Ltd. (the "CR Guangzhou") to establish a joint venture, Shenzhen Municipal Shenzhen International Railway Logistics Development Company Limited (the "Joint Venture") for the investment, construction and operation of the Pinghunan Project. In 2025, the Joint Venture completed a capital increase, following which the shareholding of the Group and CR Guangzhou were adjusted to 66% and 34%, respectively.

The Group pioneered the model for the Pinghunan Project, which involves obtaining strata titles for multi-level logistics and warehousing development constructed atop a traditional railway freight yard, and successfully developed the world's first "intelligent logistics park atop a railway freight station". This achievement has realized the composite development of railway land and the integrated development of "railway transportation + modern logistics". In September 2019, the Pinghunan Project was approved by the National Development and Reform Commission and the Ministry of Transport of China as one of the country's first batch of 23 national logistics hub projects. It has also been consistently recognized as a key construction project of Guangdong Province and a major project of Shenzhen for several consecutive years. In June 2025, the Pinghunan Project was included in the first batch of the "Top 10 Intensive Land Use Case Studies in Shenzhen" published by the Planning and Natural Resources Bureau of Shenzhen Municipality, for its innovative intensive land-use model, demonstrating the project's significant value as an example in urban development.

The Pinghunan Project constructs a multi-functional warehousing complex with a gross floor area of 850,000 square meters atop a railway yard, featuring 11 logistics warehouses, 2 auxiliary facilities, and 4 roundabouts for transportation, and accommodates multiple business modes, including high-standard warehousing, freight consolidation and distribution, urban delivery, cross-border e-commerce, cold storage and intelligent warehouse. In December 2025, the main structures of the project were fully completed, and the ground-level railway engineering was finished and became operational, successfully connected to the national railway network. This lays a solid foundation for the construction of the super-structured intelligent logistics park and the comprehensive connection of the multimodal transport system. Pre-leasing activities are actively underway, with letters of intent already secured from several leading enterprises across the express delivery, catering, cold chain and other sectors. The entire project is expected to be completed and commence operations in the first half of 2026.

Upon completion and commencement of operation, the Pinghunan Project will become a landmark "Rail-Sea-Road" multi-modal transportation hub and a national-level integrated logistics center, notable for being the largest single-unit facility in Asia with comprehensive business models and a high degree of intelligence. It is also set to forge a new intelligent logistics and transportation model that seamlessly integrates multi-modal transportation and urban delivery. Furthermore, the project's operation will enhance logistics connectivity between the Greater Bay Area and regions along the Belt and Road Initiative, facilitating the expansion of the Group's business scale and further solidifying its position in the Greater Bay Area logistics market.

Leveraging the Pinghunan railway freight yard/stacking yard, the Group has actively extended its reach into freight train services, value-added services and bulk commodity logistics operations. In terms of express freight train services, the Group has successfully established railway freight corridors connecting Shenzhen with major economic regions, including the Yangtze River Delta, the Beijing-Tianjin-Hebei Region, the Chengdu-Chongqing Economic Circle, the Changsha-Zhuzhou-Xiangtan City Cluster and Xinjiang. Several multi-modal transportation projects have been implemented, playing a pivotal role in reducing logistics costs and stabilizing logistics channels for enterprises within the Greater Bay Area. In 2025, the container volume handled on domestic train routes reached 144,000 standard containers, representing an increase of approximately 11% as compared to the same period last year. In terms of value-added services, the Group has implemented an innovative "lease + value-added" operating model, delivering ancillary services including port-to-container yard connections, terminal drayage and cargo screening. This synergistic approach has driven growth in both operational scale and service value. In terms of bulk commodity logistics, by capitalizing on the advantages of railway trunk line transportation and hub-based consolidation and distribution, the Group has developed end-to-end solutions covering gravel sourcing and procurement, multi-modal rail-truck transportation and short-haul distribution, and has successfully facilitated the launch of new business models such as integrated gravel trading and logistics.

SZI Beijing Southwest Integrated Logistics Hub (Phase I) Intelligent Logistics Center (the "Beijing Fangshan Project")

Located at the Doudian Logistics Base in Fangshan District, Beijing, the Beijing Fangshan Project has a site area of approximately 118,000 square meters and a planned gross floor area of approximately 143,000 square meters. Positioned as a logistics hub integrating diversified business formats, including high-end warehousing and cold chain logistics, the project plans to feature four multi-story high-standard warehouses (two to three stories with ramp access), encompassing intelligent cloud warehousing center, intelligent cold chain center and logistics distribution center. Capitalizing on its prime location within the capital economic circle, the project is poised to become a central hub for the Beijing-Harbin and Beijing-Hong Kong-Macau logistics corridors, a national demonstration for multi-modal transport, and a new benchmark for "dual-use" (normal and emergency) intelligent urban logistics.

As the debut made by the Group in the capital city's market, the Beijing Fangshan Project represents a significant breakthrough in the Group's presence in first-tier cities in the PRC. The project is expected to support the Group in promoting the collaborative development of its operations in the northern and southern areas of the PRC, strengthening its nationwide network layout, and effectively enhancing its brand influence. The project has garnered high recognition from various stakeholders. Throughout 2025, it was successively included in the National Development and Reform Commission's "Dual-Major" Construction Project List, the Beijing Municipal "Three 100" Key Projects, the List of Key Tasks from the 2025 Beijing Municipal Government Work Report, and the Beijing's Social Logistics Cost Reduction Initiative. Construction of the project commenced in April 2025, with the topping-out of the main structure achieved in December 2025. The project is expected to be completed and commence operations in 2026.

International Railway Express

The Group and Sinotrans Limited have jointly established a joint venture responsible for operating international routes, such as China-Europe Railway Express (Shenzhen) and China-Laos Railway Express (Shenzhen), which contribute to the stabilization of global industry chains and supply chains, as well as promoting the high-quality development of the Belt and Road Initiative.

With over five years of operations, China-Europe Railway Express (Shenzhen) has continuously expanded its network layout. The number of routes has increased to 28, covering 47 countries and regions, making it one of the longest-running China-Europe freight train services in the country. The service has provided stable and reliable international logistics services to more than 8,200 enterprises in Shenzhen and its surrounding cities, fostering economic cooperation and connectivity between Shenzhen and Europe. In 2025, China-Europe Railway Express (Shenzhen) made 204 trains. Since its launch, it has completed a cumulative total of 975 trains, with a total trade value exceeding US$3,500 million.

To address diversified market demands, China-Europe Railway Express (Shenzhen) launched several specialized routes in 2025. These include the Trans-Caspian international rail-and-sea intermodal freight service, the Greater Bay Area's first "E-commerce Express Line", and China's first Shenzhen-Erenhot-Moscow premium route directly to Moscow via the Erenhot port. This has significantly enhanced logistics efficiency.

Currently, all these railway services utilize the Pinghunan Project as their originating station. This arrangement not only helps boost cargo throughput and warehouse utilization at the Pinghunan Project, but also strengthens business synergies among the Group's logistics hubs, creating significant opportunities for the further development of the Group's value-added logistics services.

Logistics Services Business

I. Intelligent and Cold Chain Business

With the increasing maturity of technologies such as artificial intelligence, big data and 5G, alongside the widespread adoption of new applications including automated sorting, precise delivery and contactless distribution, the logistics industry is accelerating its transformation from traditional manual models to a new era characterized by technological equipment and intelligent upgrades. Within this landscape, intelligent logistics and cold chain logistics have emerged as key trends shaping the future of the logistics industry. The Group is seizing this opportunity by continuously exploring development in intelligent warehouse and cold chain logistics. It is committed to creating an integrated logistics service system encompassing cold chain logistics, intelligent logistics and logistics operation services. By empowering traditional warehousing businesses with technology, the Group is forging a new path in digital and intelligent logistics, aiming to become an influential cold chain logistics service provider, and an intelligent warehousing integrator and operator.

The Group continues to advance its "Inland Port Networking, Logistics Parks, Air Cargo and Railway Freight Logistics Infrastructure + Intelligent and Cold Chain Logistics" strategic deployment. Leveraging its nationwide logistics infrastructure network, the Group taps into hub cities in regions such as the Greater Bay Area, the Yangtze River Delta and the Beijing-Tianjin-Hebei Region as anchor points to steadily advance the expansion of its cold storage and intelligent warehousing business through various approaches such as construction, acquisition and converting dry warehouses to cold storage. Currently, the Group operates cold storage and intelligent warehouses across its logistics hub projects in multiple cities, including Shenzhen, Shanghai, Nanjing, Shijiazhuang and Chengdu, catering to customers in the food, pharmaceutical, emergency logistics sectors etc.

In 2025, the intelligent and cold chain business maintained a steady growth momentum, with its operational scale continuing to expand. The newly added operating area was approximately 47,000 square meters. As at 31 December 2025, the Group's operating area for intelligent and cold chain projects was approximately 233,000 square meters, including approximately 28,000 square meters of intelligent cold storage and approximately 4,000 square meters of ambient temperature intelligent warehousing, representing an increase of approximately 94% and 25%, as compared to the end of 2023 and 2024, respectively. The successful launch of multiple projects strongly supported the simultaneous growth of business scale and revenue. In 2025, revenue from the intelligent and cold chain business reached HK$84.68 million, representing a year-on-year increase of approximately 59%.

Additionally, the Group has approximately 248,000 square meters of cold storage warehouses currently under construction or in planning. Upon commencement of operations, this will further solidify the Group's market position in the cold chain storage and intelligent logistics sectors.

Meanwhile, the Group is committed to implementing green and low-carbon principles. By vigorously promoting the construction and application of photovoltaic systems, it continues to develop a modern cold chain warehousing system that is highly energy-efficient, low-carbon, and environmentally friendly. The Nanjing Jiangning Project pioneered the "green energy + cold chain" model, completing the grid connection of its photovoltaic power generation in August 2025, thereby achieving low-carbon operations and fostering the development of green cold chain logistics. Furthermore, the Shanghai Minhang Project has commenced the rooftop photovoltaic construction, which is expected to be connected to the grid for power generation in the first half of 2026.

Looking ahead, the Group will continue to deepen its "Inland Port Networking, Logistics Parks, Air Cargo and Railway Freight Logistics Infrastructure + Intelligent and Cold Chain Logistics" strategic deployment by accelerating the construction and expansion of intelligent and cold chain projects, thereby further solidifying and enhancing its comprehensive competitiveness in the cold chain storage and intelligent logistics sectors.

