



## Company News

### SIHL Announces 2024 Interim Results: Core Businesses Achieves Robust Growth, Consumer Products Business Rebounds Sharply, and Infrastructure and Environmental Protection Business Accounts for the Largest Share of the Group's Revenue and Profit

In the first half of 2024 ("1H24"), Shanghai Industrial Holdings Limited ("SIHL" or the "Group") focused on reform and innovation; accelerated the upgrading and restructuring of its main businesses; promoted the integration of financing and industries, as well as the revitalization of assets, to further optimize its business layout; and strengthened its internal management to steadily promote the healthy development of its business.

For the six months ended 30 June 2024, the Group recorded unaudited revenue of HK\$10.369 billion, representing a decrease of 18.9% compared to the same period last year. Profit attributable to owners of the Group was HK\$1.201 billion, representing a decrease of 12.7% year-on-year. The decline in revenue and profit was primarily due to a significant decrease in sales recognized from completed property projects and a decrease in construction revenue at SIIC Environment. That said, new project construction is expected to gradually commence in the second half of the year. The decline was also partially offset by a significant rebound in the consumer products business.

## 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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Over the period, profits from the infrastructure and environmental protection segment decreased by 11.6% year-on-year to HK\$1.056 billion, accounting for around 80.6% of the Group's net profit. The Group continued to leverage national strategies and policy opportunities; boosted its expansion in the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA") and the Yangtze River Economic Belt; and strengthened its leading position in China's water services and environmental protection industries. For the Group's three toll roads and Hangzhou Bay Bridge, overall traffic volume grew steadily during the period, mainly due to the increase in travel during various festivals and holidays after the pandemic. During the first half of the year, traffic volume increased by 1.9% year-on-year to 85.96 million and toll revenue amounted to HK\$2.1 billion, decreased by 2.2% year-on-year. Profit to the Group amounted to HK\$651 million, contributing stable cash flow.

During the first half of 2024, the comprehensive healthcare operations business contributed a profit of HK\$64.77 million, representing a decrease of 6.4% over the previous year and accounting for approximately 5.0% of the Group's net profit.

The real estate business reported a loss of HK\$131 million, marking a shift from profit to loss compared to the same period last year and accounting for a negative 10% of the Group's net profit. The loss was mainly driven by a decrease in property sales from completed property and a high base from a significant one-time gain last year from the sale of the land parcel No.89, North Bund by SI Development.

The consumer products business made a profit contribution of HK\$320 million to the Group, representing a significant increase of 150.4% over the previous year and accounting for 24.4% of the Group's net profits. Nanyang Tobacco and Wing Fat Printing both saw significant rebounds in revenue and profit in the past half a year, reversing the downturn experienced during the pandemic. Notably, Wing Fat Printing experienced a strong performance rebound driven by the recovery in tobacco packaging and a significant rise in the moulded-fibre business.





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In the first half of the year, Nanyang Tobacco recorded a revenue of HK\$1.093 billion, a year-on-year increase of 68.7%. Net profit reached HK\$281 million, a year-on-year increase of 173.5%. Sales volume amounted to 569,000 cases, a year-on-year increase of 185.1%. Nanyang Tobacco has been steadily advancing projects such as the upgrade of the QR code application platform and the premium can production line, while striving to expand both domestic and international markets.

During the period, Wing Fat Printing recorded a revenue of HK\$751 million, a year-on-year increase of 3.7%, mainly driven by the tobacco and alcohol packaging and moulded-fibre businesses. Net profit for the period reached HK\$47.66 million, a sharp increase of 63.8% year-on-year, primarily due to structural optimization of revenue and comprehensive contributions from cost reduction and efficiency improvements. Throughout the period, Wing Fat Printing fully optimized its delivery capabilities and service levels for core customer groups, ensuring the healthy development of its revenue structure.

As appreciation for our shareholders' long-term support, the Group's Board of Directors (the "Board") has recommended an interim dividend of HK42 cents per share with a payout ratio of 38% to shareholders whose names appeared on the register of members of the Company on 24 September 2024, which was higher than the 33.2% for the same period last year. The above interim dividend will be paid on or about 10 October 2024 to shareholders.

### SIHL (363.HK) Announces Appointment of Director and Senior Management

On 8 August, the Board of Shanghai Industrial Holdings Limited announced the following changes: Mr. Xu You Li has been appointed as an Executive Director, a Deputy CEO, the Chief Financial Officer and a member of the Executive Committee of the Company with effect from 8 August 2024; Mr. Gu Feng has been appointed as a Deputy CEO of the Company with effect from 8 August 2024.





