



Shenzhen International
深國際

Stock code: 00152.HK

2022 年度业绩 Annual Results



- Potential investors and shareholders of the Group (the “Potential Investors and Shareholders”) are reminded that information contained in this Presentation comprises extracts of operational data and financial information of the Group for the year ended 31 December 2022. The information included is solely for the use in this Presentation and certain information has not been independently verified. No representations or warranties, expressed or implied, are made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions presented or contained in this Presentation. Potential Investors and Shareholders should refer to the 2022 Annual Report for the audited results of the Group which are published in accordance with the Listing Rules of the Stock Exchange of Hong Kong Limited.

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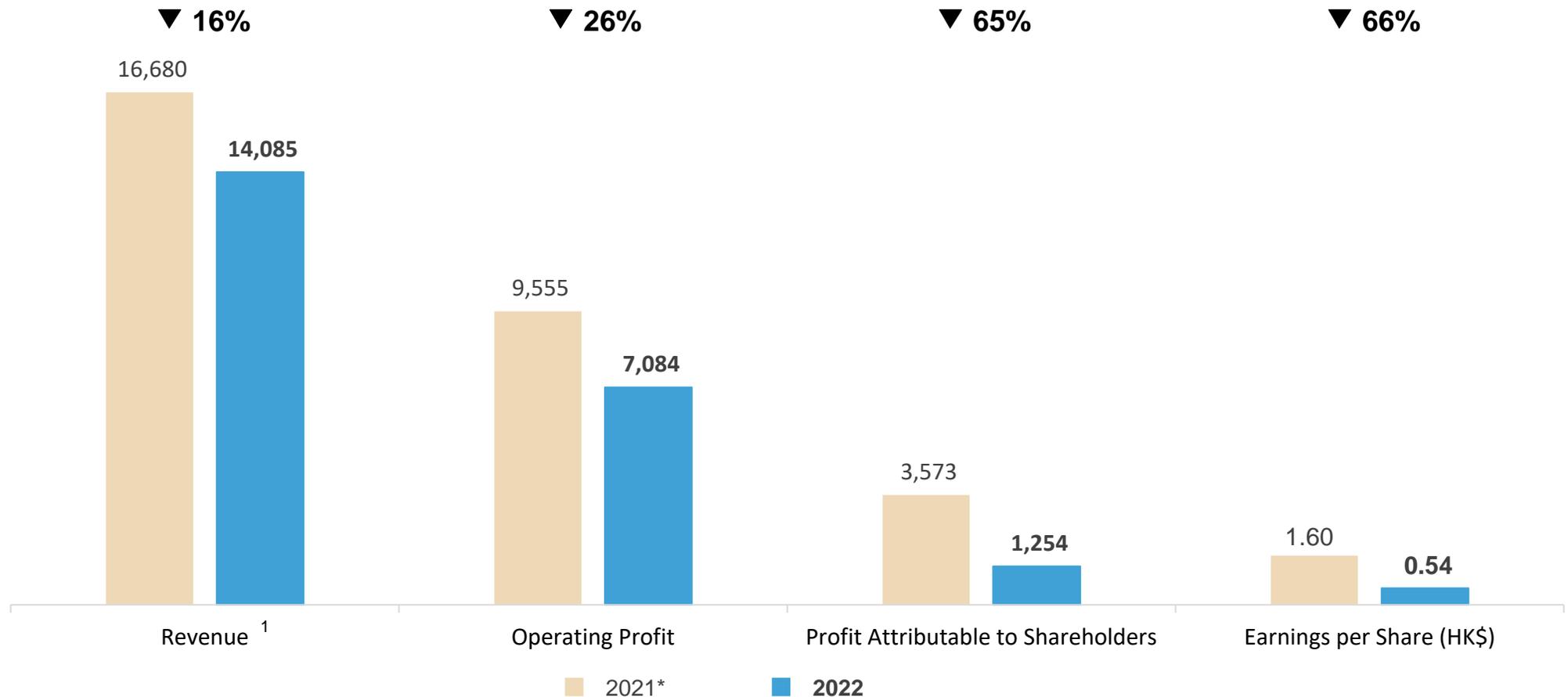
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1. Results Highlights

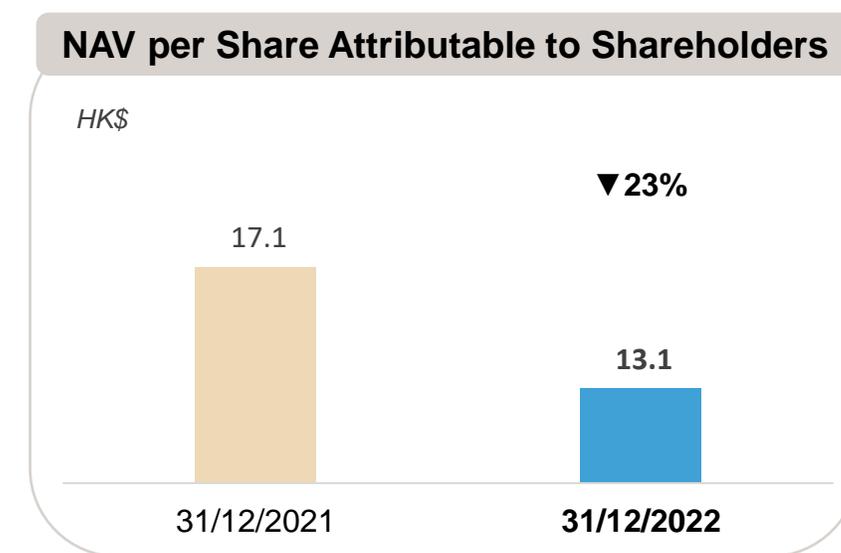
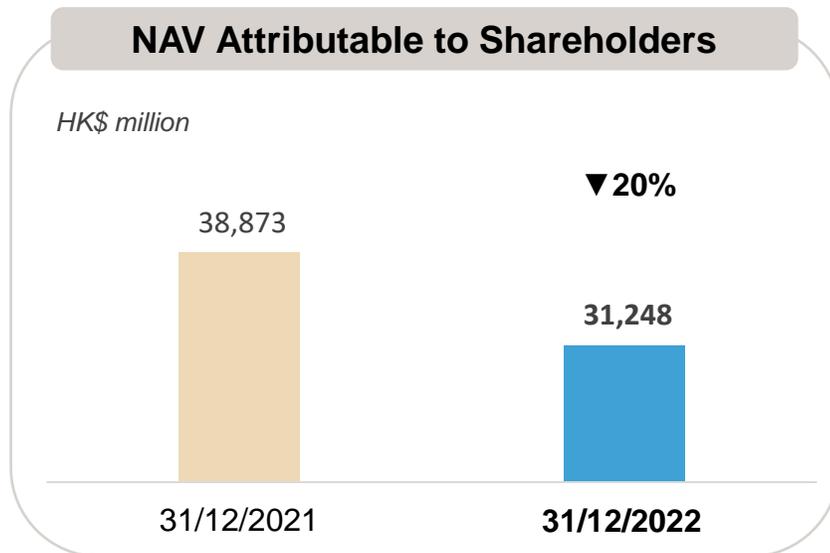
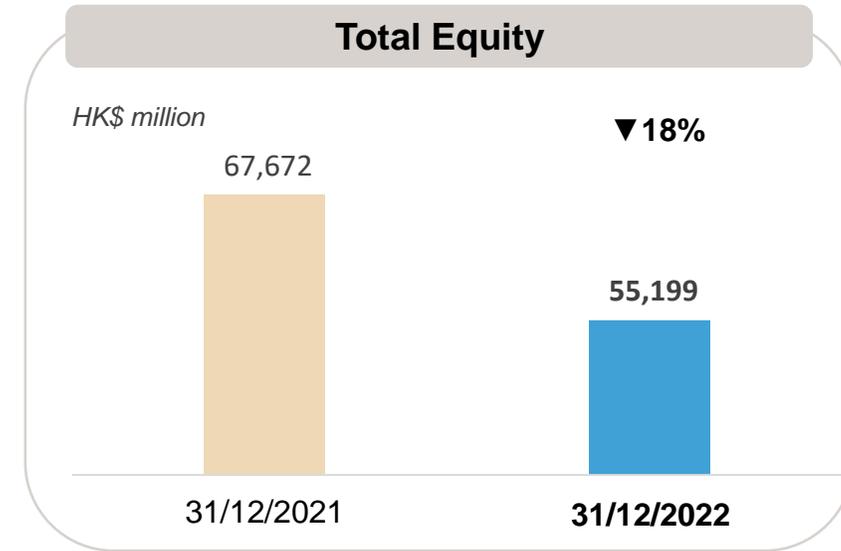
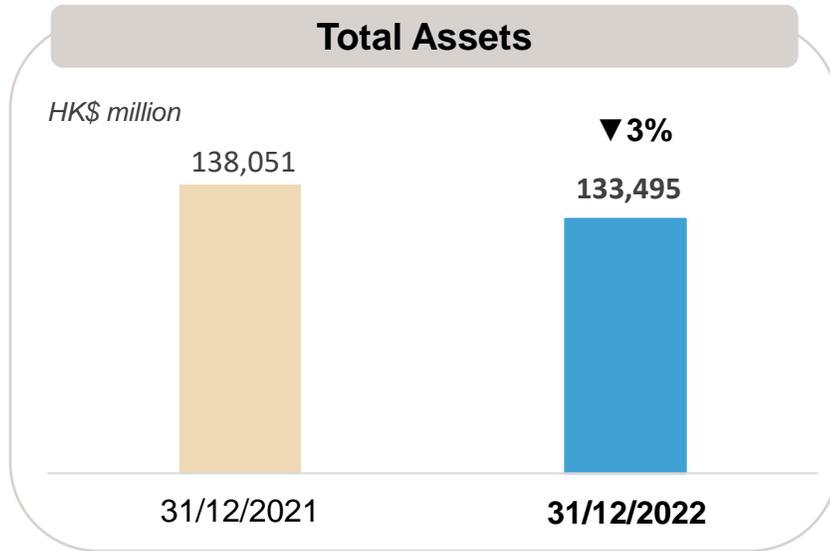
HK\$ million



¹Excluding construction service income from toll road business

* On 11 January 2022, the Group completed the acquisition of 71.83% equity interest in Bay Area Development (Stock Code: 00737). Pursuant to the applicable accounting standards, the Group has made retrospective adjustments to the financial statements for the previous year

