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

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

CONNECTED TRANSACTION

FORMATION OF PARTNERSHIP

FORMATION OF THE PARTNERSHIP

The Board is pleased to announce that, on 18 June 2026, Shanghai Jiyun (as a Limited Partner), Nanjing Beilian (as a Limited Partner), Suixing Fund (as a Limited Partner), STC (as a General Partner) and Xianying Synergy (as a General Partner) entered into the Partnership Agreement, pursuant to which the Partnership is formed to invest in environmentally sustainable industries. These include, among others, water services and environmental protection, power and new energy, green and low-carbon initiatives, intelligent industrial upgrading and advanced equipment manufacturing.

LISTING RULES IMPLICATIONS

As at the date of this announcement, SIIC is the controlling shareholder of the Company holding approximately 63.16% of the entire issued share capital of the Company, and is therefore a connected person of the Company. SIIC is authorised to operate SIIC Shanghai, a state-owned enterprise, and SIIC exercises the authority as the state-owned shareholder of SIIC Shanghai. STC is an indirect wholly-owned subsidiary of SIIC Shanghai and is therefore an associate of SIIC and a connected person of the Company.

Accordingly, the Formation of the Partnership constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Formation of the Partnership exceed 0.1% but all of them are less than 5%, the Formation of the Partnership is subject to the reporting and announcement requirements, but is exempt from the shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

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PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT

The rights and obligations of the Partners are governed by the Partnership Agreement, the principal terms of which are summarised as follows:

Parties	:	1. Shanghai Jiyun (as a Limited Partner); 2. Nanjing Beilian (as a Limited Partner); 3. Suixing Fund (as a Limited Partner); 4. STC (as a General Partner); and 5. Xianying Synergy (as a General Partner).
Name of the Partnership	:	上實綠色科技股權投資基金（南京）合伙企業（有限合伙） (Shanghai Industrial Green Technology Equity Investment (Nanjing) Partnership Enterprise (Limited Partnership)*) (tentative name, subject to the official business registration name)
Term of the Partnership	:	The term of the Partnership shall continue until the fifteenth (15th) anniversary of the date of first issuance of the business registration certificate of the Partnership, unless the Partnership is dissolved earlier in accordance with the Partnership Agreement. The period commencing from the date of receipt of the first instalment of capital contribution by the Partners and ending on the eighth (8th) anniversary thereof shall be the operational period (the "**Operational Period**"), of which the first five (5) years shall be the investment period of the Partnership (the "**Investment Period**"). The remaining three (3) years of the operational period of the Partnership shall be the exit period (the "**Exit Period**"). With the unanimous consent of all the Partners, the Operational Period may be extended by two (2) years (the "**Extended Period**").
Manager	:	The General Partners have engaged STC as the Manager, the decision of which is confirmed upon execution of the Partnership Agreement.

Purpose and business scope of the Partnership : The purpose of the Partnership is to invest in environmentally sustainable industries. These include, among others, water services and environmental protection, power and new energy, green and low-carbon initiatives, intelligent industrial upgrading and advanced equipment manufacturing.

Partnership size : The Partnership will have a target fund size of RMB1,000,000,000, with an initial capital contribution by all Partners amounting to approximately RMB506,000,000. The balance of the Partnership is expected to be sourced from either external contributors and/or existing Partners within eighteen (18) months following the date of first closing of the Partnership.

Capital contribution : The total capital contribution by all Partners to the Partnership shall be approximately RMB506,000,000. The capital contribution to be made by each Partner is as follows:

Partner	Type	Capital Contribution *(RMB)*	Percentage
Shanghai Jiyun	Limited Partner	300,000,000	59.2885%
Nanjing Beilian	Limited Partner	150,000,000	29.6443%
Suixing Fund	Limited Partner	50,000,000	9.8814%
STC	General Partner	5,000,000	0.9881%
Xianying Synergy	General Partner	1,000,000	0.1977%

The Partners shall make their capital contribution in three instalments during the Investment Period, in accordance with the capital call notices to be issued by the Manager pursuant to the Partnership Agreement, which will specify the date for payment. The first instalment shall be 40% of each Partner's committed capital contribution, the second instalment 30% and the third instalment 30%.

The capital contribution to be made by Shanghai Jiyun will be funded by the Group's internal resources.

The capital contribution to be made by STC will be funded by its own resources.

Management : *Executive Partner and the Manager*

Subject to the terms of the Partnership Agreement and with the unanimous consent of all Partners, STC, also being the Manager, has been designated as the executive Partner of the Partnership, responsible for executing the Partnership's affairs and, in its capacity as Manager, performing the duties of investment management and operations.