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Mr. Xu, aged 50, is a vice president, the chief legal counsel, the chief financial officer of Shanghai Industrial Investment (Holdings) Company Limited (“SIIC”), a vice president of SIIC Shanghai (Holdings) Ltd., the chairman of the supervisory committee of Shanghai Pharmaceutical (Group) Co., Ltd. and the chairman of SIIC Shanghai (Holdings) Financial Co., Ltd. He graduated from Shanghai University of Finance and Economics and Fudan University with a bachelor’s degree in economics and a master’s degree in business administration, and holds the designation of a senior economist, certified public accountant, certified internal auditor, and corporate lawyer. Mr. Xu joined SIIC since November 2009, and was a deputy general manager and the general manager of the internal audit department of SIIC; the chairman of Shanghai Shangtou Asset Management Limited; a vice chairman and the president of SIIC Shanghai Capital Management Co., Ltd.; and the chairman of Shanghai Cultural Industries Development and Investment Fund Management Co., Ltd. He has extensive experience in corporate investment and financing, finance, and corporate management. He is a vice president of Shanghai Youth Entrepreneurs Association.

Mr. Gu, aged 52, is the chief finance and investment officer of Shanghai Industrial Investment (Holdings) Company Limited, a vice chairman and the president of SIIC Shanghai Capital Management Co., Ltd. and the chairman of SIIC Investment Company Limited. He graduated from Shanghai University of Finance and Economics and Tongji University with a bachelor’s degree in economics and a master’s degree in management. He holds the designation of a senior accountant.

Mr. Gu was the chief financial officer of SAIC Motor Corporation Ltd. and the chief executive officer of its capital operation department; the general manager of SAIC Motor Hong Kong Investment Company Limited, SAIC Motor Investment and Management Co., Ltd. and Aiways Automobiles Co., Ltd.; the chief investment and finance officer of Bailian Group Co., Ltd.; and a consultant to the chairman of Shanghai Micro Electronics Equipment (Group) Co., Ltd. He has extensive experience in finance and corporate management.

The Board would like to express its warmest welcome to Mr. Xu and Mr. Gu on their appointments.





## Analyst Report

### Citi Maintains Buy Rating on SIHL Due to Strong Fundamentals and Attractive Dividend Yield, as Diversified Business Model Partially Offsets Stagnant Real Estate Market

SIHL had solid profit contributions from its infrastructure (mainly toll roads) and consumer (mainly Nanyang Tobacco) segments. However, the substantial profit decline in the real estate sector was offset by losses incurred by Shanghai Urban Development and Shanghai Industrial Development. Citi thinks SIHL has a strong balance sheet, and sustainable dividends: compared to a typical China developer, SIHL owns better diversified businesses with a much stronger balance sheet. Citi believes the Group's 30% dividend payout ratio is sustainable. To reflect a more updated market value of its subsidiaries (mostly property subsidiaries), Citi reduces Shanghai Industrial's NAV/share from HK\$28.80 to HK\$28.16.

With respect to 1H24 results, SIHL reported net profit over the period of HK\$1.201 million (-13% year-on-year). The year-on-year profit decline was mainly due to: (i) net loss at SI Urban Development (loss of RMB177 million vs. profit of RMB129 million in 1H23) as it was impacted by the decrease in the booked revenue from its projects, (ii) net loss at SI Development (loss of HK\$232 million vs. profit of HK\$495 million in 1H23), (iii) the profit decline in water services and clean energy business (mainly attributable to the lack of revenue from Baoshan Project while the main construction of key new projects in 2024 is not due to commence until 2H24), and (iv) the absence of exceptional gain (1H23: HK\$255million gain from land disposal).

This was partially offset by (i) the approximately 174% year-on-year net profit increase in Nanyang Tobacco (with 185% year-on-year growth in sales volume) and approximately 64% year-on-year net profit increase in Wing Fat Printing, and (ii) the stable demand for road usage (+1.9% year-on-year in traffic flow for toll roads). The Board declared an interim dividend per share of HK\$0.42 (flat year-on-year), implying a dividend payout of around 38% (1H23: around 33%).





## Infrastructure and Environmental Protection

### **SIIC Environment (807.HK) Records Revenue of RMB3.324 billion in 1H2024, Net Profit Attributable to Shareholders Reaches RMB321 million**

On 8 August, SIIC Environment Holdings Ltd. (“SIIC Environment”) announced its results for the six months ended 30 June 2024 (the “1H2024” or the “Reporting Period”). SIIC Environment's total revenue decreased by 17.3% year-on-year to RMB3.324 billion, and net profit attributable to shareholders slid by 14.8% year-on-year to RMB321 million.

