



## Company News

### SIHL (363.HK) Announces New Management Appointments

On 30 April, Shanghai Industrial Holdings Limited ("the Company") announced changes in the Board's committee members and new management appointments. Due to age reasons, Mr. Shen Xiao Chu has resigned as Executive Director, Chairman of the Company, and Chairman of the Executive Committee of the Company. On the same day, the Company appointed Ms. Leng Wei Qing as an Executive Director, Chairlady of the Company, and Chairlady of the Executive Committee of the Company; Mr. Yao Jia Yong as an Executive Director of the Company and a member of the Executive Committee of the Company; Mr. Zhang Qian as an Executive Director and the Chief Executive Officer; and Mr. Lou Jun as a Deputy CEO of the Company. The Board would like to express its sincere gratitude to Mr. Shen for his invaluable contribution to the Company during his tenure.

Ms. Leng Wei Qing has been appointed as an Executive Director and the Chairlady of the Company and Chairlady of the Executive Committee of the Company. Ms. Leng is an Executive Director and the chair of Shanghai Industrial Investment (Holdings) Company Limited, as well as the chair of SIIC Shanghai (Holdings) Limited.

## Four Core Businesses

### Infrastructure and Environmental Protection

Comprising water services, toll roads, a bridge and investments in new business arena. SIHL owns three toll roads in Shanghai as well as some stakes of Hangzhou Bay Bridge. The water services business operates through two platforms, namely SIIC Environment (807.HK/BHK SG) and General Water of China.

### Comprehensive Healthcare Operations

Shanghai S.I. Yangtze River Delta Ecological Development Co., Ltd., of which the Company indirectly holds a 50% equity stake, successfully acquired a 40% equity stake in Shanghai Pharmaceutical Group. Currently, Shanghai Pharmaceutical Group holds 19.38% of A shares of Shanghai Pharmaceuticals (601607 SSE, 2607 HKSE), a company listed both in Shanghai and Hong Kong, which makes it the single largest shareholder of its A shares.

### Real Estate

Comprising property development, investment properties and property management. The two real estate operating platforms are SI Development (600748.SSE) and SI Urban Development (563.HK).

### Consumer Products

Comprising two leading companies, namely Nanyang Tobacco and Wing Fat Printing, covering tobacco business with "Double Happiness" as its flagship brand, as well as printing/packaging and moulded fibre businesses respectively.

### Disclaimer

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WeChat Official Account





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Ms. Leng obtained a bachelor's degree in education, an EMBA degree, and qualifies as a senior economist. She was the deputy head and the head of the Leading Personnel Management Division of Shanghai Municipal State-owned Assets Supervision and Administration Commission; the Vice President of Shanghai Electric (Group) Corporation; a member of the Organization Department, head of the Enterprise Personnel Division, and deputy director of the Organization Department of Shanghai Municipal Party Committee; the head of the office at Shanghai Municipal Organization and Establishment Committee; and the chairlady and chief executive officer of Shanghai Electric Group Company Limited (stock code: 2727). She has extensive experience in corporate governance, operations, management, and human resources. Ms. Leng is a member of the 14th National Committee of the Chinese People's Political Consultative Conference and the honorary chairlady of The Hong Kong Chinese Enterprises Association.

Starting on the same date, the Company appointed Mr. Yao Jia Yong as an Executive Director of the Company and a member of the Executive Committee of the Company. Mr. Yao is an executive director of Shanghai Industrial Investment (Holdings) Company Limited; and director and chairman of the trade union of SIIC Shanghai (Holdings) Limited. Mr. Yao obtained a bachelor's degree in medicine and a master's degree in military. He held various management positions at the Second Military Medical University and served as deputy director and director of Shanghai Financial Work Party Committee Office; deputy inspector of Shanghai Financial Work Party Committee; secretary general of Shanghai Financial Services Office; director and supervisor of SIIC; and vice chairman of Shanghai Pharmaceutical (Group) Co., Ltd. and Shanghai Pharmaceuticals Holdings Co., Ltd. He has extensive experience in medicine and finance.

Moreover, Mr. Zhang Qian, currently an Executive Director and a Deputy CEO of the Company, has been re-designated as an Executive Director and the Chief Executive Officer of the Company with effect from 30 April 2024. Mr. Zhang is the executive vice president and the chief financial controller of Shanghai Industrial Investment (Holdings) Company Limited; executive vice president of SIIC Shanghai (Holdings) Ltd.; chairman of Shanghai Galaxy Investment Co., Ltd., SIIC Investment Company Limited, SIIC Shanghai Capital Management Co., Ltd. and SIIC Shanghai Group Finance Limited; and a director of certain other subsidiaries of the Group.





