

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Shenzhen Investment Holdings Bay Area Development Company Limited**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---

**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)**

**MAJOR TRANSACTIONS  
CONSTRUCTION WORKS AGREEMENTS  
(TJ2-TJ5 BID SECTIONS)**

---

Unless the context otherwise requires, all capitalised terms used in this circular shall have the meanings as set out in the section headed “Definitions” of this circular.

A letter from the Board containing details of the Construction Works Agreements (TJ2-TJ5 Bid Sections) is set out on pages 6 to 21 of this circular.

The Company has obtained written Shareholders’ approval for the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules from the relevant Shareholder who holds more than 50% of the total issued Shares having the right to attend and vote at a general meeting. Accordingly, no Shareholders’ meeting will be held to approve the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules.

This circular is being despatched to the Shareholders for information only.

25 April 2024

<b>CONTENTS</b>
-----------------

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	6
<b>APPENDIX I — FINANCIAL INFORMATION OF THE GROUP</b> .....	I-1
<b>APPENDIX II — GENERAL INFORMATION</b> .....	II-1

## DEFINITIONS

*In this circular, unless the context requires otherwise, the following expressions have the following meanings:*

“Approved Road Section”	The Guangzhou Huocun to Dongguan Chang’an section of the Beijing-Hong Kong-Macao Expressway and Guangzhou Huangcun to Guangzhou 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 Road Section R&E Project”	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
“CCCC”	China Communications Construction Company Ltd.* (中國交通建設股份有限公司), a company established in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1800) and the A shares of which are listed on the Shanghai Stock Exchange (Security Code: 601800)
“CCCC Construction Works Agreements”	Construction Works Agreement (TJ3 Bid Section) and Construction Works Agreement (TJ5 Bid Section)
“CCCC R&B”	CCCC Road and Bridge International Co., Ltd.* (中交路橋建設有限公司), a limited company established in the PRC and is owned as to approximately 71.08% and 28.92% by CCCC and other Independent Third Parties respectively
“CCCC Second Highway”	CCCC Second Highway Engineering Co., Ltd.* (中交第二公路工程局有限公司), a limited company established in the PRC and is owned as to approximately 74.76% and 25.24% by CCCC and other Independent Third Parties
“Coastal Company”	Shenzhen Guangshen Coastal Expressway Investment Company Limited* (深圳市廣深沿江高速公路投資有限公司), a company incorporated in the PRC with limited liability, the equity interest of which is currently held as to 51% and 49% by the Company and Shenzhen Expressway respectively
“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))

## DEFINITIONS

- “Construction Works Agreement (TJ2 Bid Section)” the civil engineering construction works agreement (TJ2 Bid 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土建工程施工合同(第TJ2標段)》) dated 3 April 2024 and entered into between GSZ Company and CR 12th Bureau
- “Construction Works Agreement (TJ3 Bid Section)” the civil engineering construction works agreement (TJ3 Bid 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土建工程施工合同(第TJ3標段)》) dated 3 April 2024 and entered into between GSZ Company and CCCC Second Highway
- “Construction Works Agreement (TJ4 Bid Section)” the civil engineering construction works agreement (TJ4 Bid 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土建工程施工合同(第TJ4標段)》) dated 3 April 2024 and entered into between GSZ Company and CR Major Bridge
- “Construction Works Agreement (TJ5 Bid Section)” the civil engineering construction works agreement (TJ5 Bid 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土建工程施工合同(第TJ5標段)》) dated 3 April 2024 and entered into between GSZ Company and CCCC R&B

## DEFINITIONS

“Construction Works Agreements (TJ2-TJ5 Bid Sections)”	CCCC Construction Works Agreements, Construction Works Agreement (TJ2 Bid Section) and Construction Works Agreement (TJ4 Bid Section)
“Contractors”	CCCC R&B, CCCC Second Highway, CR 12th Bureau and CR Major Bridge
“CRCC”	China Railway Construction Corporation Limited* (中國鐵建股份有限公司), a company established in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1186) and the A shares of which are listed on the Shanghai Stock Exchange (Security Code: 601186)
“CREC”	China Railway Group Limited* (中國中鐵股份有限公司), a company established in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 390) and the A shares of which are listed on the Shanghai Stock Exchange (Security Code: 601390)
“CR 12th Bureau”	China Railway 12th Bureau Group Co., Ltd.* (中鐵十二局集團有限公司) is a limited liability company established in the PRC and is wholly owned by CRCC
“CR Major Bridge”	China Railway Major Bridge Engineering Group Co., Ltd.* (中鐵大橋局集團有限公司) is a limited liability company established in the PRC and is wholly owned by CREC
“Director(s)”	the director(s) of the Company
“GPCG”	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
“Greater Bay Area”	Guangdong-Hong Kong-Macao Greater Bay Area
“Group”	the Company and its subsidiaries