During the period, SIIC Environment’s operation revenue (including interest income during the operation period) has continued to grow steadily during the reporting period, rising by 5.9% year-on-year to RMB2.755 billion. The growth was primarily due to the higher volume and average price of water treatment and water supply during the reporting period. SIIC Environment’s gross profit margin in 1H2024 increased by 2.6 percentage points year-on-year to 38.4%, mainly due to the lower proportion of construction revenue, which typically has a lower gross profit margin, and a lower unit cost due to higher volume and higher average price in water treatment and water supply.

### **SIIC Environment (807.HK) Announces Updates on its 160,000-tonne Projects**

On 22 July, SIIC Environment provided progress updates of four projects, with a total capacity of 160,000 tonnes, in Heilongjiang, Shandong, and Guangxi Zhuang Autonomous Region of the People’s Republic of China on 22 July. Among them, 85,000-tonne wastewater treatment plant (“WWTP”) projects have been added, a 45,000-tonne WWTP project has secured upgrading, and a 30,000-tonne WWTP project commenced commercial operation.

### **SIIC Environment (807.HK) Establishes a Subsidiary with Registered Capital of RMB10 million**

On 12 July, SIIC Environment announced the incorporation of a subsidiary. The company’s 75.5% indirectly owned subsidiary, SIIC Environment Holdings (Weifang) Co., Ltd., has incorporated a 60% owned subsidiary, Weifang City Weicheng District Western Water Treatment Co., Ltd. The place of incorporation is the People’s Republic of China, and registered capital is RMB10 million with wastewater treatment and reclamation as principal activities. The incorporation is funded through internal resources of the Group and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of SIIC Environment for the financial year ending 31 December 2024.





## Infrastructure and Environmental Protection

### SIIC Environment (807.HK) Announced the Changes in Chief Executive Officer, Executive Director, and Board Committees

On 26 July, SIIC Environment announced that: (1) Mr. Zhu Dazhi has tendered his resignation as its chief executive officer, executive director, chairman of the risk and investment management committee (“RIMC”), and member of the executive committee (“EC”) with effect from 26 July 2024 due to re-designation of work; (2) Mr. Xu Xiaobing has tendered his resignation as an executive director, member of the RIMC, and member of EC with effect from 26 July 2024 due to re-designation of work; and (3) Mr. Jiang Kai has tendered his resignation as an executive director, member of the RIMC, and member of EC with effect from 26 July 2024 due to re-designation of work.

Following their resignations, (i) Mr. Ji Guanglin has been appointed as chief executive officer, executive director, chairman of the RIMC, and member of the EC with effect from 26 July 2024; and (ii) Mr. Wang Xiwang has been appointed as an executive director, member of the RIMC, and member of the EC with effect from 26 July 2024.

Mr. Ji, aged 50, has extensive experience in infrastructure investment and financing, environmental water services, listed company operation and management, capital operation and asset management, and management in the public sector. He is responsible for overall management of the strategic, business, operational, administrative, financial, and financing-related matters of the Group. Mr. Ji worked in the Property Management Department of Shanghai Municipal State-owned Assets Supervision and Administration Commission from July 2005 to June 2011 and served as the general manager of the marketing department and trading department of Shanghai United Assets and Equity Exchange from June 2011 to October 2014; the general manager of the asset management department and strategic planning department of Shanghai Chengtuo Group from October 2014 to September 2016, the chairman of the board and the president of Shanghai Chengtuo Holding Co., Ltd. (Stock code: 600649.SH) from September 2016 to July 2018; the deputy chief economist of Shanghai Chengtuo Group from July 2018 to February 2021; the temporary deputy mayor of Qionghai City, Hainan Province from January 2019 to March 2020; the deputy general manager and general counsel (chief compliance officer) of Tianjin Chengtuo Group; and the chairman of the board of Tianjin Capital Environmental Protection Group Company Limited (Stock codes: 600649.SH and 1065.HK) from February 2021 to March 2024. He joined SIIC Environment in April 2024.





Mr. Wang, aged 56, has extensive professional experience in management and risk operations. He is mainly responsible for the risk management of SIIC Environment. Mr. Wang has successively held several important positions in SIG Investment and Development Co. Ltd.; Shanghai SI Holding Co., Ltd.; Shanghai SI Property Management Co. Ltd.; and Shanghai Industrial Development Co. Ltd. He served in the armed forces from November 1986 to November 2013.