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He obtained a bachelor's degree in economics majoring in international corporate management, a master's degree in business administration, and holds the designation of a senior economist. Mr. Zhang was a deputy general manager of Shenergy (Group) Co., Ltd. and the deputy general manager and general manager of Shenergy Group Finance Co., Ltd. Mr. Zhang is currently a vice chairman of Shanghai Young Entrepreneurs Association and Shanghai Enterprise Federation, and he is also an executive director of The Hong Kong Chinese Enterprises Association. He has extensive experience in finance and corporate management.

Mr. Lou Jun has been appointed as a Deputy CEO of the Company. Mr. Lou is a vice president, secretary to the board and the general manager of the board office of Shanghai Industrial Investment (Holdings) Company Limited and a vice president of SIIC Shanghai (Holdings) Ltd. He is also the chairman of Nanyang Brothers Tobacco Company, Limited, The Wing Fat Printing Company, Limited, and South Pacific Hotel (Hong Kong) Limited; and an executive Director of Shanghai Industrial Urban Development Group Limited. Mr. Lou obtained a bachelor's degree in law. He was a deputy director of the general office of the Foreign Affairs Office of the Shanghai Municipal People's Government (Hong Kong and Macao Affairs Office of the Shanghai Municipal People's Government); a director of the general supervision department of the Standing Committee Office of Shanghai Municipal People's Congress; a deputy general manager and general manager of the administration department of SIIC; and a director of SIIC. He is a deputy director of Shanghai Work Safety Association and Shanghai State-owned Enterprise Corporate Governance Association. He has extensive experience in administration and corporate management.

Due to work arrangement reasons, Mr. Shu Dong, Mr. Yang Qiu Hua, Mr. Zhu Da Zhi have resigned as Executive Director of the Company and Deputy CEOs of the Company, respectively, with effect from 30 April 2024. The Board would like to express its sincere appreciation to Mr. Shu, Mr. Yang and Mr. Zhu for their contribution to the Company during their tenure and offer its warmest welcome to Mrs. Leng, Mr. Yao, Mr. Zhang, and Mr. Lou on their new appointments.





## Company News

### SIHL (363.HK) Releases 2023 Environmental, Social and Governance Report

On 16 April, Shanghai Industrial Holdings Limited (363.HK) released its 2023 Environmental, Social and Governance Report. The Board leads the development of strategies and systems for the company's environmental, social and governance ("ESG") issues as well as managing their performance and reporting. The ESG steering committee comprise the Group's senior management who direct ESG issues and priorities, and is responsible for formulating strategies and policies for sustainable development, while identifying effectively and properly managing risk management matters pertaining to sustainable development in a timely manner.

The Group will also actively align with Hong Kong in achieving "carbon neutrality", targeting "capping carbon emissions and achieving carbon neutrality" in Mainland China, and seizing market opportunities brought by China's promotion of energy conservation and emission reduction. The Group will continue to expand its business development strategy, continuously improve environmental protection technology, strengthen technology research and development, and improve project efficiency.

The Group is deeply committed to integrating green development principles into all aspects of its operations. Our real estate business prioritizes environmental protection and energy conservation through a comprehensive green construction management approach. Green construction involves not only construction of temporary drainage systems, temporary roads, and temporary construction facilities on site, but also involves the construction of building structures and the production, processing, and installation of building structural raw materials, components, and parts. It covers different stages including construction planning, material procurement, on-site construction, and project inspection and completion.

With respect to reducing emissions of air pollutants and greenhouse gas, the Group has adopted cleaner ultralow sulphur diesel fuel for the three boilers used for its tobacco business, which has reduced emission of smoke, respirable suspended particles, sulphur dioxide and other air pollutants.





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In addition, the air emissions generated by processing equipment and workshops pass through dust collectors first, enabling them to remove dust before removing odour through eight deodorising machines. The deodorising machines are subject to our regular cleaning and potion refill procedures to ensure their effective operation. Closed-circuit televisions are installed in exhaust chimneys to monitor the systems round-the-clock to ensure that gas discharged meets the required standards and avoid generating black smoke due to poor combustion. The Group's printing business also converts old burners to new low nitrogen oxides burners on its production equipment to reduce nitrogen oxides emissions, with a view to reducing nitrogen oxides to below 50 milligrams per cubic meter of air.

