

Shenzhen International Announces 2021 Annual Results

Core Business Achieved Remarkable Results Five Year Accumulated Dividend Paid HK\$10.8 Billion

Financial Highlights:

- Revenue was HK\$16,680 million while operating profit was HK\$9,604 million
- Profit attributable to shareholders was HK\$3,563 million and basic EPS was HK\$1.60
- Profit attributable to shareholders from Core Business was HK\$2,704 million, representing an increase of 47% year-on-year
- Total dividend per share was HK\$0.828, with a dividend payout ratio of 52.7%

On 30 March 2022, 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 ended 31 December 2021 (the “Period”). Despite of the multiple negative external challenges in 2021, the Company achieved total revenue of HK\$16,680 million, operating profit of HK\$9,604 million, and profit attributable to shareholders of HK\$3,563 million. In particular, the core business grew steadily, with profit before tax and finance costs increased by 6% to HK\$6,686 million and profit attributable to shareholders increased by 47% to HK\$2,704 million. As at 31 December 2021, the Company's total assets and total equity were HK\$123,708 million and HK\$63,053 million respectively, with an increase of 9% and 8% respectively year-on-year. The Board recommended the final dividend of HK\$ 0.125 and the special dividend of HK\$0.703 per share, with a dividend payout ratio of 52.7%, so as to constantly share the Company's performance with shareholders through an attractive dividend payout ratio in five consecutive years, with an aggregate amount of HK\$10,789 million.

Core Business Developed Steadily Against Challenges

In 2021, Shenzhen International actively responded to many risks and challenges such as COVID-19 pandemic and market downturn while closely focused on development strategy of maintaining existing market, expanding new market, and improving service quality, thereby realizing a stable growth in its mature core business of toll road, a significant increase in its growing core business of logistics parks and ports, as well as a steady expansion of its startup core business of general-environmental protection.

Logistics Park Business Improved Quality and Expanded Area, Driving Significant

Performance Growth

During 2021, the revenue from logistics park business and profit attributable to shareholders increased by 56% and 229% year-on-year to HK\$1,380 million and HK\$500 million, respectively, mainly due to the following three reasons: First, the Company extended its operating area through construction and acquisition, adding 710,000 square meters of operating area in 8 cities including Shanghai, Tianjin, Chongqing, Chengdu, and Yiwu and bringing increase in rental income. Second, the Company further improved its operational capacities through innovative businesses such as intelligent warehouses, value-added services in the logistics parks and intelligent park application systems, with the overall occupancy rate reaching 93% in 30 logistics parks under operation across the country, thereby benefiting from the strong demand for high-standard warehouses and the rising rent prices. Third, the Company realized breakthrough achievement in its closed-loop “Investment, Construction, Financing and Operation” business model of integrated logistics hubs, contributing profit attributable to shareholders of approximately HK\$175 million from asset securitization of Nanchang Integrated Logistics Hub Project.

Port Revenue Hits Record High with Good Growth Momentum

During 2021, the revenue and profit attributable to shareholders from port and related services businesses increased by 92% and 19% to HK\$2,712 million and HK\$108 million respectively year-on-year, mainly due to the effective measures taken in optimizing customer structure, maintaining existing customers, as well as expanding new customers and new business, demonstrating strong resilience in a volatile market.

Toll Road Business Recorded Stable Growth and General-Environmental Protection Business Continued Steady Expansion

The Company operates the toll road business and the general-environmental protection business through Shenzhen Expressway Corporation Limited (“Shenzhen Expressway”, 00548.HK, 600548.SH), a subsidiary of the Company. With the gradual recovery of macro economy in China, the toll road operation returned to normal. Meanwhile the general-environmental protection business also continued expansion in a well-organized manner. During the Period, Shenzhen Expressway recorded an operating revenue of approximately HK\$11,281 million, representing a year-on-year increase of 22%, among which, the revenue from toll road amounted to approximately HK\$7,124 million and the revenue from general-environmental protection business including clean energy and reutilization and management of solid waste amounted to approximately HK\$2,170 million.

