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**深圳控股有限公司**  
**SHENZHEN INVESTMENT LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00604)**

## **LITIGATION INVOLVING NON-WHOLLY-OWNED SUBSIDIARIES**

This announcement is made by Shenzhen Investment Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **1. INTRODUCTION**

The board of directors of the Company (the “Board”) announces that, on 3 January 2024, Chengdu Fengze Investment Co., Ltd\* (成都豐澤投資有限公司) (“Chengdu Fengze”) and Shum Yip Terra (Holdings) Company Limited\* (深業泰然(集團)股份有限公司) (“Shum Yip Terra Company”, together with Chengdu Fengze, the “Subsidiaries”), both being non-wholly-owned subsidiaries of the Company, respectively received a statement of claim (民事起訴狀) from the Intermediate People’s Court of Chengdu City (成都市中級人民法院) regarding the claims by Sichuan Haofu Industrial Co., Ltd.\* (四川浩福實業有限公司) (the “Claimant”) against the Subsidiaries (the “Litigation”) regarding the disputes in earnings distribution over the investment of “198” Congshu Area (“198” 叢樹片區) in Chenghua district, Chengdu, the People’s Republic of China (the “Project”).

### **2. BACKGROUND OF THE LITIGATION**

Chengdu Fengze and Chenghua District People’s Government of Chengdu (成都市成華區人民政府) (the “Chenghua District Government”) entered into a series of agreements between January 2011 and December 2022 for the purpose of the Project, whereby Chenghua District Government has agreed to repay Chengdu Fengze capital invested by Chengdu Fengze in the Project and pay Chengdu Fengze certain amounts as investment return as well as cost of, and interest on, capital invested. As at the date hereof, only part of the amounts agreed to be repaid/paid was received by Chengdu Fengze.

In April 2011, Shum Yip Terra Company, the Claimant and another company entered into an agreement for the purpose of the Project (the “Cooperation Agreement”) whereby Shum Yip Terra Company acquired 60% equity interest of Chengdu Fengze and became a controlling shareholder of Chengdu Fengze. The Cooperation Agreement sets out, among others, the responsibilities of the parties thereto in respect of the Project and the standards in respect of the distribution of investment income of the Project. After two transfers in October 2015 and December 2015 and as at the date hereof, Chengdu Fengze is held as to 60% by Shum Yip Terra Company, 11.76% by the Claimant and 28.24% by an individual.

### 3. CLAIMANT'S CLAIMS

Set out below is a summary of the claims by the Claimant:

- (a) The Claimant's rights and interests in the earnings distribution as entitled under the articles of association of Chengdu Fengze is deprived. Therefore, Chengdu Fengze should pay the earnings distribution of approximately RMB223,999,172 to the Claimant;
- (b) If Chengdu Fengze cannot fulfill the abovementioned payment obligations as and when due, Shum Yip Terra Company should bear the responsibility for the compensation; and
- (c) The Subsidiaries should pay the costs of the action.

### 4. ACTIONS TO BE TAKEN BY THE GROUP

The Subsidiaries will engage legal advisers to handle the Litigation as soon as practicable, and will rigorously defend the Litigation to protect its legitimate interest. As the Litigation is still at an early stage, it is difficult to predict the final outcome of the Litigation with certainty and the Company is still assessing the financial impact of the Litigation on the Group. Further announcement(s) will be made by the Company as and when appropriate in accordance with relevant requirements.

By order of the Board of  
**SHENZHEN INVESTMENT LIMITED**  
**LU Hua**  
*Chairman*

Hong Kong, 11 January 2024

*As at the date of this announcement, the Board comprises 8 directors, of which Dr. LU Hua, Mr. WANG Yuwen, Ms. CAI Xun, Mr. XU Enli and Ms. SHI Xiaomei are the executive directors of the Company, and Mr. LI Wai Keung, Dr. WONG Yau Kar, David and Prof. GONG Peng are the independent non-executive directors of the Company.*

\* *For identification purpose only.*