## Comprehensive Healthcare Business News

### Shanghai Pharmaceuticals (2607.HK) Announces 2024 Interim Results, Reporting 5.14% Year-On-Year Growth in Operating Revenue

On 26 August, Shanghai Pharmaceuticals announced its 2024 interim results. During the first half of 2024, Shanghai Pharmaceuticals focused on its main businesses, accelerated the enhancement of its core competitiveness, and took steps to play a leading role and make greater contributions to the development of Shanghai's biopharmaceutical industry. Shanghai Pharmaceuticals was once again included in the Fortune Global 500 (ranked 411<sup>th</sup>, for five consecutive years), the Global Top 50 Pharmaceutical Companies (ranked 42nd), the Top 25 Most Valuable Pharmaceutical Brands (ranked 20th), the Top 100 Chinese Pharmaceutical Companies (ranked 3rd), and the Top 100 ESG Leading Listed Companies in China (ranked 43rd).

From January to June 2024, Shanghai Pharmaceuticals achieved operating revenue of RMB139.413 billion, representing a year-on-year increase of 5.14%. Specifically, pharmaceutical manufacturing revenue reached RMB12.734 billion, representing a year-on-year decrease of 13.37%, while pharmaceutical distribution revenue reached RMB126.679 billion, representing a year-on-year increase of 7.45%.

During the same period, Shanghai Pharmaceuticals recorded a net profit attributable to shareholders of the listed company of RMB2.942 billion, representing a year-on-year increase of 12.72%. The pharmaceutical manufacturing business contributed a profit of RMB1.312 billion, the pharmaceutical distribution business contributed a profit of RMB1.793 billion, and major shareholding enterprises contributed a profit of RMB341 million. The net profit after the deduction of non-recurring profit or loss attributable to shareholders of the listed company amounted to RMB2.705 billion, representing a year-on-year increase of 23%.







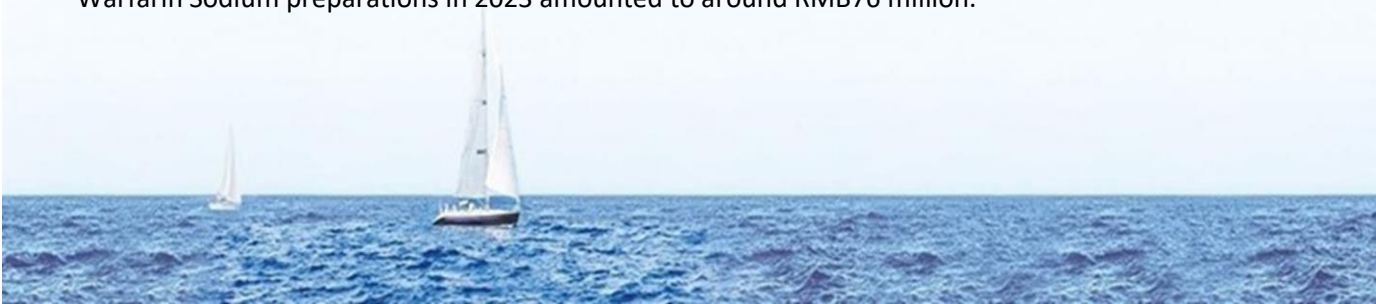
## Comprehensive Healthcare Business News

### Shanghai Pharmaceuticals (601607.SH) Announces the Completion of SIIC's Plan to Increase its H-share Holdings

Shanghai Pharmaceuticals (601607.SH) announced that, as of the close of trading on 10 September 2024 on the Stock Exchange of Hong Kong Limited, SIIC's plan to increase its holdings of Shanghai Pharmaceuticals' H shares has been completed. During the period of this increase, SIIC, through SIIC International, increased its holdings of Shanghai Pharmaceuticals' H shares by a total of 7,899,600 shares, representing approximately 0.860% of the total number of issued H shares of Shanghai Pharmaceuticals (i.e., 919,072,704 shares) and 0.213% of the total number of issued shares (i.e., 3,704,188,795 shares, Shanghai Pharmaceuticals' total number of shares as of 10 September 2024). Upon completion of this plan, SIIC holds and controls 1,352,255,837 shares of Shanghai Pharmaceuticals, representing approximately 36.506% of the total number of issued shares of Shanghai Pharmaceuticals; among which, it holds and controls 226,438,000 H shares, representing approximately 24.638% of the total number of issued H shares of Shanghai Pharmaceuticals and 6.113% of the total number of issued shares.