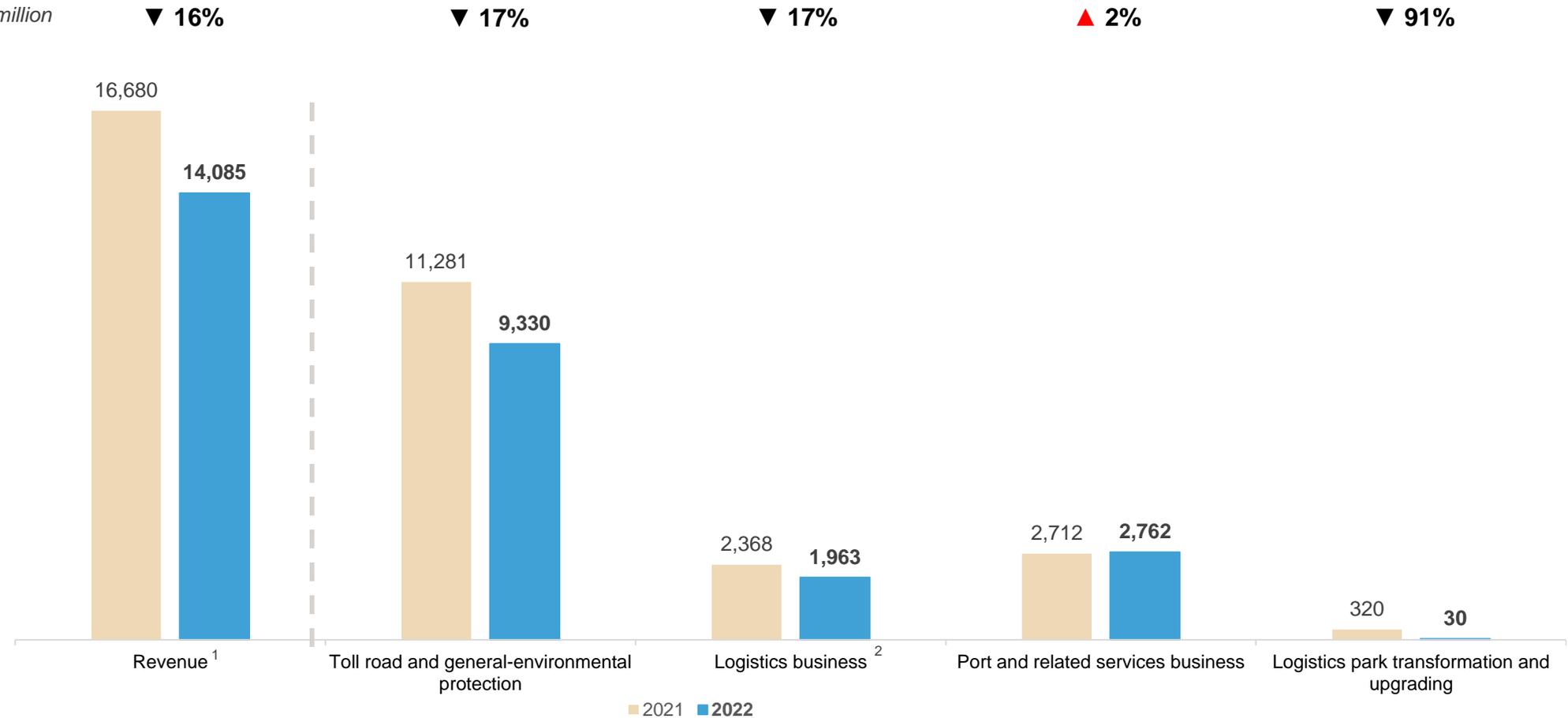
1. Results Highlights



1. Results Highlights – Revenue by Segment

Total Revenue HK\$14,085 million

HK\$ million



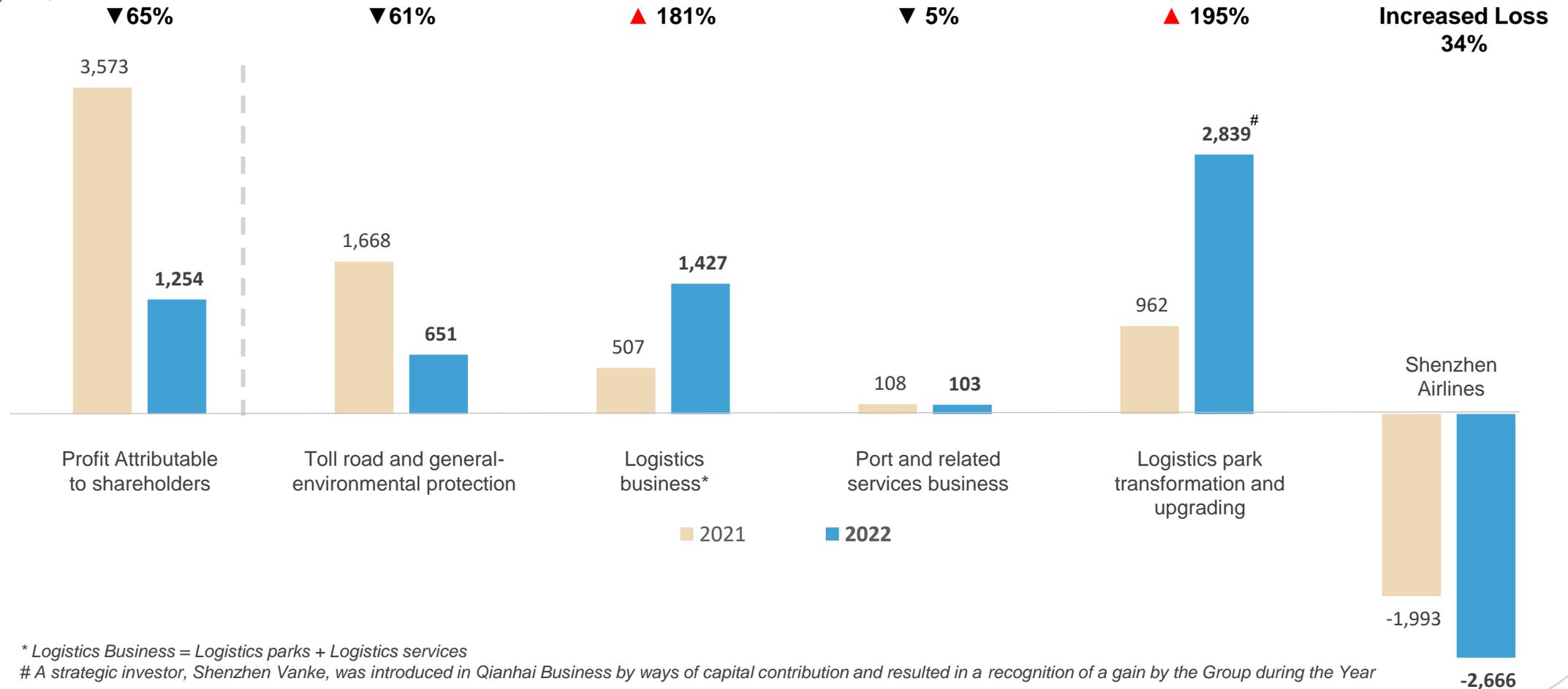
¹Excluding construction service revenue from toll roads

²Logistics Business = Logistics parks + Logistics services

1. Results Highlights – Profit Attributable to Shareholders

Profit Attributable to Shareholders HK\$1,254 million

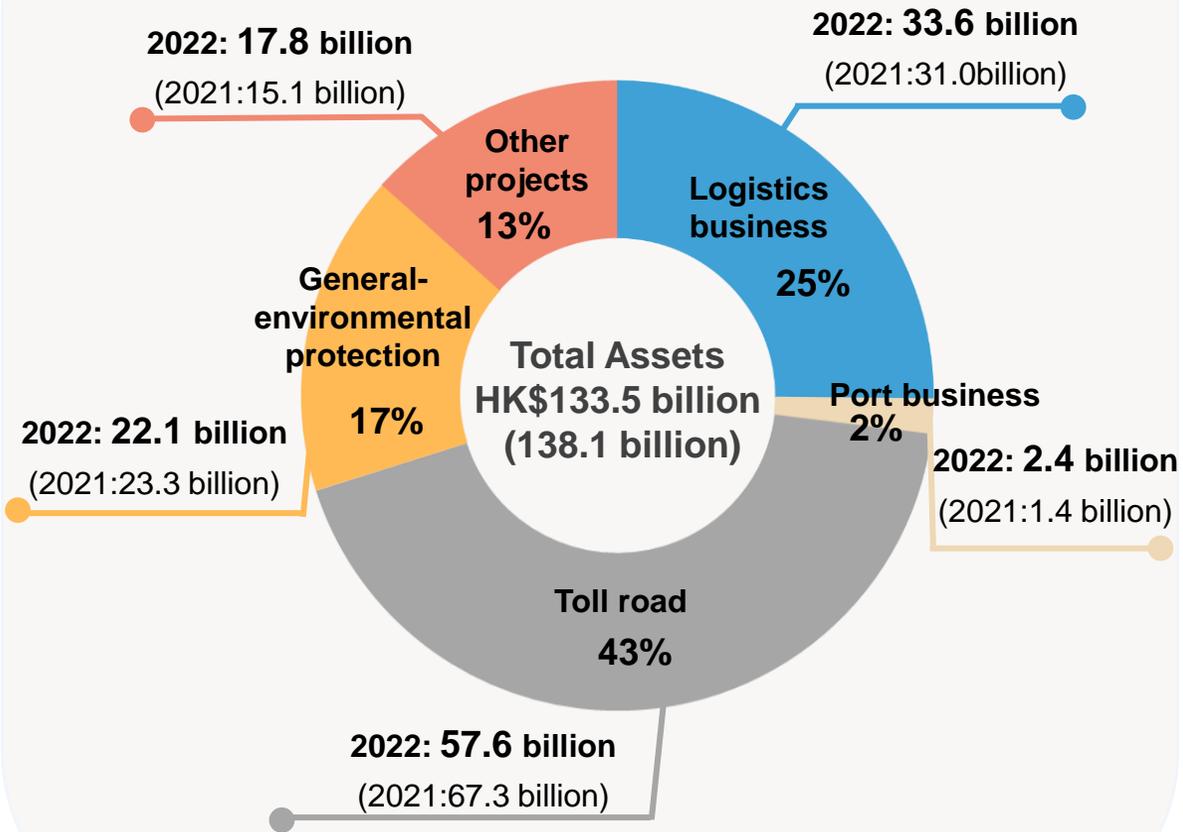
HK\$ million



1. Results Highlights – Asset Structure (Total Assets)

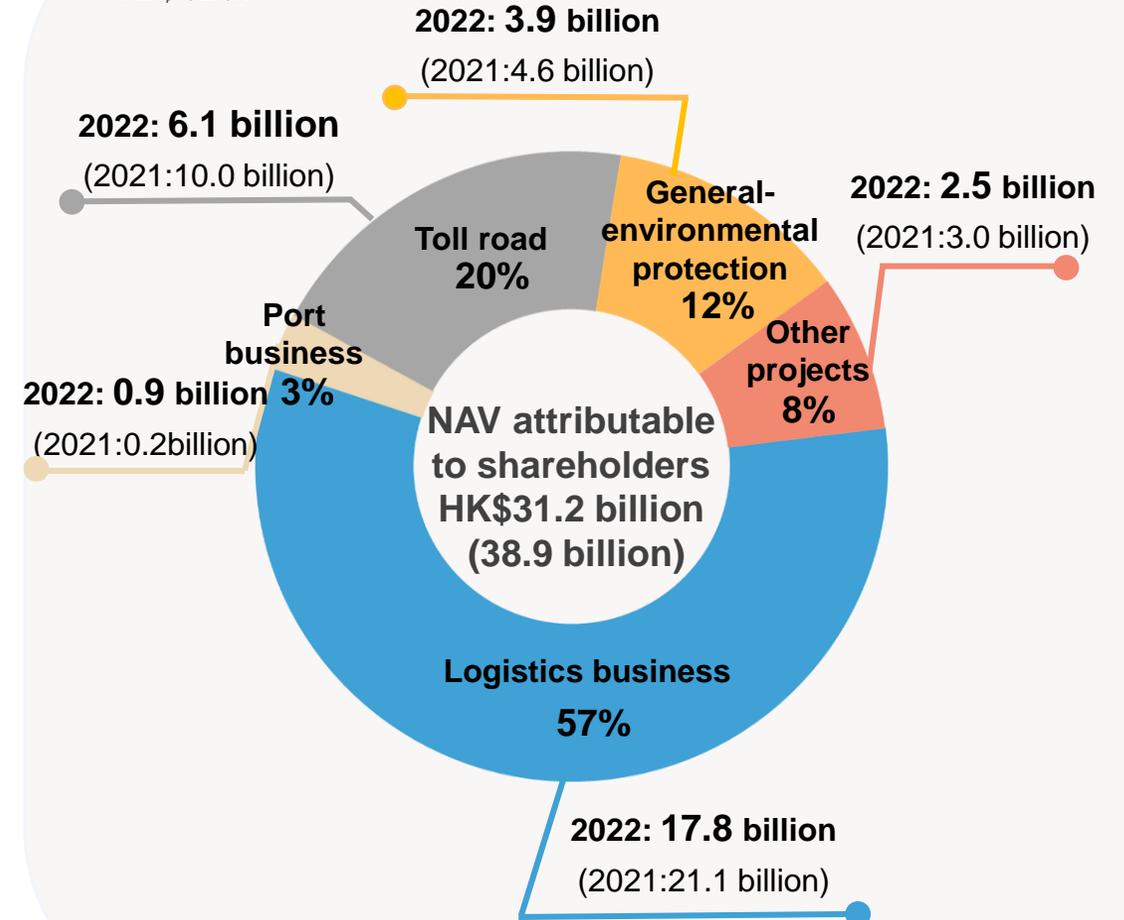
2022 (2021) Total Assets Contribution

HK\$ billion



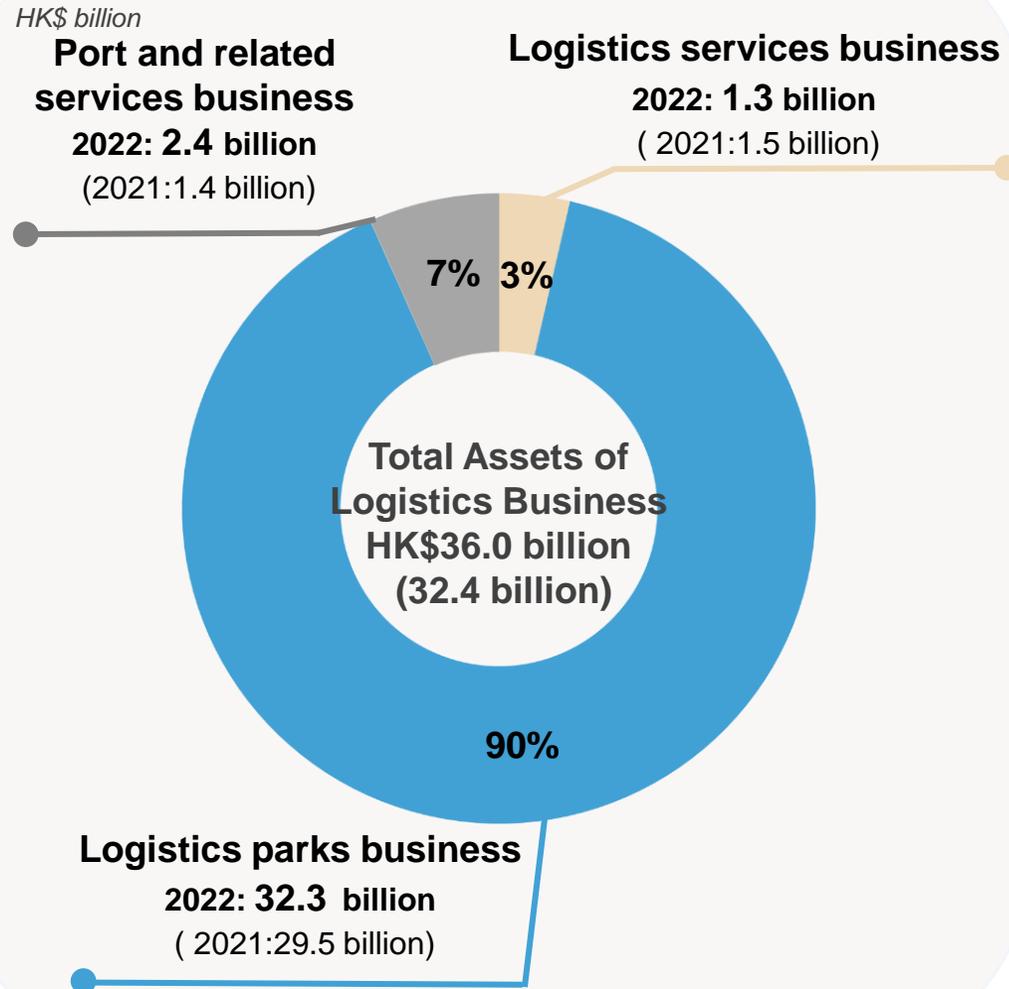
2022 (2021) NAV Attributable to Shareholders Contribution

