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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)

CONNECTED TRANSACTION
OFFSETTING DEBT ARRANGEMENTS

OFFSETTING DEBT AGREEMENTS

On 6 May 2026 (after market close), Shenye Wansheng (a non-wholly owned subsidiary of the Company) entered into the Offsetting Debt Agreements, pursuant to which, Shenye Wansheng shall transfer the title of the Offsetting Properties at an aggregate value of RMB30,358,512 to Zhongshan Wanye (a 35.17% equity holder of Shenye Wansheng) for and on behalf of Shum Yip Group. The transfer of Offsetting Properties will be used to offset part of Shenye Wansheng's outstanding shareholder loan owed to Shum Yip Group.

The entering of the Offsetting Debt Agreements was mainly as a result of the Share Transfer Intention Agreement dated 20 April 2026 entered into between Shum Yip Group, Zhongshan Vanke and Zhongshan Wanye, pursuant to which, Zhongshan Wanye has conditionally agreed to sell, and Shum Yip Group has conditionally agreed to purchase, the Sale Equity, being the 35.17% equity interest in Shenye Wansheng. Pursuant to the Share Transfer Intention Agreement, Shum Yip Group has conditionally agreed to pay a deposit of RMB30 million. In the event that the Deposit is settled by way of transfer of commercial/office properties, the amount may be subject to a variation of up to 2% from the Deposit.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shenye Wansheng is an indirect non-wholly owned subsidiary of the Company. Shum Yip Group, as the Company's controlling shareholder and holding approximately 14.83% equity interest of Shenye Wansheng, is a connected person of the Company under Chapter 14A of the Listing Rules. As the Offsetting Debt Agreements involve Shenye Wansheng disposing of the Offsetting Properties to offset part of its outstanding shareholder loan owed to Shum Yip Group, such arrangement constitutes a connected transaction of the Company. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Offsetting Debt Agreements exceeds 0.1% but is less than 5%, the Offsetting Debt Agreements are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

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The key terms of the Offsetting Debt Agreements, namely the Entrusted Payment Agreement and the Physical Asset Payment Agreement are set out below.

(1) THE ENTRUSTED PAYMENT AGREEMENT

The principal terms and conditions of the Entrusted Payment Agreement are set out as follows:

Date

6 May 2026

Parties

(i) Shenye Wansheng, as the entrustee; and

(ii) Shum Yip Group, as the entrustor.

Subject Matter and Consideration

Subject to the terms and conditions under the Entrusted Payment Agreement, Shenye Wansheng shall transfer the title of the Offsetting Properties at an agreed aggregate value of RMB30,358,512 to Zhongshan Wanye for and on behalf of Shum Yip Group to offset part of Shenye Wansheng's outstanding shareholder loan owed to Shum Yip Group.

Shenye Wansheng shall transfer the Offsetting Properties to Zhongshan Wanye or its designated entity(ies) in accordance with the terms of Physical Assets Payment Agreement, and shall be responsible for completing all the procedures related to the transfer of the Offsetting Properties, including but not limited to the execution of the sale and purchase agreement, handover and property registration.

Completion

Completion shall take place upon the due execution of the Physical Assets Payment Agreement, whereby Shenye Wansheng shall be deemed to have settled the debt of RMB30,358,512 owed to Shum Yip Group.

(2) THE PHYSICAL ASSETS PAYMENT AGREEMENT

The principal terms and conditions of the Physical Assets Payment Agreement are set out as follows:

Date

6 May 2026

Parties

(i) Shenye Wansheng, as the transferor; and

(ii) Zhongshan Wanye, as the transferee.

Subject Matter and Consideration

Pursuant to the Physical Assets Payment Agreement, Shenye Wansheng shall transfer the title of the Offsetting Properties with an agreed aggregate value equivalent to RMB30,358,512 to Zhongshan Wanye or its designated entity(ies).

Upon due execution of the Physical Assets Payment Agreement, the aforesaid sum shall be deemed as full payment of the Deposit as stipulated under the Share Transfer Intention Agreement.

Time of Delivery and Transfer of Title

The time for delivery and title transfer of the Offsetting Properties shall take place in accordance with the "Commercial Properties Sales Contract(商品房買賣合同)" to be signed between Shenye Wansheng and Zhongshan Wanye or its designated entity(ies) before 15 December 2026 in accordance with the Physical Assets Payment Agreement and guarantees to perform its obligations therein.

