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深圳高速公路集團股份有限公司

SHENZHEN EXPRESSWAY CORPORATION LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00548)

ANNOUNCEMENT

PROPOSED CAPITAL REDUCTION OF

SHENZHEN INTERNATIONAL UNITED LAND CO., LTD.

This announcement is made by Shenzhen Expressway Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 22 June 2022, the board (the “**Board**”) of directors (the “**Directors**”) of the Company reviewed and approved “*the proposal on capital reduction of United Land Company*”. The Board hereby provides the shareholders of the Company and potential investors with the latest developments of the Group’s business.

PROPOSED CAPITAL REDUCTION OF UNITED LAND COMPANY

Shenzhen International United Land Co., Ltd. (深圳市深國際聯合置地有限公司) (“**United Land Company**”) is an affiliated company of the Company which is owned as to 34.7% and 65.7% by the Company, China Vanke Co., Ltd. and its subsidiaries (companies independent of the Company, collectively referred to as “**Vanke**”). United Land Company is a limited company incorporated in the PRC in 2014. It principally engages in the investment, development and operation of the Meilin Checkpoint Urban Renewal Project.

As disclosed in the Company’s 2021 annual report, Meilin Checkpoint Urban Renewal Project is a unit construction project to be developed in 3 phases, and all residential units under phase III were sold by the end of 2021. As at 31 December 2021, the shareholders' equity of United Land Company was approximately RMB3.8 billion (comprising paid capital of approximately RMB714 million and capital reserve of approximately RMB2,686 million).

Having considered Meilin Checkpoint Urban Renewal Project is coming close to an end, in order to collect their investment and income in the project, the Company and Vanke propose to convert the entire capital reserve of United Land Company into its paid capital, and then reduce its capital by RMB3.3 billion (the “**Capital Reduction**”).

FINANCIAL IMPACT ON THE COMPANY

Upon completion of the Capital Reduction, the Company and Vanke's shareholding proportion in United Land Company will remain unchanged, and the Company and Vanke will receive RMB1,131.9 million and RMB2,168.1 million, respectively, in proportion to their shareholdings. It is expected upon completion of the Capital Reduction, the net profit of the Company will be increased by approximately RMB691 million.

CAUTION STATEMENT

The Board hereby reminds the investors that the Company has not entered into any written agreement with Vanke and United Land Company in respect of the Capital Reduction. The completion of the Capital Reduction also requires certain announcement procedures be arranged to confirm whether creditors request discharge or security for their credit. Therefore, there is uncertainty as to whether the Capital Reduction can be completed and the final amount of the Capital Reduction. Moreover, the information contained in this announcement is only a preliminary estimation by the Company's management based on the currently available information, which has not been reviewed by the audit committee of the Company or audited by the auditors of the Company, and may be subject to adjustment based on the audit result. It should not be used as a basis for forecasting the financial performance of the Company for the six months ended 30 June 2022 or the full year of 2022.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

Notes: In this announcement, the English names of certain PRC entities are translation of their Chinese names, and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

By Order of the Board
Zhao Gui Ping
Joint Company Secretary

Shenzhen, the PRC, 22 June 2022

As at the date of this announcement, the Directors of the Company are 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 (Nonexecutive Director), Mr. BAI Hua (Independent non-executive Director), Mr. LI Fei Long (Independent non-executive Director), Mr. MIAO Jun (Independent non-executive Director) and Mr. XU Hua Xiang (Independent non-executive Director).