The General Partners agree to appoint the Manager to provide management services, and the Manager shall be entitled to receive fees for such services as follows:

(i) during the Investment Period, the sum of the management fee attributable to each Limited Partner shall be 2% per annum of such Limited Partner's paid-up capital contribution; and

(ii) after the Investment Period, the management fee attributable to each Limited Partner shall be an amount equal to 2% per annum of such Limited Partner's proportionate participatory amount in the unrealised investment principal of the Partnership's portfolio projects (being the original investment costs of portfolio projects that have not yet been exited). In the case of any partial exit, such amount shall be correspondingly reduced by the Limited Partner's proportionate participatory amount attributable to such partial exit. Where any portfolio project is exited, whether partially or fully, such amount shall be reduced from the date on which the original investment cost attributable to the relevant exit is reduced. Any management fee over-collected during a charging period shall be deducted from the management fee payable in the following charging period.

The Manager shall collect the management fee for the first charging period within five (5) business days from the date of the first project investment made by the Partnership. The management fee for each subsequent charging period shall be collected by the Manager within five (5) business days from the commencement of such charging period. The aforesaid management fees shall be uniformly borne out of the assets of the Partnership, and the Limited Partners are not required to make any separate payments.

The Manager will not be entitled to receive fees from the Partnership for its services during the Extended Period.

Investment Decision Committee

Under the Partnership Agreement, the Partnership shall establish an investment decision committee (the "**Investment Decision Committee**") comprising five members, which shall have final authority over decisions relating to investment projects. Three members will be appointed by GP1, and the remaining two members shall be industry experts in the Partnership's investment sectors, nominated by GP2 and approved by the Partners at a meeting. Each member will have one vote, and resolutions will require the approval of at least four members to be valid.

Income and loss sharing : Investment income (after deducting any taxes and other expenses payable by the Partnership in respect of such income) will be allocated to the Partners in the following order:

(i) 100% shall be distributed among all Partners until each Partner has received, in aggregate, its paid-up capital contribution as of the distribution date;

(ii) if there is any remaining amount, 100% shall be distributed among all Limited Partners until each Limited Partner has received an amount equal to the preferred return (the amount of interest calculated on the paid-up capital contribution at an annual rate of 6%);

(iii) if there is any remaining amount, 100% shall be distributed to the General Partners by the way of catch-up distribution until the amount received by the General Partners in this round is equal to 20% of the total distributions made after all Partners have received their paid-up capital contribution (including amounts distributed under items (ii) and (iii) herein); and

(iv) if there is any remaining amount, 20% shall be distributed to the General Partners while the other 80% shall be distributed among the Limited Partners in proportion to their respective paid-up capital contributions.

Any losses shall be shared by all Partners. The liability of each Limited Partner is limited to the amount of its committed capital contribution to the Partnership, while the General Partner assumes unlimited liability.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE PARTNERSHIP

The Partnership will focus on technology investments related to environmental sustainability. Through the establishment of the Partnership, the Company will cooperate with other external investors to leverage diverse resources and drive the coordinated development of "Technology + Finance + Industry". This approach not only enables the achievement of reasonable capital appreciation returns, but also enhances the technological content of the Company's core business by

utilising capital instruments, thereby fostering a green industrial ecosystem. The Directors believe that such development complements the Group's key focus areas and innovation needs in the environmental and health industry.

The Directors (including the independent non-executive Directors) consider that the terms of the Formation of the Partnership are on normal commercial terms, albeit not in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its shareholders as a whole. None of the Directors has a material interest in the Formation of the Partnership and no Director is required to abstain from voting on the Board resolution(s) approving the same. However, (i) Ms. Leng Wei Qing, an executive director and the chairlady of SIIC; (ii) Mr. Zhang Qian, an executive director and the president of SIIC; and (iii) Mr. Yao Jia Yong, an executive director of SIIC have voluntarily abstained from voting on the Board resolution(s) approving the Formation of the Partnership.

LISTING RULES IMPLICATIONS

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Accordingly, the Formation of the Partnership constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Formation of the Partnership exceed 0.1% but all of them are less than 5%, the Formation of the Partnership is subject to the reporting and announcement requirements, but is exempt from the shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

INFORMATION ON THE GROUP AND THE PARTNERS

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

Shanghai Jiyun is an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment holding.

STC is an indirect wholly-owned subsidiary of SIIC Shanghai and is principally engaged in undertaking assets and investment management in the PRC. SIIC is authorised to operate SIIC Shanghai, a state-owned enterprise, and SIIC exercises the authority as the state-owned shareholder of SIIC Shanghai. SIIC Shanghai is wholly-owned by the State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government.