Warranty

Shenye Wansheng warrants that the Offsetting Properties are free from any defects in title. If, before the date of title transfer as stipulated in the formal sale and purchase agreement, any defect in title such as mortgage or seizure occurs that prevents Zhongshan Wanye or its designated entity(ies) from completing the registration of the title change, Shenye Wansheng shall replace the encumbered properties with other properties for set-off, or promptly cure such title defects.

Completion

Completion shall take place upon the transfer of the Offsetting Properties by Shenye Wansheng to Zhongshan Wanye; provided that upon signing the Physical Assets Payment Agreement, Shenye Wansheng shall be deemed to have paid the Deposit as stipulated under the Share Transfer Intention Agreement to Zhongshan Wanye on behalf of Shum Yip Group.

Arrangements during the transition Period

From 15 December 2026, the property management fees for the Offsetting Properties shall be borne by Zhongshan Wanye or its designated entity(ies). If the Offsetting Properties have been transferred to Zhongshan Wanye before 15 December 2026, the property management fees shall be borne by Zhongshan Wanye or its designated entity(ies) from the date of delivery.

Breach of Contract Compensation

Unless otherwise agreed, if the breach involves monetary payment obligations, the breaching party shall pay the non-breaching party liquidated damages at the rate of 0.03% per day of the overdue amount until all obligations are fully performed. For breaches not involving monetary payment obligations, the breaching party shall pay the non-breaching party liquidated damages at the rate of RMB 50,000 per day until the breach is corrected.

Termination

The Physical Assets Payment Agreement constitutes one of the transaction steps in performing the Share Transfer Intention Agreement. If the conditions for refunding the Deposit under the Share Transfer Intention Agreement are met, the Physical Assets Payment Agreement shall be automatically terminated. Upon termination of the Physical Assets Payment Agreement and return of the Offsetting Properties, the Deposit shall be deemed refunded. If the Offsetting Properties cannot be returned, the parties shall negotiate separately.

INFORMATION OF THE OFFSETTING PROPERTIES

The Offsetting Properties were constructed by Shenye Wansheng and have been held by Shenye Wansheng for over 12 months.

The Offsetting Properties comprise 57 units of office premises located in Building 2 of Wanbin Wanchao Plaza, No. 8 Jinfan Street, Cuiheng New District, Zhongshan City, the PRC with an aggregate gross floor area of 2,060.18 square meters held for sale by Shenye Wansheng. As at the date of this announcement, all the construction of the Offsetting Properties has been completed and filed for acceptance, and has obtained the relevant pre-sale permits or ready-building sale permits. As the Offsetting Properties were held for sale, there were no rental income that arose from the Offsetting Properties.

The carrying amount of the Offsetting Properties as at 31 March 2026 was approximately RMB25.56 million.

BASIS OF DETERMINATION OF THE OFFSETTING PROPERTIES

The consideration for the transfer of the Offsetting Properties, which directly corresponds to the settlement of the Deposit and the subsequent set-off of the shareholder loan, was arrived at after arm's length negotiations among the relevant parties.

In determining the consideration, Shenye Wansheng has engaged Guangdong Zhongzhan Land, Real Estate and Assets Appraisal Consulting Co., Ltd.*(廣東中展土地房地產與資產評估諮詢有限公司) ("**Valuer**"), an independent property valuer with professional qualifications in the PRC, to conduct a specific valuation on the Offsetting Properties.

The transfer price of the Offsetting Properties was determined with reference to (i) the appraised value of the Offsetting Properties of RMB29,349,546 as assessed by the independent valuer as of the valuation date of 20 April 2026 using the market-based and income-based approach, details of the key assumptions are set out below; and (ii) Shenye Wansheng's internally approved floor price of the Offsetting Properties for sale in the open market of RMB30,358,512, whichever is higher. The consideration of RMB30,358,512, being the higher of the appraised value and the internally approved floor price for sale in the open market of the Offsetting Properties, was arrived at accordingly.

(I) Key general assumptions

1. The Offsetting Properties have clearly established ownership and completed all necessary registrations. They can be transferred freely on the open market.

2. Market supply relations and market structure remain stable without any material or substantive changes.

3. Both parties to the transactions possess complete market information with necessary professional knowledge on the Offsetting Properties. No additional bid prices offered by special buyers are considered.

4. Both parties to the transactions aim to maximize their own economic interests, and complete negotiations and transactions within a reasonable timeframe. The value of the Offsetting Properties will remain stable during the negotiation period.

