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(Incorporated in Hong Kong with limited liability)

(Stock Code: 363)

DISCLOSEABLE TRANSACTION

PROPOSED QUASI-REITS ASSET-BACKED SECURITISATION OF SHANGHAI CHENGKAI (GROUP) WUXI PROPERTY CO., LTD.

THE PROPOSED QUASI-REITS ASSET-BACKED SECURITISATION AND ITS RELATED DISCLOSEABLE TRANSACTION

SIUD, a non-wholly owned subsidiary of the Company, proposes to implement a quasi-REITs asset-backed securitisation of the Property through the Special Plan for the purpose of realising the value of the Group's existing property assets, generating cash proceeds, optimising its capital structure and reducing its net gearing. The Special Plan is expected to raise approximately RMB1,196 million from investors through the issuance of approximately RMB1,077 million of Senior ABS and approximately RMB119 million of Subordinated ABS.

As one of the implementation steps for the Special Plan, on 20 October 2026, SUD, being a 59%-owned subsidiary of the SIUD and an indirect subsidiary of the Company, entered into the Equity Transfer Agreement with the Plan Manager, acting on behalf of the Special Plan. Pursuant to the Equity Transfer Agreement, SUD agreed to sell, and the Plan Manager (acting on behalf of the Special Plan) agreed to acquire, the entire equity interest in the Target, which holds the Property, at a cash consideration of RMB396 million. The Special Plan (through the Plan Manager) will also advance the New Loan of RMB800 million to the Target, which will be applied in full to repay the Shareholder's Loan of RMB800 million owed by the Target to SUD.

Upon Completion of the Equity Transfer Agreement, SUD will cease to hold any equity interest in the Target and the Special Plan will wholly own the Target. The Target will cease to be a subsidiary of SIUD and its financial results will no longer be consolidated into the financial statements of the Group.

In addition, SUD will make the Subscription with a subscription amount not exceeding RMB30 million in aggregate, representing approximately 25% of the Subordinated ABS and approximately 2.5% of the total issuance size of the Special Plan. Other than the Subscription, all the asset-backed securities are expected to be placed with investors who are independent third

parties. SUD will also provide the Liquidity Support, and SUD (or its designated entity) will be granted the Priority Purchase Right.

LISTING RULES IMPLICATIONS

Since one or more of the applicable percentage ratios in respect of the Disposal are more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As all of the applicable percentage ratios in respect of the Subscription are less than 5%, the Subscription does not, on a standalone basis, constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

1. INTRODUCTION

SIUD, a non-wholly owned subsidiary of the Company, proposes to implement a quasi-REITs asset-backed securitisation of the Property through the Special Plan for the purpose of realising the value of the Group's existing property assets, generating cash proceeds, optimising its capital structure and reducing its net gearing. The Special Plan is expected to raise approximately RMB1,196 million from investors through the issuance of approximately RMB1,077 million of Senior ABS and approximately RMB119 million of Subordinated ABS.

As one of the implementation steps for the Special Plan, on 20 October 2026, SUD, being a 59%-owned subsidiary of the SIUD and an indirect subsidiary of the Company, entered into the Equity Transfer Agreement with the Plan Manager, acting on behalf of the Special Plan. Pursuant to the Equity Transfer Agreement, SUD agreed to sell, and the Plan Manager (acting on behalf of the Special Plan) agreed to acquire, the entire equity interest in the Target, which holds the Property, at a cash consideration of RMB396 million. The Special Plan (through the Plan Manager) will also advance the New Loan of RMB800 million to the Target, which will be applied in full to repay the Shareholder's Loan of RMB800 million owed by the Target to SUD.

Upon Completion of the Equity Transfer Agreement, SUD will cease to hold any equity interest in the Target and the Special Plan will wholly own the Target. The Target will cease to be a subsidiary of SIUD and its financial results will no longer be consolidated into the financial statements of the Group.