Other Investment

While vigorously developing its self-operated businesses, the Group is also actively targeting high-quality acquisition opportunities in the logistics industry by pursuing external investment through equity investment to cultivate new growth engines. The Group holds an equity interest in China Comservice Supply Chain Company Ltd., a subsidiary of China Communications Services Corporation Limited, which is a leader in domestic telecommunications logistics industry. The parties have cooperated in depth on several projects in cities such as Shenzhen and Zhengzhou, providing warehouse leasing and supply chain services. Moving forward, the parties plan to jointly explore high-end logistics value-added services in emerging industries such as information technology and communications, data centers, carbon peaking and carbon neutrality, and new energy. Furthermore, the Group collaborated with Shenzhen Airport Co., Ltd. and Shenzhen Capital Holdings Co., Ltd. to establish the Intelligent Airport Logistics Industry Fund, which focuses on investments in the intelligent logistics and airport industry chains.

II. Marine Container Logistics Integrated Information Service

Shenzhen EDI Co., Ltd. (the "EDI Co."), a subsidiary of the Company, is dedicated to empowering the container transportation and cross-border trading industries with digital technologies. It represents a key strategic initiative of the Group in modern logistics technology services and foreign trade customs clearance services.

EDI Co. continuously strengthens its industry-leading digital service capabilities. During the Year, EDI Co. continued to develop and operate the EDI network information exchange platform for Shenzhen Port, maintaining a stable market share in Shenzhen for its core EDI and EIR maritime fundamental businesses. Besides, it continued to operate and maintain the China (Shenzhen) International Trade Single Window, providing convenient and efficient online import and export customs clearance services to foreign trade enterprises in Shenzhen. In 2025, the service functions of the "Single Window" platform were continuously refined, leading to a steady growth in its business volume. As at 31 December 2025, the "Single Window" had an aggregate of over 190,000 registered enterprises and served more than 660,000 enterprises, with a customer satisfaction rate of 99%.

In addition, EDI Co. is actively advancing technological advancement and business model innovation, with several new businesses developing steadily. Among these, its container stowage allocation and trading businesses continued to grow, further increasing its market share in Shenzhen. The "SZ International Cloud Warehouse", a shared warehousing product for LCL consolidation, was established and has experienced steady growth in business volume. A phased breakthrough was achieved in the pilot project for the "Inspect Before Loading" cross-border e-commerce LCL consolidation warehouse comprehensive service platform, with initial success in technology R&D and market promotion. Breakthroughs were made in R&D, piloting and project reserves for the "Guangdong-Hong Kong-Macao Greater Bay Area Multi-modal Logistics Public Information Service Platform" project, laying a solid foundation for large-scale operational expansion.

In 2025, EDI Co. achieved remarkable results in technological innovations, cumulatively obtaining two patents and six software copyrights. It also participated in the formulation of China's first national standard for digitalization in logistics enterprises. Moreover, in the "2025 Data Element X Transportation Solutions Competition", the case submitted by EDI Co. won the Third Prize, fully demonstrating its leading capabilities in technological innovation and practical application within the sector.

III. "Logistics +" Projects

During the Year, the Group has fully leveraged its prime location advantage, asset-heavy operations, industry-leading customer resources and cutting-edge multi-modal business to innovate "Logistics +" cooperation projects. The Group has introduced two urban delivery modes, namely "Logistics + Bus" and "Logistics + Metro", converting bus stops and metro depots into regional logistics hubs. By integrating road transport, rail transport and low-altitude logistics, the Group has established a comprehensive three-dimensional urban logistics system that converges the "logistics network, transportation network and emergency support service network". These "Logistics +" initiatives not only effectively utilize surplus urban transportation infrastructure to optimize urban resource allocation and enhance overall urban logistics efficiency, but also enrich the Group's logistics network in Shenzhen and strengthen its competitive edge.

Being the inaugural implementation of the "Logistics + Bus" project, the Qianhai Yinli bus stop project commenced operations in June 2025. Equipped with a smart parcel sorting line capable of processing over 100,000 parcels per month, the project has established itself as a critical strategic hub for SF Express in Qianhai. The Qiaocheng East metro project marked the first successful implementation of the "Logistics + Metro" model, which commenced operations in July 2025. Through partnership with Yunda Express, the Group introduced a smart sorting loop with a daily processing capacity of 50,000 parcels, significantly enhancing the efficiency of regional express distribution.

The Group is proactively exploring the new "Logistics + Low-Altitude" model. By integrating low-altitude aviation with logistics and warehousing, the Group has constructed innovative application scenarios and provided customers with tailored low-altitude logistics support services or solutions. The Group is committed to building a comprehensive "Low-Altitude Economy" ecosystem across the entire industry chain and to supporting the development of new, high-quality productive forces.

The Group is also actively constructing a "Logistics + New Energy" power replenishment network. During the Year, four of the Group's logistics hub projects were successfully included in the reserve project pool for Shenzhen's "City of Supercharging 2.0" initiative. Furthermore, two megawatt-level supercharging stations for heavy-duty trucks were successfully completed and commissioned at the SZ Pingshan and SZ Liguang projects. Notably, the station at the SZ Pingshan Project features megawatt-level flash-charging technology, capable of reaching a 90% charge in just 15 minutes, making it among the first batch of megawatt-level heavy-truck supercharging stations to commence operations under Shenzhen's "City of Supercharging 2.0" initiative. In the future, the Group will build upon these two pilot stations to continuously increase resource allocation toward new energy businesses, including supercharging and distributed photovoltaics. Leveraging our extensive portfolio of logistics hub projects and infrastructure across core national node cities, we will actively explore innovative applications such as integrated photovoltaic-storage-charging systems, vehicle-to-grid technology and virtual power plants, to progressively build a comprehensive, intelligent and efficient new energy service network for the logistics sector. The Group aims to progressively build a comprehensive, intelligent and widely covered new-energy logistics service network, further driving the green transformation of energy system within its logistics hubs, enhancing the level of industrial services and empowering logistics enterprises to reduce costs and improve efficiency.

Financial Analysis

Revenue and profit attributable to shareholders of each business unit of the logistics business

For the year ended 31 December

	Revenue		Profit (Loss) attributable to shareholders	
	2025 ***HK$'000***	Change over 2024 Increase/ (Decrease)	**2025** ***HK$'000***	Change over 2024 Increase/ (Decrease)
Logistics Parks in Guangdong Province*	**708,685**	23%	**5,720**	Not applicable
Logistics Parks in Other Regions of China	**952,693**	2%	**23,093**	(97%)
Sub-total of Logistics Parks Business	**1,661,378**	10%	**28,813**	(95%)
Logistics Services Business	**370,075**	11%	**(84,654)**	295%
Total	**2,031,453**	11%	**(55,841)**	Not applicable

** The logistic parks in Guangdong province include those in the Greater Bay Area*

During the Year, total revenue from the logistics business amounted to approximately HK$2,031 million, representing an increase of 11% as compared to the same period last year. Loss attributable to shareholders was approximately HK$55.84 million.

The performance of each business unit of the logistics business during the Year was as follows:

Regarding the logistics park business, revenue for the Year was approximately HK$1,661 million, representing an increase of 10% as compared to the same period last year, primarily benefiting from new revenue contributions arising from the commencement of operation of certain logistics hub projects in the Greater Bay Area during the Year. However, profit attributable to shareholders decreased by 95% to approximately HK$28.81 million, mainly due to the recognition of profit after tax of approximately HK$587 million in 2024 from the injection of two logistics hub projects into ChinaAMC-Shenzhen International REIT, which was absent during the Year. Furthermore, profitability growth in the logistics park business continues to face challenges, as several logistics hub projects in other regions of the PRC recorded fair value losses amid market downturn pressures.

Regarding the logistics services business, revenue for the Year was approximately HK$370 million, representing an increase of 11% as compared to the same period last year, mainly attributable to higher revenue from intelligent and cold chain projects and an increase in service fee income from property management. However, loss attributable to shareholders of approximately HK$84.65 million was recorded for the Year, due to a combination of factors, including intensified market competition, rising operating costs, and the high initial operating expenses of the intelligent and cold chain projects, which remain in the incubation phase.

LOGISTICS PARK TRANSFORMATION AND UPGRADING BUSINESS

Analysis of Operating Performance

SZI Qianhai Project (the "Qianhai Project")

The Qianhai Project has successfully implemented the long closed-loop "Investment, Construction, Operation and Transformation" business model. Through land consolidation and preparation in Qianhai, the Group was compensated through a land swap from which it received a land parcel with a total site area of approximately 120,000 square meters and a total gross floor area of approximately 390,000 square meters (comprising a residential area of approximately 190,000 square meters and an apartment area of approximately 25,000 square meters), valued at approximately RMB8,373 million under the new land use arrangement. The appreciation of land value signifies the initial benefit derived from the land consolidation and preparation in Qianhai. With the gradual development of the swapped land parcels and the successful launch of completed properties to the market, the Qianhai Project generated profit before tax of approximately RMB14,717 million in total over the past few years. This has supported the steady growth of the Group's financial performance. Furthermore, the Qianhai Project has provided the Group with valuable experience and laid a solid foundation for the smooth execution of its forthcoming transformation and upgrading initiatives.

As the Shenzhen International Qianhai Industrial-City Complex that integrates an industrial digital economy town and modern commercial and residential facilities, the Qianhai Project promotes the development of Qianhai by encouraging industrial upgrading, resources consolidation and functional integration, thereby fostering synergy between industrial and urban resources.

Residential Projects

Yicheng Zhenwanyue is a jointly-developed residential project in which the Group holds 50% equity interest. Phase I of the project has a plot ratio-based gross floor area of approximately 45,200 square meters, of which approximately 40,000 square meters is for residential use and approximately 3,500 square meters is for commercial use, with all residential units delivered at the end of 2024. Phase II of the project has a plot ratio-based gross floor area of approximately 80,000 square meters, of which approximately 50,000 square meters is for residential use (inclusive of talent housing), approximately 25,000 square meters is for apartment use and approximately 5,000 square meters is for commercial use, with all residential units delivered in June 2025, and the inspection and acceptance procedures of the apartments completed in December 2025.

All other residential projects of the Qianhai Project, including Parkview Bay (a jointly-developed project) and Yicheng Qiwanli (a project independently developed and operated by the Group), have been fully delivered.

Commercial and Office Projects

Regarding the commercial projects, the Group and SCPG（印力集團）have leveraged their respective strengths to jointly develop a distinctive boutique commercial project known as "Qianhai Yinli" in the Mawan area of Qianhai. The project commenced operations in September 2022 and has a total gross floor area of approximately 25,000 square meters. It is established as a "courtyard-style" slow-living area in Qianhai, integrating high-quality living, culture and arts, community networking and digital ecosystems. As at 31 December 2025, the overall occupancy rate of the project was approximately 75%.