HK\$ billion

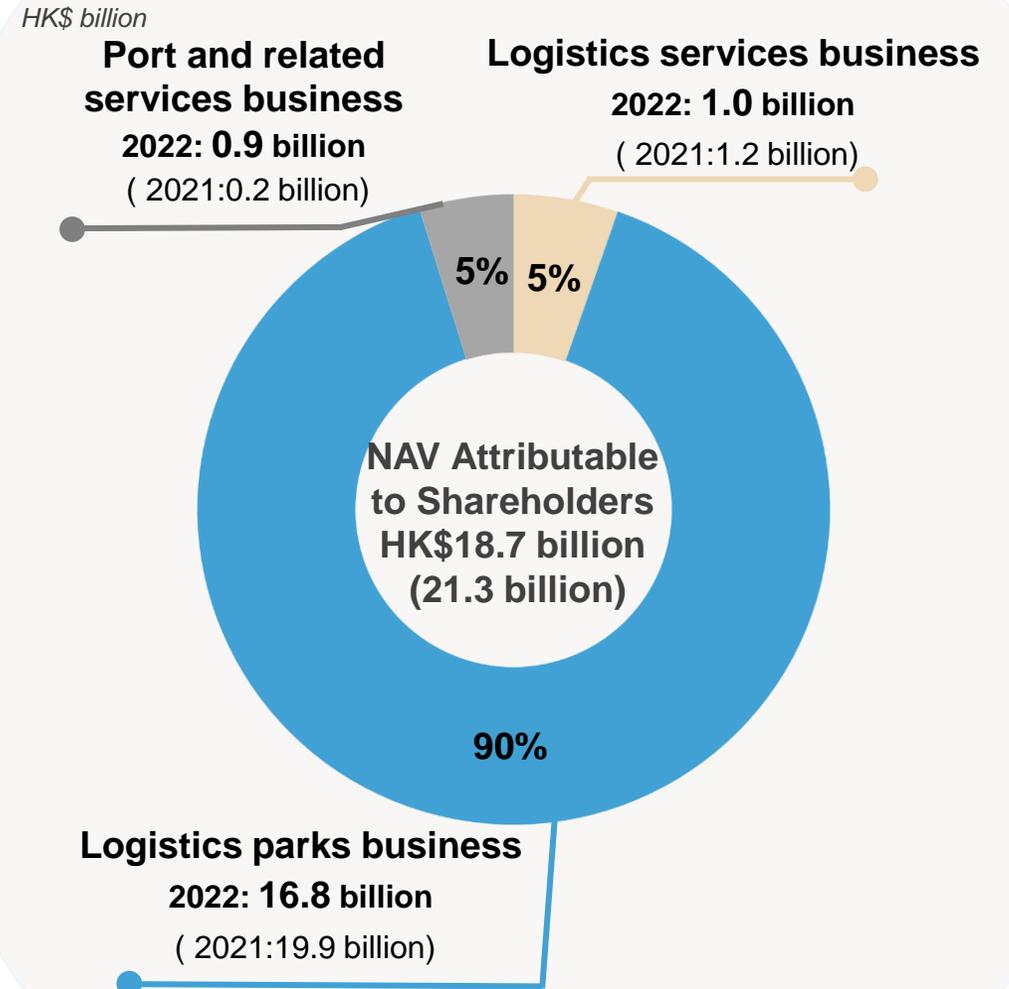


1. Results Highlights – Asset Structure (Logistics Business)

2022 (2021) Total Assets Contribution of Logistics Business

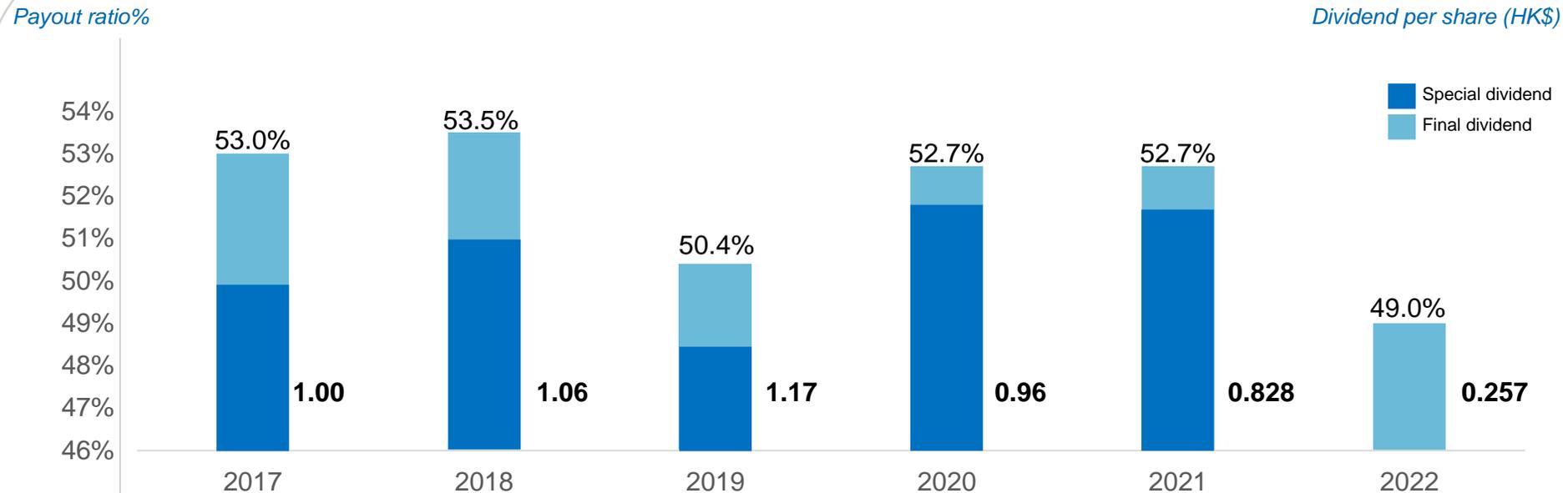


2022 (2021) NAV Attributable to Shareholders Contribution



1. Results Highlights – Dividend

2022 Dividend: HK\$ 0.257 per share / Dividend payout ratio: 49%



■ 2022 EPS: HK\$0.54

■ A final dividend of HK\$0.257 per share is proposed ; Dividend payout ratio of 49.0%

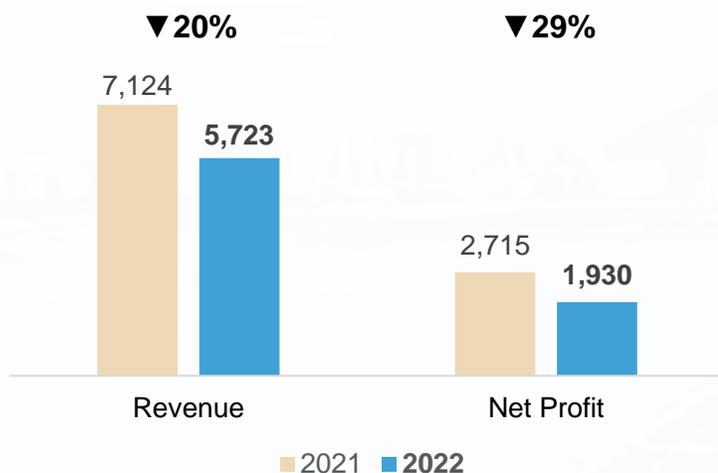
- During the year, Qianhai Business Project recognized a gain of approx. HK\$2.86 billion. However, due to:
 - Loss of Shenzhen Airlines attributable to the Group amounted to approximately RMB2.67 billion
 - A net foreign exchange loss of HKD 1.16 billion was incurred
- Therefore, there will be no one-off gain distribution during the Year

* Payout ratio refers to the profit distribution ratio

2. Business Review – Toll Road Business (Shenzhen Expressway)

Toll Road Business

HK\$ million



Financial Performance

- During the Year, toll revenue and net profit ▼20% and ▼29% YoY respectively, mainly affected by the decrease in road traffic demand and the diversion caused by the opening of Guanglian Expressway for Qinglian Expressway

16

Expressway Projects
Invested in or
Operated

600+

km of Toll Mileage
with Equity Stake

Toll Road Business

- It has actively implemented the preliminary work, such as refining the designs for the construction of the **third phase of the Shenzhen Outer Ring Project**
- As at the end of 2022, approximately 78.4% of the overall construction of the **Phase II of Shenzhen Coastal** has completed
- Entered into a contract in relation to the public-private-partnership (PPP) **reconstruction and expansion project of Jihe Expressway** with the Transport Bureau of the Shenzhen Municipal Government, and also entered into two joint investment, cooperation and construction agreements with Shenzhen SEZ Construction and Development of Transportation and Investment Co., Ltd. in respect of the project. However, Shenzhen Municipal Government subsequently intended to adjust the construction implementation proposal of the project and adjusted the investment and financing proposal accordingly. The Group will go through the relevant approval procedures again upon the finalization of such proposal
- On 11 January 2022, Shenzhen Expressway completed the acquisition of 71.83% equity interest in **Bay Area Development (0737.HK)**, which was indirectly held by Shenzhen Investment Infrastructure

Major Toll Road Business (equity interest %)

Guangdong province – Shenzhen		Guangdong province – Other regions	
Meiguan Expressway	100%	Qinglian Expressway	76.37%
Jihe East	100%	GS Expressway ⁽³⁾	45%
Jihe West	100%	GZ West Expressway ⁽³⁾	50%
Shenzhen Coastal Project ^{(1) (2)}	100%	Yangmao Expressway	25%
Shenzhen Outer Ring Project	100%	GZ W2 Expressway	25%
Longda Expressway	89.93%	Other provinces in the PRC	
Shuiguan Expressway	50%	Wuhuang Expressway ⁽⁴⁾	0%
Shuiguan Extension	40%	Yichang Project	100%
		Changsha Ring Road	51%
		Nanjing Third Bridge ⁽⁵⁾	35%

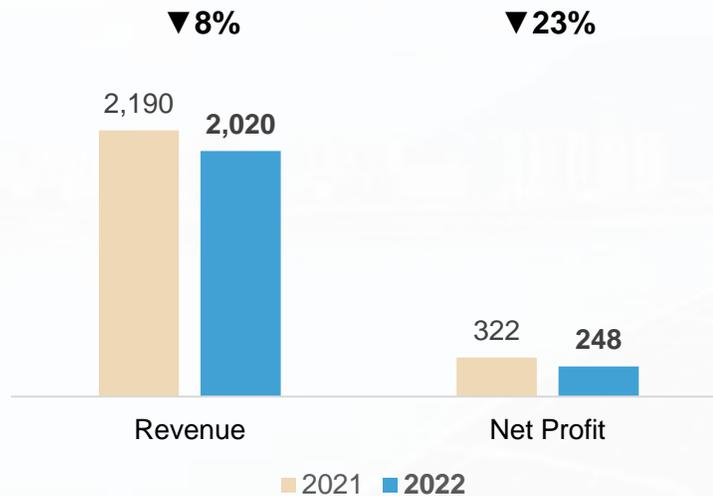
Notes:

- Shenzhen Expressway (00548.HK) directly holds 49% interest of Coastal Project, and indirectly holds 51% interest of Coastal Project through Bay Area Development (00737.HK).
- According to the freight compensation agreement entered by Shenzhen Transport Bureau, the Company and Coastal Company, during the period from 1 January 2021 to 31 December 2024, trucks passing through the Coastal Expressway shall be charged at 50% of the standard toll rate, and such toll waived by Coastal Company shall be compensated for by the government in a one-off manner in March of the following year.
- On 11 January 2022, Shenzhen Expressway completed the acquisition of the 100% equity interest in Shenzhen Investment International Capital Holdings Infrastructure Co., Ltd., thereby indirectly holding approximately 71.83% of the shares in Bay Area Development, which is in turn indirectly entitled to the rights to share 50% and 45% of the profits of GZ West Expressway and Guangshen Expressway, respectively.
- The concession period of Wuhuang Expressway funded by the Group expired at 24:00 on 10 December 2022.
- As approved by the executive Board, Shenzhen Expressway acquired 10% equity interests in Nanjing Third Bridge for approximately RMB175 million (the actual consideration after deducting the dividends during the transition period is approximately RMB158.9 million), and the relevant business registration change procedure was completed on 27 September 2022, increasing Shenzhen Expressway's equity interests in Nanjing Third Bridge from 25% to 35%.

2. Business Review – General-Environmental Protection Business (Shenzhen Expressway)

General-Environmental Protection Business

HK\$ million



Financial Performance

- During the Year, revenue of general-environmental protection business ▼8% YoY, mainly due to the decrease in income from the kitchen waste treatment project
- Net profit decreased by ▼23% YoY to HK\$248 million

Key Business Update

- Clean Energy:**
 - As at the end of 2022, wind power projects invested in and operated by the Group had an accumulated installed capacity of 648 MW
- Solid Waste Treatment :**
 - Completed an increase in its equity interest in a subsidiary, **Qiantai Company** to 63.33%. It is the only whitelist enterprise qualified under the “Industry Standards and Conditions for the Comprehensive Utilisation of Waste Power Batteries for New Energy Vehicles” in Shenzhen
 - Actively pushed through the construction of the main structure as well as the procurement and installation of key equipment of the **Guangming Environmental Park Project**, and the project is expected to complete in 2023
 - In April 2022, completed the acquisition of 70% equity interest in **Lisai Environmental** and will obtain the concession to handle kitchen waste in Longhua District, Shenzhen
 - Increased its shareholding in **Bioland Environmental Company** to 92.29% by way of capital contribution in order to tighten its control and enhance the standardization level over the operation and management
 - Successfully won the concession to **operate a kitchen waste collection and treatment project in Shaoyang City**, Hunan Province

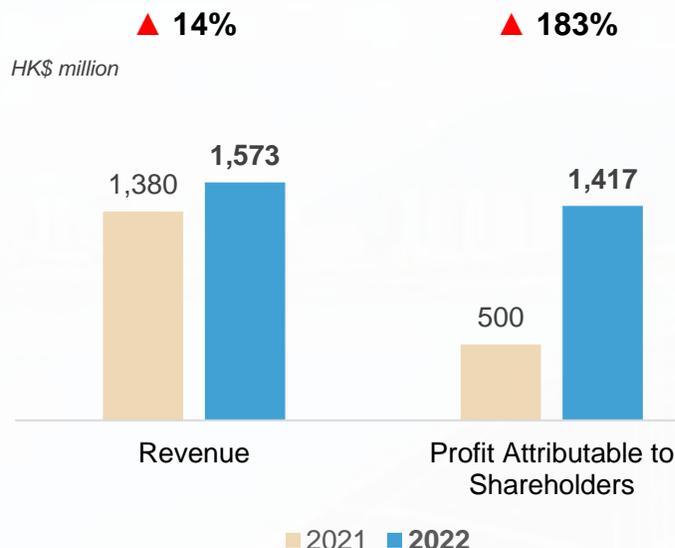
	Projects	Interests Held
Clean Energy	Xingjiang Mulei Project ¹	100%
	Baotou Nanfeng Wind Power Technology Co., Ltd.	100%
	Yongcheng Zhuneng Project ²	100%
	Zhongwei Gantang Project ³	100%
	Nanjing Wind Power Technology Co., Ltd.	51%
	Huaian Zhongheng New Energy Co., Ltd.	20%
	Shenzhen Fenghe Energy Investment Limited	50%
Solid Waste Treatment	Guangming Environmental Park Project ⁴	100%
	Shaoyang Project ⁵	100%
	Shenzhen Lisai Environmental Technology Limited	70%
	Shenzhen Expressway Bioland Environmental Technologies Corp., Ltd.	92.29%
	Shenzhen Shenshan Special Cooperation Zone Qiantai Technology Co., Ltd.	63.33%
Water Environment Remediation and Others	Chongqing Derun Environment Co., Ltd.	20%
	Shenzhen Water Planning & Design Institute Company Limited	11.25%

Notes:

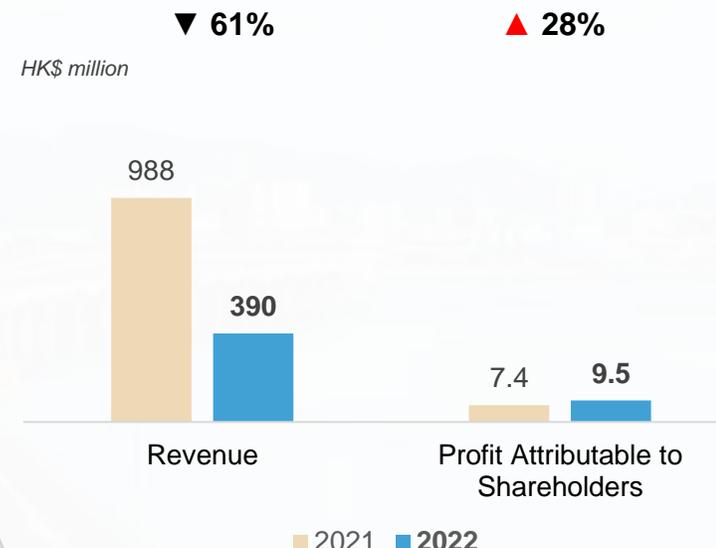
- The wind power project of Changji Mulei Laojunmiao Wind Farm in Xinjiang Zhundong New Energy Base.
- The 32 megawatt (MW) wind power project in Yongcheng City, Shangqiu City, Henan Province.
- The 49.5 MW wind power project in Gantang, Zhongwei City, Ningxia Province.
- The Shenzhen Guangming Environmental Park PPP Project (an organic waste treatment investment and operation project) was invested in and constructed by the Group under the BOT (Build-Operate-Transfer) model.
- The kitchen waste collection, transfer and disposal concession project in Shaoyang City, Hunan Province.