### Shanghai Pharmaceuticals (2607.HK) Announces Approval of Marketing Authorization Application for Warfarin Sodium API

On 24 June, Shanghai Pharmaceuticals announced that its subsidiary, Shandong SINE Pharmaceutical Co., Ltd., has received the "Chemical Drug Substance Marketing Authorization Approval Notice" (Notice No.: 2024YS00524) from the National Medical Products Administration ("NMPA") for its Warfarin Sodium API. This grants approval to produce the drug. Warfarin Sodium is primarily used for the prevention and treatment of deep vein thrombosis and pulmonary embolism; prevention and treatment of thromboembolic complications in patients with atrial fibrillation, and/or heart valve replacement; and reduction in the risk of death, recurrent myocardial infarction, and thromboembolic events (such as stroke or systemic embolism) after myocardial infarction. Shandong SINE submitted a marketing authorization application for the drug to the NMPA in January 2023, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB3.53 million in research and development for this drug. According to IQVIA database, the hospital purchase amount of Warfarin Sodium preparations in 2023 amounted to around RMB76 million.





## Comprehensive Healthcare Business News

### Shanghai Pharmaceuticals (2607.HK) Announces Approval of Marketing Authorization Application for Hydrocortisone API

On 25 June, Shanghai Pharmaceuticals announced that its subsidiary, Tianjin SINE Tianjin Pharmaceutical Co., Ltd., has received the “Chemical Drug Substance Marketing Authorization Approval Notice” (Notice No.: 2024YS00123) from the National Medical Products Administration for its Hydrocortisone API. This grants approval to produce the drug. Hydrocortisone is primarily used for replacement therapy in adrenocortical insufficiency and for the treatment of congenital adrenal hyperplasia. It was developed by Upjohn and first marketed in the United States in 1952. SINE Tianjin submitted a marketing authorization application for the drug to the NMPA in April 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB2 million in research and development for this drug. According to the IQVIA database, the hospital spent approximately RMB173.66 million on Hydrocortisone-related preparations in 2023.

### Shanghai Pharmaceuticals (2607.HK) Announces Approval for Production of Sitagliptin Phosphate Tablets

On 2 July, Shanghai Pharmaceuticals announced that its subsidiary, Changzhou Pharmaceutical Factory Co., Ltd., has received the “Drug Registration Certificate” (Certificate No.: 2024S01218, 2024S01219, 2024S01220) from the NMPA for its Sitagliptin Phosphate Tablets. This grants approval to produce the drug. Sitagliptin Phosphate Tablets are primarily used for improving glycaemic control in patients with type 2 diabetes mellitus. It was originally developed by Merck Sharp & Dohme (“MSD”) and first marketed in the United States in 2006. Changzhou Pharmaceutical Factory Co., Ltd. submitted a marketing authorization application for the drug to the NMPA in July 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB16.92 million in research and development for this drug.

### Shanghai Pharmaceuticals (2607.HK) Announces Approval for Production of Ezetimibe Tablets

On 3 July, Shanghai Pharmaceuticals announced that its subsidiary, Changzhou Pharmaceutical Factory Co., Ltd., has received the “Drug Registration Certificate” (Certificate No.: 2024S01240) from the NMPA for its Ezetimibe Tablets. This grants approval to produce the drug. Ezetimibe Tablets are primarily used for the treatment of primary hypercholesterolemia, homozygous familial hypercholesterolemia, and homozygous sitosterolemia (or phytosterolemia).





## Comprehensive Healthcare Business News

Changzhou Pharmaceutical Factory submitted a marketing authorization application for the drug to the NMPA in December 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB14.48 million in research and development for this drug.

### **Shanghai Pharmaceuticals (2607.HK) Announces Approval of Marketing Authorization Application for Tofacitinib Citrate API**

On 8 July, Shanghai Pharmaceuticals announced that its wholly owned subsidiary, Shanghai Zhongxi Sunve Pharmaceutical Co., Ltd., has received the “Chemical Drug Substance Marketing Authorization Approval Notice” (Notice No.: 2024YS00606) from the NMPA for its Tofacitinib Citrate API. This grants approval to produce the drug. Tofacitinib Citrate is primarily used for the treatment of rheumatoid arthritis, psoriatic arthritis, and ankylosing spondylitis. It was developed by Pfizer and first marketed in the United States in 2012. Shanghai Zhongxi Sunve submitted a marketing authorization application for the drug to the NMPA in September 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB12.69 million in research and development for this drug.

