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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)



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)

**Shenzhen Investment Holdings Bay Area
Development Company Limited**
深圳投控灣區發展有限公司
(incorporated in the Cayman Islands with limited liability)
Stock Codes: 00737 (HKD counter) and 80737 (RMB counter)

**JOINT ANNOUNCEMENT
VOLUNTARY ANNOUNCEMENT
GS SUPERHIGHWAY R&E PROJECT**

This joint announcement is voluntarily made by Shenzhen International, Shenzhen Expressway (a subsidiary owned by Shenzhen International as to 51.56%) and Bay Area Development (a subsidiary owned by Shenzhen Expressway as to 71.83%).

GSZ Company is a Sino-foreign co-operative joint venture established by Hopewell China Development (a non-wholly owned subsidiary of Bay Area Development) and Guangdong Highway Construction and is principally engaged in the operation and management of the GS Superhighway. The GS Superhighway is a main expressway connecting the three major cities in the PRC— Guangzhou, Dongguan and Shenzhen. With the economic development and the increase in car ownership in the PRC, especially in Guangdong Province, the traffic flow on GS Superhighway has been nearly saturated, the reconstruction and expansion of GS Superhighway are required. The GS Superhighway R&E Project will be divided into two sections, the Guangzhou-Dongguan Section and the Shenzhen Section, among which the Guangzhou-Dongguan Section R&E Project has received the Approval issued by Guangdong Provincial Development and Reform Commission and it is planned to commence work by the end of 2023. The Guangzhou-Dongguan Section R&E Project will be invested and constructed by the GSZ Company and its total investment amount is currently estimated to be approximately RMB29.40 billion, approximately 25% of which is planned to be funded by capital contributions from the shareholders of the GSZ Company. Bay Area Development Group intends to undertake for not more than 50% of such shareholders' capital contribution (expected to be not more than RMB3.70 billion).

Bay Area Development Group will negotiate the Capital Contribution Matters with Guangdong Highway Construction in due course. In the event the Capital Contribution Matters are materialised, Shenzhen International, Shenzhen Expressway and Bay Area Development will conduct further approval procedures and make disclosures as and when appropriate in compliance with the relevant requirements of the Listing Rules.

In addition, the GSZ Company (a deemed subsidiary of the Bay Area Development when fulfilling certain agreed obligations /responsibilities under Listing Rules, but its accounts are not consolidated into the financial statements of the Bay Area Development Group) may or may not enter into agreements in relation to the transactions to be carried out under the Guangzhou-Dongguan Section R&E Project. In the event these transactions are materialised, Bay Area Development will conduct further approval procedures and make disclosures as and when appropriate in compliance with the relevant requirements of the Listing Rules in respect of these transactions accordingly.

This joint announcement is voluntarily made by Shenzhen International, Shenzhen Expressway (a subsidiary owned by Shenzhen International as to 51.56%) and Bay Area Development (a subsidiary owned by Shenzhen Expressway as to 71.83%).

GS SUPERHIGHWAY

The GS Superhighway is a main expressway connecting the three major cities in the PRC—Guangzhou, Dongguan and Shenzhen, an important part of the Beijing-Hong Kong-Macao Expressway (G4) and Shenyang-Haikou Expressway (G15) in the national expressway network. The GS Superhighway runs from the Huangcun (Guangdan) Interchange in Guangzhou in the north to the Huanggang Port in Shenzhen (boundary between Hong Kong and Shenzhen) in the south, with 23 toll stations. The GS Superhighway is a 122.8 km closed system expressway with a total of 6 lanes in dual directions.

The GS Superhighway began its trial operation in 1994, and officially opened to traffic in 1997 with a concession period of 30 years. Since its official opening to traffic, the traffic volume of the GS Superhighway has grown rapidly. During the first three quarters of 2023, its average daily mixed traffic grew by 17% year-on-year to 636,000 vehicles, and has been nearly saturated. There is an urgent need for reconstruction and expansion of the GS Superhighway.

In May 2022, the GS Superhighway R&E Project was included in the first batch of key projects of the Ministry of Transport of the PRC to accelerate the construction of a country with strong transportation network during the “14th Five-Year”.