2. Business Review – Logistics Business

Logistics Park Business



Logistics Services Business



Financial Performance

Logistics Parks

- During the Year, revenue from the logistics park business ▲14% YoY, mainly attributable to new revenue contributed by new logistics parks completed and commenced operation as well as new logistics park projects acquired
- Profit attributable to shareholders ▲183% YoY, mainly attributable to the gain after tax of approximately HK\$657 million arising from the injections as well as the valuation gains of approximately HK\$252 million arising from property re-valuation during the Year

Logistics Services

- During the year, revenue from the logistics service business ▼61% YoY, mainly due to business restructuring. Profit attributable to shareholders ▲28% YoY to HK\$9.52 million

2. Business Review – Logistics Business

Major Progress in Logistics Business

As at 31 December 2022, the Group has established foothold in approx. **40** key logistics gateway cities across the country, managed and operated a total of **34** logistics projects with approx. **8.15** million sqm obtained operation rights and **over 4 million sqm** of operating area, achieving an overall occupancy rate of 86%.

In 2022, the Group obtained new land plots with the site area of approx. 1.81 million sqm, and newly developed land plots of approx. 0.87 million sqm which have been put into operation.



The Greater Bay Area

- **13** projects in total, of which 4 projects has been put into operation or under management, and 9 projects under planning and construction
- **Zhongshan Torch Project** (operating area of approx. 66,000 sqm) As at 31 December 2022, the occupancy rate has reached almost 100%
- The Group successfully obtained two warehouse construction sites in **Nanhai District** and **Shunde District of Foshan**, adding approx. 280,000 sqm of site area in the Greater Bay Area to the land reserves, which are expected to commence operations in 2025
- The Group successfully bid **Foshan Gaoming** warehouse site in January 2023 (site area of approx. 157,000 sqm)

Shenzhen

- **SZ Western Logistics Park** (total operating area of approx. 122,000 sqm), the overall occupancy rate of the park reached 100% in 2022
- **SZ Liguang Project** (planned GFA of approx. 265,000 sqm), the construction of the main structures thereof was completed with the roof completed in August 2022. This project is expected to be put into operation in 2023
- **SZ Yantian Comprehensive Bonded Project** (planned GFA of approx. 127,000 sqm) with the aim of being completed and put into operation in 2023
- **SZ Kanghuai E-commerce Center** is the first asset-light management project operated by the Group and has an operating area of approx. 143,000 sqm
- The railway yard in the first phase (area in operation of approx. 170,000 sqm) of the **SZ Pinghunan Project** has been handed over gradually since early 2022 and put into operation; the second phase of facilities to be constructed over the railway yard will commence construction within 2023 and is expected to complete by 2026
- **SZ Pingshan Project** (planned GFA of approx. 450,000 sqm). The Group has completed the acquisition of 70% equity interest in this project in April 2022

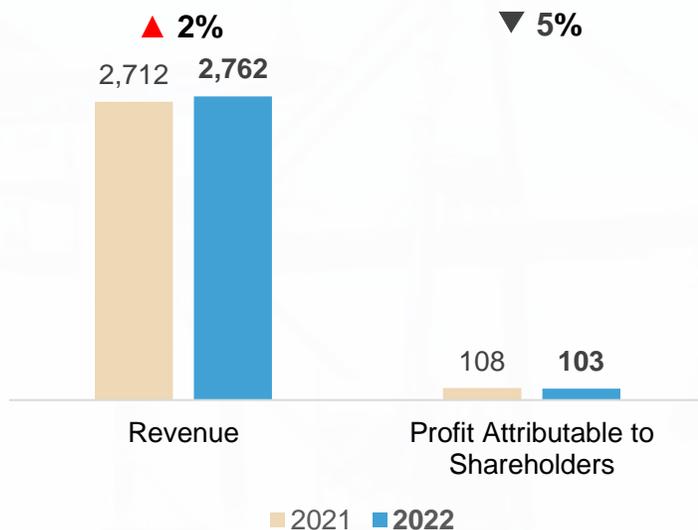
Other Regions of China

- The Group had in aggregate **30** operating logistics hub projects in more than **33** logistics gateway cities (total operating area of approx. 3.67 million sqm)
- The Group acquired **Zhengzhou Xinzheng Project** and **Hefei Feixi Project** at a total consideration of approx. RMB1.71 billion. The Group plans to construct high-standard warehouses on the vacant land of these two projects. The total operating area will exceed 700,000 sqm upon completion
- **Shijiazhuang Zhengding Project** will be the first industrial-city complex in the PRC that integrates the logistics and commerce (total GFA of 500,000+ sqm). As at the end of 2022, approx. 64,000 sqm have been put into operation
- The Group has undertaken a number of management projects across the PRC, such as **Yueyang Smart Commercial and Trading Logistics Park**, **Hainan Yangpu Project** and **Guangdong Huiyang Project**, etc.

2. Business Review – Port and Related Services Business

Port and Related Services Business

HK\$ million



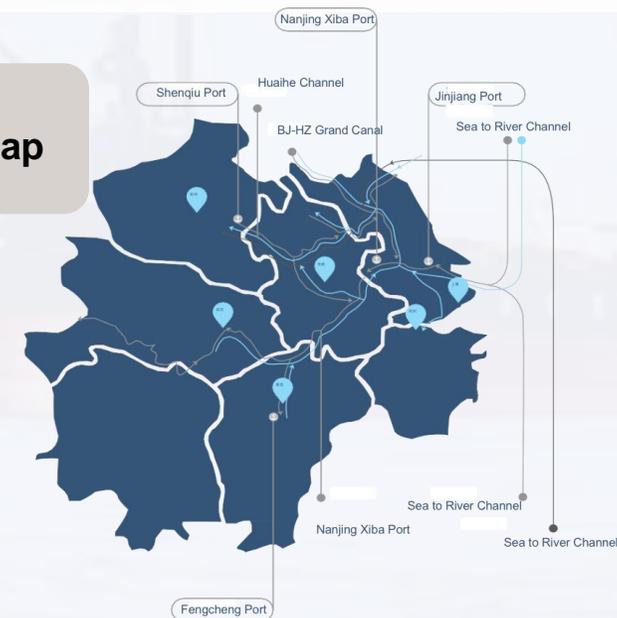
Financial Performance

- During the Year, the revenue from the port and related service business ▲2% YoY
- During the Year, the profit attributable to shareholders ▼5% YoY

Key Business Update

- **Nanjing Xiba Port (with 70% equity interest):** In 2022, a total of 571 seagoing vessels berthed at Nanjing Xiba Port with a total throughput of approx. 38.7 million tonnes, of which approximately 4.67 million tonnes were transported by train, its business volume continued to rank first amongst 11 similar ports along the Yangtze River
- The Group has put additional efforts in exploring quality port projects and expediting the establishment of the “1 + N” multi-point port network
- **Jingjiang Port (with 70% equity interest):** The construction of the main marine structures of this project has been completed and two of the first batch dock cranes have been successfully commissioned at the end of 2022. This project is scheduled to be put into operation by the end of 2023
- **Shenqiu Port (with 40% equity interest in the joint venture):** In December 2022, the first vessel successfully berthed and underwent heavy load testing at the Shenqiu Port
- **Fengcheng Shangzhuang (with 20% equity interest):** The inspection and acceptance procedures of the first phase were completed at the end of 2022. The project is expected to commence operation in the first half of 2023

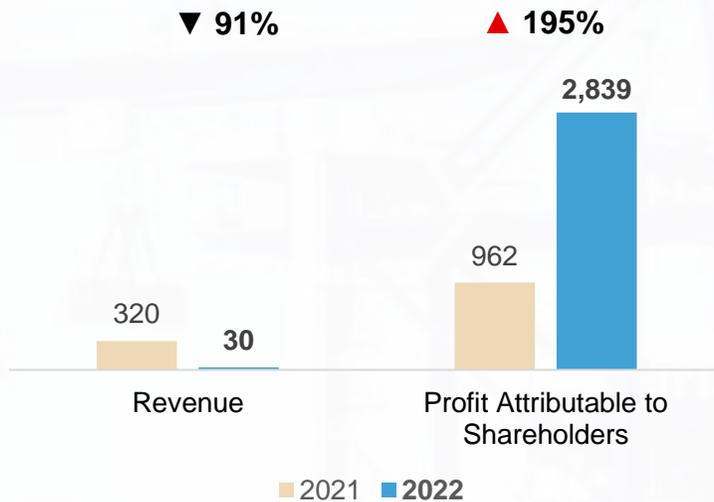
Port Distribution Map



Business

Logistics Park Transformation and Upgrading Business

HK\$ million



Financial Performance

- During the year, **revenue** from the logistics park transformation and upgrading business ▼91% YoY, mainly due to the absence of HK\$309 million of residential decoration income from the second phase of the project in Meilin Checkport project recognized in the corresponding period of the previous year. Revenue for the Year of HK\$30.2 million mainly derived from the rental income generated by the newly launched Shenzhen International Yidu Building, which is the office development of the first phase of the Qianhai Project
- Profit attributable to shareholders** ▲ 195% to HK\$2,839 million, mainly attributable to the introduction of Shenzhen Vanke as a strategic investor of Qianhai Business, which made two batches of capital contribution during the year, and resulted in a recognition of a gain by the Group during the Year



SZI · Qianhai Project



SZI · South China Logistics Park Project

Key Business Update

The First Phase (total GFA of approx. 110,000 sqm)

- The office project** (approx. 35,000 sqm) “Shenzhen International Yidu Building” is jointly managed and operated by the Group and CCID. As at the end of 2022, this project recorded an occupancy rate of 73.2%; **The commercial project** “Qianhai Yinli” (approx. 25,000 sqm) : a boutique commercial project in Mawan area in Qianhai, which jointly constructed with SCPG, officially commenced operation in September 2022

The Second Phase (plot ratio-based GFA of approx. 110,000 sqm, residential area of approx. 91,000 sqm)

- Independently developed and operated** “Yicheng Qiwanli”, with a plot ratio-based GFA of about 65,000 sqm, was launched for pre-sale in September 2022. As of 31 December 2022, the Group has received approx. RMB4.9 billion for the payment collection. As for the residential development **jointly developed with Shenzhen Vanke**, comprising residential area of approx. 40,000 sqm and commercial area of approx. 3,400 sqm. The pre-sale was completed in 2022

The Third Phase (plot ratio-based GFA of approx. 172,000 sqm)

- Independently developed and operated:** plot ratio-based GFA of approx. 92,000 sqm, comprising office GFA of approx. 79,000 sqm, commercial GFA of approx. 12,000 sqm and community service centers GFA of 1,000 sqm. Currently, the Group is actively promoting the land swap initiatives and plans to commence construction at a suitable time in the future
- Jointly developed with Shenzhen Vanke:** residential project with plot ratio-based GFA of approx. 80,000 sqm. The construction of the main structure is currently in steady progress and the pre-sale is planned to commence within 2023

Introduced Shenzhen Vanke as a Strategic Investor of Qianhai Business

- Qianhai Business owns the rights to develop “Qianhai Yinli” as well as the aforementioned projects in the second and third phase of the Qianhai Project being developed in collaboration with Shenzhen Vanke. Shenzhen Vanke injected approx. RMB915 million and RMB1,480 million in two batches to Qianhai Business, respectively. Upon the completion of the second batch of capital contribution, the Group’s shareholding in Qianhai Business was diluted to 50%, and Qianhai Business ceased to be a subsidiary of the Group. As a result of the capital contribution in the Group recognized a gain before tax of approx. RMB2,487 million

The Transformation of SZ South China Logistics Park was Supported by Various Policies (covering an area of approx. 580,000 sqm)

- The Group will proactively promote the transformation of the park area into “functional headquarters for the digital economy”
- The concept for the integration of the park in the planning and design of southern Longhua has been preliminarily recognized by the government of Longhua District

2. Business Review – Other Investments

Shenzhen Airlines

In 2022, the demand in the civil aviation industry experienced a downturn due to the pandemic and tightened local travel restrictions and quarantine measures implemented in Shenzhen and various regions



- Under the equity method, when the Group's share of accumulated losses in an associate equals or exceeds its interest in the associate, the **Group does not recognize further losses**. Therefore, the share of losses incurred by Shenzhen Airlines recognized by the Group in the profit or loss for the year was equal to its residual carrying value, i.e. approx. HK\$2,666 million (2021: loss of HK\$1,993 million)
- Shenzhen Airlines' total revenue for the year decreased by 32% to RMB12,541 million as compared to the corresponding period of the previous year (2021: RMB18,500 million)



- Carried 14.61 million **passengers** and recorded a **passenger traffic** of 22,396 million passenger-kilometer, representing a decrease of 40% and 38%, respectively, as compared to the corresponding period of the previous year



- As at 31 December 2022, the **fleet size** was 226 aircraft (2021: 229). Currently, Shenzhen Airlines operates **308 domestic and international routes**, including 301 domestic routes and 7 international routes

