

[Press Release]

(For Immediate Release)

Shenzhen International Announces 2023 Annual Results

Profit Attributable to Shareholders Surges 52% YoY to HK\$ 1.9 Billion

On 28 March 2024, the leading logistics infrastructure development operator in the Guangdong-Hong Kong-Macao Greater Bay Area (the “Greater Bay Area”), **Shenzhen International Holdings Limited** (“Shenzhen International” or the “Company”, Stock Code: 00152.HK) and its subsidiaries announced the annual results for the year 2023. In 2023, the Company achieved a total revenue of HK\$20,524 million, representing 32% year-on-year growth; profit before tax and financial costs grew by 38% year-on-year to HK\$7,571 million; profit attributable to shareholders surged 52% year-on-year to HK\$1,902 million; and basic earnings per share was HK\$0.80, up 48% year-on-year. The Board of Directors recommended the payment of a final dividend of HK\$0.40 per share for 2023. The total dividend amount was HK\$957 million, representing a dividend payout ratio of 50%.

The Dividend Payout Ratio for the Whole Year Reached 50%

During the reporting period, the Company’s operating environment was clouded with unstable recovery of macro-economy and fragile demand from the society. All business segments, including logistics, port, toll roads and general-environmental protection experienced short-term pressures.

As for the logistics business, the segment recognized a revenue of approximately HK\$1,838 million in 2023, representing 6% year-on-year decline; profit attributable to shareholders dropped 63% year-on-year to approximately HK\$532 million. This was mainly because the Company recorded a gain of approximately HK\$657 million in 2022 from successful injection of several logistics park projects into a private equity fund, whereas there was no such gain in 2023.

As for the port and related service business, the segment recorded a revenue of approximately HK\$2,805 million in 2023, up 2% year-on-year; and profit attributable to shareholders dropped by 15% year-on-year to approximately HK\$87.75 million, mainly due to the decrease in business volume and profit margins as a result of lower market demand and intensified market competition.

The Company operates the toll road business and the general-environmental protection business through Shenzhen Expressway (Stock Code: 00548.HK), a subsidiary of the Company. The revenue from this segment decreased by 4% year-on-year to approximately HK\$10,325 million, while net profit

increased by 18% year-on-year to approximately HK\$2,650 million, mainly attributable to the resumption of traffic growth on toll roads it operated and invested in and the implementation of effective cost control measures. The profit of Shenzhen Expressway attributable to the Company was approximately HK\$1,005 million, representing an increase of 54% year-on-year.

In the face of multiple operational challenges, the Company made all-out effort to successfully deliver and complete the "Yicheng Qiwanli" project, which was related to logistics park transformation and upgrading business. This project generated HK\$5.5 billion in revenue and an after-tax gain of HK\$1,563 million. In addition, the Company took proactive measures to optimize the debt maturity profile and currency structure, as well as to exercise tight cost control. As a result, the Company achieved stable operational performance throughout the year and a substantial increase in profit attributable to shareholders. It maintained a favorable and stable dividend policy, demonstrating its commitment to rewarding shareholders.

Fully Leveraged "Home Advantage" in the Greater Bay Area

The Company adhered to the long-term core strategic mission by focusing on core affluent economic regions and developing a hub-oriented, digitalized and intelligent transportation and logistics infrastructure network.

During the reporting period, the Company operated and managed logistics and warehousing facilities with a total area of over 4.76 million square meters nationwide. By creating distinctive industrial parks, prioritizing the introduction of high-quality customers and increasing investments in automation equipment and artificial intelligence technologies, the Company enhanced its operation and service capabilities. For new projects development, the Company adhered to its investment strategy of "selecting the best among the best". With 600,000 square meters of high-quality warehousing land acquired in Shenzhen, Foshan and other key cities in the Greater Bay Area, the Company increased its cumulative land acquisition area to 2.60 million square meters in the region and a total of 9.08 million square meters across the country. In addition, the Company has been actively promoting the resource integration with enterprises in complementary and synergistic industries such as airlines, railways, and buses to create a "logistics +" innovative business model with unique characteristics of Shenzhen International.

