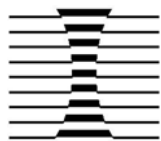


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SHENZHEN INTERNATIONAL HOLDINGS LIMITED
深圳國際控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 00152)



深圳高速公路股份有限公司
SHENZHEN EXPRESSWAY COMPANY LIMITED
(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00548)

CONTINUING CONNECTED TRANSACTION

JOINT ANNOUNCEMENT
ENTRUSTED MANAGEMENT OF 89.93% EQUITY INTEREST IN
SHENZHEN LONGDA EXPRESSWAY COMPANY LIMITED

Entrusted Management Agreement

The directors of SZ International and SZ Expressway (a 50.89%-owned subsidiary of SZ International) are pleased to announce that on 28 December 2009, SZ Expressway entered into the Entrusted Management Agreement with Shenzhen Baotong Highway Construction and Development Limited (“Baotong Company”), a wholly-owned subsidiary of SZ International, pursuant to which Baotong Company will entrust SZ Expressway to manage its 89.93% equity interest in Shenzhen Longda Expressway Company Limited (“Longda Company”). The term of the Entrusted Management Agreement will commence on 1 January 2010 and expire on 31 December 2011.

The major duties undertaken by SZ Expressway pursuant to the Entrusted Management Agreement include (but not limited to) exercising the management rights of Longda Company and nomination or recommendation of directors, supervisors and senior management of Longda Company. Pursuant to the Entrusted Management Agreement, the entrusted management fees are calculated on an annual basis at RMB15 million (approximately HK\$17.04 million) or 8% of the audited net profit of Longda Company, whichever is the higher, but in any event shall not exceed RMB25 million (approximately HK\$28.40 million). The entrusted management fees were arrived at after arm’s length negotiation between Baotong Company and SZ Expressway with reference to SZ Expressway’s experience in operation and management of toll highway.

Reasons and Benefits for the Transaction

Operation and management of toll highways is an ordinary and usual course of business of SZ Expressway. By the Transaction, SZ Expressway will leverage its ten years of relevant professional experience and strength in operation and management of toll highway, export the management experience and gain reasonable income and returns. The entering into the Entrusted Management Agreement will enable SZ International to leverage on SZ Expressway’s extensive experience and expertise in operating and management of toll highways so that Longda Expressway (龍大高速公路) will be operated and managed in an efficient and well-organized manner, which in turn will result in mutual benefits of SZ International and SZ Expressway.

General Information

Baotong Company is a wholly-owned subsidiary of SZ International which holds in aggregate over 50% equity interest in SZ Expressway and hence, Baotong Company is a connected person of SZ Expressway within the meaning of the Listing Rules and the Transaction constitutes a continuing connected transaction of SZ Expressway.

As applicable percentage ratios of the Transaction calculated on an annual basis for SZ Expressway are less than 2.5%, pursuant to Rule 14A.34 of the Listing Rules, the Transaction is exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules. SZ Expressway will comply with the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules.

The Transaction does not constitute a notifiable transaction of SZ International under Chapter 14 of the Listing Rules. The directors of SZ International, however, wish to make a voluntary disclosure of the Transaction to inform the shareholders of SZ International of the details of the same.

Reference is made to the joint announcement dated 8 January 2008 of SZ International and SZ Expressway in relation to, among other things, the entrustment of the operation and management of 89.93% equity interest in Longda Company to SZ Expressway, the term of the entrusted operation management agreement will expire on 31 December 2009.

ENTRUSTED MANAGEMENT AGREEMENT

Date:

28 December 2009

Parties:

1. SZ Expressway; and
2. Baotong Company, a wholly-owned subsidiary of SZ International.

Term:

From 1 January 2010 to 31 December 2011. The term could be extended upon expiry through negotiation by both parties.

