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**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: 737 (HKD counter) and 80737 (RMB counter)

ANNOUNCEMENT

**UPDATE ON THE SALE AND PURCHASE OF SHARES
OF THE TARGET COMPANY
BY CONTROLLING SHAREHOLDER**

This announcement is made by Shenzhen Investment Holdings Bay Area Development Company Limited (the “**Company**”) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 10 August 2021 (the “**Announcement**”) in relation to the sale and purchase agreement entered into between the Vendor and the Purchaser regarding the proposed sale of all the issued shares in the Target Company (which holds approximately 71.83% of the issued shares of the Company) by the Vendor, a wholly-owned subsidiary of SIHC (the Company’s ultimate controlling shareholder), to the Purchaser, a wholly-owned subsidiary of Shenzhen Expressway (the “**Agreement**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, completion of the Agreement and the transactions contemplated thereunder is subject to the fulfilment of certain Conditions Precedent, including among others, approval by the independent shareholders of each of Shenzhen Expressway and Shenzhen International (both being companies listed on The Stock Exchange of Hong Kong Limited (the “**HK Stock Exchange**”)) of the Agreement at their respective general meeting.

The Company wishes to update its shareholders and potential investors that the Company noted that: (i) Shenzhen Expressway (HKEx Stock Code: 548) has on 23 November 2021 published a circular to its shareholders (the “**Shenzhen Expressway Circular**”) and a notice of extraordinary general meeting on the website of the HK Stock Exchange at (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/1123/2021112300608.pdf>) for the purposes of convening an extraordinary general meeting on 10 December 2021 to approve the Agreement; and (ii) Shenzhen International (HKEx Stock Code: 152) has on 23 November 2021 published a circular to its shareholders and a notice of special general meeting on the website of the HK Stock Exchange at (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/1123/2021112300876.pdf>) for the purposes of convening a special general meeting on 10 December 2021 to approve the Agreement.

As informed by Shenzhen Expressway, it has disclosed in the Shenzhen Expressway Circular, among other things, the audited consolidated financial information of the Target Company as at or for the seven months ended 31 July 2021 (as the case may be) (the “**Target Company’s Financial Information**”) prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by the reporting accountants of Shenzhen Expressway in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants for the purposes of compliance with the relevant requirements of the Shanghai Stock Exchange and the HK Stock Exchange. As at the date of this announcement, the Company is owned as to 71.83% by the Target Company. Based on the management information available to the Group, the unaudited consolidated financial information of the Group as at or for the seven months ended 31 July 2021 (as the case may be) prepared in accordance with International Financial Reporting Standards are set out below:

For the seven months ended 31 July 2021 (unaudited):

	RMB’000
Profit before tax	428,599
Profit attributable to owners of the Company	365,538
Profit attributable to non-controlling interests	5,311
Total comprehensive income	368,481
Dividend paid to non-controlling interests	3,772
Net cash used in operating activities	175,425
Net cash from investing activities	819,202
Net cash from financing activities	10,011
Net increase in cash and cash equivalents	653,788

As at 31 July 2021 (unaudited):

	RMB’000
Non-current assets	5,009,123
Current assets	1,882,600
Total assets	<u>6,891,723</u>
Non-current liabilities	1,196,555
Current liabilities	610,269
Total liabilities	<u>1,806,824</u>
Equity attributable to owners of the Company	5,059,774
Non-controlling interests	25,125
Net assets/ total equity	<u>5,084,899</u>

The above unaudited financial information of the Group has been prepared based on the information currently available to the Group including the unaudited consolidated management accounts of the Group for the seven months ended 31 July 2021 which have not been reviewed by the Company’s auditor or the audit committee of the Company. Shareholders and potential investors of the Company should exercise caution when considering the above unaudited financial information of the Group and when dealing in the securities of the Company.

Further announcement(s) will be made by the Company in respect of the progress of the sale and purchase under the Agreement as and when appropriate in accordance with the Listing Rules.

WARNING: COMPLETION OF THE SALE AND PURCHASE UNDER THE AGREEMENT IS SUBJECT TO THE FULFILMENT OF THE CONDITIONS PRECEDENT UNDER THE AGREEMENT. THERE IS NO ASSURANCE THE SALE AND PURCHASE WILL EVENTUALLY BE CONSUMMATED. SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. PERSONS WHO ARE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE SHOULD CONSULT THEIR STOCK BROKERS, BANK MANAGERS, SOLICITORS OR OTHER PROFESSIONAL ADVISERS.

By Order of the Board
**Shenzhen Investment Holdings Bay Area
Development Company Limited**
Ji LIU*
Executive Director and Deputy General Manager

Hong Kong, 23 November 2021

As at the date of this announcement, the Board comprises three Executive Directors namely, Mr. Tianliang ZHANG (General Manager), Mr. Cheng WU* (Deputy General Manager) and Mr. Ji LIU* (Deputy General Manager and secretary to the Board); three Non-executive Directors namely, Mr. Zhengyu LIU* (Chairman), Mr. Junye CAI* and Mr. Weiguo ZONG*; and three Independent Non-executive Directors namely, Mr. Brian David Man Bun LI, Mr. Yu Lung CHING and Mr. Tony Chung Nin KAN.*

** For identification purpose only*