As for the port business, Jingjiang Port, Shenqiu Port and Fengcheng Port entered into the initial stage of operation during the reporting period. The Company will leverage its strong brand reputation in the bulk cargo ports along the Yangtze River to build a comprehensive port operation industry chain, with Xiba Port and Jingjiang Port as the hub ports, upstream Shenqiu Port as the cargo collection port, and downstream Fengcheng Port as the distribution port. The Company will also utilize

Shenzhen International Supply Chain Management Nanjing Co., Ltd., a light-asset subsidiary, to link up this port operation industry chain, so as to continuously enhance the core competitiveness of the port business and lay a solid foundation for future spin-off of this segment.

As of the end of the reporting period, approximately 91% of the overall construction of Shenzhen Coastal Project Phase II constructed by Shenzhen Expressway was completed. It is planned to be completed and opened to traffic in tandem with the Shenzhen-Zhongshan Bridge in 2024. The construction and supervision bidding for multiple contract sections of Shenzhen Outer Ring Project Phase III was completed, and the construction of some contract sections commenced. The expansion and renovation project of the Guangshen Expressway also started construction during the reporting period. After the above projects are completed and opened to traffic, it is expected to enrich the Company's core highway assets and enhance the road network layout, thereby bringing more traffic flow for other toll roads operated by Shenzhen Expressway.

Opened up Asset Divestment Channels to Optimize Capital Efficiency

During the reporting period, the Company made significant progress in establishing its dual “Closed-Loop” business model for its logistics operations.

In respect of the short closed-loop “Investment, Construction, Financing and Operation” business model, the application of the CAMC-Shenzhen International publicly-traded REIT, with the underlying assets of two logistics projects located in Hangzhou and Guizhou, received formal notice of acceptance from the CSRC. As to the long closed-loop “Investment, Construction, Operation and Transformation” business model, the transformation and upgrading of Shenzhen International South China Logistics Park Phase I is proceeding in an orderly manner. The Company plans to retain and utilize the land in stages to gradually develop and operate this project according to the new planning functions. In addition, the public offering of E Fund Shenzhen Expressway REIT, filed by Shenzhen Expressway, has been completed and the REIT is scheduled to be listed soon.

Multiple measures were made to create channels for asset divestments. They will enable the Company to generate sustainable profits and secure effective capital circulation, thus maintaining its healthy and stable growth.

Outlook: Multi-dimensional Efforts to Sharpen Our Competence

Looking ahead to future development, Mr. Liu Zhengyu, Chief Executive Officer of Shenzhen International, said, “Although the external operating environment is full of challenges, the development of dual-circulation system will create growth opportunities for the warehouse logistics



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sector in the medium and long term. The Company attaches utmost importance to the optimization of business layout, the enhancement of lean operational service capabilities and the creation of closed-loop business model. Relentless efforts will be made to implement these initiatives. Meanwhile, we will carry out various reform and development measures, including precise brand building efforts, vigorous strengthening of financial management and comprehensive improvement of risk prevention and control mechanism. The Company will continuously bolster the development quality and investment value, whereby creating sustainable return to shareholders.”

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About Shenzhen International Holdings Limited

Shenzhen International Holdings Limited, a company incorporated in Bermuda, is a red chip company listed on the main board of the Stock Exchange of Hong Kong (stock code: 00152.HK). It is the only overseas-listed group of enterprises under the direct management of a municipal government of, as well as the only state-owned industrial conglomerate in, Shenzhen that focuses on toll road, logistics, port and general-environmental protection businesses. It is a constituent of each of the FTSE All-world Index, the MSCI China ESG Leaders Index, the Hang Seng Stock Connect Hong Kong Index and other indices.

Being committed to becoming a leading urban infrastructure developer and operator as well as a smart transportation and logistics industry builder and promoter in China, the Company has been focusing on building up a powerful state-owned developer and operator of municipal ancillaries in key strategic regions such as the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta and the Beijing-Tianjin-Hebei in recent years, and has gradually established a business structure with four engines of growth, namely toll roads, modern logistics, ports and general-environmental protection. It also holds a 49% equity interest in Shenzhen Airlines and holds a 10% equity interest in Air China Cargo Co., Ltd.

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