## DEFINITIONS

“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”	Guangdong Provincial Highway Construction Company Limited* (廣東省公路建設有限公司), the PRC joint venture partner of GSZ Company and a company established in the PRC with limited liability and a non wholly-owned subsidiary of GPCG
“Independent Third Parties”	third parties independent of and not being connected persons of the Company or its subsidiaries
“k.m.”	kilometre(s)
“Latest Practicable Date”	19 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Expressway”	Shenzhen Expressway Corporation Limited, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00548) and the A shares of which are listed on the Shanghai Stock Exchange (Security Code: 600548)

## DEFINITIONS

“Shenwan Infrastructure”	Shenwan Bay Area Infrastructure (Shenzhen) Company Limited* (深灣基建(深圳)有限公司), a company established in the PRC with limited liability
“SIIC”	Shenzhen Investment International Capital Holdings Infrastructure Co., Ltd. (深圳投控國際資本控股基建有限公司), a limited company incorporated in the British Virgin Islands, which is an indirect-wholly owned subsidiary of Shenzhen Expressway
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

**LETTER FROM THE BOARD**

**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)**

**Executive Directors**

Mr. Xiangwen LIAO\* (廖湘文) (*Chairman*)  
Mr. Jianming WU\* (吳建明) (*Executive General Manager*)  
Mr. Cheng WU\* (吳成) (*Deputy General Manager*)  
Mr. Ji LIU\* (劉繼)  
(*Deputy General Manager and secretary to the Board*)

**Registered office**

P.O. Box 309  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

**Non-executive Directors**

Ms. Siyan CHEN\* (陳思燕)  
Mr. Xuan WANG\* (王軒)

**Head office and principal  
place of business**

Rooms 4902–4916, 49th Floor  
Sun Hung Kai Centre  
30 Harbour Road  
Wanchai, Hong Kong

**Independent Non-executive Directors**

Mr. Yu Lung CHING  
Mr. Tony Chung Nin KAN SBS, JP  
Mr. Peng XUE\* (薛鵬)

25 April 2024

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTIONS  
CONSTRUCTION WORKS AGREEMENTS (TJ2-TJ5 BID SECTIONS)**

**1. INTRODUCTION**

Reference is made to the announcement of the Company dated 3 April 2024 in relation to the entering into the Construction Works Agreements (TJ2-TJ5 Bid Sections) between GSZ Company and the respective Contractors for the civil engineering construction works in connection with the Approved Road Section R&E Project. After certain open tender and bidding processes conducted through Guangzhou Public Resources Trading Center, on 3 April 2024, GSZ Company entered into the following Construction Works Agreements (TJ2-TJ5 Bid Sections) with the respective Contractors for the civil engineering construction works in connection with the Approved Road Section R&E Project:

1. the Construction Works Agreement (TJ2 Bid Section) entered into with CR 12th Bureau with a contract price of approximately RMB1,772,125,038;

## LETTER FROM THE BOARD

2. the Construction Works Agreement (TJ3 Bid Section) entered into with CCCC Second Highway with a contract price of approximately RMB1,562,566,969;
3. the Construction Works Agreement (TJ4 Bid Section) entered into with CR Major Bridge with a contract price of approximately RMB1,044,195,888; and
4. the Construction Works Agreement (TJ5 Bid Section) entered into with CCCC R&B with a contract price of approximately RMB842,098,363.

The purpose of this circular is to provide you with, among other things, (i) further details of the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder, (ii) the financial information of the Group; and (iii) general information as required to be disclosed under the Listing Rules.

## 2. THE CONSTRUCTION WORKS AGREEMENTS

### (1) Construction Works Agreement (TJ2 Bid Section)

A summary of the key terms of the Construction Works Agreement (TJ2 Bid Section) is as follows:

<b>Parties</b>	(i) GSZ Company, a deemed subsidiary of the Company  (ii) CR 12th Bureau
<b>Subject Matter</b>	CR 12th Bureau (as the contractor) shall undertake the civil engineering construction works on road section starting from K8+800 and ending at K23+078 of the Approved Road Section with a total length of approximately 14.28k.m. and the road surface construction works on road section starting from K2+270 and ending at K23+078 of the Approved Road Section with a total length of approximately 20.81k.m.