In addition, SUD will make the Subscription with a subscription amount not exceeding RMB30 million in aggregate, representing approximately 25% of the Subordinated ABS and approximately 2.5% of the total issuance size of the Special Plan. Other than the Subscription, all the asset-backed securities are expected to be placed with investors who are independent third parties. SUD will also provide the Liquidity Support, and SUD (or its designated entity) will be granted the Priority Purchase Right.

2. THE SPECIAL PLAN

Underlying Assets

The Property, legally owned and operated by the Target, will be the underlying asset of the Special Plan. The Property is a landmark twin-tower complex in Wuxi, the PRC, with a total gross floor area of approximately 147,100 square metres, comprising the Wuxi Taihu Crowne Plaza Hotel, the Wuxi Taihu Holiday Inn Express Hotel, Grade-A office space, commercial facilities and apartments. The net operating income generated by the Property, including rent, hotel revenue and other operating cash flows, will be channelled into the Special Plan.

Overview

The principal terms of the Special Plan are tentatively set out as follows, subject to finalisation of the final issuance size, term, expected return and other arrangements:

Underlying Portfolio:	(i) The entire equity interest in the Target; and (ii) the claims under the New Loan of RMB800 million advanced by the Special Plan to the Target.
Product Type:	Quasi-REITs asset-backed securitisation. It is a privately placed asset-backed securitisation product adopting a dual special purpose vehicle structure, comprising an asset-backed special plan and a private fund.
Issuance Size:	Approximately RMB1,196 million, comprising (i) approximately RMB1,077 million of Senior ABS; and (ii) approximately RMB119 million of Subordinated ABS. Other than the Subscription, all the asset-backed securities are expected to be placed with investors who are independent third parties.
Tranches:	The asset-backed securities issued under the Special Plan are divided into the Senior ABS and the Subordinated ABS. The Subordinated ABS represent the right to receive distributions from the Special Plan after payments due on the Senior ABS. Until the expected return and scheduled principal payable on the Senior ABS in the current period are fully paid, no payment will be made on the Subordinated ABS.
Use of Proceeds:	Approximately RMB396 million for payment of the Disposal Consideration, and RMB800 million for the advance of the New Loan to the Target. The Target will apply the New Loan in full to repay the Shareholder's Loan.
Transfer Platform:	There is no plan for the Special Plan or the asset-backed securities to be publicly listed on a stock exchange. The asset-backed securities may be transferred on the fixed-income securities platform of the SSE in accordance with the applicable rules.

Expected Term:	The Special Plan has a term of approximately 18 years and does not provide for an open-period arrangement.
Disposal and Liquidation:	The Special Plan will enter its disposal phase if the Priority Purchase Right is not exercised by the final payment date or upon specified trigger events, including an uncured shortfall in payments on the Senior ABS, the Property's operating net cash flow falling below 60% of forecast for four consecutive collection periods, or the value of the Property falling below 60% of its initial valuation. Disposal or liquidation proceeds will be applied first to applicable taxes, expenses, Liquidity Support claims and amounts due on the Senior ABS, with the balance applied to the Subordinated ABS. During the applicable exercise periods, SUD (or its designated entity) may exercise the Priority Purchase Right, subject to applicable transfer restrictions, approvals and Listing Rules requirements.
Voting Rights:	Holders of both the Senior ABS and the Subordinated ABS are entitled to receive information, participate in control-holder meetings, and transfer or pledge their securities in accordance with applicable rules.
Management:	The Plan Manager will administer the Special Plan, raise funds, acquire the equity interest in the Target and the receivables under the New Loan, manage and distribute the assets of the Special Plan, supervise the relevant parties and convene control-holder meetings. The Target will act as the asset servicing agent and will continue to operate the Property and collect its cash flows.