GS SUPERHIGHWAY R&E PROJECT

As disclosed in the 2023 interim report of Bay Area Development in relation to the expansion of the GS Superhighway, according to the preliminary feasibility report of the expansion work, the expansion of the GS Superhighway involves part of its road section (expected to be 118.2km), from its current 6 lanes in dual directions to 8-12 lanes at different sections, with a preliminary estimated cost of over RMB40.0 billion for the whole line expansion work.

The GS Superhighway R&E Project will be divided into two sections, the Guangzhou-Dongguan Section and the Shenzhen Section, among which the Guangzhou-Dongguan Section R&E Project has received the Approval issued by Guangdong Provincial Development and Reform Commission on 22 August 2023 and it is planned to commence work by the end of 2023. As for the Shenzhen Section R&E Project, the revision of feasibility study report is in progress.

Pursuant to the Approval, the Guangzhou-Dongguan Section R&E Project will be carried out along the original route of the GS Superhighway, starting from Huangcun Interchange of Guangzhou-Foshan Expressway connected with the Northern Ring Section of Guangzhou Ring Road and ending on the Dongbao River Bridge located at the junction of Dongguan and Shenzhen of the Beijing-Hong Kong-Macao Expressway, with a total length of approximately 71.13km. The Guangzhou-Dongguan Section R&E Project shall mainly adopt the integral section method expansion in dual directions to a total of 10 lanes with a design speed of 100km/hr.

The Guangzhou-Dongguan Section R&E Project will be invested and constructed by the GSZ Company and its total investment amount is currently estimated to be approximately RMB29.40 billion. Approximately 75% of the total investment amount is planned to be funded by the GSZ Company's self-raised funds (as the accounts of the GSZ Company are not consolidated into the financial statements of the Bay Area Development Group, its borrowings and loans will not impact the Bay Area Development Group's debts position) and the remaining approximately 25% is planned to be funded by capital contributions from the shareholders of the GSZ Company. Bay Area Development Group intends to undertake for not more than 50% of such shareholders' capital contribution (expected to be not more than RMB3.70 billion). Bay Area Development Group will negotiate the Capital Contribution Matters with Guangdong Highway Construction in due course. In the event the Capital Contribution Matters are materialised, Shenzhen International, Shenzhen Expressway and Bay Area Development will conduct further approval procedures and make disclosures as and when appropriate in compliance with the relevant requirements of the Listing Rules. Prior to the implementation of the Capital Contribution Matters, the GSZ Company will implement the Guangzhou-Dongguan Section R&E Project with its self-raised funds.

REASONS FOR AND BENEFITS OF INVESTMENT IN THE GS SUPERHIGHWAY R&E PROJECT

The Greater Bay Area is one of the most economically developed regions in the PRC. As mentioned above, the GS Superhighway connects the core cities in the Greater Bay Area and is a major transport artery between the Greater Bay Area and the core area of the Pearl River Delta, which enjoys obvious line position advantage. With the economic development and the increase in car ownership in the PRC, especially in Guangdong Province, the traffic flow on GS Superhighway has been nearly saturated. In order to satisfy the growing traffic demand in the surrounding area, the GS Superhighway R&E Project has been included in the first batch of the “14th Five-Year” key projects to accelerate the construction of a country with strong transportation network.

The investment of expressways is the Bay Area Development Group’s principal businesses. The implementation of the GS Superhighway R&E Project will help to enhance the traffic capacity and toll revenue of the GS Superhighway, providing stable financial returns to the Bay Area Development Group, further strengthening its core competitiveness in the toll road industry, which is in line with the strategy of the Bay Area Development Group.

The investment in the GS Superhighway R&E Project helps to extend the concession period of the Bay Area Development Group’s premium assets. The GS Superhighway is the most crucial asset of the Bay Area Development Group, whose concession period is expected to expire in 2027. According to the existing policy related to toll highway management, if the GS Superhighway R&E Project is successfully implemented, GSZ Company can apply to the government department for reappraisal for the concession period of the GS Superhighway. The implementation of the GS Superhighway R&E Project can improve the asset quality of the GS Superhighway and extend its concession period, which lays a solid foundation for the sustainable development of the Bay Area Development Group and is also a rare strategic development opportunity for the Bay Area Development Group.