Content of the Agreement:

Pursuant to the Entrusted Management Agreement, Baotong Company will entrust SZ Expressway to manage the operation of its 89.93% equity interest in Longda Company. The major duties undertaken by SZ Expressway pursuant to the Entrusted Management Agreement include (but not limited to):

1. exercising the management rights of Longda Company pursuant to the authorization of Baotong Company and terms of the articles of association of Longda Company, and reviewing material matters such as amendments to the articles of association, financial budget, material expenditure other than the expenses in relation to usual operation management of Longda Company, while the rights including the above-mentioned material matters as well as proposal of distribution of profits and fund allocation of Longda Company will be exercised by Baotong Company pursuant to the terms of the articles of association of Longda Company;

2. nomination or recommendation of directors, supervisors and other senior management of Longda Company pursuant to the authorization of Baotong Company and the terms of the articles of association of Longda Company;
3. strengthening daily operation and management of Longda Expressway, ensuring normal operations of toll collection, and maintenance of Longda Expressway in an orderly manner, and strictly controlling and reducing on best effort basis the costs of Longda Company; and
4. dealing with affairs in relation to final accounts of the completed works of Longda Expressway.

According to the Entrusted Management Agreement, management of Longda Company by SZ Expressway shall be supervised and examined by Baotong Company and SZ Expressway shall accept reasonable recommendation and request of Baotong Company.

During the term of the Entrusted Management Agreement, the operational costs and expenses, income and benefits, risk of loss, debts and legal liabilities of Longda Company shall be enjoyed or borne by Longda Company.

Entrusted management fees:

Pursuant to the Entrusted Management Agreement, the entrusted management fees are calculated on an annual basis at RMB15 million (approximately HK\$17.04 million) or 8% of the audited net profit of Longda Company, whichever is the higher, but in any event shall not exceed RMB25 million (approximately HK\$28.40 million). The fees will be paid in cash by Baotong Company by instalments to SZ Expressway as follows: (i) entrusted management fees of RMB7.5 million (approximately HK\$8.52 million) are payable on or before 30 June and 31 December each year, respectively; (ii) if the annual entrusted management fee determined is over RMB15 million (approximately HK\$17.04 million) after the annual audit of Longda Company, the balance is payable to SZ Expressway on or before 30 April in the following year. The above entrusted management fees were determined after arm's length negotiation between Baotong Company and SZ Expressway with reference to SZ Expressway's experience in operation and management of toll highways.

REASONS AND BENEFITS FOR THE TRANSACTION

The only investment of Baotong Company is an 89.93% equity interest in Longda Company. Longda Company is principally engaged in toll collection, maintenance, management and development of Longda Expressway (Longhua, Shenzhen – Dalingshan, Dongguan), a dual six-lane expressway measuring 28.2 kilometers. Operation and management of toll highways is an ordinary and usual course of business of SZ Expressway. By the Transaction, SZ Expressway will leverage its ten years of relevant professional experience and strength in operation and management of toll highway, export the management experience and gain reasonable income and returns. The entering into the Entrusted Management Agreement will enable SZ International to leverage on SZ Expressway's extensive experience and expertise in operating and management of toll highways so that Longda Expressway will be operated and managed in an efficient and well-organized manner, which in turn will result in mutual benefits of SZ International and SZ Expressway.

CONSIDERATION OF THE TRANSACTION BY SZ EXPRESSWAY

On 18 December 2009, SZ Expressway convened the 10th meeting of the fifth session of the board of directors to consider the Transaction and relevant matters. Twelve directors of SZ Expressway, who were eligible to attend the meeting, all attended the meeting in person or by proxy. The directors who hold office in connected companies, namely Mr. Yang Hai, Mr. Li Jing Qi, Mr. Zhao Jun Rong, Mr. Tse Yat Hong and Mr. Lin Xiang Ke, declared their interests and abstained from voting. The Transaction was unanimously approved by the other seven directors. Independent non-executive directors of SZ Expressway approved the Transaction to be proposed to the board meeting for discussion according to the requirements of the China Securities Regulatory Commission before the meeting and expressed their opinions on the compliance and fairness of the Transaction in the said board meeting.

The directors of SZ Expressway consider that entering into the Entrusted Management Agreement is in line with SZ Expressway's overall strategy in the investment, construction, operation and management of toll highways and roads and the Transaction will consolidate and enhance the competitiveness of above core business of SZ Expressway and will contribute profits to SZ Expressway.