Regarding the office projects, the Group jointly manages and operates "SZI Properties (Shenzhen Yidu Building)" (the "Yidu Building") with China Center for Information Industry Development (the "CCID"), a company directly controlled by the Ministry of Industry and Information Technology of the PRC. Yidu Building commenced operations in July 2021 and has a total gross floor area of approximately 35,000 square meters. It has obtained the LEED-CS Platinum certification from the U.S. Green Building Council. Capitalizing on Qianhai's unique geographical location and policy advantage in the Greater Bay Area, Yidu Building has positioned itself as an artificial intelligence of things (AIoT) + ecological courtyard with industrial operation services. With the Group's considerable experience in supply chain management and CCID's strong capability in offering information technology services, the project focuses on the development of supply chain services and intelligent manufacturing services, and has successfully attracted a variety of enterprises in the digital industry as tenants. It has been recognized by the Qianhai Administrative Bureau of Shenzhen Municipality as an "industrial carrier for fostering industry agglomeration" for four consecutive years. In addition, Yidu Building was designated as the Shenzhen-Singapore Qianhai Smart City Cooperation and Innovation Demonstration Park (Pilot Zone), further promoting the cooperation between Shenzhen and Singapore, while introducing new functions to the regional economy. As at 31 December 2025, the occupancy rate of Yidu Building was approximately 82%, with most of its tenants being high-potential digital economy enterprises, resulting in an industry agglomeration of approximately 92%.

In September 2025, the Qianhai Digital Cultural and Creative Park was officially inaugurated. Anchored by key landmarks such as Yidu Building and the Qianhai Yinli commercial district, the park is designed as an integrated cultural industry hub that embraces culture, tourism, commerce and entertainment. It encompasses Grade-A office spaces, co-working facilities, sky gardens, courtyard-style streetscapes and international commercial offerings. Yidu Building, serving as the hub for the park's digital creative industries, has already attracted over 30 enterprises spanning sectors such as short dramas, gaming and animation IPs. The Qianhai Yinli commercial district, characterized by its Lingnan-style courtyard layout, creates a blended cultural and creative setting that integrates Shenzhen and Hong Kong influences. Synergizing with the Digital Cultural and Creative Corridor, it forms a closed-loop ecosystem driven by a "content + consumption" model. The establishment of the Qianhai Digital Cultural and Creative Park will further drive industrial agglomeration and capability enhancement across commercial and office projects under the Qianhai Project, strengthening their appeal to tenants and competitiveness in leasing.

In addition, the Group owns two separate land parcels for office and commercial uses in Qianhai, with a site area of approximately 21,800 square meters. Given that the two land parcels are situated within the bonded area, the Group is currently communicating with relevant departments of the Shenzhen Municipal People's Government regarding land swap and development matters.

SZI South China Logistics Park Transformation Project

With the advancement of China's regional economic integration strategy, the Greater Bay Area is experiencing greater collaborative development, and the high-quality growth in metropolitan areas is gathering pace. As the core city of the Greater Bay Area, Shenzhen has taken the lead in embarking on a phase of significant transformation and upgrading.

SZI South China Logistics Park, originally the Group's largest traditional warehouse and logistics park in Shenzhen, is located at a core intersection along Shenzhen's central axis and adjacent to the transportation hub of Shenzhen North Station, and enjoys distinct geographical advantages. However, Shenzhen's urban spatial strategy continues to upgrade, and its original single-function logistics use has become increasingly misaligned with the new regional development needs. In recent years, the Group has been fully committed to driving the high-quality transformation and upgrading of SZI South China Logistics Park. In 2020, the Group entered into a strategic cooperation framework agreement with the Longhua District Government to establish a cooperation mechanism, with the aim of jointly advancing this initiative and transforming it into a "Digital Economy Super Headquarters Base in South China". This initiative represents not only an important move to optimize industrial space in Shenzhen, but also marks another milestone in the Group's long closed-loop "Investment, Construction, Operation and Transformation" business model following the Qianhai Project.

In October 2023, the Group signed a land consolidation and preparation supervision agreement with the Shenzhen Longhua City Renewal and Land Development Bureau, the Longhua Administration of Planning and Natural Resources Bureau of Shenzhen Municipality (the "Longhua Administration Bureau"), and the Shenzhen Longhua Minzhi Sub-district Office regarding the consolidation and preparation of the land parcels for the Phase I of SZI South China Logistics Park with a site area of approximately 530,000 square meters (the "South China Logistics Park Transformation Project"). It was agreed that the project would be implemented by way of a combination of land reservation and monetary compensation. As the original owner of the land use rights, the Group is entitled to retain a land of 108,749 square meters (the "Reserved Land") within SZI South China Logistics Park. The planned area of the Reserved Land is 694,160 square meters, of which 28,950 square meters will be used for supporting facilities and 665,210 square meters will be reserved for use by the Group, including 577,610 square meters for residential use (with a portion of co-owned housing to be implemented according to relevant government policies), and 87,600 square meters for commercial, office and hotel buildings.

The South China Logistics Park Transformation Project is progressing steadily in phases as planned.

The phase 1 of the Reserved Land (plot number 02-20-04) is planned as Class II residential land. It has an area of approximately 21,968 square meters and a stipulated gross floor area of approximately 126,520 square meters, of which 120,540 square meters is for residential use. Relevant arrangements concerning this land parcel were approved by the Longhua District Government at the end of 2024, and the Group recognized profit after tax from land consolidation and preparation of approximately HK$2,367 million in 2024. Subsequently, in July 2025, the Group entered into a land transfer agreement with the Longhua Administration Bureau for this land parcel, with the transfer price of approximately RMB266 million (equivalent to approximately HK$290 million). As the transfer price was lower than the originally estimated, the profit from the land consolidation and preparation of this land parcel increased accordingly, contributing an additional profit after tax of approximately HK$54.36 million to the Group. Construction of phase 1 of the Reserved Land commenced in the second half of 2025, marking the official entry of the South China Logistics Park Transformation Project into the development and construction phase.

The phase 2 of the Reserved land (stage 1) (plot number 02-20-02) is planned as Class II residential land. It has an area of 25,008 square meters and a stipulated gross floor area of 145,940 square meters, of which 137,240 square meters is for residential use. Relevant arrangements concerning this land parcel were approved by the Longhua District Government in December 2025, signifying the Group's acquisition of development rights for this land parcel. The Group recognized profit after tax of approximately HK$2,878 million from the land consolidation and preparation of this land parcel during the Year. In March 2026, the Group entered into a land transfer agreement with the Longhua Administration Bureau for this land parcel, at a transfer price of approximately RMB287 million.

Looking ahead, the Group will expedite the development and construction of the above land parcels and endeavor to develop a high-quality residential flagship project, so as to facilitate the timely receipt of sale proceeds and recovery of cash flow. Meanwhile, the Group will continue to push forward with the securing and obtaining of land use rights for the remaining Reserved Land and proceed with its development and construction in an orderly manner. This will gradually unlock the land's value appreciation potential, so as to realize the closed-loop "Investment, Construction, Operation and Transformation" business model, and provide strong momentum for the Group's long-term sustainable development.

SZI South China Digital Valley

SZI South China Digital Valley, located in Shenzhen's Longhua District, has a site area of approximately 62,000 square meters and a gross floor area of approximately 200,000 square meters. It is an intelligent industrial-city complex integrating Grade-A offices, ancillary apartments and commercial facilities, and is now in full operation. The project comprises two office buildings, eight detached villa-style office buildings and one ancillary apartment building. The ancillary apartments were certified as a Shenzhen Guaranteed Rental Housing Project, aiming to address the housing needs of young talents.

Aligning with Longhua District's "Digital Longhua" development strategy, the park is dedicated to attracting and fostering the development of industry-leading enterprises in four key sectors, including artificial intelligence, new energy, software information, and commercial, trade and technology, with an aim to empower regional growth through the digital industry. The HarmonyOS Ecosystem Park（鴻蒙生態園） (including SZI South China Digital Valley) in Longhua District was recognized by the Industry and Information Technology Bureau of Shenzhen Municipality as one of the first batch of "Shenzhen HarmonyOS Native Application Characteristic Industrial Parks" （深圳市鴻蒙原生應用特色產業園）, further accelerating the agglomeration of artificial intelligence and related information technology industries. Additionally, the Longhua District Government set up a station within the area of this project in 2025 for its business promotion campaign "Step One for Investing in Longhua（投資龍華第一站）" to attract high-quality enterprises and talents. In September 2025, the Market Regulation Bureau of Shenzhen Municipality designated and established the "Intellectual Property Protection Workstation of SZI South China Digital Valley"（深國際華南數字谷知識產權保護工作站）, providing enterprises with comprehensive intellectual property consulting, dispute mediation and other professional services. The park's business environment and comprehensive service capabilities continue to be enhanced, effectively boosting its leasing appeal and overall competitiveness.

The industrial agglomeration effect within the park is significant, with digital economy sector accounting for 98%. Its tenants comprise state-owned enterprises and central government owned enterprises, Fortune 500 enterprises, listed companies, national high-tech enterprises and provincial-level "specialized, refined, distinctive and innovative" enterprises, which have an annual output value exceeding RMB10,000 million. During the Year, the project successfully attracted a number of new tenants through a series of initiatives, such as improved business promotion, strengthened channel development and enhanced industrial services, resulting in a significant increase in the overall occupancy rate. As at 31 December 2025, the overall leasing rate for its office portion exceeded 70%.

Financial Analysis

During the Year, the logistics park transformation and upgrading business recorded a revenue of approximately HK$160 million, representing an increase of 35% as compared to the same period last year, primarily due to improved leasing conditions of the office section at SZI South China Digital Valley. Profit attributable to shareholders amounted to approximately HK$2,607, representing an increase of 11% as compared to the same period last year, primarily due to the recognition of profit after tax of approximately HK$2,933 million from the land consolidation and preparation of SZI South China Logistics Park.

PORT AND RELATED SERVICES BUSINESS

Analysis of Operating Performance

In 2025, the Group's port business faced numerous challenges amid a significant imbalance between coal supply and demand and intensifying market competition. Nevertheless, as critical infrastructure for national economic development, ports possess inherent monopolistic advantages and strong counter-cyclical resilience, offering promising long-term prospects. To address short-term challenges and reinforce long-term competitiveness, the Group will continue to refine its "Port Connection" layout by focusing its development efforts on key strategic regions such as the lower reaches of the Yangtze River and the Greater Bay Area. Meanwhile, the Group actively explores investment opportunities in non-coal terminals to diversify cargo structure, thereby further strengthening the segment's risk resilience and sustainability.

Port Business

SZI Port (Nanjing Xiba)

Nanjing Xiba Port, in which the Group holds 70% equity interest, is located in the New Materials Industrial Park in Jiangbei New District of Nanjing and commenced operations in 2010. The project is a key hub port under Nanjing's major development plan for river-sea intermodal transportation and rail-water multimodal transportation. It is currently the only public bulk cargo terminal north of the Yangtze River in the Port of Nanjing capable of handling vessels of over 10,000 tonnes.