3. THE DISPOSAL

As the Target is a state-owned enterprise, the Disposal was conducted by way of public tender through SUAEE in accordance with the applicable PRC laws and regulations governing the transfer of state-owned assets. The base price for the Disposal under the Public Tender was RMB396 million, which was not lower than the appraised value of the entire equity interest in the Target as set out in the Valuation Report. Upon expiry of the publication period of the Public Tender, the Plan Manager (acting on behalf of the Special Plan) was the only intended transferee accepted as a qualified intended transferee, and was accordingly confirmed as the final transferee in accordance with the trading rules of SUAEE.

Accordingly, as one of the implementation steps for the Special Plan, on 20 October 2026, SUD as the vendor and the original interest owner, and the Plan Manager acting on behalf of the Special Plan as the purchaser, entered into the Equity Transfer Agreement, pursuant to which SUD has agreed to transfer the entire equity interest in the Target to the Special Plan to be managed by the Plan Manager at a cash consideration of RMB396 million.

Principal terms of the Equity Transfer Agreement are summarised as follows:

Parties

- (1) SUD, as the transferor and original interest owner; and
- (2) the Plan Manager, acting on behalf of the Special Plan, as the transferee.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Plan Manager, the Special Plan and their respective ultimate beneficial owners (other than SUD) are third parties independent of the Company and its connected persons.

Subject Matter

Pursuant to the Equity Transfer Agreement, SUD shall transfer the entire equity interests in the Target to the Plan Manager.

Consideration and Payment Terms

The Disposal Consideration is RMB396,000,000, subject to adjustments, payable in a lump sum in cash in the following manner:

- (a) a transaction deposit of RMB118,800,000 paid by the transferee will be converted into part of the Disposal Consideration upon signing of the Equity Transfer Agreement; and
- (b) the balance of the Disposal Consideration, being RMB277,200,000, shall be paid by the transferee within five (5) business days after the date of the Equity Transfer Agreement.

The Disposal Consideration was determined primarily on the basis of an independent asset valuation, and the Valuer concluded that the appraised value of the entire equity interest in the Target was RMB395,352,800 as at 31 May 2026 using the asset-based approach.

The Directors, including the independent non-executive Directors, consider that the terms of the Equity Transfer Agreement, including the Disposal Consideration, are on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

Completion

Within 60 days after the Equity Transfer Agreement becomes effective, the parties shall complete the handover of the Target and the registration of the change in its shareholding.

The Valuation

According to the Valuation Report, the Valuer, after carrying out valuation procedures including data collection, review of financial information, asset verification and on-site inspection, determined the appraised value of the Target based on the asset-based approach. The Valuation Report was issued by the Valuer on 27 July 2026 and is valid for a period of one year from the Valuation Date, being

31 May 2026 to 30 May 2027. The appraised value of the entire equity interest in the Target as at 31 May 2026 was RMB395,352,800. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of the Valuation Report and the date of this announcement, the Valuer is an independent third party and is independent of the Company and its connected persons.

Valuation Methodology

According to the Valuation Report, in selecting the appropriate valuation methodology for determining the value of the entire equity interest in the Target as at 31 May 2026, the Valuer considered the applicability of the income approach, the market approach and the asset-based approach.

The income approach was not adopted because future property holding and disposal plans, hotel profitability and repayment and financing arrangements for substantial shareholder borrowings could not be reliably forecast at the time of the valuation. The Valuer applied both the market approach and the asset-based approach, which indicated equity values of RMB394,000,000 and RMB395,352,800 respectively. The asset-based approach was selected as the primary valuation methodology because the Target's assets and liabilities could be individually identified and valued. In addition, capital market volatility and differences in business structures, operating models, scale and asset allocation introduced greater uncertainty into the market approach result. Accordingly, the Valuer considered that the asset-based approach more appropriately reflected the value of the entire equity interest in the Target.

Basis of the asset-based approach

The Valuer relied on the Target's audited financial information as at 31 May 2026. The valuation scope comprised all of the Target's audited assets and liabilities, including inventories within current assets and fixed assets, other equity instrument investments and deferred tax assets within non-current assets, as well as a separately identified off-balance-sheet trademark. For further details, please refer to the section headed "Key Inputs and Computation Process of the Valuation" below.

