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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 RENEWAL OF LOAN

THE 2023 FIRST LOAN RENEWAL AGREEMENT

The Board announces that on 10 March 2023, the Subsidiary (an indirect non-wholly-owned subsidiary of the Company) and the Non-controlling Shareholder (a 50% equity holder of the Subsidiary) entered into the 2023 First Loan Renewal Agreement, pursuant to which the Subsidiary agreed to renew the First Loan to the extent of the principal amount of RMB310 million and extend the repayment date of the First Loan to 12 March 2024.

LISTING RULES IMPLICATIONS

The Non-controlling Shareholder is a substantial shareholder of the Subsidiary and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the 2023 First Loan Renewal Agreement exceeds 1% but is less than 5%, the 2023 First Loan Renewal Agreement and the transaction contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

As disclosed in the Previous Announcements, the Subsidiary (an indirect non-wholly-owned subsidiary of the Company) and the Non-controlling Shareholder (a 50% equity holder of the Subsidiary) renewed the First Loan at the principal amount of RMB500 million and extended the repayment date to 12 March 2022 and subsequently to 12 March 2023 with no change in interest rate (being 3.5% per annum). Subsequent to the Previous Announcements and prior to the entering into of the 2023 First Loan Renewal Agreement, the First Loan has been repaid to the extent of RMB190 million.

THE 2023 FIRST LOAN RENEWAL AGREEMENT

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The principal terms of the 2023 First Loan Renewal Agreement are summarised below:

Date	:	10 March 2023
Parties	:	(1) the Subsidiary (as lender); and (2) the Non-controlling Shareholder (as borrower)
Principal amount of the loan	:	RMB310 million
Extended Term	:	From 13 March 2023 to 12 March 2024
Interest	:	3.5% p.a. (on 360 days basis)
Interest payment	:	In full in one lump sum at the end of the extended term, i.e. 12 March 2024
Repayment of the loan	:	In full in one lump sum at the end of the extended term, i.e. 12 March 2024

REASONS FOR AND BENEFITS OF THE RENEWAL OF THE FIRST LOAN

The Subsidiary is a project company principally engages in the development and construction of a residential project in Qianhai Shenzhen. The project has been completed and the Subsidiary has generated surplus cash from it. As the Subsidiary has no substantial capital need, the Subsidiary had advanced loans to its shareholders (i.e. the Non-controlling Shareholder as well as the relevant member of the Group as the other shareholder of the Subsidiary) in proportion to their respective equity interest in the Subsidiary in order to make more efficient use of the surplus cash and as a way of allowing its shareholders to recoup cash from the Subsidiary and renewing the relevant parts of the loans advanced to its shareholders from time to time for the same duration and on the same terms to all shareholders. By renewing the relevant parts thereof (including the First Loan), all of which were funded by spare internal resources of the Subsidiary, the Subsidiary was able to enhance the return on its capital. All the Previous Loans, except the First Loan to be renewed, have been repaid.

The terms of the 2023 First Loan Renewal Agreement were negotiated on an arm's length basis between the Subsidiary and the Non-controlling Shareholder with reference to the then prevailing market rates and the level of consolidated costs on capital of the Group.

None of the Directors has a material interest in the 2023 First Loan Renewal Agreement. Accordingly, none of the Directors was required to abstain from voting on the Board resolutions approving the 2023 First Loan Renewal Agreement and the transaction contemplated thereunder.

The Directors (including all the Independent Non-Executive Directors) confirmed that the terms of the 2023 First Loan Renewal Agreement are fair and reasonable, and that the 2023 First Loan Renewal Agreement is on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE PARTIES

The Subsidiary is an indirect non-wholly-owned subsidiary of the Company, and is held as to 50% by the Group and 50% by the Non-controlling Shareholder. It is a project company principally engages in the development and construction of a residential project in Qianhai Shenzhen.

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

The Non-controlling Shareholder is principally engaged in investment management, equity investment, investment consultation and investment advisory. It is an indirect wholly-owned subsidiary of Shenzhen International Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 152).

LISTING RULES IMPLICATIONS

The Non-controlling Shareholder is a substantial shareholder of the Subsidiary and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the 2023 First Loan Renewal Agreement exceeds 1% but is less than 5%, the 2023 First Loan Renewal Agreement and the transaction contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“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
“Director(s)”	the director(s) of the Company
“First Loan”	the loan (originally in the principal amount of RMB500 million which was reduced to RMB310 million on 2 December 2022) advanced by the Subsidiary to the Non-controlling Shareholder under the First Loan Agreement
“First Loan Agreement”	the loan agreement dated 11 March 2020 entered into between the Subsidiary and the Non-controlling Shareholder in relation to the advancement of the First Loan, as amended and supplemented
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-controlling Shareholder”	深國際前海投資管理(深圳)有限公司(Shenzhen International Qianhai Investment and Management (Shenzhen) Co., Ltd.*), a company incorporated in the PRC with limited liability, and a 50% equity holder of the Subsidiary
“PRC”	the People’s Republic of China, for the purpose of this announcement, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“Previous Announcements”	the announcements of the Company dated 30 March 2021 and 20 May 2022
“Previous Loans”	the four loans advanced by the Subsidiary to the Non-Controlling Shareholder as disclosed in the Previous Announcements
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	深國際前海置業(深圳)有限公司(Shenzhen International Qianhai Real Estate (Shenzhen) Co., Ltd.*), a company incorporated in the PRC with limited liability, an indirect non-wholly-owned subsidiary of the Company which is held as to 50% by the Group and 50% by the Non-controlling Shareholder
“2023 First Loan Renewal Agreement”	the renewal agreement dated 10 March 2023 entered into between the Subsidiary and the Non-controlling Shareholder in relation to the renewal of the First Loan
“%”	per cent.

By order of the Board
SHENZHEN INVESTMENT LIMITED
Lu Hua
Chairman

Hong Kong, 10 March 2023

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