The major emissions from the operation of the Group's water-related businesses are sulphur oxides, nitrogen oxides, dioxins, carbon monoxide and flue gas from the solid waste incineration business, as well as hydrogen sulphide, ammonia and other odours from the sewage and sludge treatment business. With respect to the various types of emissions from solid waste incineration, the Group strictly complies with the relevant national emission standards and adopts treatment processes such as semi-dry desulphurisation, activated carbon adsorption for the removal of heavy metals and organic substances, bag filtering and selective non-catalytic reduction for nitrogen removal, and more to ensure that the emissions meet all relevant standards. For emissions and odours from the sewage and sludge treatment operations, the Group uses negative pressure collection and closed covers for specific treatment facilities to prevent the release of odorous gases, while using various biological, chemical and physical methods to treat the odours, including biological filtration, plasma deodorisation, and activated carbon adsorption technologies.

Furthermore, the Group has been actively transitioning to a low-carbon model. We are phasing out fossil fuels in favor of cleaner energy sources to significantly reduce our greenhouse gas emissions. The Group's printing business exemplifies this commitment: we are systematically replacing natural gas and thermal oil heating units with electric alternatives to achieve comprehensive clean energy use. As of the end of the Reporting Year, we successfully phased out 11 of 22 natural gas units and completed the replacement of six thermal oil units.





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The Group prioritizes sustainable operations by emphasizing scientific management and efficient energy use, resulting in an improved energy utilization rate. In terms of energy saving, the tobacco business under the Group has used T5 fluorescent lamps, LED lamps, air compressors and deodorizing fans with higher energy efficiency on a large scale in its production plants. The Group has upgraded its dust collection system to replace outdated, energy-intensive units with more efficient models, further optimizing resource utilization and reducing energy consumption. The Group's printing business is also gradually phasing out high energy consuming equipment, such as incandescent lamps and vacuum equipment, with new energy-saving models, as well as automating the management of gas-fired equipment to optimize the use of natural gas.

The Group upholds the highest ethical and anti-corruption standards, maintaining a zero-tolerance policy towards bribery, extortion, fraud, and money laundering. We strictly adhere to all relevant laws and regulations in our operations and have implemented a robust whistleblower policy to provide a secure channel for reporting any potential misconduct.

Our supervision and examination departments will review any reported misconduct in detail with zero tolerance for violating standards. The Group has implemented a comprehensive anti-corruption training strategy, incorporating thematic seminars, forums, and visits to integrity education centers. This initiative strengthens the commitment to ethical conduct among directors and employees. We have established robust responsibility and accountability systems to cultivate a strong culture of corporate integrity.

As an established red chip company with a strong presence in society, SIHL is also dedicated to fostering strong relationships with local communities and fulfilling our social responsibilities. In 2023, our Group's social responsibility efforts were primarily focused on supporting education, helping the poor, promoting knowledge on the use of water, and social health. The Group strategically aligns its brand development with its corporate resources to create innovative charitable and social responsibility initiatives. Through these proactive efforts, we demonstrate our commitment to social good and gain valuable experience in addressing community needs.





上海實業控股有限公司

SHANGHAI INDUSTRIAL HOLDINGS LIMITED

Stock Code: 363.HK

2<sup>nd</sup> Edition 2024 | Corporate Newsletter



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### SIHL (363.HK) Convenes 2024 Annual General Meeting, Approves Payment of Final Dividend

SIHL convened its Annual General Meeting on 23 May 2024. At the meeting, shareholders voted to approve a final dividend of HK52 cents per Share (2022: HK50 cents per Share) for 2023. Together with the interim dividend of HK42 cents per Share (2022: HK42 cents per Share) paid earlier in the year, this brings the total dividend for the year ended 31 December 2023 to HK94 cents per Share (2022: HK92 cents per Share). The final dividend will be paid on or about Friday, 14 June 2024, to Shareholders whose names appear on the register of members of the Company on Monday, 3 June 2024.





## Analyst Report

### First Shanghai Securities: SIHL (363.HK)'s Four Core Businesses Maintain Solid and Stable, Its New Investments are Expected to Bring New Contributions

First Shanghai Securities issued a company research report stating that over the years, the operating revenue and net profit attributable to shareholders of Shanghai Industrial Holdings (SIHL) have steadily increased, with a compound annual growth rate of 8.6% and 5.4% respectively. According to its 2023 financial report, the Company's net profit margin was 14%, and the net profit margin level has been stable between 15% to 20% in recent years.