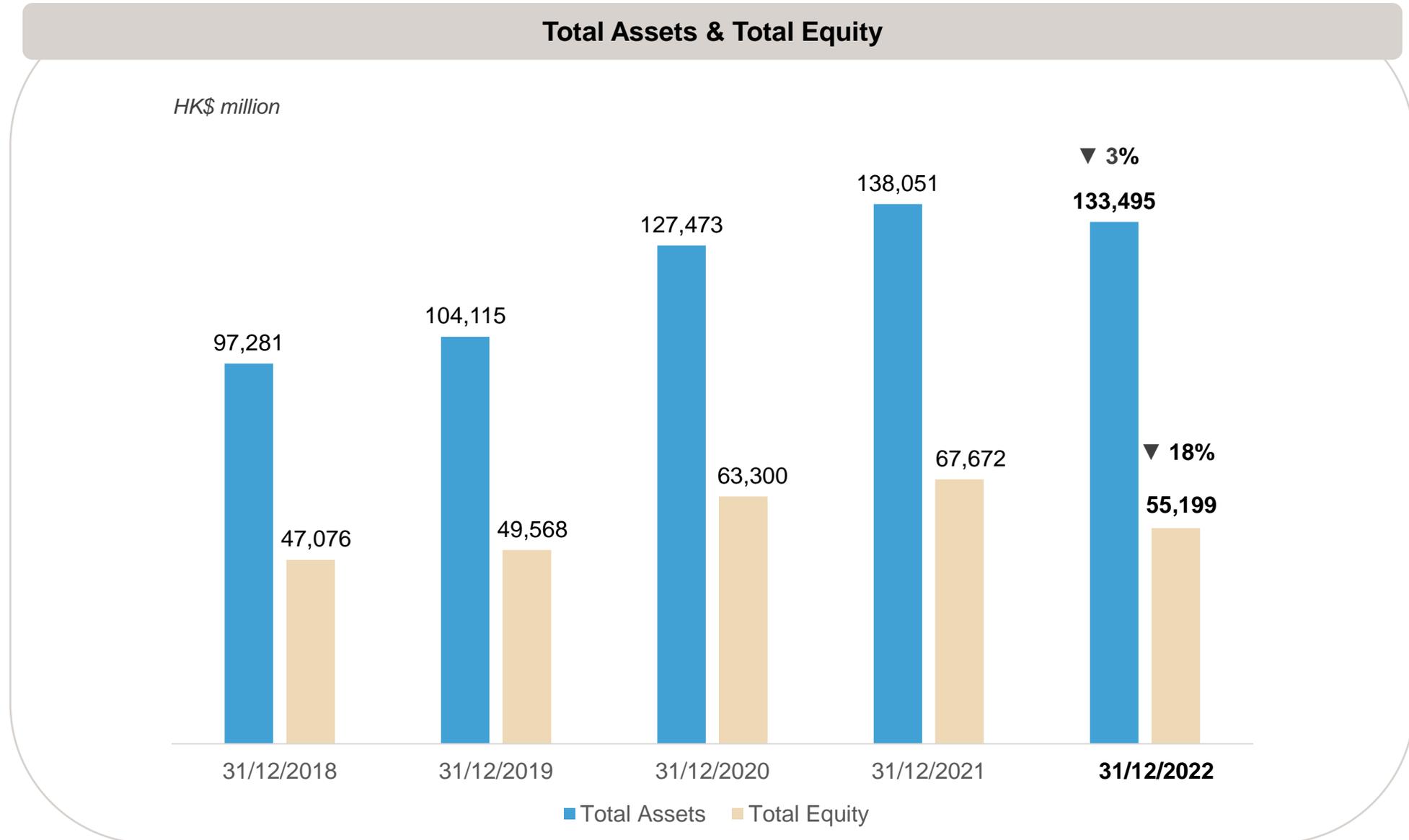
3. Financial Position - Overview

(HK\$ million)	31/12/2022	31/12/2021 (Restated)^	Increase / (Decrease)
Total Assets	133,495	138,051	(3%)
Total Equity	55,199	67,672	(18%)
NAV Attributable to Shareholders	31,248	38,873	(20%)
NAV per Share Attributable to Shareholders (HK dollar)	13.1	17.1	(23%)
Cash	14,025	11,985	17%
Bank Borrowings	34,861	25,610	36%
Other Borrowings	314	534	(41%)
Notes and Bonds	18,592	18,015	3%
Total Borrowings	53,767	44,159	22%
Net Borrowings	39,742	32,174	24%
Debt-asset Ratio (Total Liabilities / Total Assets)	59%	51%	8[#]
Ratio of Total Borrowings to Total Assets	40%	32%	8[#]
Ratio of Net Borrowings to Total Equity	72%	48%	24[#]
Ratio of Total Borrowings to Total Equity	97%	65%	32[#]

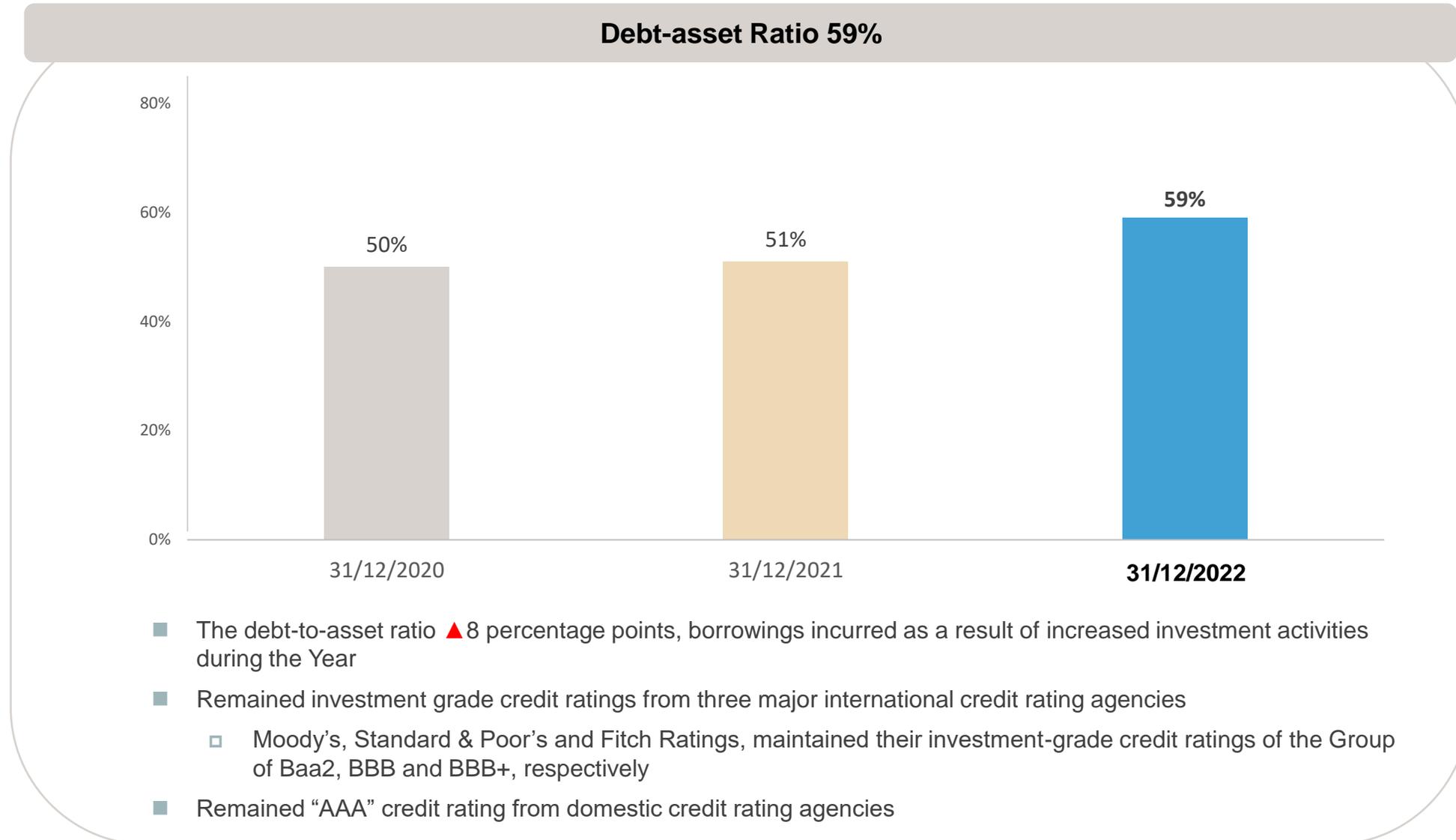
Change in percentage points

^ On 11 January 2022, Shenzhen Expressway completed the acquisition of 71.83% equity interest in Bay Area Development (00737.HK). Because Bay Area Development is an enterprise under the common control of Shenzhen Investment, pursuant to the applicable accounting standards, the Group has made retrospective adjustments to the consolidated financial statements for the previous year

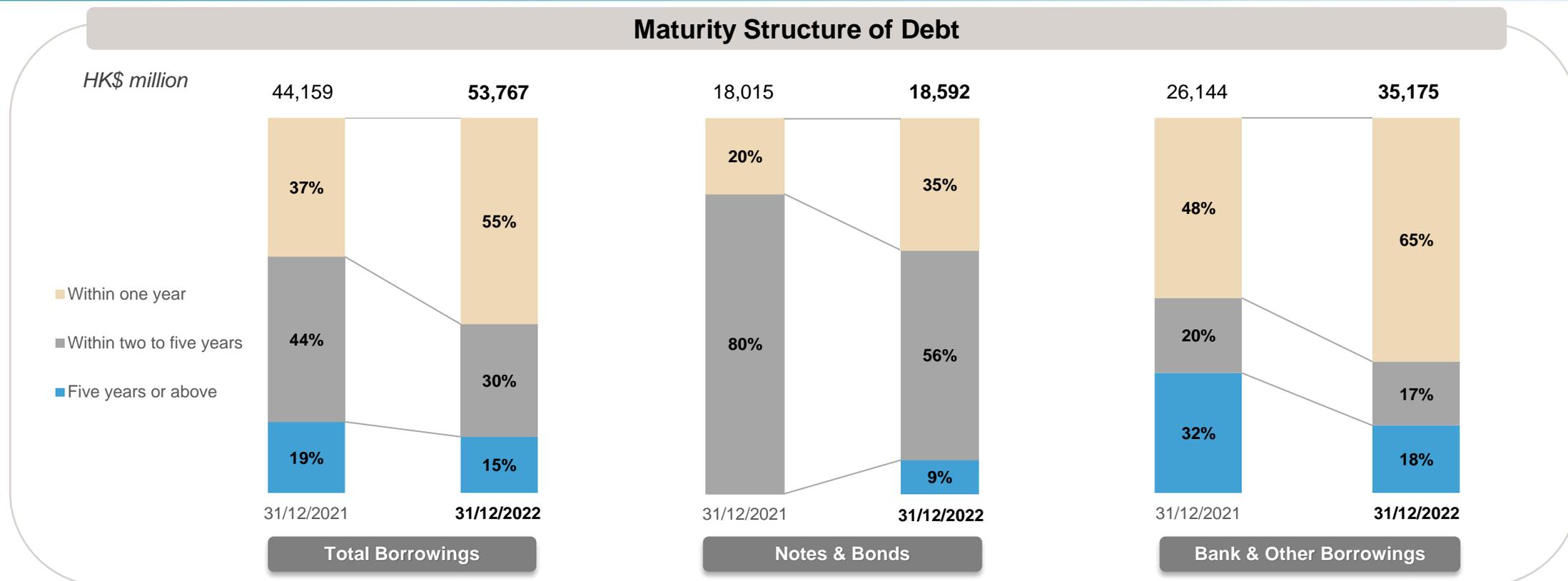
3. Financial Position - Total Assets & Total Equity



3. Financial Position - Debt-asset Ratio



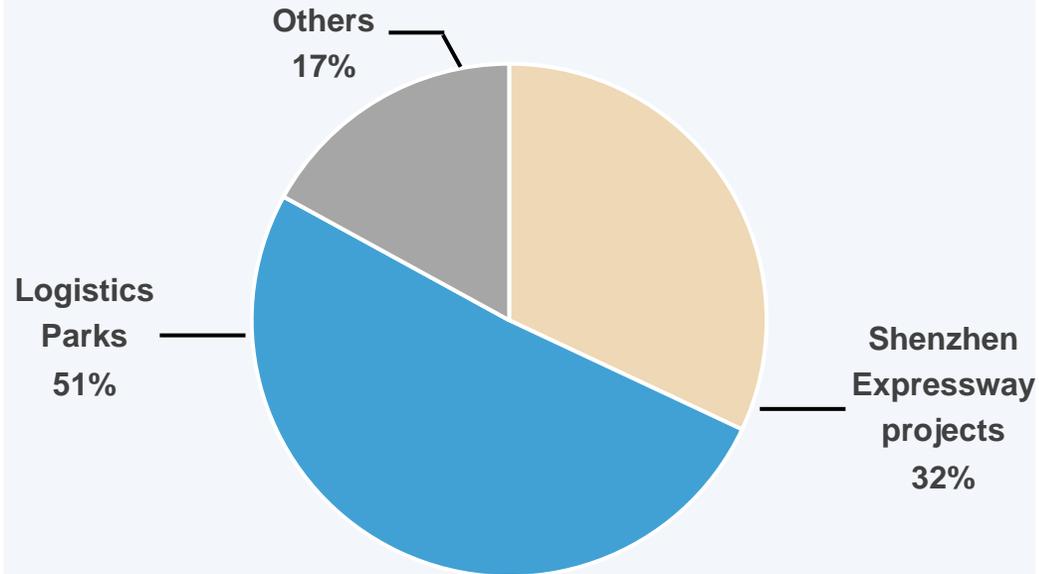
3. Financial Position - Maturity Structure of Debt



- RMB/US\$ exchange rates fluctuated relatively wildly, result in a net foreign exchange loss of HK\$1,160 million during the Year (2021: exchange gain of HK\$99.28 million)
 - The Group will continue to monitor the foreign exchange market
 - The Group will adjust the currency structure of its borrowings to mitigate RMB exchange rate fluctuation
 - As at 31 December 2022, the ratio between the Group’s borrowings in RMB and other currencies was 74%:26% (Outstanding Borrowings: RMB35.3 billion, HK\$9.7 billion, US\$545 million).
 - The ratio between medium/long term and short-term borrowings to the Group’s total borrowings was 45% : 55%

3. Financial Position - Capital Expenditures

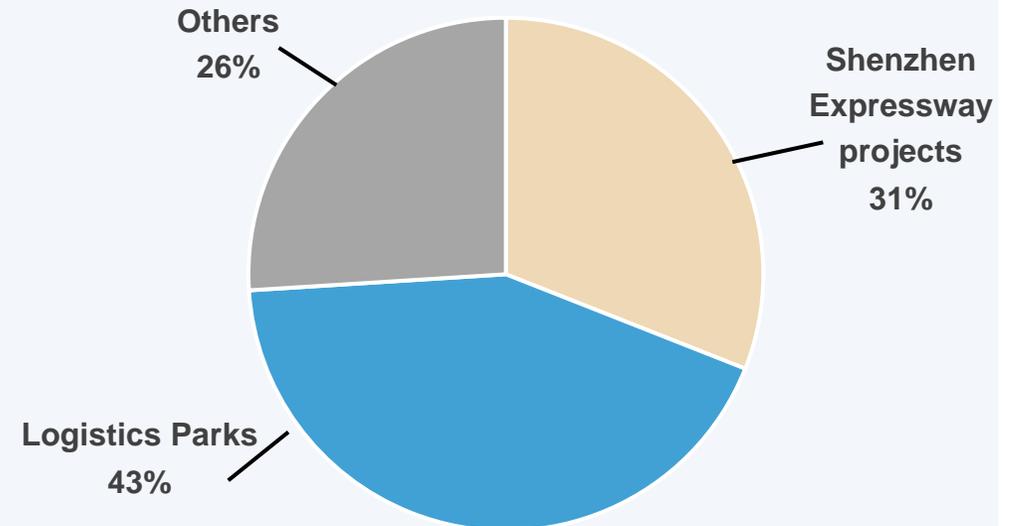
2022 Actual
HK\$7 billion (RMB6.2 billion)



