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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)

**ANNOUNCEMENT IN RELATION TO THE
RESTRICTED A SHARE INCENTIVE SCHEME**

Reference is made to the announcement of Shenzhen Expressway Company Limited (the "Company") dated 26 September 2016 and the circular (the "Circular") of the Company dated 27 October 2016 in relation to, among other things, the proposed adoption of the Restricted A Share Incentive Scheme and Grant of Restricted Shares to Connected Participants (connected transaction). Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

As disclosed in the Circular, the Company will convene the EGM, the ACM and the HCM consecutively at the conference room of the Company at Podium Levels 2-4, Jiangsu Building, Yitian Road, Futian District, Shenzhen, the PRC at 2 p.m. on 23 November 2016 (Wednesday) in order to consider the resolutions in relation to the Restricted A Share Incentive Scheme, etc.

Currently, the Company is in the critical period of implementing the new stage of its development strategy. The Company has established the main business direction of becoming a "City and Transportation Infrastructure Construction and Operation Service Provider", focusing on the water environmental treatment and solid waste disposal industries under the macro development direction of the environmental protection industry. Based on its existing advantages of resources and core competitiveness, the Company will give full play to business model innovation and rely on its resource integration and integration capabilities, in order to achieve the long-term and healthy development of the Company and create more value for its Shareholders. At the same time, the new development strategy of the Company will also include "implementation of long-term incentive to its employees, establishment of interest-related responsibilities and sharing mechanism", which clearly put forward the implementation of medium to long-term incentive mechanism for employees, research and enhance personnel with talent to become a interest sharing community with the Company. As such, the Company launched the Restricted A Share Incentive Scheme at the beginning of this year in order to effectively establish and improve the Company's long-term incentive mechanism to attract and retain qualified personnel, fully mobilize the enthusiasm of

management personnel and create linkage among the interests of the Shareholders, the Company and its employees, so that the said parties will concern about the long-term development of the Company to promote the implementation of the strategy.

The Incentive Scheme is formulated in accordance with the relevant laws and requirements, and its terms therein are scientific and reasonable, such as the method of providing the incentive; the type, amount and Grant Price of the Restricted Shares; and the validity period, lock-up period, black-out period, etc. The Incentive Scheme encourages the Directors, senior management and technical backbones of the Company to be a long-term Shareholder, linking up their personal income with the Company's performance and overcoming the possible short-term behavior during their term of office, so as to encourage the Participants to concentrate on the production and management of the Company diligently and conscientiously, so as to achieve actual improvement of the Company's operating results. Improving the Company's operating performance and ensuring the stable long-term development of the Company is a manifestation of the responsibility of a listed company to its shareholders and investors.

The Board is of the view that the implementation of the Restricted A Share Incentive Scheme is an important measure to implement the Company's new development strategy, which embodies the principle of reciprocity between revenue and contribution under the premise of fully protecting the interests of its Shareholders. Therefore, the Board encourage all Shareholders to actively participate in decision-making and support the Company's development so as to contribute to the implementation of the Company's long-term development strategy and to achieve a win-win situation for its Shareholders and employees.

By Order of the Board

Luo Kun

Joint Company Secretary

Shenzhen, PRC, 14 November 2016

As at the date of this announcement, the Directors of the Company are Mr. HU Wei (Executive Director and Chairman of the Board), Mr. WU Ya De (Executive Director and President), Mr. WANG Zeng Jin (Executive Director), Mr. LI Jing Qi (Non-executive Director), Mr. ZHAO Jun Rong (Non-executive Director), Mr. TSE Yat Hong (Non-executive Director), Ms. ZHANG Yang (Non-executive Director), Mr. AU Sing Kun (Independent non-executive Director), Mr. LIN Chu Chang (Independent non-executive Director), Mr. HU Chun Yuan (Independent non-executive Director) and Mr. CHEN Tao (Independent non-executive Director).

This announcement is originally prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.