In the 2023 fiscal year, the Company achieved revenue of RMB32.7 billion, a year-on-year increase of 4.3%, and a net profit of RMB3.61 billion, a year-on-year increase of 42.5%. The growth in performance is mainly due to the infrastructure business and the recovery of the Nanyang Brothers Tobacco business affected by the subsiding impact of the pandemic, as well as one-time gains from the sale a parcel of land in Shanghai in the real estate sector and an increase in settlement income. As of the end of 2023, the Company's total assets are approximately HK\$179.3 billion, of which the cash balance is approximately HK\$25 billion, accounting for approximately 14% of total assets. The Company's debt-to-asset ratio is 56.8%, which has been maintained at around 60% in recent years. The Company's financial structure is healthy, and its asset quality is high.

The Company has always been actively returning value to shareholders, and the dividend payout ratio has remained stable at around 40% in recent years. According to the 2023 financial report, the total dividend payout for the year was approximately HK\$1.02 billion, with a payout ratio of 30%.

The Company, a conglomerate investment company grown through mergers and acquisitions, has experienced a significant downturn in business operations over the past three years due to the impacts of the pandemic. However, with the gradual recovery from the pandemic, the Company witnessed a rapid recovery and development of its business in 2023. Despite a downturn in the industry, the Company's real estate sector maintained a robust stance.







## Analyst Report

Specifically, Shanghai Industrial Development Co., Ltd. recorded a revenue of HK\$9.86 billion in 2023, marking an 87.8% increase year-on-year, with a net profit of HK\$1.29 billion, a 5.2% increase from the previous year. Shanghai Urban Development, on the other hand, recorded a revenue of HK\$7.95 billion, a 27.8% decrease year-on-year, but saw its net profit rise to HK\$495 million, a 21.6% increase, achieving a contracted sales amount of HK\$8.23 billion, a 4.1% increase year-on-year. As the real estate industry gradually recovers, the business segment is expected to achieve stable growth.

In terms of non-real estate sectors, the Company has not only continuously improved operational efficiency but has also actively expanded its existing businesses. This includes the expansion into its first overseas sewage treatment project in Taipa, Macau; its first overseas production and sales landing project - the Nanyang Brothers Tobacco's Malaysia factory; investments in Canvest Environmental Protection Group; a stake in Shanghai Pharmaceuticals at the end of 2022; and the layout of new energy businesses. These initiatives are expected to contribute new profit streams to the Company.

The Company operates in a wide range of sectors, with stable business operations and cash flows, demonstrating strong anti-cyclical capabilities. It also practices strict risk control, maintains a low debt ratio, and places a high emphasis on shareholder returns, with a dividend yield of 8%. Looking forward, the Company is poised to deliver greater value returns to its shareholders.





## Infrastructure and Environmental Protection News

### Subsidiary SIIC Environment (807.HK) Announces Operation of 160,000-Tonne Project and Progress in Sludge Treatment Project Update

On 3 May 2024, SIIC Environment, a water treatment and environmental protection company listed on the Main Board of the SGX-ST and the Main Board of the Hong Kong Stock Exchange has made a voluntary announcement, to update the shareholders of the Company and potential investors on its latest business developments. The Company is pleased to announce that three wastewater treatment plant (“WWTP”) projects with a total designed capacity of 160,000 tonnes per day have completed construction and begun commercial operation in Zhejiang Province. In addition, a supplemental agreement for a sludge treatment project with designed capacity of 200 tonnes per day in Henan Province.

### Subsidiary SIIC Environment (807.HK) Appoints Lead Independent Non-Executive Director

On 26 April, the Board of Directors of SIIC Environment announced immediately following the retirement of Mr. Yeo Guat Kwang at the conclusion of the annual general meeting of the Company held on 29 April 2024, Ms. Kimmis Pun Kim Ming (“Ms. Pun”) has been appointed as the lead independent non-executive Director, the chairlady of the nomination committee of the Company, a member of the audit committee of the Company and a member of the remuneration committee of the Company with effect from 29 April 2024. Ms. Pun is mainly responsible for providing independent advice on the operation and management of the Group.





## Infrastructure and Environmental Protection News

### Subsidiary SIIC Environment (807.HK) Records Revenue of RMB1.628 Billion in 1QFY2024, with Net Profit Attributable to Shareholders of the Group Reaching RMB126 Million

On 13 May 2024, SIIC Environment announced its results for the three months ended 31 March 2024 (“1QFY2024” or the “Reporting Period”). The Group’s total revenue decreased by 15.1% YOY to RMB1.628 billion, and net profit attributable to shareholders slid by 15.8% YOY to RMB126 million. The decrease in revenue and net profit of the Group in the Reporting Period was attributable mainly to the construction revenue declining by 52.8% YOY to RMB290 million, as the construction of Shanghai Baoshan Renewable Energy Utilization Centre was completed during FY2023 and most of the construction activities for new projects obtained in FY2024 have not been commenced during the quarter. The drop in construction revenue led to a RMB32 million decrease in net profit attributable to shareholders for the Reporting Period.