2022 Capital Expenditures in Major Projects:

- Logistics parks projects: approx. RMB3.16 billion
- Port projects: approx. RMB0.67 billion
- Qianhai project: approx. RMB0.36 billion
- Shenzhen Expressway projects: approx. RMB2 billion

2023 Forecast
HK\$9.9 billion (RMB8.8 billion)



2023 Capital Expenditures Forecast in Major Projects:

- Logistics parks projects: approx. RMB3.8 billion
- Port projects: approx. RMB1.2 billion
- Transformation and upgrading project: approx. RMB0.9 billion
- Shenzhen Expressway projects: approx. RMB2.7 billion

4. Outlook - Strengthen its Core Businesses by Deploying the “Four Growth Engines” Layout Strategy



Continue to Improve the Nationwide Logistics Network Layout

- Leveraging its local advantages in Shenzhen and GBA, the Group will seize the opportunities brought by the three-tiered “7+30+N” logistics station layout, “20+8” industrial clusters, “Multi-storey Factories”, “Multi-storey Warehouses” and other policies in relation to the logistics industry
- Continue to **integrate and balance the asset-light and asset-heavy strategies** with a view to exploring and developing an integrated urban service system and a value-adding integrated logistics hub service ecosystem that achieve the “warehousing + transportation + distribution + value chain extension” using the operational capacity of the asset-light operation and the hardware of the asset-heavy operation

Ports

- With the **goal of future spin-off**, the Group is unwaveringly implementing the “Port Connection Action”
- Speed up the construction of the Jingjiang Port Project and the second phase of the Shenqiu Port Project while improving the performance of Nanjing Xiba Port and the first phase of the Shenqiu Port Project
- The Group will also seek breakthroughs in the **acquisition of resources from the upstream and downstream industry chains, as well as business integration and intelligent and green transformation**



The Group defines the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta, the Beijing-Tianjin-Hebei areas as the key strategic regions, and develop the “Four Growth Engines” layout strategy with logistics, ports, toll road, and general- environmental protection



Reinforce the Core Competitive Strength of Its Core Toll Road Business

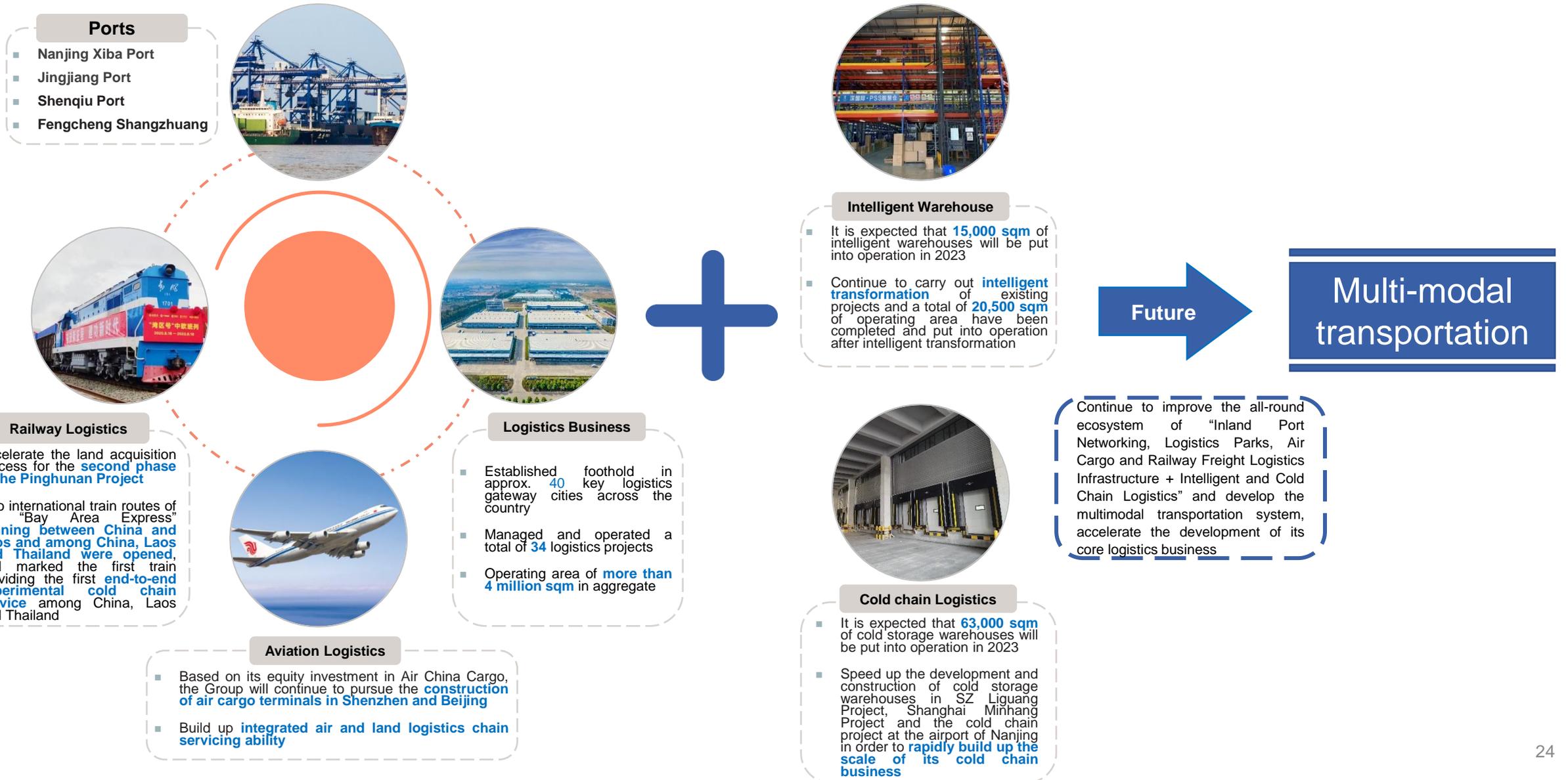
- Advance the **reconstruction and expansion of existing projects**, and speeding up the development of major projects in construction
- Carry out intelligent transformation and digitalization of toll roads
- Stimulate **land development** along expressways



Invest In and Improve the General-Environmental Protection Business

- Focus on the **solid waste treatment and clean energy** sub-sectors
- Seize the opportunities brought by the nation’s environmental protection policies, such as the **carbon peak and carbon neutrality strategies** and the **renewable energy development plan**

4. Outlook - Continue to improve the all-round ecosystem of “Inland Port Networking, Logistics Parks, Air Cargo and Railway Freight Logistics Infrastructure + Intelligent and Cold Chain Logistics”



4. Outlook - Continue to develop dual closed-loop business models

Long Closed-loop “Investment, Construction, Operation and Transformation” Business Model

- Proactively promote the **SZ South China Logistics Park** transform into “**functional headquarters for the digital economy**”, which will gradually unlock its intrinsic value
- Actively pushing through the land swap of the third phase of the Qianhai Project and acquiring more high-quality and sustainable resources



Short Closed-loop “Investment, Construction, Financing and Operation” Business Model

- Accelerate cash inflow:** issuance of publicly traded infrastructure REITs with mature integrated logistics hub projects as their underlying assets
- Bolster the research into funds in upstream and downstream logistics industries** that make good use of capital market insights and leverage synergies in order to help optimize the Group’s coverage in the industry



- The “Investment, Construction, Financing and Operation” and “Investment, Construction, Operation and Transformation” dual closed-loop business models are the key tools for the Group’s core logistics business to **achieve sustainable development**. These dual closed-loop business models will **speed up cash recovery, optimize its capital structure**, enhance the capacity, quality and scale of its core logistics business, and achieve positive industrial and capital cycles
- To further improve the quality of its investments, the Group will conduct preliminary studies on potential investment projects, **plan the channels and pathways of asset liquidity under the guidance** of its dual closed-loop business models in advance and with reference to rules governing the issuance of REITs, and give priority to cities and projects with potential for transformation.



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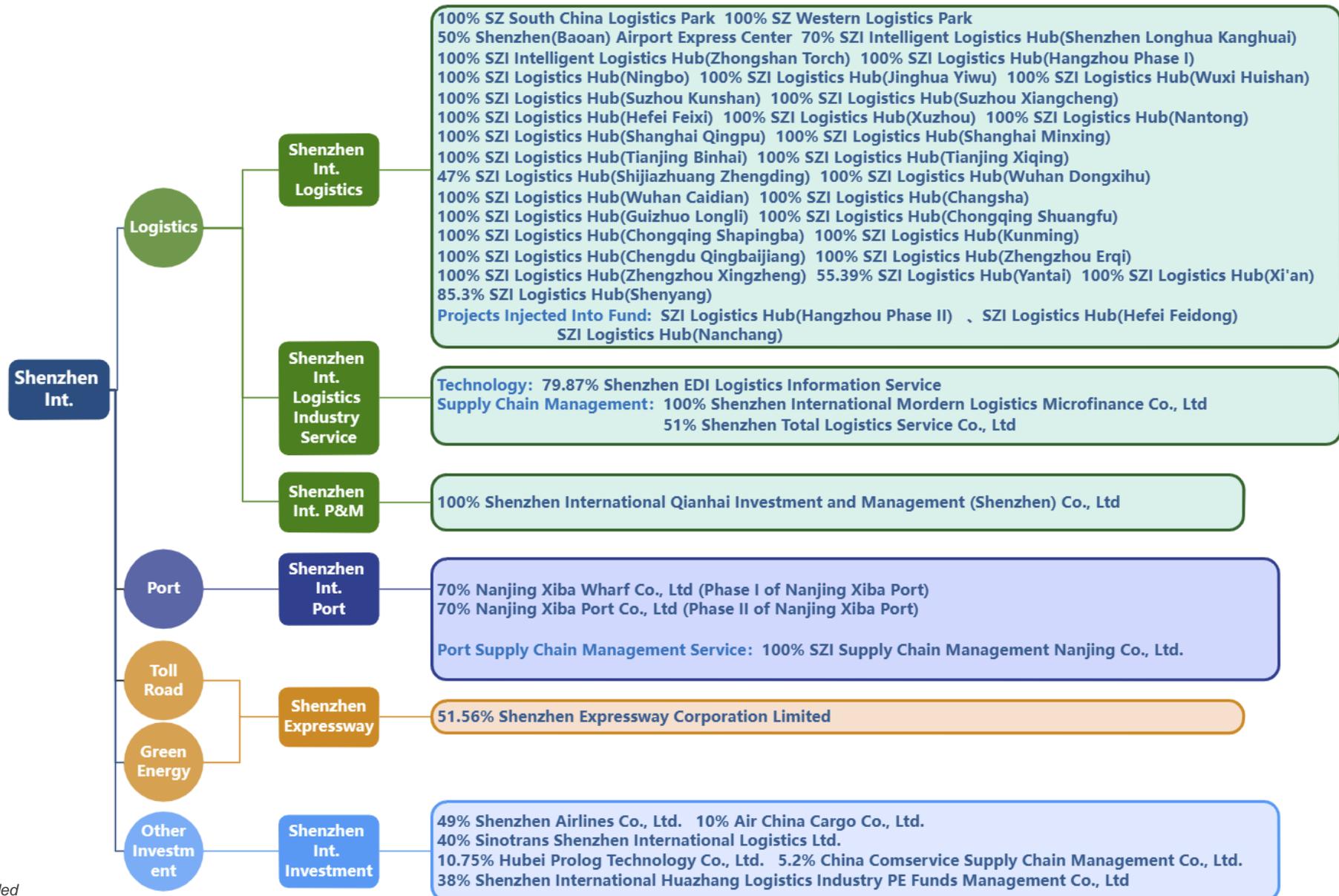
<http://www.szihl.com>



Appendix



Appendix 1 – Corporate Structure



Appendix 2 - Income Statement

<i>HK\$ million</i> <i>For the twelve months ended 31 December</i>	2022	2021[^] (Restated)	Increase / Decrease
Revenue	15,529	18,542	(16%)
Cost of sales	(11,382)	(12,975)	(12%)
Gross profit	4,147	5,567	(26%)
Other gains -net	4,055	5,514	(26%)
Other income	154	63	144%
Distribution costs	(148)	(185)	(20%)
Administrative expenses	(1,124)	(1,404)	(20%)
Operating profit	7,084	9,555	(26%)
Share of profit of joint ventures	63	490	(87%)
Share of loss of associates	(1,647)	(158)	942%
Profit before finance costs and income tax	5,500	9,887	(44%)
Finance costs - net	(2,569)	(931)	176%
Profit before income tax	2,931	8,956	(67%)
Income tax expense	(995)	(2,726)	(63%)
Profit for the year	1,936	6,230	(69%)
Non-controlling interests	(589)	(2,565)	(77%)
Perpetual securities holders	93	92	1%
Profit attributable to shareholders	1,254	3,573	(65%)
Basic earnings per share (HK dollars)	0.54	1.60	(66%)

[^] On 11 January 2022, Shenzhen Expressway completed the acquisition of 71.83% equity interest in Bay Area Development (00737.HK). Since Bay Area Development is an enterprise under the common control of Shenzhen Investment, pursuant to the applicable accounting standards, the Group has made retrospective adjustments to the consolidated financial statements for the previous year

Appendix 3 - Segment Results

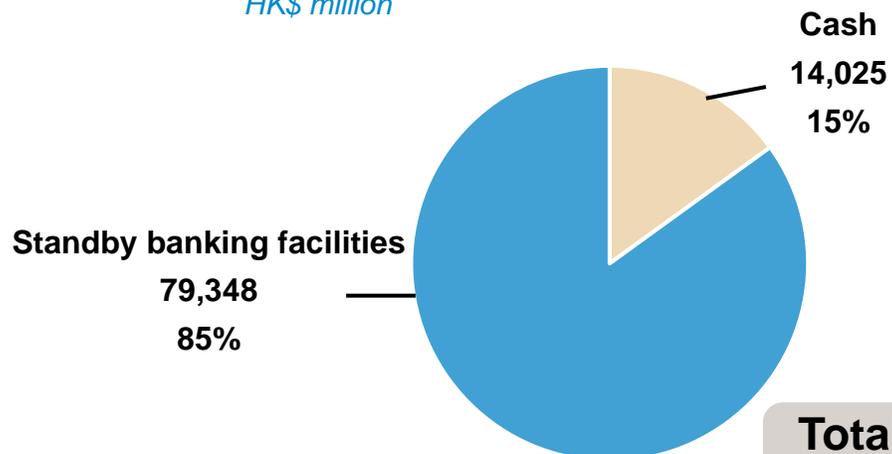
<i>HK\$ million</i> <i>For the twelve months ended 31 December</i>	Revenue		Operating Profit		Share of Profit of Associates & JVs		EBIT	
	2022	2021	2022	2021	2022	2021	2022	2021
Toll Roads								
Revenue	9,330	11,280	2,697	3,894	670	1,194	3,367	5,088
Construction service revenue	1,444	1,862	-	-	-	-	-	-
Toll roads subtotal	10,774	13,142	2,697	3,894	670	1,194	3,367	5,088
Logistics parks	1,573	1,380	1,597	607	15	17	1,612	624
Logistics services	390	988	29	22	5	7	34	29
Port and related services	2,762	2,712	191	200	-	-	191	200
Logistics park transformation and upgrading services	30	320	2,838	161	38	875	2,876	1,036
Sub-total	4,755	5,400	4,655	990	58	899	4,713	1,889
Head office functions	-	-	(268)	4,671	(2,312)	(1,761)	(2,580)	2,910
	15,529	18,542	7,084	9,555	(1,584)	332	5,500	9,887
Finance income							304	398
Finance costs							(2,873)	(1,329)
Finance costs - net							(2,569)	(931)
Profit before income tax & NCI							2,931	8,956