In connection with the civil engineering construction works, CR 12th Bureau shall be mainly responsible for the construction of roadbed, bridge culvert and interchange, the mechanical and electrical maintenance, prefabricated component construction works, the relocation of pipeline, the transplantation of trees and related construction transportation arrangements, etc. In connection with the road surface construction works, CR 12th Bureau shall be mainly responsible for the construction of road surface, traffic safety engineering, toll station construction, renovation of the middle belt, greening and related construction transportation arrangements, etc..

## LETTER FROM THE BOARD

<b>Construction Period</b>	<p>Commencing construction under the instruction of the supervisor of the construction project with a construction period of 48 months.</p>
<b>Contract Price</b>	<p>The contract price shall be approximately RMB1,772,125,038, which may be adjusted subject to the actual construction works changes agreed to accept by GSZ Company, price fluctuation of construction materials and change in the relevant PRC laws, regulations and value-added tax. A premium quality award in an amount equivalent to 2% of a designated portion of the contract price will be paid to CR 12th Bureau if the particular conditions agreed in the Construction Works Agreement (TJ2 Bid Section) are satisfied.</p> <p>GSZ Company currently does not anticipate that there will be any material adjustments to the total contract price. The Company will re-comply with the requirements under the Listing Rules (as applicable) if there are any material upward adjustments to the contract price under the Construction Works Agreement (TJ2 Bid Section).</p> <p>GSZ Company intends to finance the contract price by way of its internal resources and/or external bank financing.</p>
<b>Basis of Determination of Contract Price</b>	<p>GSZ Company conducted an open tender process through Guangzhou Public Resources Trading Center for the Construction Works Agreement (TJ2 Bid Section). In accordance with the relevant regulations and management documents of the PRC and Guangdong Province on tendering and bidding management and on preparation bills of quantities, GSZ Company has prepared relevant tender documents and set maximum bid limits. After filing with relevant department, a public tender announcement was issued.</p> <p>GSZ Company established a bid evaluation committee in accordance with the requirements of relevant laws and regulations, and awarded the contract to CR 12th Bureau after considering the bidder's bid price, experience and performance, technical capabilities and reputation comprehensively. The contract price of approximately RMB1,772,125,038 was determined based on the bidding price provided by CR 12th Bureau.</p>
<b>Advance Payment</b>	<p>The advance payment amount is 10% of the contract price.</p> <p>The advance payment may be set off against the incurred contract amount at an agreed ratio upon the incurred contract amount reaching 30% of the contract price.</p>

## LETTER FROM THE BOARD

<b>Payment Arrangement</b>	Incurring contract amount will be paid by GSZ Company to CRC 12th Bureau by instalments based on the construction progress of not less than RMB500,000 each time. After the monthly measurement report submitted by CR 12th Bureau for the supervisor's review, GSZ Company will pay 50% of the tentative measurement amount of the current period as the first payment. After the completion of the supervisor's reviewing process of the monthly measurement report, GSZ Company will make the second payment based on the approved payment certificate and deduct the first tentative payment amount.
<b>Quality Guarantee Deposit and Defect Responsibility Period</b>	<p>The amount of the quality guarantee deposit is 3% of the contract price. The quality guarantee deposit paid is intended to ensure the fulfillment of CR 12th Bureau's obligation to rectify defects during the defect liability period (2 years from the actual completion date).</p> <p>After the completion of the final account review and filing and the completion of final account audit of the project, 80% of the balance of the quality guarantee deposit will be returned by GSZ Company to CR 12th Bureau within 30 days from the date when the settlement amount is finalised. The remaining balance of the quality guarantee deposit will be returned by GSZ Company to CR 12th Bureau within 30 days after completion of the acceptance inspection.</p>
<b>Performance Guarantee</b>	Within 28 days after receiving the letter of acceptance and before the signing of the Construction Works Agreement (TJ2 Bid Section), CR 12th Bureau shall provide a performance guarantee in the amount equivalent to 10% of the contract price in the form of cash (or cheque), bank guarantee or other legal means, which shall remain effective until GSZ Company starts to deduct the quality guarantee deposit.
<b>Effectiveness</b>	The Construction Works Agreement (TJ2 Bid Section) shall become effective upon CR 12th Bureau having provided the performance guarantee and the parties having signed and stamped the contract.