Major Assumptions

The valuation was prepared on the premise that the Target would continue to operate in its existing condition, without taking into account the effect of the proposed Disposal on its operations. The principal assumptions include that:

- the assets are assumed to be transacted in an open market in which the parties have equal standing and sufficient opportunity to obtain market information;
- assets currently in use will continue to be used at their existing locations for their existing purposes and in their existing manner following a change in ownership;
- there will be no material changes in relevant laws, regulations and policies, the local political, economic and social environment, interest rates, exchange rates or taxation;

- the Target's management will discharge its responsibilities competently and manage the relevant assets effectively, and the Target will comply with applicable laws and regulations; and
- the Target's accounting policies will remain materially consistent, and the development of its industry and relevant economic policies will remain stable.
- The valuation does not take into account the effect on its conclusion of possible future mortgages or guarantees, or additional amounts that may be payable under special transaction arrangements.

Key Inputs and Computation Process of The Valuation

Financial information of the Target

Set out below is a summary of the book values and appraised values of the Target's assets, liabilities and equity as at 31 May 2026:

	Book Value	Appraised Value
	<i>RMB'000</i>	<i>RMB'000</i>
Current assets	823,655	796,053
– Inventories	801,877	774,275
Non-current assets	389,052	418,210
– Fixed assets	380,806	409,961
– Other equity instrument investments	954	954
– Deferred tax assets	7,292	7,292
– Intangible assets	0	3
Total assets	1,212,707	1,214,263
Current liabilities	818,910	818,910
Non-current liabilities	0	0
Total liabilities	818,910	818,910
TOTAL EQUITY (NET ASSETS)	393,797	395,353

Total Assets

As at 31 May 2026, the book value of the total assets of the Target was approximately RMB1,212.71 million, while the appraised value of the assets was approximately RMB1,214.26 million. The difference was mainly attributable to an increase of approximately RMB29.15 million in the appraised value of fixed assets over their book value, substantially offset by a decrease of approximately RMB27.60 million in the appraised value of inventories against their book value.

Total Liabilities

As at 31 May 2026, the book value and the appraised value of the total liabilities of the Target were the same, at approximately RMB818.91 million.

Total Equity

According to the Valuation Report, based on the asset-based approach described above, the appraised value of the entire equity interest in the Target as at the Valuation Date was approximately RMB395,352,800, representing an increase of approximately 0.40% over its book value.

4. REPAYMENT OF THE SHAREHOLDER'S LOAN

As at the date of this announcement, the Target owes SUD the Shareholder's Loan of RMB800 million, which has no fixed maturity date. Save for the Shareholder's Loan, there are no other intercompany balances or indebtedness owed by the Target to members of the Group.

On the date of signing of the Equity Transfer Agreement, the Shareholder's Loan was declared due and payable, and the Special Plan will simultaneously advance the New Loan of RMB800 million to the Target. The Target will apply the proceeds of the New Loan to repay the Shareholder's Loan to SUD in full. The Target will apply the income of the Property, among other things, to repay the New Loan. Proceeds from the repayment of the New Loan will then be allocated in accordance with the distribution waterfall of the Special Plan. Interest on the New Loan is payable quarterly during the term of the Special Plan.

5. LIQUIDITY SUPPORT

SUD, which is rated AA+, will provide two forms of Liquidity Support for the Special Plan, namely the custody account support and the renewal support.

Under the custody account support, if the custody account has insufficient funds two business days before a New Loan payment date, SUD must pay the shortfall into that account by the preceding business day. The advance will be repaid from future cash flows.

Under the renewal support, if subscription proceeds for a renewal Senior ABS series remain unpaid three business days before the renewal payment date, SUD must pay the shortfall into the Special Plan account on that day. The advance will be repaid from future cash flows.