The terms of the Entrusted Management Agreement were entered into on normal commercial terms after arm's length negotiation. The directors of SZ Expressway (including independent non-executive directors of SZ Expressway) consider that the terms of the Entrusted Management Agreement are fair and reasonable and the Transaction is in the interests of SZ Expressway and the shareholders of SZ Expressway as a whole.

INFORMATION OF SZ EXPRESSWAY

SZ Expressway is a 50.89%-owned subsidiary of SZ International and is principally engaged in the investment, construction, operation and management of toll highways and roads.

INFORMATION OF SZ INTERNATIONAL AND BAOTONG COMPANY

SZ International and its subsidiaries are principally engaged in the investment, construction and operation of logistics infrastructure facilities as well as the provision of relevant logistics service, include third-party logistic services and logistic information services. Baotong Company's only investment is the holding of 89.93% equity interest of Longda Company. Longda Company is principally engaged in the operation and management of Longda Expressway.

GENERAL INFORMATION

Baotong Company is a wholly-owned subsidiary of SZ International which holds in aggregate over 50% equity interest in SZ Expressway. As defined under the Listing Rules, Baotong Company is a connected person of SZ Expressway and the Transaction constitutes a continuing connected transaction of SZ Expressway.

As applicable percentage ratios of the Transaction calculated on an annual basis for SZ Expressway are less than 2.5%, pursuant to Rule 14A.34 of the Listing Rules, the Transaction is exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules. SZ Expressway will comply with the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules.

The Transaction does not constitute a notifiable transaction of SZ International under Chapter 14 of the Listing Rules. The directors of SZ International, however, wish to make a voluntary disclosure of the Transaction to inform the shareholders of SZ International of the details of the same.

ANNUAL REVIEW OF THE TRANSACTION

SZ Expressway will comply with the requirement of annual review related to the Transaction required under Rules 14A.37 and 14A.38 of the Listing Rules during the respective fiscal years.

DEFINITIONS

“Baotong Company”	深圳市寶通公路建設開發有限公司 (Shenzhen Baotong Highway Construction and Development Limited), a limited liability company incorporated in the PRC and is wholly-owned by SZ International
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Entrusted Management Agreement”	the entrusted management agreement in respect of the Transaction entered into between Baotong Company and SZ Expressway on 28 December 2009
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longda Company”	深圳龍大高速公路有限公司 (Shenzhen Longda Expressway Company Limited), a limited liability company incorporated in the PRC and the 89.93% equity interest of which is owned by Baotong Company
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SZ Expressway”	Shenzhen Expressway Company Limited, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange
“SZ International”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“Transaction” the entrustment of the management of 89.93% equity interest in Longda Company by Baotong Company to SZ Expressway

Note: For the purpose of this announcement, the exchange rate between HK\$ and RMB at HK\$1.00 to RMB0.8804 is used.

By order of the Board
Shenzhen International Holdings Limited
Guo Yuan
Chairman

By order of the Board
Shenzhen Expressway Company Limited
Yang Hai
Chairman

Hong Kong, 28 December 2009

As at the date of this announcement, the board of directors of SZ International consists of Messrs. Guo Yuan, Li Jing Qi, Liu Jun and Yang Hai as executive directors; Messrs. To Chi Keung, Simon and Wang Dao Hai as non-executive directors and Messrs. Leung Ming Yuen, Simon, Ding Xun and Nip Yun Wing as independent non-executive directors.

As at the date of this announcement, the directors of SZ Expressway are Mr. Yang Hai (Chairman of the Board), Mr. Wu Ya De (Executive Director and President), Mr. Li Jing Qi (Non-executive Director), Mr. Zhao Jun Rong (Non-executive Director), Mr. Tse Yat Hong (Non-executive Director), Mr. Lin Xiang Ke (Non-executive Director), Ms. Zhang Yang (Non-executive Director), Mr. Chiu Chi Cheong, Clifton (Non-executive Director), Mr. Lam Wai Hon, Ambrose (Independent non-executive Director), Mr. Ting Fook Cheung, Fred (Independent non-executive Director), Mr. Wang Hai Tao (Independent non-executive Director) and Mr. Zhang Li Min (Independent non-executive Director).

** For identification purpose only*