5. The Valuer paid attention to the major factors affecting the value of the Offsetting Properties, such as the property safety and environmental pollution. In the absence of reasons to doubt the existence of potential safety hazards of the Offsetting Properties and the corresponding evaluation and testing by professional institutions, it is assumed that the Offsetting Properties can be used normally and safely.

6. The instructing party of the valuations provided relevant information regarding the Offsetting Properties, including the on-site measurements or ownership documents. The Valuer did not verify the information with the relevant government authorities. In the absence of any reason to doubt the legality, authenticity, accuracy and completeness of the information, it is assumed that the information provided by the instructing party of the valuations is legal, authentic, accurate and complete.

7. The valuation assumes that the subject properties are free of any mortgage liens and are not subject to seizure.

8. The valuation results serve as a reference for the market value of the subject properties for the purpose of this valuation. The valuation does not take into account the impact of changes in national macroeconomic policies, changes in market supply relations, changes in market structure, natural forces and other force majeure on the value of real estate, nor does it consider the potential impact on the assessed value arising from future liability for breach of contracts by the subject properties and special transaction prices under special transaction methods. When the above conditions change, the valuation results will generally change.

This pricing mechanism was formulated to ensure that the connected person will not receive any terms or treatment more favourable than those available to ordinary independent purchasers in the open market. Furthermore, the corresponding settlement of the shareholder loan will be executed strictly on a dollar-for-dollar basis (i.e., a 1:1 equal value ratio) against the aggregate transfer price of the Offsetting Properties, without any additional interest compensation or handling fees.

Accordingly, the Directors consider that the basis of consideration is fair and reasonable, and the interests of the Company and its minority shareholders are well safeguarded.

INFORMATION OF THE PARTIES

The Company and Shenye Wansheng

The Group is principally engaged in property development, property investment, and property management.

As at the date of this announcement, Shenye Wansheng is an indirect non-wholly-owned subsidiary of the Company, which is owned as to approximately 50%, 35.17% and 14.83% by Shum Yip Terra Land Company, Zhongshan Wanye and Shum Yip Group, respectively. Shenye Wansheng is principally engaged in development, construction, management holding, sales and leasing of properties in the PRC.

Shum Yip Group

Shum Yip Group is an investment holding company and is the ultimate holding company of the Company. As at the date of this announcement, Shum Yip Group indirectly holds approximately 63.19% of all issued Shares. Shum Yip Group is ultimately wholly owned by the Shenzhen Municipal People's Government of the PRC and under the administration of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government.

Zhongshan Vanke and Zhongshan Wanye

Zhongshan Vanke is a direct wholly-owned subsidiary of Vanke established in the PRC. Vanke and its subsidiaries are principally engaged in the development and sale of properties in the PRC.

Zhongshan Wanye is a company established in the PRC with limited liability and is indirectly held as to approximately 99.0% by Vanke through Zhongshan Vanke. Zhongshan Wanye is principally engaged in the development and sale of properties in the PRC.

FINANCIAL EFFECT

Subject to final audit, it is expected that the Group will record a gross profit of approximately RMB2.29 million from the disposal of Offsetting Properties. Such gross profit was derived based on the consideration of the Offsetting Properties of RMB30,358,512 less the carrying amount of the Offsetting Properties of approximately RMB25.56 million.

As the sum of RMB30,358,512 was used to offset against part of its outstanding shareholder loan owed to Shum Yip Group, it is expected that no net proceeds will be generated from the Offsetting Debt Agreements.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Group has been actively exploring avenues to optimize its asset portfolio and capital structure. The Offsetting Debt Agreements provide a valuable opportunity for Shenye Wansheng to accelerate the realization of its commercial property inventory. By utilizing the Offsetting Properties, which inherently possess relatively lower liquidity, to settle the Deposit on behalf of the controlling shareholder, the Group can effectively convert its physical property assets into an immediate reduction of its shareholder indebtedness.