With a designed annual throughput of 50 million tonnes, Nanjing Xiba Port currently operates one general bulk cargo berth with a capacity of 50,000 tonnes, two general bulk cargo berths each with a capacity of 70,000 tonnes, and two general bulk cargo berths each with a capacity of 100,000 tonnes. It also has a depot with an area of approximately 400,000 square meters, which connects directly to the port area by a rail line. With strong intermodal connectivity supporting river-sea, rail-water and road-water transport, the port offers a range of services including vessel loading and unloading, lightering, train loading and unloading, and warehousing.

In 2025, the operating environment of Nanjing Xiba Port became increasingly complicated due to sluggish market demand and intensifying industry competition. On the one hand, major end customers drove down prices, neighboring ports engaged in low-price competition and new production capacity competed for market share. On the other hand, the ongoing introduction of preferential policies for rail transportation has steadily diverted bulk cargo transport from traditional waterborne routes. Competition in the port industry has evolved from a single-dimensional price battle to a systemic competition encompassing whole-chain operational efficiency, resource synergy and integration, and comprehensive service capabilities. Under external pressure, the operational strategy of "expanding incremental volume while stabilizing existing volume" was actively implemented at Nanjing Xiba Port. By optimizing customer portfolio, innovating rail-water intermodal transportation and advancing equipment upgrades, operational resilience was enhanced. However, overall business volume remained under pressure due to the dual impact of cyclical industry downturn and intensified market competition. In 2025, Nanjing Xiba Port handled a total of 403 seagoing vessels, achieving a throughput of approximately 22.99 million tonnes, of which approximately 4.3 million tonnes were transported by rail, representing a year-on-year drop of approximately 27% in total throughput.

SZI Port (Jiangsu Jingjiang)

Jiangsu Jingjiang Port, in which the Group holds 70% equity interest, is located in the Economic Development Zone of Jingjiang and commenced operations in December 2023. It is an important river-sea intermodal transshipment hub in the lower reaches of the Yangtze River and a bulk cargo port with substantial berth capacity along the Yangtze River trunk line. Currently, the main port of the project features two berths for bulk carriers, each with a capacity of 100,000 tonnes, and five inland berths for vessels, each with a capacity of 1,000 tonnes. With a designed annual throughput of 34.7 million tonnes, it primarily engages in the river-sea intermodal transshipment of commodities such as coal and ore, and is capable of accommodating 50,000-tonne-class seagoing vessels for berthing around the clock.

The Group is dedicated to developing Jiangsu Jingjiang Port into a top-notch green, intelligent, efficient and safe river-sea intermodal hub in the PRC. It serves both a modern energy storage and distribution center and a comprehensive trading center. With advanced environmental facilities and equipment, including a fully-enclosed storage shed, rooftop photovoltaic systems, and advanced shore power systems, Jiangsu Jingjiang Port is dedicated to setting the standard for a "near-zero-carbon green port". In March 2025, its photovoltaic project was officially grid-connected and commenced operations, establishing a new energy model of "self-sufficiency with surplus feed-in". This initiative has achieved significant results in both energy conservation and environmental protection, as well as economic benefits. In addition, Jiangsu Jingjiang Port serves as a benchmark for the digital and intelligent transformation of ports. By deploying a 3D visualization digital twin platform, setting up a dynamic digital stockyard and dual systems for thermal imaging and dust monitoring, and introducing unmanned operations along with a production management APP, the port has achieved full-process operational visibility, refined control, and streamlined operation. This has delivered efficient and secure service experiences to customers. The exemplary model is set to be replicated and promoted, and is expected to lead to the digital and intelligent transformation across the entire port segment in the future.

In 2025, Jiangsu Jingjiang Port achieved significant breakthroughs in development. The project successfully completed its 11.8-metre draft upgrade in January 2025, and was officially approved for international opening in December 2025, with its foreign trade operations successfully launched. This marked the project's official entry into a new phase as a deep-water international port. During the Year, the operational efficiency of Jiangsu Jingjiang Port was fully unleashed, and market expansion made substantial progress, leading to significant growth in business volume. A total of 263 seagoing vessels berthed at the port, handling a throughput of approximately 24.72 million tonnes, representing a year-on-year increase of approximately 55%.

SZI Port (Henan Shenqiu)

Henan Shenqiu Port, in which the Group holds 55.32% equity interest, is located along the Shaying River in Shenqiu County of Zhoukou. It enjoys distinct advantages in waterways, as an important water transportation hub on the new sea route from the central plains of China, and as a demonstration project for "port-industry-city integration" in Henan and Anhui. The Group is dedicated to developing the project into a highly-efficient, environmentally-friendly and advanced bulk cargo terminal, as well as a new transfer hub linking waterways and land transportation between the coal-producing areas in western China and end users in the middle and lower reaches of the Yangtze River. The Group's current plan for the project is to construct 19 berths, each with a capacity of 1,000 tonnes, along with supporting depot facilities. The port has a designed annual throughput of 20 million tonnes.

Phase I of the Henan Shenqiu Port, which commenced operations in March 2023, features four general-purpose berths, each with a capacity of 1,000 tonnes, and is designed to handle an annual throughput of 4.4 million tonnes. Currently, the port primarily serves Henan Angang Zhoukou Iron and Steel Co., Ltd., and continues to expand its cargo sources to further diversify its business structure.

In 2025, Henan Shenqiu Port focused on enhancing services for core customers and successfully expanded into new types of cargo, including coal and grain. Through innovative business models and the implementation of road-rail-water multimodal transportation services for coal bulk-to-break-bulk conversion, its business volume has surged with an annual throughput reaching approximately 2.67 million tonnes, representing a year-on-year increase of approximately 61%.

Jiangxi Fengcheng Port

Jiangxi Fengcheng Port, in which the Group holds 20% equity interest, serves as an important distribution node along the Gan River. Currently equipped with six 1000-tonne bulk carrier berths with a designed annual throughput of 6 million tonnes, it commenced operations in March 2023. Moreover, through enhanced commercial coordination and supply chain business synergy, Jiangxi Fengcheng Port has established a "two-port linkage" with Jiangsu Jingjiang Port. This collaboration has enabled stable waterborne fuel transportation services for large power plants, with annual coordinated throughput exceeding 1.1 million tonnes, further reinforcing the development of the "Port Connection" layout. In 2025, Jiangxi Fengcheng Port recorded a substantial increase in business volume, achieving a throughput of approximately 2.67 million tonnes, representing a year-on-year increase of approximately 50%.

SZI Port (Foshan Fuwan)

Foshan Fuwan Port, in which the Group holds 97.1% equity interest, is located in Hecheng Sub-district, Gaoming District of Foshan. Situated along the national-class golden waterway, the main navigation channel of the Xijiang River, the port benefits from distinct geographical advantages and excellent hydrological conditions. The Group plans to construct two general-purpose berths, each with a capacity of 3,000 tonnes, featuring a designed annual throughput of 3.2 million tonnes.

In 2025, the Group was fully committed to advancing the regulatory approval and construction planning for Foshan Fuwan Port. A breakthrough was achieved in shoreline utilization application, and the port is expected to commence operations in 2027. The Group is committed to developing this project into a benchmark for bulk cargo terminals in Foshan and the Xijiang River Basin. Upon completion, it will effectively address the water transportation needs for bulk materials such as sand, gravel, steel and grain in the region. Being the Group's first port project in the Pearl River Basin of the Greater Bay Area, Foshan Fuwan Port highlights the Group's efforts to expand its port segment from the Yangtze-Huaihe River Basin to the Pearl River Basin, which is significant for the Group's market expansion and strategic layout optimization.

Port Supply Chain Business

The port supply chain business is an important backbone of the Group's port segment in implementing its "Port Connection Action" strategy. By effectively integrating information, logistics, and commerce flows, it aggregates high-quality upstream and downstream customer resources for asset-heavy port projects, fostering resource synergies and complementary strengths. This business has effectively accelerated the transformation and upgrading of asset-heavy ports from basic cargo-handling transshipment ports into large-scale integrated service platforms. It has also supported the Group in establishing an end-to-end logistics service system and achieving synergistic development between asset-light and asset-heavy operations, thereby enhancing the overall competitiveness of the port segment.

Financial Analysis

During the Year, revenue from the port and related services business increased by 13% as compared to the same period last year to approximately HK$4,059 million, mainly driven by the increase in revenue from the port supply chain business. Profit attributable to shareholders saw a decline of 35% as compared to the same period last year to approximately HK$39.35 million, primarily attributable to increased depreciation and amortization expenses from the newly launched port project, coupled with the decline in profit margin resulting from intensified competition in domestic port industry.

TOLL ROAD BUSINESS

The Group's toll road business is managed and operated by Shenzhen Expressway, a subsidiary owned by the Company as to approximately 47.30%. The H shares of Shenzhen Expressway are listed on the Stock Exchange and its A shares are listed on the Shanghai Stock Exchange. The Group currently has invested in or operated a total of 16 toll road projects, which are mainly located in Shenzhen, the Greater Bay Area, and economically developed regions, with favorable geographical advantages. The total toll length of the controlling interest in the toll roads operated or invested in by the Group in Shenzhen, other regions in Guangdong province and other provinces in the PRC are approximately 191 km, 350 km and 72 km, respectively.

Analysis of Operating Performance

During the Year, the Group's toll revenue grew slightly. This was mainly attributable to additional toll income from the opening of Phase II of the Shenzhen Coastal Expressway, the increase in traffic volumes resulting from the improved connectivity of surrounding road networks, and generally favorable weather conditions in the regions where most of the Group's toll road projects are located compared to the same period last year, which reduced the disruption of adverse weather to traffic and travel, thereby providing significant support for the growth of toll revenue.

In addition, the operating performance of the toll road projects remains subject to factors such as changes in competing or complementary road networks in vicinity, as well as the projects' own construction or maintenance work, including:

- The synchronized opening of Phase II of the Shenzhen Coastal Expressway and the Shenzhen-Zhongshan Link has established direct connectivity among the Shenzhen-Zhongshan Link, the Shenzhen Coastal Expressway, the Guangshen Expressway, Shenzhen Bao'an International Airport and the Jihe Expressway. This has fostered deeper integration between Shenzhen and the eastern and western banks of the Pearl River Estuary, contributing to increased traffic on the Shenzhen Coastal Expressway and the Jihe Expressway, while diverting some traffic from the Shenzhen Outer Ring Project and the Longda Expressway. Overall, these developments have positively impacted the Group's overall toll revenue for the Year.

- The Jihe Expressway experienced an increase in traffic volume attributable to the completion of reconstruction and expansion project on the ground section of the connected Huiyan Expressway (Shenzhen Section) and the subsequent resumption of two-way traffic. This has led certain vehicles, which were previously detoured due to the construction, to resume their original routes, thereby contributing to the traffic growth on the Jihe Expressway.

