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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)**

**DISCLOSEABLE TRANSACTION**

**HUMEN TOWN SECTION LAND EXPROPRIATION, DEMOLITION  
AND RELOCATION WORKS AGREEMENT**

**HUMEN TOWN SECTION LAND EXPROPRIATION, DEMOLITION AND  
RELOCATION WORKS AGREEMENT**

On 21 December 2023, the GSZ Company entered into the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement with Humen Town Government, pursuant to which, Humen Town Government agreed to undertake the Land Expropriation, Demolition and Relocation Works of Humen Town section in Dongguan City under the Approved Road Section R&E Project and the GSZ Company agreed to pay an aggregated compensation fee currently expected to be approximately RMB204.55 million.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement exceeds 5% but all of them are less than 25%, the entering into the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules, but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

**1. INTRODUCTION**

On 21 December 2023, the GSZ Company entered into the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement with Humen Town Government, pursuant to which, Humen Town Government agreed to undertake the Land Expropriation, Demolition and Relocation Works of Humen Town section in Dongguan City under the Approved Road Section R&E Project and the GSZ Company agreed to pay an aggregated compensation fee currently expected to be approximately RMB204.55 million.

## **2. HUMEN TOWN SECTION LAND EXPROPRIATION, DEMOLITION AND RELOCATION WORKS AGREEMENT**

The major terms of the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement are summarised as follows:

<b>Date</b>	21 December 2023
<b>Parties</b>	(a) GSZ Company (a deemed subsidiary of the Company) (b) Humen Town Government

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, Humen Town Government is a third party independent from the Company and its connected persons.

### **Scope**

The land to be expropriated is currently expected to be approximately 260.0 Mu, with the final area to be determined in accordance with the map of site boundaries to be provided by the GSZ Company. The Scope of the Land Expropriation, Demolition and Relocation Works covers the route lands of the Approved Road Section R&E Project within the administrative jurisdiction of Humen Town Government, the lands for interchange, the lands for ancillary facilities, the lands for emergency rescue, the lands for auxiliary roads and the lands for pipelines and relocation of facilities, together with the greenery and attachments, structural buildings and ancillary facilities on these lands.

### **Land Expropriation, Demolition and Relocation Works**

In accordance with the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement, the Land Expropriation, Demolition and Relocation Works involve the expropriation, demolition, relocation and other relevant works of lands, greenery, structures, buildings and attachments, etc. in Humen Town section of the Approved Road Section R&E Project. Among others, the Land Expropriation, Demolition and Relocation Works mainly include (i) expropriating the relevant lands and arranging compensation; (ii) arranging for compensation, clearance and relevant works for greenery and ancillary facilities; (iii) arranging for compensation, relocation, resettlement, clearance and relevant works for buildings and attachments on lands; (iv) arranging for the expropriation and compensation works of the construction lands used outside the site boundaries, newly expropriated lands because of change of design, scattered supplementary expropriated permanent and temporary lands during the construction period, together with the greenery and ancillary facilities, building, structures and attachment to these lands; and (v) arranging for the expropriation, compensation and coordination works of the permanent expropriated lands and temporary lands used in relation to relocation of pipelines and related facilities as well as the greenery and ancillary facilities, building, structures and attachments on lands that need to be demolished due to relocation.

## **Compensation Amount**

The aggregate compensation fee payable by the GSZ Company is currently expected to be approximately RMB204.55 million, which is calculated based on the relevant existing national, provincial and municipal compensation standards for land expropriation, demolition and relocation and the expected amount of land to be expropriated, demolished and relocated. The final compensation amount shall be determined based on the final amount of land to be expropriated, the area of relocated ground-level buildings, structures and its ancillary facilities thereon and the compensation standards and proposals as determined by the relevant government authority in Dongguan City and Humen Town. The final compensation amount needs both the GSZ Company's and Humen Town Government's signature for confirmation.

The GSZ Company shall within 20 working days after the date of the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement pay to Humen Town Government a down payment, being the start-up fee of the Land Expropriation, Demolition and Relocation Works. Thereafter, the GSZ Company shall pay the compensation fees in batches based on progress of the Land Expropriation, Demolition and Relocation Works, upon submission of the progress report with supporting documents by Humen Town Government.

In accordance with the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement, Humen Town Government shall complete all the Land Expropriation, Demolition and Relocation Works within 12 months after provision of the "Technical Report on Land Surveying and Demarcation" (《土地勘査測定界技術報告書》) by the GSZ Company.

### **3. INFORMATION ON THE PARTIES**

GSZ Company (a deemed subsidiary of the Company) is principally engaged in the operation and management of the Guangzhou-Shenzhen section of Beijing-Hong Kong-Macao Expressway, which is a joint venture established by Hopewell China Development (a non-wholly owned subsidiary of the Company) and Guangdong Highway Construction.

Humen Town Government is the government body of the PRC in charge of managing daily operation of Humen Town in Dongguan City.