## LETTER FROM THE BOARD

### (2) Construction Works Agreement (TJ3 Bid Section)

A summary of the key terms of the Construction Works Agreement (TJ3 Bid Section) is as follows:

<b>Parties</b>	(i) GSZ Company, a deemed subsidiary of the Company  (ii) CCCC Second Highway
<b>Subject Matter</b>	<p>CCCC Second Highway (as the contractor) shall undertake the construction works of the road section from K23+078 and ending at K29+449.5 of the Approved Road Section with a total length of approximately 6.38k.m.</p> <p>CCCC Second Highway shall be responsible for the construction works of the abovementioned road section, mainly including the construction of bridge and interchange, the mechanical and electrical maintenance, prefabricated component construction works, the relocation of pipeline and related construction transportation arrangements, etc.</p>
<b>Construction Period</b>	Commencing construction under the instruction of the supervisor of the construction project with a construction period of 54 months.
<b>Contract price</b>	<p>The contract price shall be approximately RMB1,562,566,969, which may be adjusted subject to the actual construction works changes agreed to accept by GSZ Company, price fluctuation of construction materials and change in the relevant PRC laws, regulations and value-added tax. A premium quality award in an amount equivalent to 2% of a designated portion of the contract price will be paid to CCCC Second Highway if the particular conditions agreed in the Construction Works Agreement (TJ3 Bid Section) are satisfied.</p> <p>GSZ Company currently does not anticipate that there will be any material adjustments to the contract price. The Company will re-comply with the requirements under the Listing Rules (as applicable) if there are any material upward adjustments to the contract price under the Construction Works Agreement (TJ3 Bid Section).</p> <p>GSZ Company intends to finance the contract price by way of its internal resources and/or external bank financing.</p>

## LETTER FROM THE BOARD

<b>Basis of Determination of Contract price</b>	<p>GSZ Company conducted an open tender process through Guangzhou Public Resources Trading Center for the Construction Works Agreement (TJ3 Bid Section). In accordance with the relevant regulations and management documents of the PRC and Guangdong Province on tendering and bidding management and on preparation bills of quantities, GSZ Company has prepared relevant tender documents and set maximum bid limits. After filing with relevant department, a public tender announcement was issued.</p> <p>GSZ Company established a bid evaluation committee in accordance with the requirements of relevant laws and regulations, and awarded the contract to CCCC Second Highway after considering the bidder's bid price, experience and performance, technical capabilities and reputation comprehensively. The contract price of approximately RMB1,562,566,969 was determined based on the bidding price provided by CCCC Second Highway.</p>
<b>Advance Payment</b>	<p>The advance payment amount is 10% of the contract price.</p> <p>The advance payment may be set off against the incurred contract amount at an agreed ratio upon the incurred contract amount reaching 30% of the contract price.</p>
<b>Payment Arrangement</b>	<p>Incurred contract amount will be paid by GSZ Company to CCCC Second Highway by instalments based on the construction progress of not less than RMB500,000 each time. After the monthly measurement report submitted by CCCC Second Highway for the supervisor's review, GSZ Company will pay 50% of the tentative measurement amount of the current period as the first payment. After the completion of the supervisor's reviewing process of the monthly measurement report, GSZ Company will make the second payment based on the approved payment certificate and deduct the first tentative payment amount.</p>
<b>Quality Guarantee Deposit and Defect Responsibility Period</b>	<p>The amount of the quality guarantee deposit is 3% of the contract price. The quality guarantee deposit paid is intended to ensure the fulfillment of CCCC Second Highway's obligation to rectify defects during the defect liability period (2 years from the actual completion date).</p>

## LETTER FROM THE BOARD

After the completion of the final account review and filing and the completion of final account audit of the project, 80% of the balance of the quality guarantee deposit will be returned by GSZ Company to CCCC Second Highway within 30 days from the date when the settlement amount is finalised. The remaining balance of the quality guarantee deposit will be returned by GSZ Company to CCCC Second Highway within 30 days after completion of the acceptance inspection.

**Performance  
Guarantee**

Within 28 days after receiving the letter of acceptance and before the signing of the Construction Works Agreement (TJ3 Bid Section), CCCC Second Highway shall provide a performance guarantee in the amount equivalent to 10% of the contract price in the form of cash (or cheque), bank guarantee or other legal means, which shall remain effective until GSZ Company starts to deduct the quality guarantee deposit.