- The Kengzi east interchange under Phase II of the Shenzhen Outer Ring Project opened to traffic in March 2025, enabling seamless connectivity between local roads and the expressway network. In addition, the Xinwei toll station of the Shenzhen Outer Ring Project commenced operations, providing an interchange between the Shenzhen Outer Ring Project and the Longlan Avenue, a key urban arterial road. The successive opening of these two critical junctions has positively contributed to the operational performance of the Shenzhen Outer Ring Project.

- The Qinglian Expressway completed its road enhancement project at the end of June 2025, optimizing traffic conditions along the entire line and improving overall operational efficiency, thereby boosting its operating performance. Coupled with the overall positive impact arising from the opening of and post-maintenance traffic restoration on connected or adjacent road networks, both the average daily traffic volume and toll revenue of the Qinglian Expressway recorded year-on-year growth during the Year.

- Guangshen Expressway is a key transportation artery connecting Guangzhou and Shenzhen. Leveraging the dynamic urban economic belts along the route, its traffic volume has remained consistently stable. Following the opening of the Shenzhen-Zhongshan Link, certain vehicles previously travelling between the eastern and western regions of Guangdong via the Humen Bridge or the Nansha Bridge have switched to the Shenzhen-Zhongshan Link. This shift has led to an increase in short-distance traffic volume on the Guangshen Expressway, while reducing the travel distance for vehicles. As a result, the average daily traffic volume on the Guangshen Expressway recorded a year-on-year increase during the Year, whereas the average daily toll revenue saw a slight year-on-year decline.

- GZ West Expressway is an integral part of the ring expressway in the Pearl River Delta region, connecting Guangzhou and Zhuhai. Following the simultaneous opening of both the Shenzhen-Zhongshan Link and the Zhongshan section of Zhongkai Expressway (Zhongshan-Kaiping), along with the changes in surrounding road networks, the GZ West Expressway experienced an increase in short-distance traffic volume. However, this has also caused some diversions of long-distance traffic previously traveling between the eastern and western regions of Guangdong. During the Year, both the average daily traffic volume and the average daily toll revenue of GZ West Expressway experienced year-on-year declines.

Key Business Developments

With respect to the construction of major projects, the Group is actively promoting investments in new construction, reconstruction and expansion projects, including Phase III of Shenzhen Outer Ring Project and Jihe Expressway, with the aim of continuously expanding its high-quality expressway assets.

Shenzhen Outer Ring Project is a key transportation infrastructure in the Greater Bay Area. Upon full completion, it will interconnect with 10 expressways and 8 first-class highways in Shenzhen, serving as a vital east-west arterial in northern Shenzhen. The Shenzhen Outer Ring Project is under construction in three phases. Phase I (Shajing to Guanlan and Longcheng to Pingdi sections), with a total length of approximately 51 km, and Phase II (Pingdi to Kengzi section), approximately 9.35 km in length, have both been completed and opened to traffic. Phase III (Kengzi to Dapeng section), spanning approximately 16.8 km, is currently under construction and has attained approximately 27% of physical completion. Upon completion of Phase III of the Shenzhen Outer Ring Project, it will not only enrich the Group’s core expressway assets portfolio and optimize the overall economic and social benefits of the Shenzhen Outer Ring Project, but also improve the regional road network layout, thereby bringing increased traffic volume to the Group’s other toll roads.

Jihe Expressway is an integral part of the G15 Shenyang-Haikou National Expressway. It starts from He'ao Interchange in Shenzhen's Longgang District to the east, and ends at Hezhou Interchange in Shenzhen's Bao'an District to the west, with a total length of approximately 43 km. It is a two-way 6-lane expressway. Jihe Expressway is an important east-west corridor in Shenzhen's expressway network, and a core corridor facilitating rapid connectivity between the eastern, central, and western areas of Shenzhen. It has been in operation for over 20 years. The Jihe Expressway Reconstruction and Expansion Project (He'ao to Shenzhen Airport of the G15 Shenyang-Haikou National Expressway section) is a major transportation infrastructure project under the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (《粵港澳大灣區發展規劃綱要》). The project adopts a three-dimensional composite channel model with construction divided into ground-level and three-dimensional layers, both adhering to two-way 8-lane expressway standard. Upon completion, the Jihe Expressway Reconstruction and Expansion Project will effectively enhance the transportation capacity of existing Jihe Expressway alignment, meet the integrated transportation demands of the Greater Bay Area and the Pearl River Delta region, and further consolidate the Group's core competence in investment, construction and operation of toll roads. Currently, the construction of the Jihe Expressway Reconstruction and Expansion Project has achieved approximately 20% of physical completion.

Guangshen Expressway is the Guangzhou-Shenzhen section of the Beijing-Hong Kong-Macao Expressway. It begins at the Huangcun Interchange in Guangzhou to the north and ends at the Huanggang Port in Shenzhen to the south, with a total length of approximately 122.8 km. To meet growing traffic demands, reconstruction and expansion works comprising two sections, the Guangzhou Huocun to Dongguan Chang'an section of the Beijing-Hong Kong-Macao Expressway and the Guangzhou Huangcun to Huocun section of the Guangzhou-Foshan Expressway (the "Guangzhou to Dongguan Section"), and the Shenzhen section of the Beijing-Hong Kong-Macao Expressway (the "Shenzhen Section"), have been initiated. Among these, the Guangzhou to Dongguan Section, spanning approximately 71.13 km, is now fully under construction, while the Shenzhen Section, spanning approximately 47.07 km, commenced construction of its first section at the end of 2025.

Completion of the issuance of A shares to specific targets by Shenzhen Expressway

On 27 March 2025, Shenzhen Expressway has completed the issuance of A shares to the specific targets (including Xin Tong Chan Development (Shenzhen) Co., Ltd., a wholly-owned subsidiary of the Company), raising net proceeds of approximately RMB4,679 million.

Following the completion of the issuance, the Company's indirect shareholding in Shenzhen Expressway was approximately 47.30%. In accordance with the existing HKFRS Accounting Standards, Shenzhen Expressway continues to be accounted for as a subsidiary in the accounts of the Company, and its financial results continue to be consolidated into the consolidated financial statements of the Group.

Financial Analysis

During the Year, the toll road business recorded a revenue of approximately HK$5,583 million, representing an increase of 2% as compared to the same period last year, primarily benefiting from the increase in traffic volume driven by the opening of surrounding road networks and the growth in toll revenue from Shenzhen Coastal Expressway. However, due to an increase in road maintenance expenses and depreciation and amortization costs, net profit recorded a slight decrease of 1% as compared to the same period last year to approximately HK$2,079 million.

GENERAL-ENVIRONMENTAL PROTECTION BUSINESS

The Group's general-environmental protection business is managed and operated by Shenzhen Expressway, primarily focusing on clean energy power generation and solid waste treatment. The Group has designated its wholly-owned subsidiaries, namely Shenzhen Expressway Environmental Co., Ltd. and Shenzhen Expressway New Energy Holdings Co., Ltd., as the primary investment and management platforms for this sector.

Analysis of Operating Performance

Clean Energy Power Generation

The Group's clean energy power generation business primarily comprises wind power and photovoltaic power generation. As at 31 December 2025, the Group's total attributable installed capacity for clean energy power generation was approximately 686 megawatts (MW), consisting of approximately 677 MW of wind power generation and approximately 9.4 MW of photovoltaic power generation.

In respect of the wind power generation, the Group has invested in and operated six grid-connected wind power projects. In the photovoltaic power generation, the Group has prudently deployed distributed photovoltaic power generation projects in recent years by utilizing existing production sites and land resources along the highways. These initiatives include independent development and commissioning of the Shengneng Qiantai photovoltaic pilot project, as well as holding equity interest in the Shanghai Guangming photovoltaic power project through its associates.

Solid Waste Treatment

During the Year, the Group continued to deepen the restructuring of its solid waste treatment business. By exiting loss-making non-core operations, refining internal operational management and tightening cost control, the Group enhanced the quality and efficiency of its operating projects and improved the performance of its organic waste treatment businesses.

As at 31 December 2025, the Group had a total designed treatment capacity for organic waste exceeding 6,300 tonnes per day, positioning it among the industry leaders in the PRC. Among these, the projects with an aggregate designed capacity of approximately 5,126.5 tonnes per day have commenced commercial operation, while the remaining projects are in the trial operation phase. These organic waste treatment projects are primarily operated under BOT (Build-Operate-Transfer) model, providing public sector customers with decontamination treatment for organic solid waste and domestic waste (including catering waste, kitchen waste, garden waste, etc.).

Shenzhen Expressway Bioland Environmental Technologies Corp., Ltd. (the "Bioland Environmental Company"), a subsidiary of the Group, is primarily engaged in the systematic and integrated organic waste treatment business. As at 31 December 2025, Bioland Environmental Company had a total designed treatment capacity for kitchen waste exceeding 4,600 tonnes per day. Among these, the projects with an aggregate designed capacity of approximately 3,426.5 tonnes per day have commenced commercial operation, while the remaining projects are in the trial operation phase During the Year, the operating performance of Bioland Environmental Company improved as a result of optimized waste collection and transportation processes and strengthened cost control measures.

In addition, the Group has invested in and operated a total of three organic waste treatment projects in Shenzhen and Shaoyang, respectively, namely the Guangming Environmental Park Project, the Lisai Environmental Project, and the Shaoyang Project. Among these, the Guangming Environmental Park Project, which officially commenced commercial operation in February 2025, has a daily treatment capacity of 1,000 tonnes of organic waste, 100 tonnes of bulky waste (discarded furniture), and 100 tonnes of garden waste. It can simultaneously carry out decontamination treatment and resource utilization for catering waste and kitchen waste. The project has obtained the concession rights for the collection, transportation and treatment of kitchen waste in the Shenzhen's Guangming District, and also supports these services for part of the kitchen waste in Shenzhen's Bao'an District. Both the Lisai Environmental and Shaoyang Projects have been in commercial operations, with daily kitchen waste treatment capacities of 500 tonnes and 200 tonnes, respectively.

Shenzhen Shenshan Special Cooperation Zone Qiantai Technology Co., Ltd. (the "Qiantai Company"), a subsidiary of the Group, is certified as a national high-tech enterprise and a designated "specialized, refined, distinctive and innovative" small and medium enterprise in Shenzhen. During the Year, Qiantai Company was also recognized as a national-level green factory. With dual qualifications for end-of-life new energy vehicle recycling/dismantling and comprehensive battery utilization (as listed on the Ministry of Industry and Information Technology's Whitelist), Qiantai Company provides services including scrapping and recycling of fuel-powered vehicles and integrated resource utilization solutions for retired new energy vehicles and their power batteries. During the Year, Qiantai Company proactively adjusted its business structure, focusing its business on two-wheeled vehicle battery swapping and energy storage products, as well as commercial and industrial energy storage solutions, thereby progressively expanding its market presence.