Furthermore, the equivalent set-off of the shareholder loan will directly lower the financial leverage and debt burden of Shenye Wansheng, thereby improving its overall asset-liability profile and reinforcing its financial resilience.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Offsetting Debt Agreements are on normal commercial terms, fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

Mr. WANG Yuwen, Ms. CAI Xun and Dr. XIANG Dong, all being executive Directors of the Company and directors of Shum Yip Group, have abstained from voting on the board resolutions approving the Offsetting Debt Agreements and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shenye Wansheng is an indirect non-wholly owned subsidiary of the Company. Shum Yip Group, as the Company's controlling shareholder and holding approximately 14.83% equity interest of Shenye Wansheng, is a connected person of the Company under Chapter 14A of the Listing Rules. As the Offsetting Debt Agreements involve Shenye Wansheng disposing of the Offsetting Properties to offset part of its outstanding shareholder loan owed to Shum Yip Group, such arrangement constitutes a connected transaction of the Company. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Offsetting Debt Agreements exceeds 0.1% but is less than 5%, the Offsetting Debt Agreements are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless otherwise defined, the following expressions shall have the meanings set out below:

"Board"	the board of Directors
"Company"	Shenzhen Investment Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 00604)
"connected person(s)"	has the same meaning as ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Deposit"	the deposit in the amount of RMB30,000,000 (or in the event of transfer of commercial/office properties, the amount may be subject to a variation of up to 2% from the agreed sum of RMB 30 million) payable by Shum Yip Group to Zhongshan Wanye pursuant to the terms of the Share Transfer Intention Agreement
"Director(s)"	the director(s) of the Company
"Entrusted Payment Agreement"	the entrusted payment agreement（委託付款協議）dated 6 May 2026 entered into between Shum Yip Group and Shenye Wansheng in relation to, among others, the payment of RMB30,358,512 to Zhongshan Wanye on behalf of Shum Yip Group to offset part of Shenye Wansheng's outstanding shareholder loan owed to Shum Yip Group
"Group"	the Company and its subsidiaries

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and modified from time to time
"Offsetting Debt Agreements"	the Entrustment Payment Agreement and the Physical Assets Payment Agreement
"Offsetting Properties"	the 57 units of office premises held by Shenye Wansheng, which are the subject matter of the transfer to Zhongshan Wanye pursuant to the Physical Assets Payment Agreement as further described in the section headed "Information on the Offsetting Properties"in this announcement
"Physical Assets Payment Agreement"	the physical assets payment agreement (實物支付協議) dated 6 May 2026 entered into between Shenye Wansheng and Zhongshan Wanye in relation to, among others, the transfer of the Offsetting Properties
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Equity"	representing 35.17% equity interest in Shenye Wansheng, held by Zhongshan Wanye, being the subject matter of the Share Transfer Intention Agreement
"Share Transfer Intention Agreement"	the share transfer intention agreement dated 20 April 2026 entered into between Shum Yip Group, Zhongshan Vanke and Zhongshan Wanye in relation to, among others, the transfer of the Sale Equity
"Shenye Wansheng"	Zhongshan Shenye Wansheng Investment Co., Ltd. (中山市深業萬勝投資有限公司), a company established in the PRC which is an indirect non-wholly-owned subsidiary of the Company owned as to 50% by Shum Yip Terra Land Company, 35.17% by Zhongshan Wanye and 14.83% by Shum Yip Group
"Shum Yip Group"	Shum Yip Group Limited* (深業集團有限公司), a company established in the PRC which is ultimately wholly-owned by the Shenzhen Municipal People's Government and under the administration of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government (Shenzhen SASAC), and the ultimate holding company of the Company

"Shum Yip Terra Land Company"	Shum Yip Terra Land Investment & Development (Shenzhen) Co., Ltd.* (深業泰然置地投資發展(深圳)有限公司), a company established in the PRC which is an indirect non-wholly-owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vanke"	China Vanke Co., Ltd.* (萬科企業股份有限公司), a joint stock limited company established in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (SZSE: 000002) and the Main Board of the Stock Exchange (stock code: 2202)
"Zhongshan Vanke"	Zhongshan Vanke Enterprise Co., Ltd.* (中山萬科企業有限公司), a company established in the PRC with limited liability and a direct wholly-owned subsidiary of Vanke
"Zhongshan Wanye"	Zhongshan Wanye Property Development Company Limited* (中山市萬業房地產有限公司), a company established in the PRC which is indirectly held as to approximately 99.0% by Vanke through Zhongshan Vanke
"%"	per cent

By Order of the Board
SHENZHEN INVESTMENT LIMITED
WANG Yuwen
Chairman

Hong Kong, 6 May 2026

As at the date of this announcement, the Board comprises 7 directors, of which Mr. WANG Yuwen, Ms. CAI Xun, Mr. YAN Zhongyu and Dr. XIANG Dong 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*