### **Shanghai Pharmaceuticals (2607.HK) Announces Approval for Production of Valganciclovir Hydrochloride Tablets**

On 16 July, Shanghai Pharmaceuticals announced that its subsidiary, Shanghai Zhongxi Sunve Pharmaceutical Co., Ltd., has received the “Drug Registration Certificate” (Certificate No.: 2024S01515) from the NMPA for its Valganciclovir Hydrochloride Tablets. This grants approval to produce the drug. Valganciclovir Hydrochloride Tablets are primarily used for the treatment of cytomegalovirus (“CMV”) retinitis in adult patients with acquired immunodeficiency syndrome (“AIDS”) and for the prevention of CMV disease in patients at risk for CMV infection following solid organ transplantation. It was originally developed by Cheplapharm Arzneimittel GmbH and first marketed in the United States in 2001. Shanghai Pharmaceuticals ZY Pharmaceutical submitted a marketing authorization application for the drug to the NMPA in August 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB9.61 million in research and development for this drug.





## Comprehensive Healthcare Business News

### Shanghai Pharmaceuticals (2607.HK)'s Bupivacaine Hydrochloride Injection Passes the Consistency Evaluation of Generic Drug

On 17 July, Shanghai Pharmaceuticals announced that its subsidiary, Shanghai Harvest Pharmaceutical Co., Ltd., has received the “Drug Supplementary Application Approval Notice” (Notice No.: 2024B03024) from the NMPA for its Bupivacaine Hydrochloride Injection. This signifies that the drug has passed the consistency evaluation for quality and efficacy of generic drugs. Bupivacaine Hydrochloride Injection is primarily used for local infiltration anesthesia, peripheral nerve block, and spinal anesthesia. It was developed by Hospira and first marketed in the United States in 1972. Shanghai Hefeng applied for the consistency evaluation of this generic drug to the NMPA in November 2023, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB1.37 million in the consistency evaluation of this drug specification.

### Shanghai Pharmaceuticals (2607.HK) Announces Approval for Production of Eltrombopag Olamine Tablets

On 23 July, Shanghai Pharmaceuticals announced that its subsidiary, Changzhou Pharmaceutical Factory Co., Ltd., has received the “Drug Registration Certificate” (Certificate No.: 2024S01665) from the NMPA for its Eltrombopag Olamine Tablets. This grants approval to produce the drug. Eltrombopag Olamine Tablets are used for the treatment of thrombocytopenia in adult and pediatric patients 6 years of age and older with chronic immune (idiopathic) thrombocytopenia (“ITP”) who have had an insufficient response to corticosteroids, immunoglobulins, or splenectomy. It is also used to increase platelet counts and to reduce or prevent bleeding in ITP patients who are at increased risk for bleeding due to thrombocytopenia and clinical factors. The drug was first approved for marketing in the United States by the FDA in 2008. Changzhou Pharmaceutical Factory submitted a marketing authorization application for the drug to the NMPA in May 2023, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB21.59 million in research and development for this drug.





## Comprehensive Healthcare Business News

### Shanghai Pharmaceuticals (2607.HK) Announces Approval for Production of Lurasidone Hydrochloride Tablets

On 29 July, Shanghai Pharmaceuticals announced that its subsidiary, Changzhou Pharmaceutical Factory Co., Ltd., has received the “Drug Registration Certificate” (Certificate No.: 2024S01697) from the NMPA for its Lurasidone Hydrochloride Tablets. This grants approval to produce the drug. Lurasidone Hydrochloride Tablets, a dopamine D<sub>2</sub>, 5-HT<sub>2A</sub>, and 5-HT<sub>7</sub> receptor antagonist, are approved in China for the treatment of schizophrenia. The drug, an atypical (second generation) antipsychotic, was developed by Sumitomo Pharma and first approved for marketing in the United States by the FDA in 2011. Changzhou Pharmaceutical Factory Co., Ltd. submitted a marketing authorization application for the drug to the NMPA in September 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB19.70 million in research and development for this drug.

### Shanghai Pharmaceuticals (2607.HK)’s Mecobalamin Tablets Passes the Consistency Evaluation of Generic Drug

On 5 August, Shanghai Pharmaceuticals announced that its subsidiary, Shanghai New Asia Pharmaceutical Co., Ltd. Minhang Branch, has received the “Drug Supplementary Application Approval Notice” (Notice No.: 2024B03245) from the NMPA for its Mecobalamin Tablets. This signifies that the drug has passed the consistency evaluation for quality and efficacy of generic drugs. Mecobalamin Tablets are primarily used for peripheral neuropathy. It was developed by Eisai Co., Ltd. and first marketed in Japan in 1981. Shanghai New Asia Pharmaceutical Co., Ltd. Minhang Branch applied for the consistency evaluation of this generic drug to the NMPA in November 2022, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB4.03 million in the consistency evaluation of this drug.