Other Environmental Protection Businesses

The Group holds 20% equity interest in Chongqing Derun Environment Co., Ltd. (the "Chongqing Derun"), which in turn owns subsidiaries listed on the Shanghai Stock Exchange, namely Chongqing Water Group Co., Ltd. (Stock Code: 601158) and Chongqing Sanfeng Environment Group Corp., Ltd. (Stock Code: 601827). These entities are principally engaged in water supply and sewage treatment, waste-to-energy incineration and environmental restoration, etc.

The Group also holds 11.25% equity interest in Shenzhen Water Planning & Design Institute Co., Ltd. (Stock Code: 301038), whose shares are listed on the ChiNext board of the Shenzhen Stock Exchange, and is a water and environmental engineering service provider specializing in systematic solutions to water-related issues.

Financial Analysis

During the Year, the general-environmental protection business recorded a revenue of approximately HK$1,654 million, representing an increase of 8% as compared to the same period last year, primarily driven by the increase in revenue from the solid waste treatment business. Meanwhile, the net loss of the general-environmental protection business narrowed significantly to approximately HK$103 million (2024: net loss of approximately HK$683 million), attributable to the reduction in both asset impairment losses and credit impairment losses on accounts receivable for the environmental protection projects during the Year as compared to the same period last year.

AIR TRANSPORTATION SERVICES

Shenzhen Airlines

In 2025, Shenzhen Airlines Company Limited (the "Shenzhen Airlines"), an associate of the Group, recorded a revenue of RMB33,406 million (equivalent to HK$36,402 million), maintained at a similar level with that of last year. Nevertheless, due to adverse factors such as intensifying competition within the domestic civil aviation market, a shift in passenger demographics towards more price-sensitive travelers and the substitution pressure from the high-speed rail network, Shenzhen Airlines recorded a net loss of RMB1,243 million (equivalent to HK$1,354 million) for the Year. This represents a narrowing in loss by approximately RMB1,570 million (equivalent to HK$1,711 million) as compared to the same period last year. In accordance with the Hong Kong Accounting Standards, the Group's investment in Shenzhen Airlines is accounted for under the equity method. As the Group's share of accumulated losses in Shenzhen Airlines has exceeded its interest in this associate since 2023, no further losses were recognized during the Year.

To optimize its financial and operational position, Shenzhen Airlines planned in August 2025 to implement capital increase in phases, totaling RMB16,000 million, in which the Group has decided not to participate. Subsequently, Shenzhen Airlines introduced Shenzhen Kunhang Investment Partnership (Limited Partnership) (深圳市鯤航投資合夥企業（有限合夥）) (the "Kunhang Investment") as a new investor through a public tender. Air China Limited (the "Air China"), the controlling shareholder of Shenzhen Airlines, and Kunhang Investment contributed approximately RMB2,082 million and RMB2,000 million, respectively, to subscribe for the additional registered capital of Shenzhen Airlines (the "First-stage Capital Increase"). The industrial and commercial registration for the First-stage Capital Increase was completed in January 2026. As a result, the Group's shareholding in Shenzhen Airlines was diluted from 49% to approximately 28.09%, while Air China and Kunhang Investment hold 51% and approximately 20.91% of the equity interest in Shenzhen Airlines, respectively. Shenzhen Airlines remains an associate of the Company. Air China and Kunhang Investment will enter into relevant agreement(s) for subsequent capital contribution at an appropriate time, which will further dilute the Group's equity interest in Shenzhen Airlines.

Air China Cargo

In 2021, the Group acquired 1,069 million shares of Air China Cargo Co., Ltd. (the "Air China Cargo") through capital contribution of approximately RMB1,565 million and became its strategic shareholder. The investment marked the Group's strategic entry into the air logistics industry, which is highly monopolistic and has relatively high entry barriers.

The shares of Air China Cargo were successfully listed on the main board of the Shenzhen Stock Exchange (Stock Code: 001391) in 2024, further boosting the Group's asset value. During the Year, the Group received cash dividends of approximately RMB69.48 million from Air China Cargo for the year 2024. This return further validates Air China Cargo's sound operational performance and investment value, and clearly demonstrates the Group's strategic foresight. As at 31 December 2025, the Group held approximately 8.76% of the equity interest in Air China Cargo.

Going forward, the Group will further deepen its strategic cooperation with Air China Cargo based on the principle of complementary strengths and mutual benefits. Both the Group and Air China Cargo will proactively foster cooperation on air logistics projects in key cities, including Shenzhen and Beijing, jointly secure scarce resources, and strive to establish an integrated logistics system encompassing air logistics, high-standard warehousing and cold chain logistics, thereby injecting new vitality and momentum into the Group's long-term development.

OUTLOOK FOR 2026

The year 2026 marks the beginning of the Group's 15th Five-Year Plan and its inaugural year of the Group's strategic transition. The global economy remains in an adjustment phase characterized by low growth and high uncertainty, with geopolitical tensions and the restructuring of trade landscape exerting ongoing influence. The domestic economy is progressing steadily amid structural transformation, with the accelerated rise of new quality productive forces unfolding alongside the optimization and upgrading of traditional industries. The logistics industry is likely to continue experiencing a restructuring of supply-demand dynamics alongside intensifying competition within existing markets, and the pressure on both pricing and demand faced by the high-standard warehousing segment may not be fully alleviated in the short term. Nevertheless, supportive policies aimed at expanding domestic demand and fostering strategic emerging industries are driving the trends of digital, green and intelligent transformation. These developments are injecting new momentum into the industry's development and creating significant opportunities for the Group's transformation and growth.

Facing a development environment characterized by both opportunities and challenges, the Group will remain committed to the principle of "focusing on asset-heavy operations while integrating asset-heavy and asset-light approaches, leveraging asset-heavy operations to drive asset-light growth and asset-light operations to complement asset-heavy development". The Group will accelerate its transformation from a "logistics infrastructure developer and operator" to a "comprehensive logistics service provider", strike a balance between stabilizing its traditional businesses and cultivating emerging ones, and focus on sharpening core capabilities and driving value creation. Through these efforts, the Group aims to achieve a strong start to the 15th Five-Year Plan and deliver sustained returns to its shareholders.

Prioritizing Core Businesses for Higher Quality and Efficiency, and Fortifying the Foundation for Transformation and Development

Logistics Business: Achieving Growth by Investing Strategically and Operating Efficiently

Adhering to the strategy of "prioritizing core regions and cultivating quality assets", the Group will strictly control the investment pace and scale, prioritizing investment in projects in core regions characterized by strong supply-demand dynamics and long-term value support. The Group will accelerate operational preparations for key projects, including the Pinghunan Project and the Beijing Fangshan Project, ensuring timely and high-quality delivery. Meanwhile, the Group will further promote the rollout of innovative models such as "Logistics + Bus" and "Logistics + Metro", while expanding high-value-added services. The Group will continue to intensify business promotion efforts targeting strategic emerging industries, including new energy vehicles, intelligent manufacturing and biopharmaceuticals, while deepening direct management engagement in strategic customer visits, aiming to stabilize occupancy rates and rental levels. The Group will also advance the lean management of the existing projects, benchmark against industry leaders to optimize service processes, and enhance customer loyalty and improve asset yields.

Port Business: Enhancing Network Synergy and Expanding Business Horizons

Aligned with the port network strategy of "linking ports together to create a seamless network spanning rivers and coastlines", the Group will steadily advance the approval and construction of the shoreline at the Foshan Fuwan Port, accelerate the implementation of key projects such as the expansion and renovation of the Nanjing Xiba Port, thereby unlocking the throughput capacity of existing projects. The Group will deepen regional coordination and collaboration, promoting resource sharing and business complementarity between mature ports and new projects, while expanding into new cargo segments, such as grain, to optimize the cargo mix. Focusing on key regions including the Greater Bay Area and the Yangtze River Economic Belt, the Group will prudently evaluate high-quality ports investment opportunities under strict risk control, thereby strengthening network synergies and the overall competitiveness.

Toll Road and General-Environmental Protection Businesses: Consolidating Strengths while Optimizing Operational Structure

Leveraging the platform of Shenzhen Expressway, the Group will continue to consolidate its toll road business and accelerate its digital and intelligent transformation to improve smart toll collection, road maintenance capabilities, reducing costs and increasing traffic efficiency. The Group will fully advance major projects, including the reconstruction and expansion of Phase III of the Shenzhen Outer Ring Project, the Jihe Expressway, and the Guangzhou to Shenzhen section of the Beijing-Hong Kong-Macao Expressway, while tapping into the value of resources along these expressways to enhance overall investment returns. In the general-environmental protection business, the Group will focus on improving the quality and efficiency of existing projects. In terms of clean energy power generation segment, the Group will concentrate on the operation of wind and photovoltaic power projects and explore an integrated model combining "Transportation/Industrial Park + Energy". In terms of the solid waste treatment segment, the Group will optimize its business structure by exiting non-core and loss-making operations, deepen smart operations and technological upgrades, expand into businesses such as grease and residue resource utilization, and develop new energy storage business. The Group will also strengthen cost control and receivables management, while continuously refining its business model and financial performance.

Optimizing Capital Circulation and Enhancing Value Creation

Advancing the dual Closed-Loop Strategic Framework

The Group will continue to drive the long closed-loop "Investment, Construction, Operation and Transformation" business model, accelerating the release of the residual value from the transformation projects of SZI South China Logistics Park and advancing the development and construction of the Reserved Land. The Group will also strive to achieve substantive progress in the land swap for 20 units of land parcels in Qianhai, maximizing the land asset value. Simultaneously, the Group will deepen the short closed-loop "Investment, Construction, Financing and Operation" business model, striving to maintain steady operations and sustained dividends from the ChinaAMC-Shenzhen International REIT, advancing the establishment of a new-phase private equity funds and the injection of projects, and actively cultivating eligible assets for inclusion in the expansion of the ChinaAMC-Shenzhen International REIT. The Group will also refine its fund structure and, in response to economic conditions and development needs, explore and promote the establishment of development-oriented or M&A-oriented logistics warehouses real estate funds, thereby streamlining the path for asset securitization.

Refining Capital Operations and Asset Allocation to Drive Cost Reduction and Efficiency Enhancement for Quality Growth

The Group will actively explore ways to revitalize existing assets through fund investments, mergers and acquisitions and restructuring, to promote a virtuous cycle of strategic acquisition and disposal of assets, thereby optimizing its asset structure and cash flow position. The Group will target investments with promising returns, stable cash flows or strategic significance. Meanwhile, the Group will continue to improve its financing structure and diversify funding sources to lower finance costs and maintain a controlled gearing ratio. By benchmarking against industry leaders, the Group will reduce unnecessary selling and administrative expenses, and optimize staffing to improve per capita efficiency, and achieve whole-process cost reduction through lean management. These efforts aim to realize optimal resource allocation and maximize value creation.

