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Shenzhen International Holdings Limited
深圳國際控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 00152)
(Debt Securities Stock Code: 05042)



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)
(Debt Securities Stock Code: 05684)

JOINT ANNOUNCEMENT INSIDE INFORMATION

This joint announcement is made by Shenzhen International Holdings Limited (“**SZ International**”) and Shenzhen Expressway Company Limited (“**SZ Expressway**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors of SZ International and SZ Expressway (a subsidiary of SZ International held as to approximately 52%) are pleased to announce that, on 15 March 2021, SZ Expressway and its indirect Controlling Shareholder (as defined in the Listing Rules), Shenzhen Investment Holdings Company Ltd. (“**SZ Investment Holdings**”) entered into a memorandum of understanding (the “**Memorandum of Understanding**”). Pursuant to the Memorandum of Understanding, SZ Investment Holdings intends to transfer its 71.83% equity interest in Shenzhen Investment Holdings Bay Area Development Company Limited (Stock Code: 00737) (“**Bay Area Development**”) (a company listed in Hong Kong) (the “**Target Shares**”) to SZ Expressway (the “**Potential Transaction**”).

The main purpose for signing the Memorandum of Understanding is to promptly seize Shenzhen’s strategy on promoting the reformation of state-owned enterprises, and business opportunities arising from the optimization of industrial layout, so as to achieve the goals of acquiring high-quality toll highway assets and expanding the scale and profit base of toll highway business. SZ Expressway shall disclose the relevant information in respect of the Potential Transaction in accordance with the relevant requirements of the securities market in the People’s Republic of China in a timely manner.

According to the Memorandum of Understanding, SZ Expressway will pay the earnest money amounting to HK\$10 million (the “**Earnest Money**”) to SZ Investment Holdings within 5 days from the date of signing the Memorandum of Understanding, and obtain the exclusive right in respect of the equity transfer of Bay Area Development. SZ Investment Holdings shall not negotiate with any other parties on the equity transfer of Bay Area Development within 6 months from the date of signing the Memorandum of Understanding (the “**Exclusivity Period**”).

SZ Investment Holdings will further discuss the specific plan of the Potential Transaction with SZ Expressway. If SZ Investment Holdings and SZ Expressway fail to reach consensus on the specific plan of the Potential Transaction and enter into the legally binding transfer agreement (the “**Transfer Agreement**”) within the Exclusivity Period, all obligations stipulated in the Memorandum of Understanding shall be terminated, and SZ Investment Holdings shall return the full amount of Earnest Money to SZ Expressway. In the event of any breach of the Memorandum of Understanding by SZ Expressway, SZ Investment Holdings may forfeit the Earnest Money or in the event of any breach of the Memorandum of Understanding by SZ Investment Holdings, SZ Expressway may require SZ Investment Holdings to pay back twice the amount of the Earnest Money.

As at the date of this joint announcement, save for certain clauses regarding, among others, the Exclusivity Period arrangements, the payment of the Earnest Money, confidentiality, termination of the Memorandum of Understanding, costs and governing law, the Memorandum of Understanding is not legally binding on the SZ Investment Holdings and SZ Expressway and no other legally binding agreement regarding the Potential Transaction has been entered into between SZ Investment Holdings and SZ Expressway.

Upon the completion of the Transfer Agreement, SZ Expressway may be subject to the obligation to make a mandatory general offer in accordance with Rule 26.1 of the Code on Takeovers and Mergers (the “**Takeovers Code**”) for all issued shares of Bay Area Development (other than the Target Shares which SZ Expressway may acquire). **SZ Expressway intends to apply to the Securities and Futures Commission for a waiver from strict compliance with the mandatory general offer obligation in accordance with Note 6(a) of Rule 26.1 of the Takeovers Code. The Executive may or may not grant the aforesaid waiver.** As such, the completion of the Potential Transaction may or may not trigger the mandatory general offer obligations of SZ Expressway under the Takeovers Code. In addition, the Potential Transaction contemplated under the Memorandum of Understanding may constitute a connected transaction and/or notifiable transaction of SZ Expressway and SZ International under the Listing Rules, and may require the independent shareholders’ approval of SZ Expressway and/or SZ International.

WARNINGS: The Potential Transaction is subject to the negotiation and the parties entering into the relevant Transfer Agreement and is subject to the satisfaction (or waiver, as the case may be) of certain conditions precedent. Therefore, there is no assurance that the Potential Transaction will materialise or eventually be consummated and the discussion of which may or may not lead to a general offer under Rule 26.1 of Takeovers Code and may or may not constitute connected transaction and/or notifiable transaction of SZ Expressway and SZ International under the Listing Rules. Shareholders and potential investors of SZ Expressway and SZ International should exercise caution when dealing in the securities of each of SZ Expressway and SZ International, and if they are in any doubt about their position, they should consult their professional adviser(s).

By Order of the Board
Shenzhen International Holdings Limited
Liu Wangxin
Joint Company Secretary

By Order of the Board
Shenzhen Expressway Company Limited
Gong Tao Tao
Joint Company Secretary

Shenzhen, PRC, 15 March 2021

As at the date of this joint announcement, the board of directors of SZ International consists of Mr. Li Haitao, Mr. Wang Peihang and Mr. Dai Jingming as executive directors, Mr. Hu Wei and Mr. Zhou Zhiwei as non-executive directors and Professor Cheng Tai Chiu, Edwin, Mr. Pan Chaojin and Mr. Chan King Chung as independent non-executive directors.

As at the date of this joint announcement, the board of directors of SZ Expressway consists of Mr. Hu Wei (executive director and chairman of the board), Mr. Liao Xiang Wen (executive director and president), Mr. Wang Zeng Jin (executive director), Mr. Wen Liang (executive director), Mr. Dai Jing Ming (non-executive director), Ms. Li Xiao Yan (non-executive director), Ms. Chen Hai Shan (non-executive director), Ms. Chen Xiao Lu (independent non-executive director), Mr. Bai Hua (independent non-executive director) and Mr. Li Fei Long (independent non-executive Director).

The directors of SZ Expressway and SZ International jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.