Overall, the Company's core business segments have maintained a good growth potential. Logistics parks transformation and upgrading projects such as Qianhai Project and Meilin Checkpoint Project continued to contribute profit, including HK\$875 million investment gain from delivery of Qianhai PARKVIEW BAY, and HK\$2,852 million profit attributable to shareholders from disposal of 35.7%

equity interest in a subsidiary, United Land Company. However, affected by the net loss of approximately RMB3,344 million from an associate, Shenzhen Airlines Company Limited, (in which the loss attributable to Shenzhen International was approximately HK\$1,993 million), the Company's profit attributable to shareholders decrease by 11% year-on-year.

Promoting a High-Quality Sustainable Growth

In 2021, with the goal of establishing a comprehensive logistics ecosystem combining “Inland Port Networking, Logistics Parks, Air Cargo and Railway Freight Logistics Infrastructure + Intelligent and Cold Chain Logistics”, the Company further implemented various strategic measures such as optimizing asset allocation and enhancing sustainable growth, laying a solid foundation for its long-term development.

Continue to Expand the Core Business Area with More than 90% in Core Regions of China

As at 31 December 2021, the Company established its presence in 37 cities across the country, managing a total of approximately 9.72 million square meters of owned and planned land area, in which approximately 3.32 million square meters had been already put into operation. More than 93% of the projects are located in four major city clusters, namely the Greater Bay Area, Yangtze River Delta, Beijing-Tianjin-Hebei and Chengdu-Chongqing, as well as in other strong second-tier cities and logistics hub cities. In the port and related service business, the newly acquired port projects such as Jingjiang Project, Shenqiu Project and Fengcheng Project are expected to be completed and put into operation within next one or two years, with estimated throughput increasing from 38.77 million tons in 2021 to approximately 90 million tons. Along with the expansion of business scale, the Company's profitability of related services will also be significantly enhanced. In the toll road business, through acquisition of Shenzhen Investment Holdings Bay Area Development Company Limited (Stock Code: 00737.HK), the Company obtained the operating rights of the Guangzhou-Shenzhen Expressway and the Guangzhou-Zhuhai West Expressway, further enlarging its market share in core area of the Greater Bay Area. In the general-environmental protection business, the Company has entered into the sub industries of clean energy and reutilization and management of solid waste through the mergers and acquisitions in recent years, thus will benefit from the national “dual carbon” strategy in the long term.

Continue to Upgrade Products and Services by Accelerating "Digital Intelligence" Construction

The Company is committed to cultivating new business model of intelligent and cold chain logistics and intelligent highway. In particular, based on the large-scale warehouse projects currently under construction or to be constructed in the Greater Bay Area, the Company will strive to build an upgrading project of "Shenzhen International Digital Logistics Hub", which will be better integrated with larger scale and advanced digitization, therefore enhancing the Company's competitiveness and

profitability.

Continue to Optimize Business Model and Asset Structure to Boost Performance

In 2021, the Company successfully implemented the business model of “Investment, Construction, Financing and Operation” with Nanchang Integrated Logistics Hub Project as a pilot. Next, the Company will accelerate development of logistics real estate private equity fund and logistics industry chain investment fund, aiming for sustainable development through integration of assets and financing. For the logistics park transformation and upgrading business, the Company will seize the opportunities of government policies, constantly optimize asset structure in order to release the value of related assets including residential, commercial and office buildings in Shenzhen in advance. The Company will also actively cooperate with the government in accordance with the urban development plan and accelerate the transformation and upgrading of South China Logistics Park following the examples of Qianhai Project and Meilin Checkpoint Project, so as to bring sufficient funds to expand core business and boost financial performance.

Looking forward, the Company will march towards the goal of becoming a “Logistics Flagship in the Greater Bay Area” and a leading industrial group, further pursue the sustainable and steady growth of its operating performance and continue to create value for the shareholders.