Advancing Transformation and Innovation to Power Future Growth

Integrating Heavy and Light Assets: Scaling up Asset-Light Operations

The Group will steadfastly adhere to the strategy of "focusing on asset-heavy operations while integrating asset-heavy and asset-light approaches, leveraging asset-heavy operations to drive asset-light growth and asset-light operations to complement asset-heavy development", with a focus on scaling up mature asset-light businesses, including bonded logistics, integrated warehousing, distribution and transportation services, management service, and port supply chain business. The Group will develop end-to-end integrated logistics solutions that address all stages of its customers' supply chain operations. By deeply embedding its services into sectors such as high-end manufacturing and cross-border e-commerce, the Group will use its asset-light capabilities to increase the value of its heavy assets and strengthen customer loyalty. The Group will also refine supporting mechanisms for its asset-light businesses, optimizing performance evaluation and incentive systems to encourage innovation and build differentiated competitive advantages.

Innovating Business Model: Strategic Entry into Emerging Sectors

Capitalizing on the development opportunities of new quality productive forces, the Group will prioritize emerging businesses aligned with its core operations, including photovoltaic storage and charging, the low-altitude economy and data centers. In terms of the photovoltaic-storage and charging business, the Group will install photovoltaic systems across all existing parks wherever feasible, expand the pilot layout of supercharging stations for heavy-duty trucks, and explore innovative models such as virtual power plants and vehicle-to-grid technology. In the low-altitude economy sector, the Group will focus on the construction of ground-based take-off and landing hubs, aligning with Shenzhen's low-altitude economy development plan, while expanding applications in emergency medical supplies delivery and emergency rescue. For data centers business, the Group will leverage the transformation of existing assets and collaborate with industry leaders to explore green, low-carbon layout models. Simultaneously, the Group will closely monitor global expansion trends in Chinese manufacturing industry, and explore opportunities in overseas warehousing and cross-border logistics services as appropriate, cultivating its international growth capabilities.

Enhancing Governance and Risk Control to Support Sustainable Growth

Improving Corporate Governance and Institutional Mechanism

The Group will further advance the Actions for Deepening and Enhancing State-owned Enterprise Reform, continuously refining the modern corporate system with Chinese characteristics and optimizing its corporate governance structure and decision-making mechanisms. The Group will deepen reforms in labor, personnel and compensation systems to improve human resource allocation, and intensify efforts in "recruit externally and cultivate internally" for talents in emerging business sectors, aiming to build a workforce aligned with the Group's strategic transformation and development. The Group will also improve its differentiated performance evaluation system tailored to the specific characteristics of each business unit, establishing a sound fault-tolerance and exemption mechanism, fostering an enabling environment for innovation exploration and transformation-driven initiatives, and motivating employees to contribute and pursue excellence.

Building a Robust and Comprehensive Risk Prevention and Control System

The Group will remain firmly committed to compliant operations, strengthen risk assessment and control in key areas such as asset-light and emerging businesses, and refine its compliance management checklists. The Group will enhance safety production by advancing the development of an intelligent monitoring platform, to achieve full coverage of safety control in key areas. Financial risk management and control will be improved through capital stress tests to ensure stable cash flow and prevent systemic risks.

Advancing ESG Initiatives and Fulfilling Social Responsibilities

The Group will deeply integrate sustainability across operations, continuously promoting green and low-carbon initiatives such as green park construction and distributed photovoltaic projects to reduce operational carbon emissions. The Group will actively fulfill its social responsibilities by deepening public welfare initiatives, including operating China-Europe Railway Express (Shenzhen), supporting mirco- small- and medium-sized foreign trade enterprises, and promoting rural revitalization, to demonstrate its commitment as a state-owned enterprise. The Group will also continue to refine its ESG governance structure and information disclosure, enhancing its ESG management capability to strengthen its brand influence and market recognition.

In 2026, as challenges and opportunities coexist, the Group will remain strategically focused, act with greater pragmatism, and deploy more targeted measures to achieve its goals and overcome key challenges, striving diligently to meet its annual targets and creating greater value for all shareholders.

FINANCIAL POSITION

	31 December 2025 *HK$ million*	31 December 2024 *HK$ million*	**Increase/ (Decrease)**
Total Assets	**152,328**	135,998	**12%**
Total Liabilities	**89,695**	81,475	**10%**
Total Equity	**62,633**	54,523	**15%**
Net Asset Value attributable to shareholders	**35,584**	32,500	**9%**
Net Asset Value per share attributable to shareholders (HK dollar)	**14.6**	13.5	**8%**
Cash	**10,203**	9,670	**6%**
Bank borrowings	**42,353**	35,505	**19%**
Notes and bonds	**27,544**	24,944	**10%**
Total Borrowings	**69,897**	60,449	**16%**
Net Borrowings	**59,694**	50,779	**18%**
Debt-asset Ratio (Total Liabilities/Total Assets)	**59%**	60%	**(1)** #
Ratio of Total Borrowings to Total Assets	**46%**	44%	**2** #
Ratio of Net Borrowings to Total Equity	**95%**	93%	**2** #
Ratio of Total Borrowings to Total Equity	**112%**	111%	**1** #

Change in percentage points

Key Financial Indicators

As at 31 December 2025, the Group's total assets and total equity amounted to approximately HK$152,328 million and HK$62,633 million, respectively, while net asset value attributable to shareholders was approximately HK$35,584 million. Net asset value per share was HK$14.6, reporting an increase of 8% as compared to the end of last year, mainly due to the increase in profit attributable to shareholders and the appreciation of RMB during the Year. The debt-to-asset ratio was 59%, a decrease of 1 percentage point compared to the end of last year. The gearing ratio (calculated on the basis of net borrowings to total equity) was 95%, representing an increase of 2 percentage points as compared with that at the end of last year. Such increase was primarily due to the additional borrowings incurred as a result of increased investment activities during the Year.

Cash Flow and Financial Ratios

During the Year, net cash generated from operating activities amounted to approximately HK$4,515 million, while net cash used in investing activities amounted to approximately HK$11,127 million. Net cash generated from financing activities amounted to approximately HK$6,741 million. The Group's core businesses continued to generate a stable cash inflow. The Group closely monitors changes in total borrowings to maintain its financial ratios at a stable and healthy level.

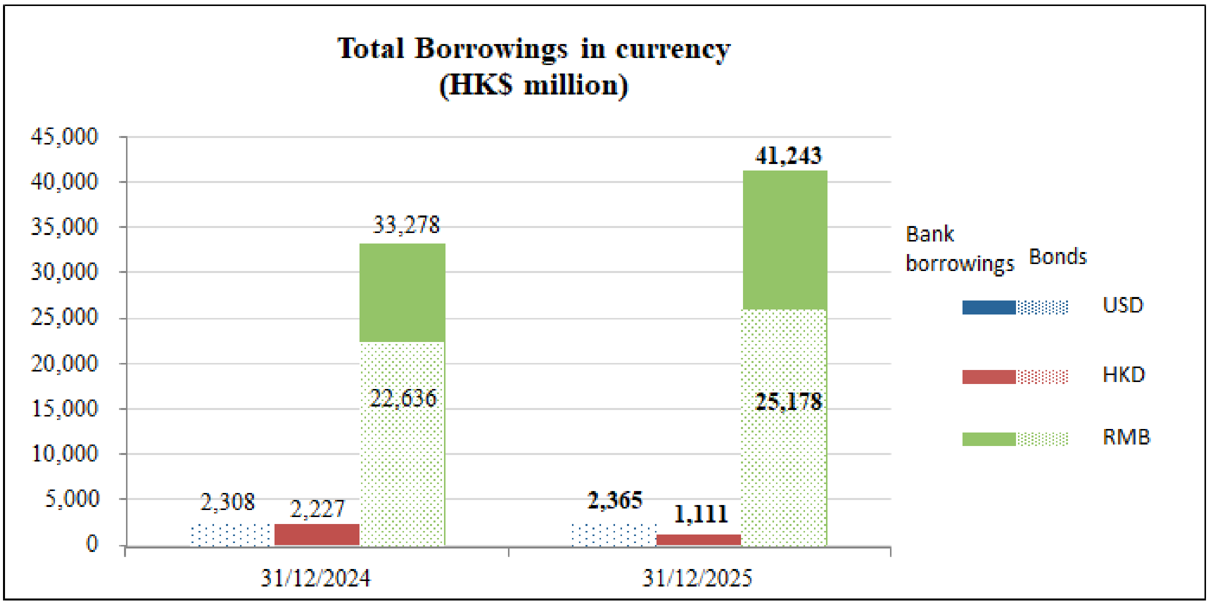
Cash Balance

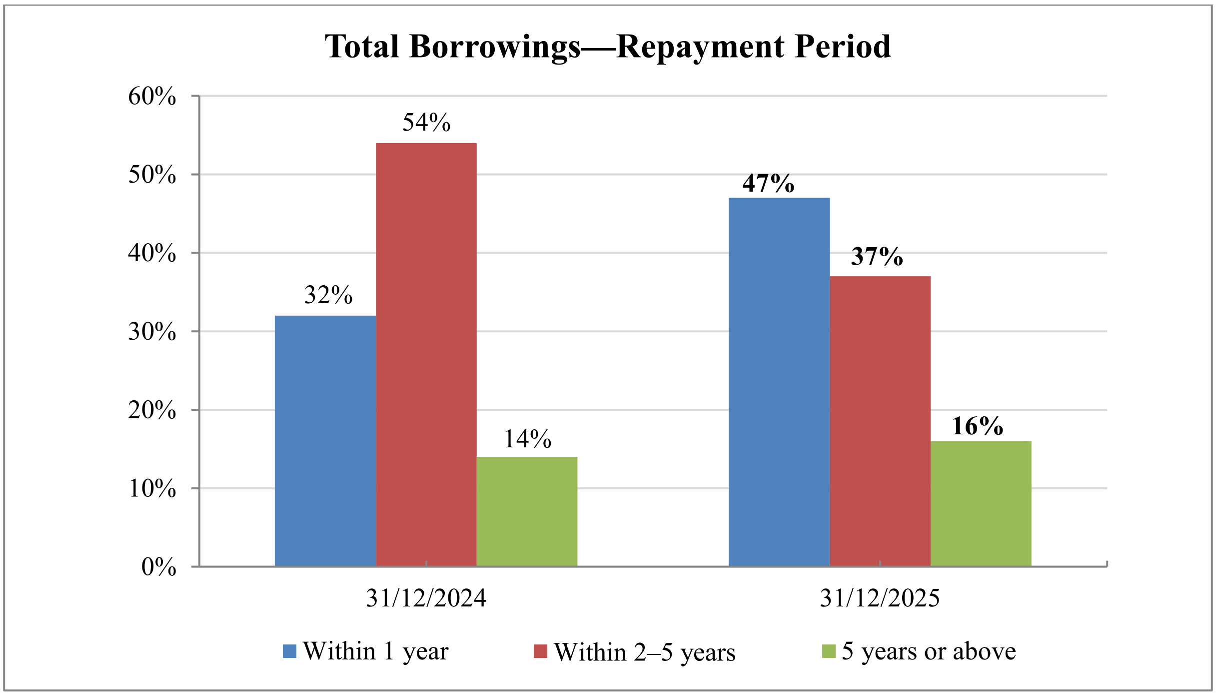
As at 31 December 2025, cash held by the Group amounted to approximately HK$10,203 million (31 December 2024: HK$9,670 million), representing an increase of 6% as compared to the end of last year. To facilitate the Group's operations and development in the PRC, cash held by the Group is mainly denominated in RMB. The Group maintains an effective treasury policy to manage its cash on hand that centralizes the allocation of funds with the aim of reducing idle funds and achieving higher return on its cash portfolio in order to provide strong support for the development of its business.