A support fee is charged at the benchmark deposit rate for the same period. Given that (i) the support is limited to actual shortfalls; (ii) the arrangement provides credit enhancement for timely senior payments and for successive issuance; and (iii) similar forms of liquidity support is common among similar products, the Company considers the arrangement fair and reasonable and in the interests of the Company and its shareholders.

6. THE SUBSCRIPTION

SUD proposes to subscribe for Subordinated ABS in an amount of not more than RMB30 million, representing approximately 25% of the Subordinated ABS and approximately 2.5% of the total issuance size of the Special Plan. The Company expects that the Subordinated ABS subscribed for by SUD will be recognised as financial assets at fair value through profit or loss.

7. EXIT ARRANGEMENTS AND PRIORITY PURCHASE RIGHT

SUD (or its designated entity) is granted a Priority Purchase Right during the applicable exercise periods to acquire either (i) all asset-backed securities not then held by it; or (ii) the equity interest in the Target, the receivables under the New Loan and/or the Property, in each case subject to applicable transfer restrictions and required approvals.

The Priority Purchase Right may be exercised by SUD (or its designated entity) upon the occurrence of certain trigger events, including:

- (1) an exercise notice being given by SUD during a pre-renewal or pre-final payment exercise period;
- (2) no exercise notice being given during the pre-final payment period and the Plan Manager electing to commence disposal, or the Special Plan reaching its final payment date before such election;
- (3) acceleration of the receivables under the New Loan;
- (4) failure by SUD to provide any required Liquidity Support on time and in full;
- (5) failure to pay any principal or expected return on the Senior ABS on time and in full;
- (6) a downgrade of the rating of any Senior ABS by two or more levels;
- (7) the credit rating of SUD being downgraded to AA– or below;
- (8) a material breach by the asset servicing agent, including two consecutive failures to collect, or misuse of, the underlying cash flows after notice to remedy;
- (9) the actual operating net cash flow of the Property being below 60% of the forecast for four consecutive collection periods;
- (10) the value of the Property falling below 60% of its initial valuation;
- (11) a specified mismatch between the actual use and the registered or planned use of the Property not being remedied within 60 business days, or specified serious administrative penalties being imposed; or

(12) any other circumstance making the continued operation of the Property impossible.

8. REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTION

The Company believes that the Proposed Transaction will bring the following benefits to the Group:

- ***Optimise capital structure and reduce net gearing.*** The Proposed Transaction is expected to increase the cash balances of the SIUD Group by approximately RMB1,166 million and reduce its net debt. This will reduce financial leverage and debt repayment pressure on the SIUD Group. The SIUD Group intends to apply the net proceeds from the Proposed Transaction to repay its existing borrowings, which is expected to reduce the finance expenses of the SIUD Group.
- ***Revitalise existing property assets and enhance capital utilization efficiency.*** The Property is a fully operational, income-producing property rather than a development-stage project, with a demonstrated track record of generating stable rental and operating revenue. Through the Proposed Transaction, the SIUD Group will receive an aggregate amount of approximately RMB1,196 million, comprising the Disposal Consideration of RMB396 million and the repayment of the Shareholder's Loan of RMB800 million. This converts an existing property asset into cash proceeds and improves the SIUD Group's capital turnover efficiency.
- ***Recognise a gain on disposal.*** The SIUD Group is expected to recognise a gain of approximately RMB55 million from the Disposal, representing the difference between the Disposal Consideration and the net assets of the Target group of approximately RMB341 million as reflected in the SIUD Group's financial statements. The expected gain reflects the SIUD Group's ability to realise the value of its investment in the Target at an amount above its carrying value and is expected to contribute positively to the SIUD Group's financial results for the financial period in which Completion occurs.
- ***Align with policy guidelines.*** The Proposed Transaction responds to national policies such as the "Opinions on Further Revitalising Existing Assets and Expanding Effective Investment" (General Office of the State Council [2022] No. 19) issued by the General Office of the State Council, which support active exploration of market-based methods such as securitisation to revitalise existing assets.

