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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**

**SALE AND PURCHASE OF SHARES 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 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 announcements of the Company dated 15 March 2021 and 14 April 2021 in relation to, among other things, the Possible Transaction and the grant of waiver from the obligation to make a mandatory general offer under Note 6(a) of Rule 26.1 of the Takeovers Code from the Executive (collectively, the “**Announcements**”) on the part of the Potential Purchaser. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

**SALE AND PURCHASE OF SHARES BY CONTROLLING SHAREHOLDER**

The Company wishes to update its Shareholders and potential investors that the Company was informed by Shenzhen Investment Holdings Co., Ltd. (“**SIHC**”, previously defined as the “**Potential Vendor**”), its ultimate controlling Shareholder, that on 10 August 2021, Shenzhen Investment International Capital Holdings Co., Limited. (the “**Vendor**”), a wholly-owned subsidiary of SIHC, entered into a sale and purchase agreement (the “**Agreement**”) with Mei Wah Industrial (Hong Kong) Limited (the “**Purchaser**”), a wholly-owned subsidiary of Shenzhen Expressway Company Limited (“**Shenzhen Expressway**”, previously defined as the “**Potential Purchaser**”), to materialise the Possible Transaction. Pursuant to the Agreement, the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to purchase all the issued shares of Shenzhen Investment International Capital Holdings Infrastructure Co., Ltd. (the “**Target Company**”) at a consideration of HK\$2,450,034,805.18, with the Purchaser further conditionally agreeing to finance the repayment of the loans owing by the Target Company to the Vendor in the aggregate principal amount of approximately USD700,000,000 and several existing bank loans owing by the Target Company to certain banks, in the aggregate principal amount of approximately HK\$2,429,495,000 (the “**Transaction**”). As at the date of this announcement, the Target Company holds 2,213,449,666 shares of the Company (the “**Shares**”), representing approximately 71.83 % of the total issued Shares.

Reference is also made to the announcement of the Company dated 17 September 2018 relating to, among other things, the agreement between the SIHC, the Vendor and the trustee of CMF Global Quantitative Stable Segregated Portfolio (“**CMF Fund**”) that CMF Fund may, during the period of three months prior to the fifth anniversary of the then completion date of the placing of certain shares of the Company to CMF Fund (the “**Fifth Anniversary Date**”), give a one-off notification to SIHC and the Vendor (or either of them) that CMF Fund intends to, on or within six months after the Fifth Anniversary Date, dispose of all or part of the then placing shares on-market and/or off-market to independent third party(ies) (“**Disposal(s)**”), and if the aggregate amount of the consideration received by CMF Fund under the Disposal(s) is less than the total investment costs of CMF Fund and its investor, SIHC and the Vendor (or either of them) will pay to CMF Fund the difference in cash (the “**Payment Obligation**”). It is noted that according to the Joint Announcement (as defined below), SIHC, the Vendor, the Purchaser and Shenzhen Expressway have agreed that the Purchaser and Shenzhen Expressway will, after completion of the Transaction, perform the Payment Obligation (if any) towards CMF Fund (estimated to be not more than HK\$139,000,000).

Completion of the Transaction is subject to the fulfilment of certain conditions precedent (the “**Conditions Precedent**”), including among others, approval by the independent shareholders of each of Shenzhen Expressway (HKEx Stock Code: 548) and its holding company, namely, Shenzhen International Holdings Limited (“**Shenzhen International**”, HKEx Stock Code: 152), both being companies listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), at their respective general meeting.

As informed by Shenzhen Expressway, it and Shenzhen International have disclosed the relevant information in relation to the Transaction on the website of the Stock Exchange in accordance with the relevant requirements of the Listing Rules. For further details of the Transaction, please refer to the joint announcement dated 10 August 2021 published by Shenzhen Expressway and Shenzhen International on the website of the Stock Exchange at ( <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0810/2021081001350.pdf> ) (the “**Joint Announcement**”). As informed by Shenzhen Expressway, it has also disclosed, among other things, the audited consolidated financial information of the Target Company as at or for the three months ended 31 March 2021 (as the case may be) prepared in accordance with the PRC accounting standards (the “**Target Company’s Financial Information**”) in compliance with the relevant requirements of the Shanghai Stock Exchange. For details, please refer to the overseas regulatory announcement dated 10 August 2021 published by Shenzhen Expressway on the website of the Stock Exchange at ( [https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0810/2021081001354\\_c.pdf](https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0810/2021081001354_c.pdf) ). 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 three months ended 31 March 2021 (as the case may be) prepared in accordance with International Financial Reporting Standards are set out below:

**For the three months ended 31 March 2021 (unaudited):**

	<b>RMB’000</b>
Profit before tax	175,296
Profit attributable to owners of the Company	158,823
Profit attributable to non-controlling interests	2,106
Total comprehensive income	145,201
Dividend paid to non-controlling interests	1,350
Net cash used in operating activities	156,498

**As at 31 March 2021 (unaudited):**

	<b>RMB'000</b>
Non-current assets	5,080,827
Current assets	1,550,077
Total assets	<u>6,630,904</u>
Non-current liabilities	1,170,331
Current liabilities	315,022
Total liabilities	<u>1,485,353</u>
Equity attributable to owners of the Company	5,121,209
Non-controlling interests	24,342
Net assets/ total equity	<u><u>5,145,551</u></u>

The Company is in the process of finalising the interim results of the Group for the six months ended 30 June 2021 (the “**2021 Interim Period**”) and a positive profit alert announcement in relation to the 2021 Interim Period had been published on 21 July 2021. The actual results of the Group for the 2021 Interim Period are expected to be published in the second half of August 2021. Shareholders and potential investors of the Company should exercise caution when considering the Target Company’s Financial Information and the unaudited consolidated financial information of the Group as at or for the three months ended 31 March 2021 (as the case may be) as mentioned above and when dealing in the securities of the Company.

**EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the date of this announcement, SIHC owns 100% of the Target Company which in turn holds approximately 71.83% of the issued Shares. To the best of the knowledge, information and belief of the Company, none of Shenzhen Expressway or Shenzhen International or their respective subsidiaries has interest in any Shares as the date of this announcement. Upon completion of the Transaction, the Purchaser, Shenzhen Expressway and Shenzhen International would become the intermediate controlling Shareholders of the Company, with the Purchaser holding approximately 71.83% of the issued Shares. Since the Purchaser is a wholly-owned subsidiary of Shenzhen Expressway, being a subsidiary of Shenzhen International, which in turn is owned as to approximately 43.49% by SIHC as at the date of this announcement, SIHC would remain the ultimate controlling Shareholder of the Company upon completion of the Transaction.

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

**WARNING: COMPLETION OF THE TRANSACTION IS SUBJECT TO THE FULFILMENT OF THE CONDITIONS PRECEDENT UNDER THE AGREEMENT. THERE IS NO ASSURANCE THAT THE TRANSACTION 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, 10 August 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*