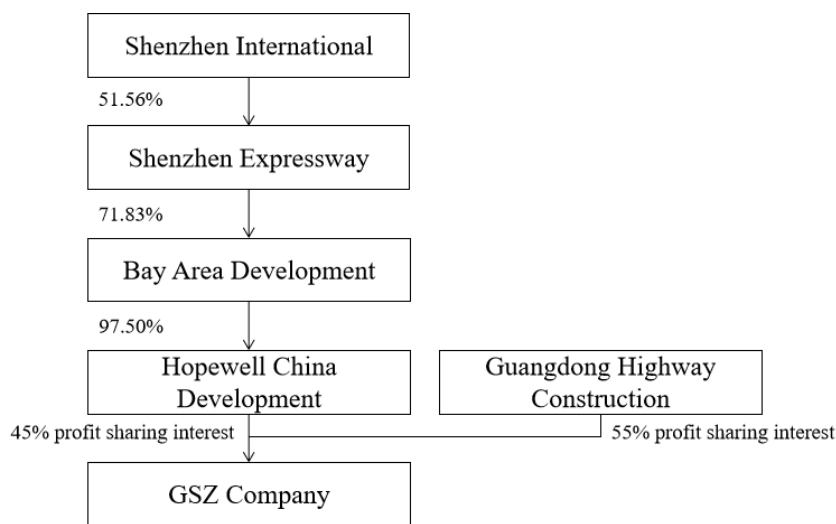
The investment in the GS Superhighway R&E Project can release land for comprehensive development, therefore enhancing the Bay Area Development Group’s investment return. The Guangdong Provincial Government has been promoting the revitalisation and utilisation of land resources along expressways and supports the pilot implementation of land resources revitalisation and utilisation on the GS Superhighway. Through the GS Superhighway R&E Project, the Bay Area Development Group can combine the local territorial spatial planning and transportation needs, facilitating the comprehensive development of land along the GS Superhighway, realising the land value along the GS Superhighway and increasing returns for Bay Area Development and its shareholders.

Taking into account the above, the GS Superhighway R&E Project is in the overall interest of the Bay Area Development and its shareholders. As the subsidiary of Shenzhen International and Shenzhen Expressway, Bay Area Development Group further consolidating its core advantages will be conducive to the overall development of Shenzhen International and Shenzhen Expressway and is in line with their shareholders’ interests respectively.

SHAREHOLDING STRUCTURE OF SHENZHEN INTERNATIONAL, SHENZHEN EXPRESSWAY, BAY AREA DEVELOPMENT AND GSZ COMPANY

Shenzhen International is the controlling shareholder of Shenzhen Expressway and holds 51.56% of equity interest in Shenzhen Expressway. Shenzhen Expressway is the controlling shareholder of Bay Area Development and holds 71.83% of equity interest in Bay Area Development. Bay Area Development through its indirect non-wholly owned subsidiary, Hopewell China Development, owns 45% of the profit sharing interest of the GSZ Company.

At the date of this joint announcement, the diagram of shareholding structure of Shenzhen International, Shenzhen Expressway, Bay Area Development and GSZ Company is set as follows:



Note: This diagram has omitted some intermediate entities with 100% shareholding ratio, and it is only used to show the shareholding relationship.

GENERAL

Bay Area Development Group will negotiate the Capital Contribution Matters with Guangdong Highway Construction in due course. In the event the Capital Contribution Matters are materialised, Shenzhen International, Shenzhen Expressway and Bay Area Development will conduct further approval procedures and make disclosures as and when appropriate in compliance with the relevant requirements of the Listing Rules.

In addition, the GSZ Company (a deemed subsidiary of the Bay Area Development when fulfilling certain agreed obligations /responsibilities under Listing Rules, but its accounts are not consolidated into the financial statements of the Bay Area Development Group) may or may not enter into agreements in relation to the transactions to be carried out under the Guangzhou-Dongguan Section R&E Project. In the event these transactions are materialised, Bay Area Development will conduct further approval procedures and make disclosures as and when appropriate in compliance with the relevant requirements of the Listing Rules in respect of these transactions accordingly.

SHAREHOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF SHENZHEN INTERNATIONAL, SHENZHEN EXPRESSWAY AND BAY AREA DEVELOPMENT.