Having considered the above, the Board (including the independent non-executive Directors) is of the opinion that the Proposed Transaction is on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

9. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

The aggregate amount to be received by the SIUD Group under the Proposed Transaction is expected to be approximately RMB1,196 million, comprising the Disposal Consideration of approximately RMB396 million and the repayment of the Shareholder's Loan of approximately RMB800 million.

Upon Completion, SUD will cease to hold any equity interest in the Target, and the Target will cease to be consolidated into the Group's financial statements. Following Completion, the Special Plan will hold the entire equity interest in the Target and the RMB800 million debt claim under the New Loan.

On a consolidated basis, the Proposed Transaction is expected to increase the cash balances of the SIUD Group by approximately RMB1,166 million and reduce its net debt by the same amount.

The Group is expected to recognise an unaudited gain of approximately RMB55 million from the Disposal of the Target, representing the difference between the Disposal Consideration and the Target group's net assets of approximately RMB341 million as reflected in the SIUD Group's financial statements (after taking into account the capital reduction of the Target completed in March 2026).

The actual gain or loss as result of the Proposed Transaction to be recorded by the Group is subject to a final audit to be performed by the auditors of the Company upon Completion.

10. INFORMATION OF THE PARTIES INVOLVED

The Group

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

SIUD

SIUD is a company incorporated under the laws of Bermuda with limited liability and a non-wholly owned subsidiary of the Company. It is an investment holding company. The SIUD Group is a property developer in the PRC and is principally engaged in the businesses of property development, property investment and hotel operations in the PRC.

SUD

SUD is a company established in the PRC with limited liability and a 59%-owned subsidiary of SIUD. It is principally engaged in property development.

The Target

The Target is a company established in the PRC with limited liability and is wholly owned by SUD. It holds a single project, the Property, which is a landmark twin-tower complex in Wuxi, the PRC, with a total gross floor area of approximately 147,100 square metres. The Target is principally engaged in the ownership, operation and management of the Property. The Property comprises:

- (i) the Wuxi Taihu Crowne Plaza Hotel, which opened in May 2014 and targets high-end business travellers;
- (ii) the Wuxi Taihu Holiday Inn Express Hotel, which opened in September 2025 and targets family and leisure travellers; and
- (iii) Grade-A office space, commercial facilities and apartments.

Set out below is the audited financial information of the Target for the two years ended 31 December 2024 and 2025, prepared in accordance with the China Accounting Standards for Business Enterprises:

	For the year ended 31 December	
	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	126,197	86,355
Profit/(Loss) before taxation	4,623	(6,711)
Profit/(Loss) after taxation	4,623	(6,711)

As at 31 December 2025, the audited total assets and net assets of the Target were approximately RMB1,415.78 million and RMB1,395.62 million, respectively.

The Plan Manager

Ping An Securities Co., Ltd. (平安證券股份有限公司) has been appointed as the Plan Manager. The Plan Manager is a joint stock limited company established in the PRC and a securities company approved by the China Securities Regulatory Commission, whose business scope includes securities brokerage, securities investment consultancy, financial advisory, securities underwriting and sponsorship, securities proprietary trading, securities asset management, margin financing and securities lending, and agency sale of securities investment funds and financial products. The Plan Manager is a subsidiary of Ping An Insurance (Group) Company of China, Ltd., the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2318) and the SSE (Stock Code: 601318). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Plan Manager and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

11. LISTING RULES IMPLICATIONS

Since one or more of the applicable percentage ratios in respect of the Disposal are more than 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As all of the applicable percentage ratios in respect of the Subscription are less than 5%, the Subscription does not, on a standalone basis, constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

The Company will comply with the applicable requirements under the Listing Rules upon any exercise of the Priority Purchase Right and in respect of any advance made under the Liquidity Support.