### Subsidiary SIIC Environment (807.HK) Declares Final Dividend of 0.006 Singapore Dollars per Share

At the annual general meeting of shareholders of SIIC Environment held on 29 April 2024, the Board of Directors polled and passed the resolution of a final dividend of 0.6 Singapore cents per share for the year ended 31 December 2023. The payment date for the final dividend was 31 May 2024, and were disbursed to shareholders who were registered in the company’s record of shareholders at 5:00 PM on 17 May 2024.





## Comprehensive Healthcare Operations News

### Shanghai Pharmaceuticals (2607.HK) Releases 2024 Frist Quarterly Report, with 5.93% YoY Growth in Operating Income

On 26 April, Shanghai Pharmaceuticals released its first quarterly report for 2024. During the Reporting Period, the principal business of the Company grew steadily and achieved operating income of RMB70.153 billion, representing a year-on-year increase of 5.93%. In particular: the pharmaceutical manufacturing achieved sales revenue of RMB6.944 billion, representing a year-on-year decrease of 10.98%; the pharmaceutical service achieved sales revenue of RMB63.209 billion, representing a year-on-year increase of 8.19%. During the Reporting Period, the Company recorded RMB1.542 billion of net profit attributable to shareholders of the listed company, representing a year-on-year increase of 1.62%. Of which, the pharmaceutical manufacturing contributed profits of RMB674 million, representing a year-on-year decrease of 4.06%, the pharmaceutical services contributed profits of RMB832 million, representing a year-on-year increase of 0.50% and major shareholding enterprises contributed profits of RMB185 million, representing a year-on-year decrease of 11.29%. The net profit after deduction of non-recurring profit or loss attributable to shareholders of the listed company amounted to RMB1.375 billion, representing a year-on-year increase of 1.30%. During the Reporting Period, the Company's research and development ("R&D") investment reached RMB715 million, representing a year-on-year increase of 30.78%, of which, the R&D expenses amounted to RMB501 million.

### Shanghai Pharmaceuticals (2607.HK) Releases 2023 Sustainability Report

On 26 April, Shanghai Pharmaceuticals announced its 2023 Sustainability Report along with the ESG report. Reflecting on the year 2023, Shanghai Pharmaceuticals has further enhanced its ESG framework, solidifying its foundation for sustainable development. The company has been awarded an AA ESG rating by MSCI for two consecutive years, continued its presence on the Fortune Global 500 list, and earned accolades such as "Top 50 Global Pharmaceutical Companies" and "Top 25 Most Valuable Pharma Brands". Taking a leading role, it released China's first ESG disclosure standard for the pharmaceutical industry, contributing to the advancement of China's ESG framework.





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Shanghai Pharmaceuticals actively responded to the National Carbon Neutrality Strategy, embedding the principles of green, low-carbon, and sustainability throughout its operational lifecycle. In 2023, the company undertook 59 energy-saving and technical improvement projects. By the end of the reporting period, it boasted 9 national-level green factories, 8 provincial and municipal-level green factories, 31 subsidiaries certified under ISO 14001, 27 subsidiaries certified under ISO 50001, and added one more Shanghai-based "Green Supply Chain" enterprise.

### Shanghai Pharmaceuticals (2607.HK)'s Rabeprazole Sodium Enteric-coated Tablets Passes the Consistency Evaluation of Generic Drug

On 10 April, Shanghai Sine Pharmaceutical Laboratories Co., Ltd., a wholly-owned subsidiary of Shanghai Pharmaceuticals, received an "Drug Supplementary Application Approval Notice" (Notice No.: 2024B01493) from the National Medical Products Administration regarding Rabeprazole Sodium Enteric-coated Tablets. This product has passed the quality and efficacy consistency evaluation of generic drugs. Rabeprazole Sodium Enteric-coated Tablets are primarily used for the treatment of gastric ulcers, duodenal ulcers, anastomotic ulcers, reflux esophagitis, and Zollinger-Ellison syndrome. As of the date of this announcement, the company has invested approximately RMB16.14 million in research and development expenses for the consistency evaluation of generic drug. According to IQVIA database, the hospital procurement amount for this drug in 2023 was RMB2.232 billion. In 2023, the sales revenue of this drug from Shanghai Sine Pharmaceutical was RMB13.35 million.