DEFINITIONS

“Approval”	The approval of the Guangzhou-Dongguan Section R&E Project issued by Guangdong Provincial Development and Reform Commission on 22 August 2023
“Greater Bay Area”	Guangdong-Hong Kong-Macao Greater Bay Area
“Bay Area Development”	Shenzhen Investment Holdings Bay Area Development Company Limited (深圳投控灣區發展有限公司), a subsidiary of Shenzhen Expressway held as to 71.83% and a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Codes: 00737 (HKD Counter) and 80737 (RMB Counter))
“Bay Area Development Group”	Bay Area Development and its subsidiaries
“Capital Contribution Matters”	the total investment amount of GSZ Company on the Guangzhou-Dongguan Section R&E Project is currently estimated to be approximately RMB29.40 billion, approximately 25% of which is planned to be funded by capital contributions from the shareholders of the GSZ Company. Bay Area Development Group intends to undertake for not more than 50% of such shareholders’ capital contribution (expected to be not more than RMB3.70 billion)
“GSZ Company”	Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited (廣深珠高速公路有限公司), a Sino-foreign co-operative joint venture established by the Bay Area Development Group and Guangdong Highway Construction in Guangzhou City, Guangdong Province of the PRC on 27 April 1988 and a deemed subsidiary of the Bay Area Development when fulfilling certain agreed obligations /responsibilities under Listing Rules in terms of the Listing Agreement entered into between the Bay Area Development and the Stock Exchange on 7 August 2003, but its accounts are not consolidated into the financial statements of the Bay Area Development Group

“GS Superhighway”	Guangzhou-Shenzhen Superhighway, the Guangzhou-Shenzhen section of Beijing-Hong Kong-Macao Expressway (G4), which runs from the Huangcun (Guangdan) Interchange in Guangzhou in the north to the Huanggang Port in Shenzhen (boundary between Hong Kong and Shenzhen) in the south with a total length of 122.8 km
“GS Superhighway R&E Project”	the reconstruction and expansion project of the GS Superhighway, further details of which are set out in the section “GS Superhighway R&E Project” of this joint announcement
“Guangdong Highway Construction”	Guangdong Provincial Highway Construction Company Limited* (廣東省公路建設有限公司), the PRC joint venture partner of GSZ Company and a company established in the PRC with limited liability and a non-wholly owned subsidiary of Guangdong Provincial Communication Group Company Limited* (廣東省交通集團有限公司), being a state-owned enterprise established in the PRC
“Guangzhou-Dongguan Section”	Guangzhou-Dongguan section of the GS Superhighway
“Guangzhou-Dongguan Section R&E Project”	the Guangzhou-Dongguan Section of the GS Superhighway R&E Project
“Hopewell China Development”	Hopewell China Development (Superhighway) Limited, a company established in Hong Kong with limited liability and an indirect non-wholly owned subsidiary of Bay Area Development
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Shenzhen Expressway”	Shenzhen Expressway Corporation Limited, a subsidiary of Shenzhen International held as to 51.56%, and a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code 00548) and the A Shares of which are listed on the Shanghai Stock Exchange (stock code 600548)
“Shenzhen International”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code 00152)
“Shenzhen Section”	Shenzhen section of the GS Superhighway
“Shenzhen Section R&E Project”	the Shenzhen Section of the GS Superhighway R&E Project
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
**Shenzhen International
Holdings Limited**

Liu Wangxin
Joint Company Secretary

By Order of the Board
**Shenzhen Expressway
Corporation Limited**

Zhao Gui Ping
Joint Company Secretary

By Order of the Board
**Shenzhen Investment
Holdings Bay Area
Development Company
Limited**

Ji LIU*
Executive Director and
Deputy General Manager

30 October 2023

As at the date of this joint announcement, the board of directors of Shenzhen International consists of Messrs. Li Haitao, Liu Zhengyu, Wang Peihang and Dr. Dai Jingming as executive directors, Dr. Zhou Zhiwei as non-executive director and Mr. Pan Chaojin, Dr. Zeng Zhi and Dr. Wang Guowen as independent non-executive directors.

As at the date of this joint announcement, the directors of Shenzhen Expressway are 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), Mr. LÜ Da Wei (Non-executive 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).

As at the date of this joint announcement, the board of directors of Bay Area Development consists of four executive directors namely, Mr. Xiangwen LIAO (Chairman), Mr. Jianming WU* (executive general manager), Mr. Cheng WU* (deputy general manager) and Mr. Ji LIU* (deputy general manager and secretary to the board); two non-executive directors namely, Ms. Siyan CHEN* and Mr. Xuan WANG*; and three independent non-executive directors namely, Mr. Yu Lung CHING, Mr. Tony Chung Nin KAN and Mr. Peng XUE*.*

** For identification purpose only*