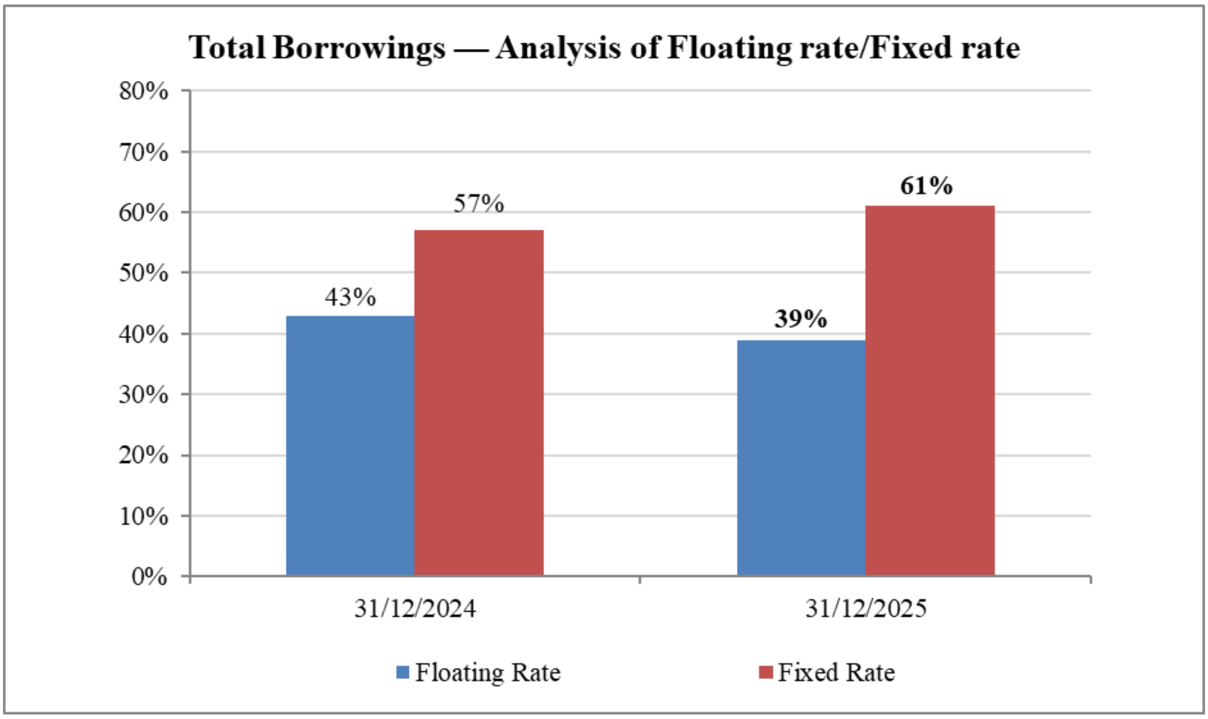
Capital Expenditures

The Group's capital expenditures for the Year amounted to approximately RMB9,400 million (equivalent to HK$10,500 million), primarily comprising investments of approximately RMB2,600 million in the logistics park projects, investments of approximately RMB2,900 million in Shenzhen Expressway's projects, investments of approximately RMB2,740 million in the Pinghunan Project, and investments of approximately RMB290 million in the SZI South China Logistics Park transformation and upgrading projects. The Group expects that capital expenditures for 2026 will amount to approximately RMB8,500 million (equivalent to HK$9,500 million), including approximately RMB1,800 million for the logistics park projects, approximately RMB4,600 million for Shenzhen Expressway's projects, approximately RMB880 million for the Pinghunan Project, and approximately RMB200 million for the SZI South China Logistics Park transformation and upgrading projects.

Borrowings


Total Borrowings in currency
(HK$ million)
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
2,308
2,227
22,636
33,278
2,365
1,111
25,178
41,243
31/12/2024
31/12/2025
Bank borrowings
Bonds
USD
HKD
RMB


Total Borrowings—Repayment Period
60%
50%
40%
30%
20%
10%
0%
32%
54%
14%
47%
37%
16%
31/12/2024
31/12/2025
Within 1 year
Within 2–5 years
5 years or above



As at 31 December 2025, the Group's total borrowings amounted to approximately HK$69,897 million, representing an increase of 16% as compared with the end of last year. During the Year, Shenzhen Expressway, a subsidiary of the Group, issued corporate bonds and medium-term notes totaling RMB3,800 million. 47%, 37%, and 16% of the Group's total borrowings are due for repayment within 1 year, within 2 to 5 years, and after 5 years or later, respectively.

The Group maintained close business relationships with financial institutions in the PRC and Hong Kong, China. It seized favorable market opportunities in both the PRC and Hong Kong, China by conducting several financing activities to capitalize on cost differences. It further optimized its debt portfolio and struck a balance between its interest rate and foreign exchange risks. The Group closely monitored its overall borrowing structure and effectively maintained funds with high cost efficiency in order to meet its overall capital needs.

The Group's Financial Policy

Interest Rate Risk Management

The Group's interest rate risks arise primarily from floating-rate bank borrowings. The management manages interest rate risks and limits such risks to a reasonable level by closely tracking changes in the macro-economic environment and monitoring changes in current and projected interest rates on a regular basis, taking into account conditions in domestic and international markets. The management also regularly reviews the ratio of fixed-rate to floating rate borrowings and seeks to manage and control the Group's interest rate risks by entering into fixed-rate borrowings or interest rate swap contracts for hedging purposes in a timely manner according to the size and maturities of its borrowings.

Exchange Rate Risk

The cash flows, cash on hand, and assets of the businesses operated by the Group are mainly denominated in RMB, while our loans are mainly in RMB, with some also in HK$ and US$. During the Year, as affected by geopolitical factors, RMB/US$ exchange rates continued to fluctuate. The Group will continue to monitor the foreign exchange market and manage its exchange rate risks by adjusting the currency structure of its borrowings and utilizing hedging instruments in a timely manner. As at 31 December 2025, the ratio between the Group's borrowings in RMB and in other currencies was around 95%:5%.

Liquidity Risk Management

As at 31 December 2025, the Group had cash on hand and standby banking facilities of approximately HK$128,200 million. It maintained adequate funds and credit facilities and optimized its capital structure continuously to ensure its capability to operate as a going concern while expanding its business and to mitigate liquidity risk.

Credit Ratings

During the Year, two leading international credit rating agencies, namely Moody's and Standard & Poor's, maintained their investment-grade credit ratings of the Company of Baa2 and BBB, respectively. China Lianhe Credit Rating Co., Ltd, a domestic credit rating agency, assigned an "AAA" credit rating to the Company. These ratings reflected favorable capital market recognition of the Group's financial soundness and solvency, and demonstrated confidence in the Group's ability to realize sustainable and quality growth.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

On 10 January 2022, the Company issued the corporate bonds (first tranche 2022) in the amount of RMB1,000 million with an initial coupon rate of 2.95% and a term of 6 years. The bonds, listed on the Shenzhen Stock Exchange, included a bondholder sell-back option and an issuer coupon rate adjustment option, both exercisable at the end of the third year. As the bondholders exercised the sell-back option, the Company repurchased the corporate bonds in full at par on 10 January 2025 and paid the relevant interests according to the terms of the bonds. For details of the above repurchase, please refer to the relevant overseas regulatory announcement of the Company dated 8 January 2025.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Year.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with the code provisions set out in "Corporate Governance Code", Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange. The Company aims to enhance its corporate governance practices, thereby promoting the Company's sustainable development and enhancing value for the shareholders.

CLOSURE OF REGISTER OF MEMBERS

To ensure the eligibility to attend and vote at the 2026 Annual General Meeting and the entitlement to the proposed final dividend, the register of members of the Company will be closed on the following dates:

For ascertaining shareholders' right to attend and vote at the 2026 Annual General Meeting:

Latest time to lodge transfers	4:30 p.m. on Thursday, 7 May 2026
Book closure dates	Friday, 8 May 2026 to Wednesday, 13 May 2026 (both days inclusive)
Record date	Wednesday, 13 May 2026

For ascertaining shareholders' entitlement to the proposed final dividend:

Latest time to lodge transfers	4:30 p.m. on Monday, 18 May 2026
Book closure dates	Tuesday, 19 May 2026 to Wednesday, 20 May 2026 (both days inclusive)
Record date	Wednesday, 20 May 2026
Payment date of the final dividend	on or about Monday, 22 June 2026

To be eligible to attend and vote at the 2026 Annual General Meeting and qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

OTHER INFORMATION

The Audit Committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2025. A meeting has also been held between the Company's auditor and the Audit Committee of the Company in connection with the review of the annual results of the Group for the year ended 31 December 2025.

The figures in respect of the Group's consolidated balance sheet, the consolidated income statement and the consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the Year as approved by the Board on 26 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

This announcement and other information (including those of the Company's 2025 annual results) will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.szihl.com).

By Order of the Board
Shenzhen International Holdings Limited
Li Haitao
Chairman

26 March 2026

As at the date of this announcement, the Board consists of Mr. Li Haitao, Mr. Liu Zhengyu, Mr. Wang Peihang and Ms. Liu Xiuli as executive directors, Mr. Cai Xiaoping as non-executive director and Mr. Pan Chaojin, Dr. Zeng Zhi, Dr. Wang Guowen and Professor Ding Chunyan as independent non-executive directors.

In this announcement, the English names of the PRC entities are translations of their Chinese names and included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.