Xianying Synergy is a limited partnership established with capital contributions from employees of STC. All participants are current employees of STC. Xianying Synergy is principally engaged in corporate management. To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, the participants of Xianying Synergy are Mr. Zhang Shudong and Mr. Guo Rui, who hold 60% and 40% interests in Xianying Synergy, respectively.

Based on the information available to the Company, Nanjing Beilian was a company established in the PRC with limited liability and its ultimate beneficial owner is Nanjing Jiangbei New Area Administrative Committee* (南京江北新區管理委員會). No other single shareholder holds 10% or more of Nanjing Beilian. Nanjing Beilian is principally engaged in venture capital investment and fund investment activities.

Based on the information available to the Company, the ultimate beneficial owner of Suixing Fund is the State-owned Assets Supervision and Administration Commission of Suining Municipal Government (遂寧市政府國有資產監督管理委員會), which indirectly holds approximately 57.90% interest in Suixing Fund. No other single partner holds 10% or more of Suixing Fund. Suixing Fund is principally engaged in private equity fund investment management, asset management and other activities.

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, each of Xianying Synergy, Nanjing Beilian and Suixing Fund and its ultimate beneficial owner(s) is a third party independent of the Company and its connected persons.

DEFINITIONS

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

"associate", "connected person(s)", "controlling shareholder(s)", "subsidiary(ies)"	each has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	Shanghai Industrial Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 363)
"Director(s)"	the director(s) of the Company
"Exit Period"	has the meaning as defined in the "PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT - Term of the Partnership" section of this announcement

"Extended Period"	has the meaning as defined in the "PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT - Term of the Partnership" section of this announcement
"Formation of the Partnership"	the formation of the Partnership contemplated under the Partnership Agreement
"General Partner(s)"	the general partner(s) of the Partnership
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Investment Decision Committee"	has the meaning as defined in the "PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT - Management" section of this announcement
"Investment Period"	has the meaning as defined in the "PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT - Term of the Partnership" section of this announcement
"Limited Partner(s)"	the limited partner(s) of the Partnership
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Manager"	manager of the Partnership, namely, 上海上實科技創業投資有限公司 (SIIC Technology Venture Capital Co., Ltd.*)
"Nanjing Beilian"	南京北聯創業投資有限公司 (Nanjing Beilian Venture Capital Co., Ltd.*), a company established in the PRC with limited liability
"Operational Period"	has the meaning as defined in the "PRINCIPAL TERMS OF THE PARTNERSHIP AGREEMENT - Term of the Partnership" section of this announcement
"Partner(s)"	the partner(s) of the Partnership, including the General Partner(s) and the Limited Partner(s)
"Partnership"	the limited partnership enterprise proposed to be established under the laws of the PRC with the tentative name of 上實綠色科技股權投資基金（南京）合伙企業（有限合伙）(Shanghai Industrial Green Technology Equity Investment (Nanjing) Partnership Enterprise (Limited Partnership)*)

"Partnership Agreement"	the partnership agreement dated 18 June 2026 and entered into between Shanghai Jiyun, Nanjing Beilian, Suixing Fund, STC and Xianying Synergy in relation to the Formation of the Partnership and the rights and obligations of the Partners
"PRC"	the People's Republic of China, for the purpose of this announcement only, excluding Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Shanghai Jiyun"	上海蹟沄基礎建設有限公司(Shanghai Jiyun Infrastructure Construction Co., Ltd.*), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company
"SIIC"	Shanghai Industrial Investment (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability and the controlling shareholder of the Company as at the date of this announcement
"SIIC Shanghai"	SIIC Shanghai (Holdings) Co., Ltd. (上海上實（集團）有限公司), a company established in the PRC with limited liability
"STC" or "GP1"	上海上實科技創業投資有限公司 (SIIC Technology Venture Capital Co., Ltd.*), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of SIIC Shanghai as at the date of this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Suixing Fund"	遂寧遂興產業股權投資基金合伙企業（有限合伙）(Suining Suixing Industries Equity Investment Fund Partnership (Limited Partnership)*), a partnership established in the PRC
"Xianying Synergy" or "GP2"	上海賢楹共創科技合伙企業（有限合伙）(Shanghai Xianying Synergy Technology Partnership (Limited Partnership)*), a limited partnership established in PRC with capital contributions from employees of STC
"%"	per cent.

* *For identification purposes only.*

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

Hong Kong, 18 June 2026

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

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

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