### Shanghai Pharmaceuticals (2607.HK) Announces the Acceptance of Clinical Trial Application for WST03 Preparation

On 23 April, Shanghai Sine Pharmaceutical Laboratories Co., Ltd., a wholly-owned subsidiary of Shanghai Pharmaceuticals, announced that its application for clinical trials of the "WST03 preparation (capsule)" has been accepted by the National Medical Products Administration. WST03 is a vaginal microbiota live bacterial preparation intended for the treatment of Bacterial Vaginosis (BV). Preclinical studies have demonstrated the efficacy of the WST03 formulation in treating BV and preventing its recurrence.





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This project is independently developed by Shanghai Sine Pharmaceutical with full intellectual property rights. As of the date of this announcement, the project has incurred a cumulative research and development expenditure of approximately RMB10.377 million.

### Shanghai Pharmaceuticals (2607.HK) Announces the Approval Number for the New Specification of Parecoxib Sodium for Injection

On 1 May, SPH Sinobiopharma, Inc.(Jiangsu), a wholly-owned subsidiary of Shanghai Pharmaceuticals, received the “Drug Supplementary Application Approval Notice” (Notice Number: 2024B01860) from the National Medical Products Administration for the new 40mg specification of Parecoxib Sodium for injection. This medication is primarily used for the short-term treatment of postoperative pain and was initially developed by Pfizer, launching in Europe in 2002. In June 2021, SPH Sinobiopharma obtained the drug registration certificate for the 20mg specification of this product. In March 2023, SPH Sinobiopharma applied to the National Medical Products Administration for the new 40mg specification and was accepted. As of the date of this announcement, the company has invested approximately RMB4.72 million in research and development for the new specification. According to IQVIA database, the hospital procurement amount for Parecoxib Sodium for injection in 2023 was RMB271.83 million.

### Shanghai Pharmaceuticals (2607.HK) Announces the Approval for Production of Levosimendan Injection

On 7 May, SPH Sinobiopharma, Inc.(Jiangsu), a wholly-owned subsidiary of Shanghai Pharmaceuticals, received the “Drug Registration Certificate” (Certificate No.: 2024S00642) from the National Medical Products Administration for Levosimendan Injection. This approval marks the green light for the production of the drug. Levosimendan Injection functions as a calcium sensitizer, interacting with cardiac troponin C in a calcium-ion concentration-dependent manner to exert a positive inotropic effect, thereby enhancing myocardial contractility.





## Comprehensive Healthcare Operations News

Additionally, it facilitates the opening of ATP-sensitive K<sup>+</sup> channels (KATP), dilating blood vessels, including coronary resistance vessels and venous capacitance vessels, which improves coronary blood flow. It is primarily indicated for the short-term treatment of acute decompensated heart failure (ADHF) in cases where traditional therapy has been ineffective and an increase in myocardial contractility is necessary. The drug was initially developed by Orion Corporation, Finland, and first launched in Sweden as an injection in October 2000. In January 2023, SPH Sinobiopharma submitted a registration application for the drug to the National Medical Products Administration, which was accepted. As of the date of this announcement, the company has invested approximately RMB 31.78 million in research and development for the drug. According to IQVIA, the hospital procurement amount for the drug in 2023 was RMB653.12 million.

### Shanghai Pharmaceuticals (2607.HK) Announces the Approval for Production of Methotrexate for Injection

On 14 May, Shanghai RD Pharmaceutical, a wholly-owned subsidiary of Shanghai Pharmaceuticals, received the “Drug Registration Certificate” (Certificate No.: 2024S00758) issued by the National Medical Products Administration. The Methotrexate for injection, obtained approval for production. Methotrexate for injection has the function of inhibiting dihydrofolate reductase (DHFR), an enzyme that converts folic acid into the active form required for nucleic acid synthesis, and inhibiting the synthesis of thymidylic acid and purine to suppress cell proliferation. It is mainly used for the treatment of acute leukemia, chronic lymphocytic leukemia, chronic myelogenous leukemia, chorioretinopathies (choriocarcinomas, necrotizing teratomas, cytotoxic teratomas), breast cancer, and urinary tract epithelial cancer. The drug was originally developed by Pfizer and was first launched in Japan as an injection in April 1968. In December 2021, Shanghai RD submitted a registration application for the drug to the National Medical Products Administration, which was accepted. As of the date of this announcement, the Company has invested approximately RMB8.04 million in research and development for this drug. According to IQVIA database, the hospital procurement amount for this drug in 2023 was RMB193.9 million. As of the date of this announcement, the main manufacturers of this drug in China include Lingnan Pharmaceutical Co., Ltd. and RenHe Hetero Pharmaceuticals Ltd., etc.