### Shanghai Pharmaceuticals (2607.HK) Announces Approval for Production of Celecoxib Capsules

On 6 August, Shanghai Pharmaceuticals announced that its subsidiary, Changzhou Pharmaceutical Factory Co., Ltd., has received the “Drug Registration Certificate” (Certificate No.: 2024S01765) from the NMPA for its Celecoxib Capsules. This grants approval to produce the drug. Celecoxib Capsules, a cyclooxygenase-2 (“COX-2”) specific inhibitor, inhibits prostaglandin synthesis by inhibiting COX-2 and is the world’s first selective non-steroidal anti-inflammatory drug (“NSAID”).





## Comprehensive Healthcare Business News

The drug was jointly developed by Pfizer and Astellas and was first approved for marketing by the FDA on 31 December 1998. The original formulation was approved for marketing in China in August 2000. Changzhou Pharmaceutical Factory submitted a marketing authorization application for the drug to the NMPA in April 2023, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB10.84 million in research and development for this drug.

### **Shanghai Pharmaceuticals (2607.HK)'s Chlorosartan Potassium Hydrochlorothiazide Tablets Passes the Consistency Evaluation of Generic Drug**

On 29 August, Shanghai Pharmaceuticals announced that its subsidiary, Shandong SINE Pharmaceutical Co., Ltd., has received the "Drug Supplementary Application Approval Notice" (Notice No.: 2024B03503) from the NMPA for its Chlorosartan Potassium Hydrochlorothiazide tablets. This signifies that the drug has passed the consistency evaluation for quality and efficacy of generic drugs. Chlorosartan Potassium Hydrochlorothiazide tablets are primarily used for the treatment of hypertension. It was developed by MSD and first marketed in the United States in 1995. Shandong SINE applied for the consistency evaluation of this generic drug to the NMPA in July 2023, which was accepted. As of the date of this announcement, Shanghai Pharmaceuticals has invested approximately RMB9.38 million in direct research and development costs for the consistency evaluation of this drug.





## Real Estate Business News

### SI Development (600748.SH) Announces 2024 Interim Result

SI Development (600748.SH) announced its interim results for the six months ended 30 June 2024. The company recorded revenue of RMB1.029 billion, representing a year-on-year decrease of 70.2%. The decline was primarily attributed to a significant reduction in revenue recognized from property deliveries and a substantial one-off income recorded during the same period last year. SI Development reported a net loss of RMB177 million, compared to a profit in the corresponding period in 2023. Contracted sales for the period reached RMB240 million. Despite the continued downturn in the real estate market during the first half of the year, the company maintained steady progress in the construction of key projects. SI Development has also implemented measures to address major risk items and conducted a comprehensive review of its existing corporate governance structure. SI Development has been focusing on core commercial and office projects and further enhancing the quality of its property management services. As of 30 June 2024, the company had a total of 317 projects under management. Rental income for the first half of the year was approximately HK\$234 million.

### SI Development (600748.SH) Announced 2023 Dividend Distribution

On 25 July, SI Development announced the implementation of its 2023 annual equity distribution plan. Based on the company's total share capital of 1,844,562,892 shares prior to the implementation, a cash dividend of RMB0.021 (including tax) will be distributed for each share, totalling RMB 38,735,820.73. The equity registration date is 30 July 2024, and the ex-dividend date is 31 July 2024.

### SI Development Announces Financial Assistance and Related Party Transaction to Joint Venture

On 16 July, SI Development announced its plan to provide financial assistance to its joint venture, Shanghai SIIC North Bund New Landmark Construction and Development Co., Ltd. To support the joint venture's funding requirements for the development and construction of the 91# plot project in Hongkou North Bund, Shanghai, SI Development intended to provide subsidy of RMB6.5 million, proportionate to its 50% equity stake in the company. The loan term is three years from the actual disbursement date, with an interest rate of 3.6225% (5% above the People's Bank of China's short-term loan prime rate).





## Real Estate Business News

### SI Urban Development (563.HK) Announced its 2024 Interim Results

SI Urban Development announced its interim results for 2024. During 1H24, it recorded a turnover of HK\$2.981 billion, representing a year-on-year increase of 65.8%. The loss attributable to shareholders was HK\$232 million, primarily due to the impact of the real estate cycle, resulting in fewer properties completed and delivered in the first half of the year, leading to a decline in profit, as well as the devaluation of investment properties. Contracted amount for the period was RMB2.284 billion. Projects mainly included Originally in Xi'an, University Project in Tianjin, etc. There are nine projects under construction. Rental income for the first half of the year was approximately HK\$381 million.

