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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)



深圳高速公路股份有限公司  
SHENZHEN EXPRESSWAY COMPANY LIMITED  
(a joint stock limited company incorporated in the People's  
Republic of China with limited liability)  
(Stock Code: 00548)

**MAJOR TRANSACTION**

**VERY SUBSTANTIAL DISPOSAL**

**JOINT ANNOUNCEMENT  
PROGRESS IN RELATION TO  
(1) THE TOLL ADJUSTMENT AND COMPENSATION ARRANGEMENTS  
REGARDING NANGUANG EXPRESSWAY, YANPAI EXPRESSWAY AND  
YANBA EXPRESSWAY FOR SHENZHEN EXPRESSWAY;  
(2) THE TOLL ADJUSTMENT AND COMPENSATION ARRANGEMENTS  
REGARDING LONGDA EXPRESSWAY, NANGUANG EXPRESSWAY,  
YANPAI EXPRESSWAY AND YANBA EXPRESSWAY  
FOR SHENZHEN INTERNATIONAL**

Reference is made to the joint announcement of Shenzhen International Holdings Limited (“**SZ International**”) and Shenzhen Expressway Company Limited (“**SZ Expressway**”, an approximately 52%-owned subsidiary of SZ International) dated 2 December 2015 (the “**Joint Announcement**”), the circular of each of SZ International and SZ Expressway both dated 12 January 2016 and the joint announcement of SZ International and SZ Expressway dated 1 February 2016 in relation to the toll adjustment and compensation arrangements regarding Nanguang Expressway, Yanpai Expressway, Yanba Expressway and Longda Expressway (for SZ International only). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meaning as defined in the Joint Announcement.

As stated in the Joint Announcement, according to the Three Expressways Adjustment Agreement and the Longda Adjustment Agreement, the Transport Commission will elect the toll adjustment option for the Phase 2 (effective from 00:00 on 1 January 2019) as agreed, before the end of Phase 1 (i.e. 31 December 2018).

Recently, the Transport Commission issued a notice to SZ Expressway and Longda Company (a subsidiary of SZ International) respectively that it will choose to adopt Option 2, that the Fee Entitlement Right of the Three Expressways and Longda Shenzhen Section will be returned to the Transport Commission and the Transport Commission will implement toll-free for the Three Expressways and Longda Shenzhen Section. The Transport Commission will pay cash compensation to SZ Expressway and Longda Company as agreed in the Three Expressways Adjustment Agreement and the Longda Adjustment Agreement respectively. SZ Expressway and Longda Company will no longer have the Fee Entitlement Right of the Three Expressways and Longda Shenzhen Section and will not be responsible for the management and maintenance of the Three Expressways and Longda Shenzhen Section.

The next step will be that the Transport Commission will, with SZ Expressway and Longda Company respectively, complete the transfer of the Three Expressways, Longda Shenzhen Section and the respective related assets, the confirmation and payment of the balance of the compensation, the management and maintenance arrangements of the Three Expressway and Longda Shenzhen Section and the demolition of the old toll stations in accordance with the Three Expressways Adjustment Agreement and the Longda Adjustment Agreement.

It is expected that SZ International will recognize a one-off gain on asset disposal attributable to shareholders of approximately RMB2.3 billion (equivalent to approximately HK\$2.58 billion) and SZ Expressway will recognize a one-off gain on asset disposal attributable to shareholders of approximately RMB1.52 billion (equivalent to approximately HK\$1.71 billion). The actual amount is subject to final review by auditors of SZ International and SZ Expressway respectively. The board of directors of SZ International and SZ Expressway would like to remind investors to pay attention to the above uncertainties and exercise caution when dealing in the securities of SZ International and SZ Expressway.

SZ Expressway has successfully completed the acquisition of 10% equity interest in Shuiguan Expressway, 45% equity interest in Wuhuang Expressway and 100% equity interest in Yichang Expressway in recent years and obtained the concession rights of quality projects such as Shenzhen Outer Ring Expressway and Shenzhen section of the Guangshen Coastal Expressway (Guangzhou to Shenzhen), etc. The toll mileage of SZ Expressway as a result increased by approximately 209 kilometers and achieved good operating performance. SZ International and SZ Expressway will adhere to toll highways as the core business on this basis, continue to implement and reinforce the operating strategies of toll highways and actively seek opportunities for merger and acquisition of toll highway projects to maintain the stability and growth of the toll mileage of the toll highways.

*Note:*

*In this announcement, amounts denominated in RMB have been converted into HK\$ at the rate of RMB0.89 = HK\$1.00 for illustration purpose only. No representation is made to the effect that any amount in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.*

By Order of the Board  
**Shenzhen International Holdings Limited**  
**Tam Mei Mei**  
*Company Secretary*

By Order of the Board  
**Shenzhen Expressway Company Limited**  
**Luo Kun**  
*Joint Company Secretary*

Shenzhen, the PRC, 12 November 2018

*As at the date of this announcement, the board of directors of SZ International consists of Messrs. Gao Lei, Li Hai Tao, Zhong Shan Qun, Liu Jun and Hu Wei as executive directors, Messrs. Xie Chu Dao and Liu Xiao Dong as non-executive directors and Messrs. Ding Xun, Nip Yun Wing, Dr. Yim Fung, JP and Professor Cheng Tai Chiu, Edwin as independent non-executive directors.*

*As at the date of this announcement, the directors of SZ Expressway are Mr. HU Wei (Executive Director and Chairman of the Board), Mr. LIAO Xiang Wen (Executive Director and President), Ms. CHEN Yan (Non-executive Director), Mr. FAN Zhi Yong (Non-executive Director), Mr. CHEN Yuan Jun (Non-executive Director), Mr. CHEN Kai (Non-executive Director), Mr. CAI Shu Guang (Independent non-executive Director), Mr. WAN Siu Wah Wilson (Independent non-executive Director), Ms. CHEN Xiao Lu (Independent non-executive Director) and Mr. BAI Hua (Independent non-executive Director).*