## Comprehensive Healthcare Operations News

### Shanghai Pharmaceuticals (2607.HK) Announces the Approval of Production of Sacubitril Valsartan Sodium Tablets

On 15 May, Changzhou Pharmaceutical Factory Co., Ltd., a wholly-owned subsidiary of Shanghai Pharmaceuticals Holdings, received the “Drug Registration Certificate”(Certificate No.: 2024S00767, 2024S00768) issued by the National Medical Products Administration for its Sacubitril Valsartan Sodium Tablets. The drug has obtained approval for production. Sacubitril Valsartan Sodium Tablets are mainly used for the treatment of chronic heart failure and primary hypertension. It was originally developed by Novartis and was first launched in the United States in 2015. In October 2022, Changzhou Pharmaceutical Factory Co., Ltd. submitted a registration application for the drug to the National Medical Products Administration, which was accepted. As of the date of this announcement, the Company has invested approximately RMB28.512 million in research and development expenses for this drug. According to the IQVIA database, the market size for this product in hospitals was RMB3,073.41 million in 2023. As of the date of this announcement, the main manufacturers of this drug in China include Novartis Pharma Co., Ltd. and Nanjing Yixinhe Medical Science and Technology Co., Ltd, etc.

### Shanghai Pharmaceuticals (2607.HK) Announces that Metoclopramide Hydrochloride Injection Passes the Consistency Evaluation of Generic Drug

On 17 May, Shanghai Harvest Pharmaceutical Co., Ltd., a subsidiary of Shanghai Pharmaceuticals Holdings, received the “Drug Supplementary Application Approval Notice” (Notice No.: 2024B01791) issued by the National Medical Products Administration for the Metoclopramide Hydrochloride Injection. The drug has passed the quality and efficacy consistency evaluation of generic drugs. Metoclopramide Hydrochloride Injection is mainly used for antiemetic purposes. It is used for the prevention and treatment of nausea and vomiting caused by chemotherapy, radiotherapy, surgery, cranial trauma, sequelae of brain injury, sea and air operations, and drug-induced vomiting. It is also used for symptomatic treatment of nausea and vomiting in various diseases such as acute gastroenteritis, biliary pancreatitis, and uremia.







## Comprehensive Healthcare Operations News

It can be used before diagnostic duodenal intubation to facilitate smooth intubation. It can also be used for gastrointestinal barium X-ray examination to reduce nausea and vomiting reactions and promote the passage of barium sulfate. The drug was developed by Sanofi and was first launched in Japan in 1965. In January 2023, Shanghai Harvest submitted an application to the National Medical Products Administration for the addition of specifications and generic drug consistency evaluation for the drug, which was accepted. As of the date of this announcement, the company has invested approximately RMB4.53 million in research and development expenses for the consistency evaluation of this drug. As of the date of this announcement, the main manufacturers of this drug in China include Tianjin Pharmaceutical He Ping (Tianjin) Co., Ltd., Suicheng Pharmaceutical Co., Ltd., Henan Runhong Pharmaceutical Co., Ltd., and Shanghai Xiandai Hasen (Shangqiu) Pharmaceutical Co., Ltd, etc.

### Shanghai Pharmaceuticals (2607.HK) Announces the Approval of the Marketing Application for its Perindopril Tert-butylamine Active Pharmaceutical Ingredient (API)

On 21 May, Shanghai Kangli (Changzhou) Pharmaceutical Co., Ltd., a wholly-owned subsidiary of Shanghai Pharmaceuticals Holdings, received the "Chemical Active Pharmaceutical Ingredient Market Application Approval Notice" (Notice No.: 2024YS00408) issued by the National Medical Products Administration for the Perindopril tert-Butylamine API. The drug has obtained approval for production. Perindopril tert-Butylamine is a cardiovascular drug and is a third-generation potent and long-acting angiotensin-converting enzyme inhibitor (ACEI). It mainly acts through its hydrolytic active ingredient Perindopril to inhibit the renin-angiotensin-aldosterone system (RAS system) and act on the kinin release enzyme system, reducing blood pressure steadily while protecting the heart and kidneys. It is used for hypertension and congestive heart failure. In September 2022, Shanghai Kangli submitted a marketing application for the raw material to the National Medical Products Administration, which was accepted. In May 2024, Shanghai Kangli received the "Chemical Active Pharmaceutical Ingredient Market Application Approval Notice" issued by the National Medical Products Administration. The drug is listed as "A" on the CDE Original Package Registration Information Platform. As of the date of this announcement, the company has invested approximately RMB3.1 million in research and development expenses for the raw material of Perindopril tert-Butylamine.