### SI Urban Development (563.HK) Announces Resignation of Executive Director and Appointment of Executive Director and Independent Non-Executive Director

On 15 July, SI Urban Development announced the following changes to the Board effective from 15 July 2024: (1) Mr. Lou Jun has resigned as an executive director, (2) Ms. Zhou Yadong has been appointed as an executive director, and (3) Dr. Chan Ho Wah has been appointed as an independent non-executive director.

Ms. Zhou, aged 52, is the director and general manager of Shanghai SIIC Finance Co., Ltd. ("SIIC Finance"). She obtained a master's degree in accounting from the Chinese University of Hong Kong and the professional title of economist. Ms. Zhou has nearly 30 years of experience in finance and investment. She worked at China Investment Bank and has been mainly engaged in investment and enterprise management within the SIIC Group for nearly 20 years. She has served in Shanghai SIIC Asset Management Co., Ltd., SIIC Management (Shanghai) Co., Ltd., Shanghai Hu-Ning Expressway (Shanghai Section) Co., Ltd., Shanghai Luqiao Development Co., Ltd., SIIC and SIIC Finance, involving asset operation, investment management, Expressway development, and financial fund management, with extensive industry knowledge and rich management experience. In addition, Ms. Zhou also has rich experience in IT team building, risk control, resource input and output, and the introduction and application of new technologies.







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Dr. Chan, aged 54, holds a doctorate in philosophy in economics and a master's degree in real estate. He is also a Fellow member of CPA Australia and the Royal Institution of Chartered Surveyors, as well as the professional designation of Chartered Financial Analyst and Certified Financial Technologist. Dr. Chan has 30 years of experience in real estate and infrastructure investment and financing and capital operation of listed companies. Dr. Chan is currently the chairman of Bay Area Capital Partners Limited and an Adjunct Professor in the Department of Real Estate and Construction of the University of Hong Kong. Dr. Chan is the chairman of ESG & Sustainable Investment Committee of Hong Kong Independent Non-Executive Director Association, a member of the Mainland Opportunities Committee of Financial Service Development Council, a member of the Greater Bay Area Committee of CPA Australia, and the vice-chairman of the Hong Kong Education University Council. Dr. Chan is a standing committee member of the 14th Shanghai Committee of the Chinese People's Political Consultative Conference. He is also a member of the Chinese Association of Hong Kong & Macao Studies of the State Council, deputy president of the Federation of Hong Kong-Shanghai Associations, the chairman of Shanghai HK Association, and a member of the 2021 Election Committee of the HKSAR. He has been appointed as a member of HKTDC Infrastructure Development Advisory Committee and Vice Chairman of the Security and Guarding Services Industry Authority of the Security Bureau since 2022.

### SI Urban Development (563 HKSE) Announces Capital Reduction in Connected Transaction Joint Venture

On 28 August, SI Urban Development announced that SIUD Shanghai Enterprise Management (a wholly owned subsidiary of SI Development) entered into a capital reduction agreement. Under the agreement, SI Urban Development (Shanghai) Enterprise Management agreed to withdraw from the joint venture through a capital reduction. The joint venture will pay RMB3,150,501.23 to SI Urban Development (Shanghai) Enterprise Management as consideration for the reduction of the registered capital held by SI Urban Development (Shanghai) Enterprise Management in the joint venture. Prior to the capital reduction, the joint venture was owned by SI Urban Development (Shanghai) Enterprise Management (23%), Tianjin Trust (23%), and other joint venture parties (54%). Upon completion of the capital reduction, SI Urban Development will no longer hold any equity interest in the joint venture.



## Company's Existing Top 10 Shareholders

#	Name of Shareholders	Number of shares	%
1	Shanghai Industrial Investment (Holdings) Co Ltd.	685,410,748	63.16
2	Vanguard Group, Inc.	16,989,160	1.56
3	Dimensional Fund Advisors LP	9,495,225	0.87
4	BlackRock Inc	9,265,165	0.85
5	American Century Cos Inc	1,272,000	0.12
6	State Street Corp	1,257,062	0.12
7	Teachers Insurance & Annuity Association of American	1,079,000	0.10
8	SEI Investments Co	1,076,203	0.10
9	Power Corp of Canada	844,032	0.08
10	Allianz SE	736,000	0.07

Sources: Bloomberg (As of 26 Sep 2024)

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