Appendix 4 - Financial Position (1)

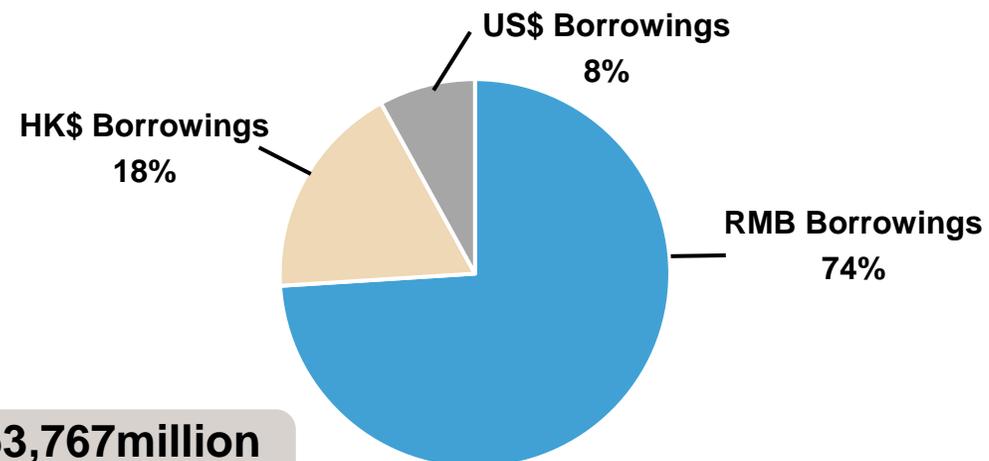
The Group's Borrowing Profile
As at 31 December 2022

Cash & Standby Banking Facilities

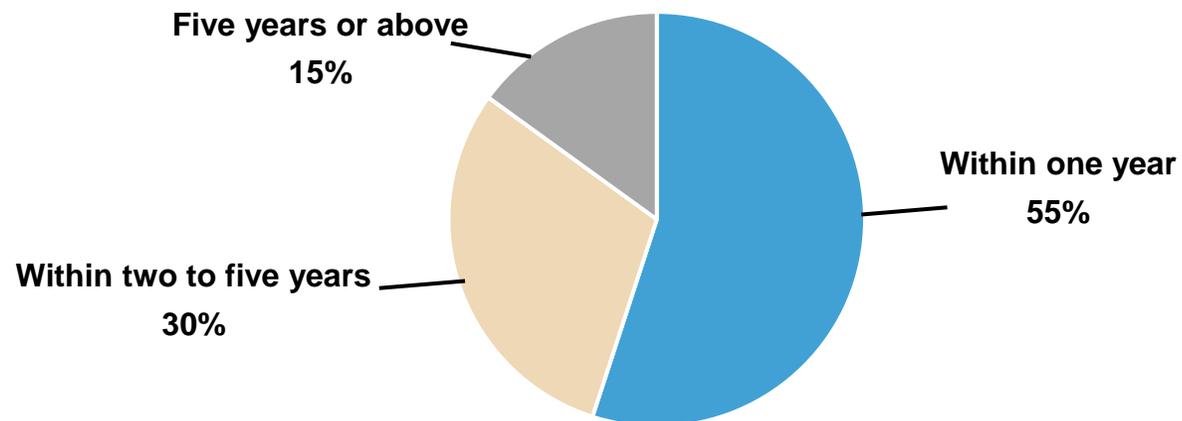
HK\$ million



Total Borrowings: HK\$53,767million – in Currency



Total Borrowings: HK\$53,767million – Repayment Period

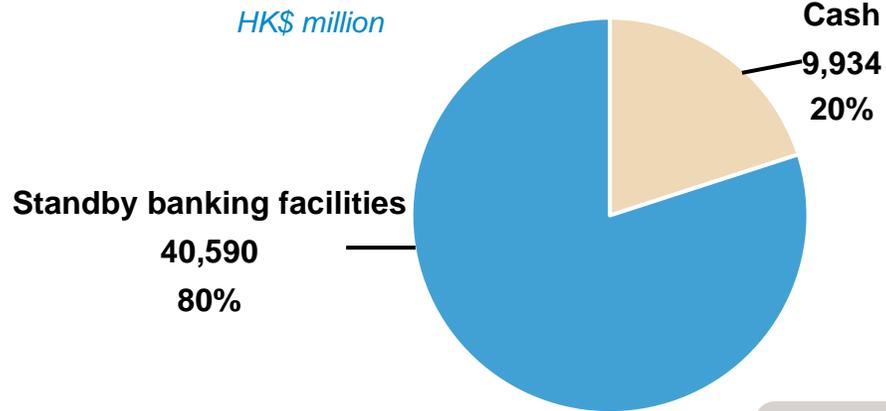


Appendix 4 - Financial Position (2)

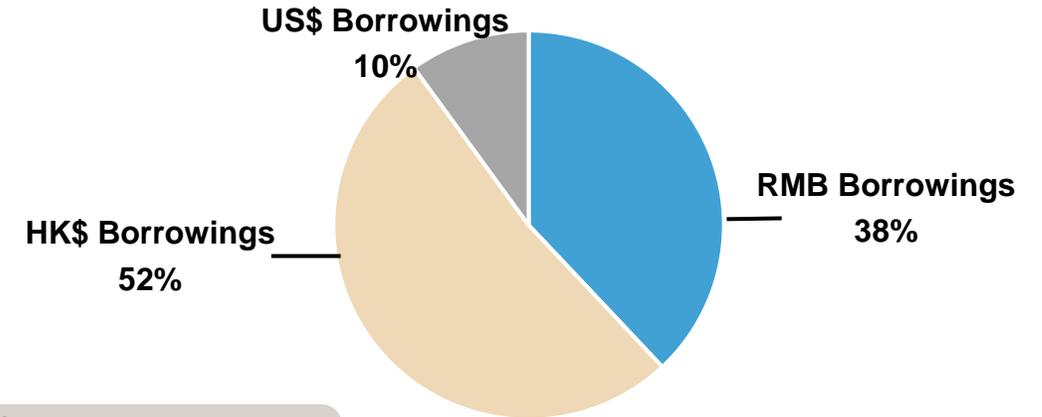
- Excluding Shenzhen Expressway

The Group's Borrowing Profile
As at 31 December 2022

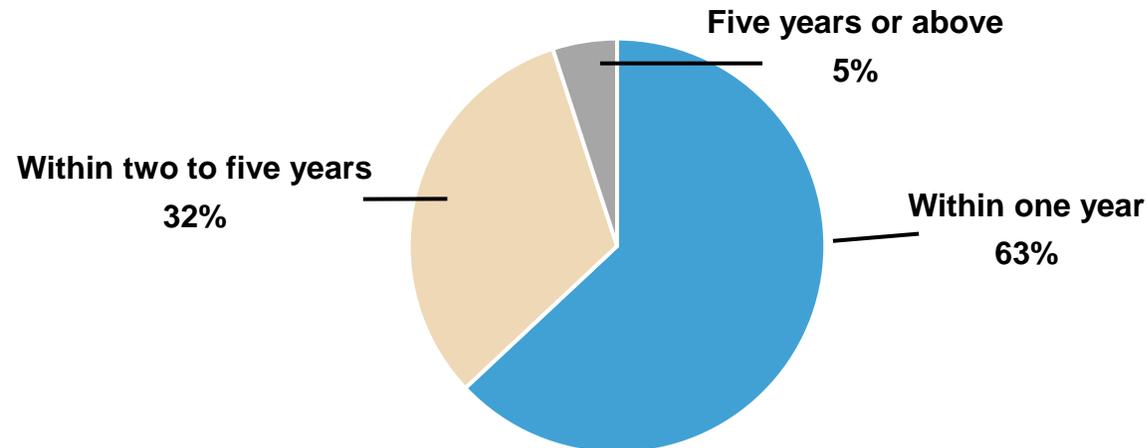
Cash & Standby Banking Facilities



Total Borrowings: HK\$18,873 million – in Currency



Total Borrowings: HK\$18,873 million – Repayment Period



Appendix 5 - Locations of Logistics Park Projects



Overview	
█	Established foothold in approx. 40 key logistics gateway cities across the country, and managed and operated a total of 34 logistics projects in 2022
█	Total planned site area reached approx. 10.46 million sqm in, with approx. 8.15 million sqm obtained operation rights, among which approx. 1.81 million sqm was newly obtained in 2022
█	Total operating area of approx. 4.31 million sqm, and newly operating area of approx. 0.87 million sqm in 2022
█	Achieved overall occupancy rate of 86%, above the market average level

Appendix 6 - Logistics Projects Overview

Projects in Operation			
Logistics Parks in the Greater Bay Area	Logistics Hubs	Pinghunan National Logistics Hub	□ Planned site area: 900K sqm
		Western Highway Logistics Hub Project	□ Planned site area: 75K sqm
	Logistics Parks	SZ South China Logistics Park	□ Planned site area: 578K sqm; Operating area: 312K sqm
		SZ Western Logistics Park	□ Operating area: 122K sqm
		SZ Kanghuai E-commerce Center▲	□ Operating area: 143K sqm
	SZI Intelligent Logistics Hubs	SZ Liguang Project	□ Planned site area: 45K sqm
		SZ Pingshan Project	□ Planned site area: 120K sqm
		SZ Yantian Comprehensive Bonded Project	□ Planned site area: 32K sqm
		Zhongshan Torch Project	□ Planned site area: 58K sqm; Operating area: 66K sqm
		Zhaoqing Gaoyao Project	□ Planned site area: 100K sqm
		Foshan Nanhai Project	□ Planned site area: 200K sqm
		Foshan Shunde Project	□ Planned site area: 76K sqm
		Foshan Gaoming Project	□ Planned site area: 157K sqm
Integrated Logistics Hub Projects in Other Regions of China (SZI Logistics Hubs)	Zhejiang	Hangzhou Project□	□ Planned site area: 239K sqm (first phase); Operating area: 456K sqm (first phase & second phase)
		Ningbo Project	□ Planned site area: 194K sqm; Operating area: 57K sqm
		Jinhua Yiwu Project	□ Planned site area: 440K sqm; Operating area: 436K sqm
		Jinhua Economic Development Project	□ Planned site area: 136K sqm
		Wenzhou Longgang Project	□ Planned site area: 139K sqm
	Jiangsu-Anhui	Wuxi Huishan Project	□ Planned site area: 347K sqm; Operating area: 120K sqm
		Wuxi Jiangyin Project	□ Planned site area: 133K sqm
		Suzhou Kunshan Project	□ Planned site area: 117K sqm; Operating area: 96K sqm
		Suzhou Xiangcheng Project	□ Planned site area: 33K sqm; Operating area: 19K sqm
		Hefei Feidong Project□	□ Operating area: 93K sqm
		Hefei Feixi Project	□ Planned site area: 422K sqm; Operating area: 191K sqm

Appendix 6 - Logistics Projects Overview

Projects in Operation			
Integrated Logistics Hub Projects in Other Regions of China (SZI Logistics Hub)	Jiangsu-Anhui	Jurong Project	▣ Planned site area: 400K sqm
		Xuzhou Project	▣ Planned site area: 140K sqm; Operating area: 72K sqm
		Nantong Project	▣ Planned site area: 152K sqm; Operating area: 129K sqm
		Shanghai Qingpu Project	▣ Planned site area: 23K sqm; Operating area: 30K sqm
		Shanghai Minxing Project	▣ Planned site area: 35K sqm; Operating area: 52K sqm
		Huaian Project	▣ Planned site area: 111K sqm
		Taizhou Project	▣ Planned site area: 88K sqm
	Beijing-Tianjin-Hebei Region	Tianjin Binhai Project	▣ Planned site area: 60K sqm; Operating area: 33K sqm
		Tianjin Xiqing Project	▣ Planned site area: 116K sqm; Operating area: 78K sqm
		Shijiazhuang Zhengding Project	▣ Planned site area: 467K sqm; Operating area: 64K sqm
		Shijiazhuang Yuanshi Project	▣ Planned site area: 144K sqm
	Central China	Wuhan Dongxihu Project	▣ Planned site area: 133K sqm; Operating area: 63K sqm
		Wuhan Caidian Project	▣ Planned site area: 267K sqm; Operating area: 117K sqm
		Wuhan Huangpi Project	▣ Planned site area: 67K sqm
		Nanchang Project [□]	▣ Operating area: 87K sqm
		Nanchang Changbei Project	▣ Planned site area: 157K sqm
		Changsha Project	▣ Planned site area: 347K sqm; Operating area: 133K sqm
		Xiangtan Yuetang Project	▣ Planned site area: 102K sqm
		SZI Intelligent Logistics Hub (Yueyang) [▲]	▣ Operating area: 52K sqm
	Southwest China	Guizhou Longli Project	▣ Planned site area: 348K sqm; Operating area: 142K sqm
Guiyang Xiuwen Project		▣ Planned site area: 200K sqm	
Chongqing Shuangfu Project		▣ Planned site area: 157K sqm; Operating area: 58K sqm	
Chongqing Shapingba Project		▣ Planned site area: 146K sqm; Operating area: 116K sqm	
Kunming Project		▣ Planned site area: 172K sqm; Operating area: 119K sqm	

Appendix 6 - Logistics Projects Overview

Projects in Operation			
Integrated Logistics Hub Projects in Other Regions of China (SZI Logistics Hub)	Southwest China	Chengdu Qingbaijiang Project	▣ Planned site area: 129K sqm; Operating area: 133K sqm
	Southern China	Zhanjiang Project	▣ Planned site area: 200K sqm
		Hainan Chengmai Project	▣ Planned site area: 63K sqm
		Haikou Gaoxin Project	▣ Planned site area: 67K sqm
	Northern China	Zhengzhou Erqi Project	▣ Planned site area: 110K sqm; Operating area: 129K sqm
		Zhengzhou Xinzheng Project	▣ Planned site area: 497K sqm; Operating area: 215K sqm
		Yantai Project	▣ Planned site area: 69K sqm; Operating area: 40K sqm (including approx.10K sqm operation on a lease base)
		Xi'an Project	▣ Planned site area: 120K sqm; Operating area: 93K sqm
		Taiyuan Project	▣ Planned site area: 127K sqm
		Shenyang Project	▣ Planned site area: 700K sqm; Operating area: 242K sqm