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According to the IQVIA database, the hospital procurement amount for Perindopril tert-Butylamine preparations in 2023 was approximately RMB74.46 million. As of the date of this announcement, the main manufacturers of Perindopril tert-Butylamine API in China include Zhejiang Huahai Pharmaceutical Co., Ltd., SPH Sinobiopharma, Inc.(Jiangsu, and Zhejiang Menovo Pharmaceutical Co., Ltd, etc.

### Shanghai Pharmaceuticals (2607.HK) Announces that the Domperidone Tablets Passes the Consistency Evaluation of Generic Drug

On June 1, Changzhou Pharmaceutical Factory Co., Ltd., a subsidiary of Shanghai Pharmaceuticals Holdings, received the “Drug Supplementary Application Approval Notice” (Notice No.: 2024B02461) issued by the National Medical Products Administration for Domperidone tablets (hereinafter referred to as “the drug”). The drug has passed the quality and efficacy consistency evaluation of generic drugs. Domperidone tablets are mainly used for indigestion, bloating, belching, nausea, vomiting, abdominal distention and pain. As of the date of this announcement, the company has invested approximately RMB6.8263 million in research and development expenses for the consistency evaluation of the drug. According to the IQVIA database, the hospital procurement amount for the drug in 2023 was approximately RMB44.89 million. In 2023, the sales revenue of the drug for Changzhou Pharmaceutical Factory was approximately RMB2.87 million.





## Real Estate News

### SI Development (600748.SH) Announces 2024 First Quarterly Report

On 30 April, Shanghai Industrial Development Co., Ltd. released its 2024 Q1 Corporate Report and Operation Data. During the reporting period, the Company's operating revenue amounted to RMB540 million, and its total assets increased by 0.34%. No new land reserve, two new construction projects and no new completion projects were recorded in the first quarter. There were three projects under construction with an area under construction of approximately 272,000 square meters. From January to March 2024, the Company achieved contracted sales of approximately RMB70.78 million, representing a year-on-year decrease of approximately 80.61%, and contracted sales of approximately 26,400 square meters, representing a year-on-year increase of approximately 258.13%. During the period, the Company's realizable income from leasing of real estate including offices, stores, garages, and factories amounted to approximately RMB97.9 million, representing a year-on-year increase of approximately 5.95%, and the leased area amounted to approximately 398,200 square meters, representing a year-on-year decrease of approximately 4.96%.

### SI Development (600748.SH) Elects Mr. Wang Zheng as Chairman of the Board of Directors

On 6 June, the Tenth (Interim) Meeting of the Ninth Session of the Board of Directors of Shanghai Industrial Development Co., Ltd. was convened in the afternoon of 5 June. The Board of Directors reviewed and approved the Motion of the Company on the Election of the Chairman of the Board of Directors and Motion of the Company on the Adjustment of Membership of the Board of Directors' Specialized Committees. All Directors approved to elect Mr. Wang Zheng as the Chairman of the Ninth Session of the Board of Directors of the Company for the same term of office as the current session of the Board of Directors.





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### SI Urban Development (563.HK) Holds its Annual General Meeting and Announces the Results of Polls of Resolutions

On 20 May, SI Urban Development held its Annual General Meeting. The meeting voted to declare a final cash dividend of HK2.1 cents per share and a special cash dividend of HKD 0.8 cent per share for the year ending 31 December 2023. Other resolutions included re-electing Mr. Tang Jun and Mr. Lou Jun as executive directors, re-appointing Deloitte Touche Tohmatsu as the auditor of the Company and authorized the Board of Directors to fix the auditors' as the auditor of the Company and authorized the Board of Directors to fix the auditors' remuneration.

## Company's Existing Top 10 Shareholders

#	Name of Shareholders	Number of shares	%
1	Shanghai Industrial Investment (Holdings) Co Ltd.	685,410,748	63.04
2	Vanguard Group, Inc.	17,648,033	1.62
3	Dimensional Fund Advisors LP	9,769,971	0.90
4	BlackRock Inc	9,251,246	0.85
5	American Century Cos Inc	1,209,000	0.11
6	State Street Corp	1,207,062	0.11
7	SEI Investments Co	989,759	0.09
8	Power Corp of Canada	830,233	0.08
9	Allianz SE	736,000	0.07
10	Charles Schwab Corp/The	627,523	0.06

Sources: Bloomberg (As of 18 Jul 2024)

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