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ANNOUNCEMENT

FURTHER UPDATE ON MATTERS RELATING TO SIIC LONGCHUANG AND SI DEVELOPMENT

References are made to the announcements of Shanghai Industrial Holdings Limited (the “**Company**”) dated 11 January 2022, 29 January 2022 and 29 June 2022 on matters relating to SIIC Longchuang (the “**Previous Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Previous Announcements.

The Company would like to provide an update on the material development of the matters disclosed in the Previous Announcements and SI Development. In particular, the Company was informed by SI Development that the Shanghai Regulatory Bureau (the “**Shanghai Securities Regulatory Bureau**”) of the China Securities Regulatory Commission (the “**CSRC**”) recently issued the Advanced Notice of Administrative Penalty and Prohibition from Access to the Securities Market (Document No. 4 of 2024) (行政處罰和市場禁入事先告知書[2024] 4 號) (the “**Notice**”), pursuant to which the Shanghai Securities Regulatory Bureau intends to impose administrative penalties on SI Development, and certain of its past and present directors and senior management.

According to the Notice, the Shanghai Securities Regulatory Bureau considered that SI Development and its directors and senior management were suspectedly in breach of the relevant securities laws of the CSRC because, among other things, the Shanghai Securities Regulatory Bureau believed that SI Development is responsible for (i) the failure to timely disclose the operating loss of SIIC Longchuang in December 2021 arising from the Outstanding Accounts Receivable that became unrecoverable, (ii) the failure to timely disclose the agreement in relation to the resumption of land use right by the PRC Government from SI Development in September 2020, and (iii) the false record in the annual financial reports of SI Development from 2016 to 2021 due to the false record of the revenue and profit of SIIC Longchuang of the same period. According to the Notice, the Shanghai Securities Regulatory Bureau intends to impose, among other things, a warning and fine of RMB8,500,000 on SI Development.

For the avoidance of doubt, the Notice only relates to SI Development and its directors and senior management, which does not involve any director or senior management of the Company. The Company is of the view that the above penalties on SI Development pursuant to the Notice will not have any material adverse impact on the overall business, operation or financial performance of the

Group. As at the date of this announcement, the Company holds approximately 48.6% of the equity interest in SI Development and SI Development holds approximately 69.7849% of the equity interest in SIIC Longchuang.

Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 19 March 2024

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

Executive Directors:

Mr. Shen Xiao Chu, Mr. Zhang Qian and Mr. Shu Dong

Independent Non-Executive Directors:

Prof. Woo Chia-Wei, Mr. Leung Pak To, Francis and Mr. Yuen Tin Fan, Francis