### **4. REASONS FOR AND BENEFITS OF ENTERING INTO THE HUMEN TOWN SECTION LAND EXPROPRIATION, DEMOLITION AND RELOCATION WORKS AGREEMENT**

The investment, construction, operation and maintenance of expressways is one of the Group's principal businesses. The entering into of the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement is a part of the implementation of the Approved Road Section R&E Project. The implementation of Approved Road Section R&E Project will help to enhance the traffic capacity and service level of the Approved Road Section, and strengthen the core competitiveness of the Group in the toll road industry, which is in line with the development strategy of the Group.

Taking into account the reasons set out above, the Directors consider that the terms of the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement and the compensation fees thereunder are on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **5. LISTING RULE IMPLICATIONS**

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement exceeds 5% but all of them are less than 25%, the entering into the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules, but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

**It is anticipated that the Group and the GSZ Company (a deemed subsidiary of the Company) may enter into agreements in relation to certain transactions to be carried out under the Approved Road Section R&E Project. In the event these transactions are materialised, the Company will conduct further approval procedures and make disclosures as and when appropriate in compliance with the relevant requirements of the Listing Rules in respect of these transactions accordingly. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

“Approved Section”	Road	The Guangzhou Huocun to Dongguan Chang’an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Huocun section of the Guangzhou-Foshan Expressway* (京港澳高速公路廣州火村至東莞長安段及廣佛高速公路廣州黃村至火村段)
“Approved Section R&E Project”	Road	the reconstruction and expansion project of the Approved Road Section approved by Guangdong Provincial Development and Reform Commission on 22 August 2023
“Board”		the board of Directors
“Company”		Shenzhen Investment Holdings Bay Area Development Company Limited (深圳投控灣區發展有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Codes: 737 (HKD Counter) and 80737 (RMB Counter))
“Director(s)”		the director(s) of the Company
“Group”		the Company and its subsidiaries
“GSZ Company”		Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited (廣深珠高速公路有限公司), the joint venture established by the Group and Guangdong Highway Construction in Guangzhou City, Guangdong Province of the PRC on 27 April 1988 and a deemed subsidiary of the Company when fulfilling certain agreed obligations /responsibilities under Listing Rules in terms of the Listing Agreement entered into between the Company and the Stock Exchange on 7 August 2003
“Guangdong Highway Construction”	Highway	Guangdong Provincial Highway Construction Company Limited* (廣東省公路建設有限公司), the PRC joint venture partner of the GSZ Company and a company established in the PRC with limited liability and a non-wholly owned subsidiary of Guangdong Provincial Communication Group Company Limited* (廣東省交通集團有限公司), being a state-owned enterprise established in the PRC
“Hopewell Development”	China	Hopewell China Development (Superhighway) Limited, a company established in Hong Kong with limited liability and an indirect non-wholly owned subsidiary of the Company

“Human Government”	Town	the People’s Government of Humen Town of Dongguan City* (東莞市虎門鎮人民政府)
“Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement”		the land expropriation, demolition and relocation works delegation agreement (Dongguan City Humen Town section) under the reconstruction and expansion project of the Guangzhou Huocun to Dongguan Chang’an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Huocun section of the Guangzhou-Foshan Expressway* (《京港澳高速公路廣州火村至東莞長安段及廣佛高速公路廣州黃村至火村段改擴建項目(東莞市虎門鎮路段)徵地拆遷工作委託協議》) entered into between the GSZ Company and Humen Town Government on 21 December 2023
“Land Expropriation, Demolition and Relocation Works”		the land expropriation, demolition and relocation works in Dongguan City Humen Town section to be undertaken by Humen Town Government, as agreed in the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement
“Listing Rules”		the Rules Governing the Listing of Securities on the Stock Exchange
“Mu”		unit of area, equal to approximately 667 square metres
“Parties”		GSZ Company and Humen Town Government
“PRC” or “China”		the People’s Republic of China
“RMB”		Renminbi, the lawful currency of the PRC
“Scope”		the scope of the Land Expropriation, Demolition and Relocation Works, further details of which are set out in the section “Humen Town Section Land Expropriation, Demolition And Relocation Works Agreement – Scope”
“Stock Exchange”		The Stock Exchange of Hong Kong Limited
“%”		per cent

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

Hong Kong, 21 December 2023

*As at the date of this announcement, the Board comprises four Executive Directors namely, Mr. Xiangwen LIAO\* (Chairman), Mr Jianming WU\* (Executive General Manager), Mr. Cheng WU\* (Deputy General Manager) and Mr. Ji LIU\* (Deputy General Manager and secretary to the Board); two Non-executive Directors namely, Ms. Siyan CHEN\* and Mr. Xuan WANG\*; and three Independent Non-executive Directors namely, Mr. Yu Lung CHING, Mr. Tony Chung Nin KAN and Mr. Peng XUE\**

*\* For identification purpose only*