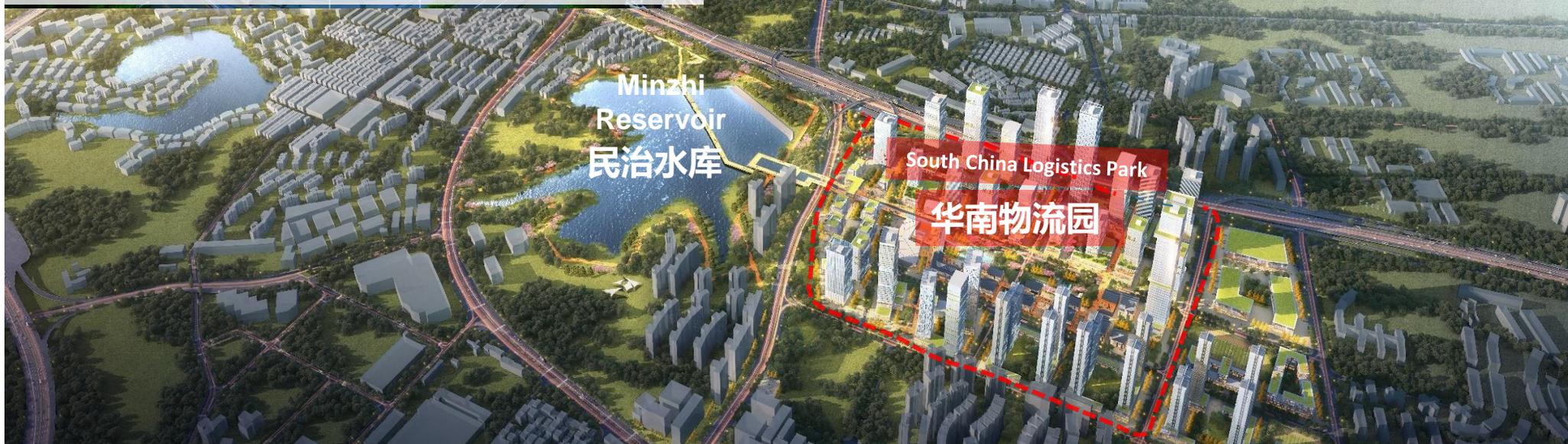
Note:

▣ SZI Logistics Hub (Nanchang), the second phase of SZI Logistics Hub (Hangzhou) and SZI Logistics Hub (Hefei Feidong): held by Shenshi Smart Logistics Infrastructure Private Equity Partnership, a joint venture held by the Group as to 40% equity interest. The Group still maintains the right to operate and manage the above-mentioned logistics hubs, providing them with professional services such as operation and maintenance, and continues to charge service fees
 ▲ Management project

Appendix 7 - Transformation and Upgrading of SZ South China Logistics Park (Phase I)



South China Logistics Park (real image)



South China Logistics Park Transformation and Upgrading (location illustration)

Appendix 8 - Transformation and Upgrading of SZ South China Logistics Park (Phase II)

Promoting the transformation of SZ South China Logistics Park is a key part in the Group's exploration of the long closed-loop "Investment, Construction, Operation and Transformation" development model



Operation Level of South China Digital Valley (illustration)



Appendix 9 - SZ Kanghuai E-commerce Center (real image)



**The first asset-light management project operated by the Group
with an operating area of approx. 143K sqm.
Achieved an overall occupancy rate of 97% as at 31 December 2022**

Appendix 10 - SZ Pinghunan Integrated Logistics Hub



Aims at commencing construction within 2023 and completing construction by 2026

Achieving an integrated
“Rail Transportation + Modern Logistics” development

- Total site area of approx. 900K sqm
- Operating area of the railway, toll and logistics sites of approx. 700K sqm
- An estimated GFA of logistics warehouses of approx. 850K sqm
- The first phase has been put into operation, and the Group is making every effort to advance the progress of the second phase

**The final GFA is subject to the approval of relevant departments of the Shenzhen Municipal Government*



Appendix 11 - SZI Intelligent Logistics Hub (Shenzhen Liguang) (construction image)



Site area of approx. 45K sqm; planned GFA of approx. 265K sqm. This project is designed to be a modern high-standard, intelligent and eco-friendly modern logistics park that sets an industry benchmark. The construction of the main structures thereof was completed with the roof completed in August 2022 and it is expected to be put into operation in 2023.

Appendix 12 - SZI Intelligent Logistics Hub (Shenzhen Pingshan) (planning illustration)



Planned site area of approx. 120K sqm, and planned GFA of approx. 450K sqm.

In April 2022, the Group completed the acquisition of 70% equity interest in this project. It will be a demonstration base for deep integration of “high-end manufacturing and intelligent logistics” and will also act as an “shared intelligent logistics service center” for emerging industries.

Appendix 13 - SZI Intelligent Logistics Hub (Shenzhen Yantian) (planning illustration)



Site area of approx. 32K sqm, planned GFA of approx. 127K sqm
The construction of this project commenced in June 2022 with the aim of being completed and put into operation in 2023.

Appendix 14 - SZI Intelligent Logistics Hub (Foshan Nanhai & Shunde) (planning illustration)



Foshan Nanhai Project
Planned site area: approx. 76K sqm



Foshan Shunde Project
Planned site area: approx. 200K sqm

**Added approx. 280K sqm of site area in the Greater Bay Area to the Group's land reserves.
Its overall planning will focus on intensification and intelligence.
The constructions commenced in the second half of 2022 and are expected to commence operations in 2025.**

Appendix 15 - SZI Logistics Hub (Jinhua Yiwu) (real image)



Jinhua Yiwu Project
Planned site area: approx. 440K sqm; area in operation: approx. 436K sqm

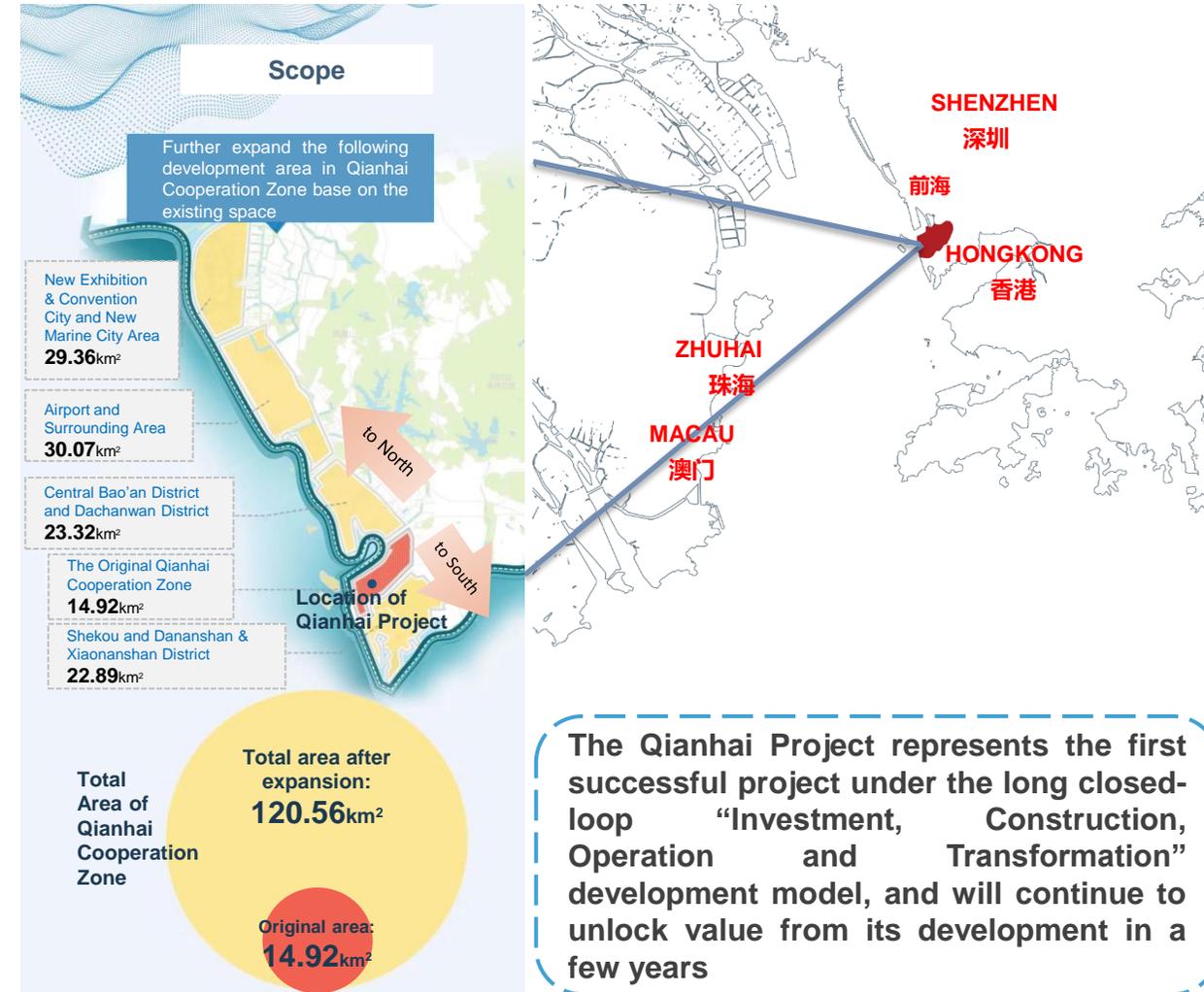
Appendix 16 - SZI P&M (Shenzhen Qianhai)



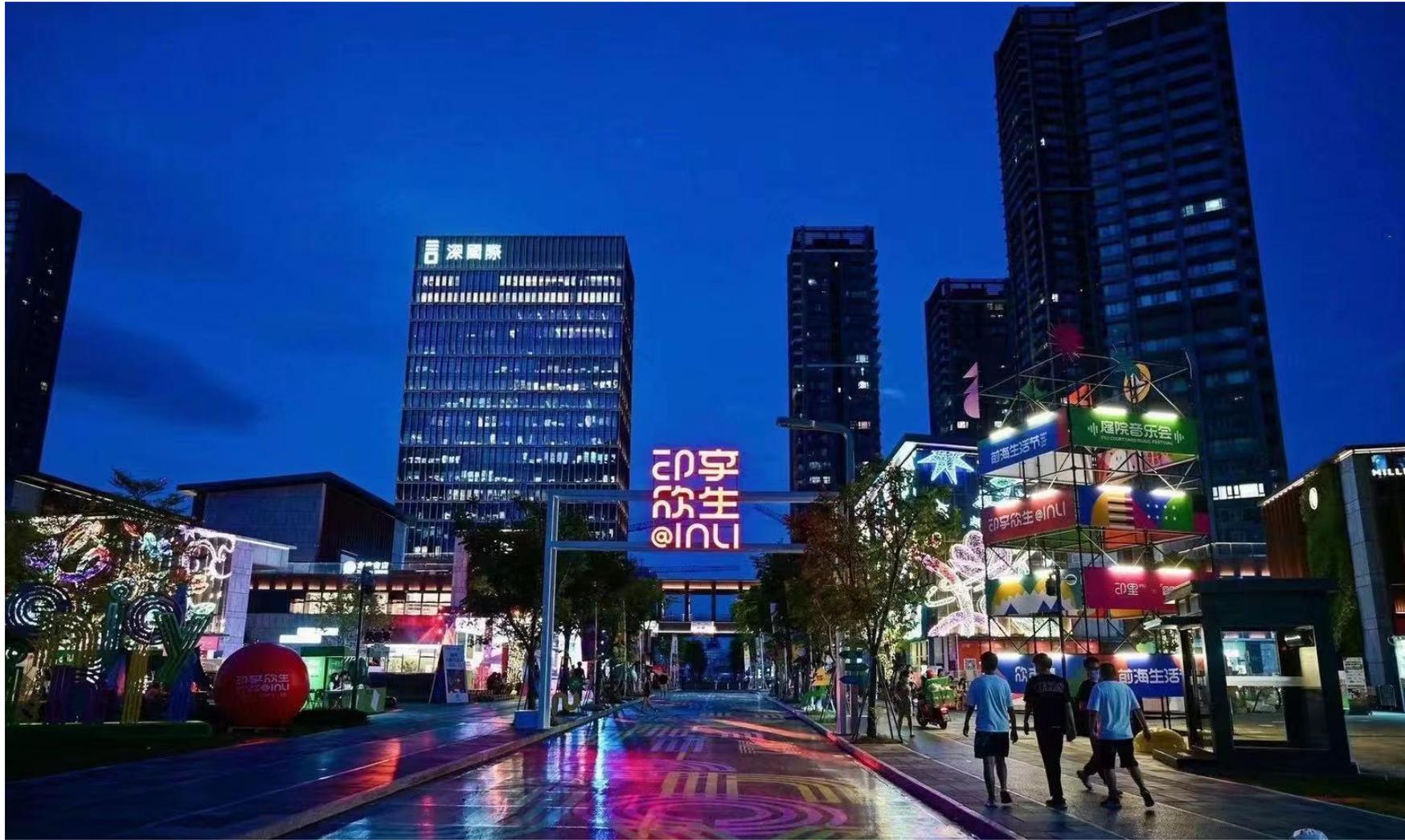
“Yicheng Qiwanli”, the second phase of the Qianhai Project (illustration)



Real image of the first phase of the Qianhai Project



Appendix 16 - SZI P&M (Shenzhen Qianhai Yinli) (real image)



Officially commenced operation in September 2022 (78% of the shops opened as at 31 December 2022)
A boutique commercial project integrating high quality of life, culture and arts, social-circle interaction and digitalized lifestyle (commercial part of the first phase of the Qianhai Project)

Appendix 17 - SZI P&M (Shijiazhuang Zhenyuetiandi) (planning illustration)



**As at the end of 2022, approx. 64K sqm have been put into operation (total GFA of over 500K sqm)
The first industrial-city complex in the PRC that integrates the two major industries of logistics and commerce**

Appendix 18 – SZI Ports



SZI Port (Nanjing Xiba) (real image)

Business volume rank first amongst 11 similar ports along the Yangtze River in 2022.



SZI Port (Taizhou Jingjiang) (real image)

Two of the first batch dock cranes have been successfully commissioned at the end of 2022. Scheduled to be put into operation by the end of 2023.



SZI Port (Henan Shenqiu) (real image)

The first vessel successfully berthed and underwent heavy load testing at the end of 2022.

Appendix 19 – SZI Cold Chain



Chengdu Qingbaijiang Cold Storage Warehouse Project (construction completed and put into operation)
First self-constructed cold storage warehouse project of the Group, marking the successful first step in exploring cold chain warehousing



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