12. DEFINITIONS

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

“Benchmark Date”	31 May 2026, being the benchmark date for the valuation of the Target and the Disposal
“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)
“Completion”	completion of the Disposal in accordance with the Equity Transfer Agreement
“connected person(s)”, “percentage ratio(s)” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“Disposal”	the disposal of the entire equity interest in the Target by SUD to the Plan Manager (acting on behalf of the Special Plan) pursuant to the Equity Transfer Agreement
“Disposal Consideration”	RMB396 million, being the consideration for the Disposal
“Equity Transfer Agreement”	the Shanghai property rights transaction contract (上海市產權交易合同 (2026 版)) dated 20 October 2026 (as amended by a supplemental agreement dated 20 October 2026) and entered into between SUD and the Plan Manager (acting on behalf of the Special Plan) in relation to the Disposal
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Liquidity Support”	the liquidity support to be provided by SUD in respect of the Special Plan, as described in the section headed “5. LIQUIDITY SUPPORT” of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time

“New Loan”	the loan of RMB800 million to be advanced by the Special Plan to the Target
“Plan Manager”	Ping An Securities Co., Ltd. (平安證券股份有限公司), the manager of the Special Plan
“PRC”	the People’s Republic of China, which, solely for the purposes of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Priority Purchase Right”	the priority purchase right to be granted to SUD (or its designated entity), as described in the section headed “7. EXIT ARRANGEMENTS AND PRIORITY PURCHASE RIGHT” of this announcement
“Property”	the twin-tower complex located in Wuxi, the PRC, held by the Target, with a total gross floor area of approximately 147,100 square metres
“Proposed Transaction”	the establishment of the Special Plan, the Disposal, the New Loan and the repayment of the Shareholder’s Loan, the Subscription, the Liquidity Support and the Priority Purchase Right
“Public Tender”	the public tender for the Disposal through SUAEE
“REITs”	Real Estate Investment Trusts
“RMB”	Renminbi, the lawful currency of the PRC
“Senior ABS”	the senior asset-backed securities to be issued by the Special Plan
“Shareholder’s Loan”	the shareholder’s loan of RMB800 million owed by the Target to SUD as at the date of this announcement
“SIUD”	Shanghai Industrial Urban Development Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 563)
“SIUD Group”	SIUD and its subsidiaries from time to time

“Special Plan”	Ping An Securities – Wuxi Chengkai Center Asset Support Special Plan (Renewable Issuance) (平安證券 - 無錫城開中心資產支持專項計劃 (可續發型)), an asset-backed special plan established and managed by the Plan Manager
“SSE”	the Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SUAEE”	Shanghai United Assets and Equity Exchange (上海聯合產權交易所)
“Subordinated ABS”	the subordinated asset-backed securities to be issued by the Special Plan
“Subscription”	the proposed subscription by SUD for Subordinated ABS in an amount of not more than RMB30 million
“SUD”	Shanghai Urban Development (Holdings) Co., Ltd. (上海城開(集團)有限公司), a company established in the PRC with limited liability and indirectly owned as to 59% by SIUD and as to 41% by Xuhui SASAC
“Target”	Shanghai Chengkai (Group) Wuxi Property Co., Ltd. (上海城開(集團)無錫置業有限公司), a company established in the PRC and wholly owned by SUD as at the date of this announcement
“Valuation Report”	the valuation report (萬隆評報字(2026)第 10314 號) prepared by the Valuer in respect of the entire equity interest in the Target as at the Benchmark Date
“Valuer”	Wanlong (Shanghai) Asset Appraisal Co., Ltd. (萬隆(上海)資產評估有限公司), an independent valuer
“Xuhui SASAC”	the State-owned Assets Supervision and Administration Commission of Shanghai Xuhui District
“%”	per cent.

The English names of Chinese entities included in this announcement are unofficial translations of their Chinese names and are included for identification purposes only.

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

Hong Kong, 20 October 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