**Effectiveness**

The Construction Works Agreement (TJ3 Bid Section) shall become effective upon CCCC Second Highway having provided the performance guarantee and the parties having signed and stamped the contract.

**(3) Construction Works Agreement (TJ4 Bid Section)**

A summary of the key terms of the Construction Works Agreement (TJ4 Bid Section) is as follows:

**Parties**

- (i) GSZ Company, a deemed subsidiary of the Company
- (ii) CR Major Bridge

**Subject Matter**

CR Major Bridge (as the contractor) shall undertake (i) the civil engineering construction works on road section starting from K29+449.5 and ending at K34+792.5 of the Approved Road Section with a total length of approximately 5.34k.m., mainly including the construction of bridge and interchange, the mechanical and electrical maintenance, the relocation of pipeline and related construction transportation arrangements, etc.; (ii) the prefabricated beam construction works on road section starting from K29+449.5 and ending at K40+545 of the Approved Road Section; and (iii) the prefabricated pillar construction works and the beam covering construction works on road section starting from K23+078 and ending at K34+792.5 of the Approved Road Section.

## LETTER FROM THE BOARD

<b>Construction Period</b>	Commencing construction under the instruction of the supervisor of the construction project with a construction period of 54 months.
<b>Contract price</b>	<p>The contract price shall be approximately RMB1,044,195,888, which may be adjusted subject to the actual construction works changes agreed to accept by GSZ Company, price fluctuation of construction materials and change in the relevant PRC laws, regulations and value-added tax. A premium quality award in an amount equivalent to 2% of a designated portion of the contract price will be paid to CR Major Bridge if the particular conditions agreed in the Construction Works Agreement (TJ4 Bid Section) are satisfied.</p> <p>GSZ Company currently does not anticipate that there will be any material adjustments to the contract price. The Company will re-comply with the requirements under the Listing Rules (as applicable) if there are any material upward adjustments to the contract price under the Construction Works Agreement (TJ4 Bid Section).</p> <p>GSZ Company intends to finance the contract price by way of its internal resources and/or external bank financing.</p>
<b>Basis of Determination of Contract price</b>	<p>GSZ Company conducted an open tender process through Guangzhou Public Resources Trading Center for the Construction Works Agreement (TJ4 Bid Section). In accordance with the relevant regulations and management documents of the PRC and Guangdong Province on tendering and bidding management and on preparation bills of quantities, GSZ Company has prepared relevant tender documents and set maximum bid limits. After filing with relevant department, a public tender announcement was issued.</p> <p>GSZ Company established a bid evaluation committee in accordance with the requirements of relevant laws and regulations, and awarded the contract to CR Major Bridge after considering the bidder's bid price, experience and performance, technical capabilities and reputation comprehensively. The contract price of approximately RMB1,044,195,888 was determined based on the bidding price provided by CR Major Bridge.</p>

## LETTER FROM THE BOARD

<b>Advance Payment</b>	<p>The advance payment amount is 10% of the contract price.</p> <p>The advance payment may be set off against the incurred contract amount at an agreed ratio upon the incurred contract amount reaching 30% of the contract price.</p>
<b>Payment Arrangement</b>	<p>Incurred contract amount will be paid by GSZ Company to CR Major Bridge by instalments based on the construction progress of not less than RMB500,000 each time. After the monthly measurement report submitted by CR Major Bridge for the supervisor's review, GSZ Company will pay 50% of the tentative measurement amount of the current period as the first payment. After the completion of the supervisor's reviewing process of the monthly measurement report, GSZ Company will make the second payment based on the approved payment certificate and deduct the first tentative payment amount.</p>
<b>Quality Guarantee Deposit and Defect Responsibility Period</b>	<p>The amount of the quality guarantee deposit is 3% of the contract price. The quality guarantee deposit paid is intended to ensure the fulfillment of CR Major Bridge's obligation to rectify defects during the defect liability period (2 years from the actual completion date).</p> <p>After the completion of the final account review and filing and the completion of final account audit of the project, 80% of the balance of the quality guarantee deposit will be returned by GSZ Company to CR Major Bridge within 30 days from the date when the settlement amount is finalised. The remaining balance of the quality guarantee deposit will be returned by GSZ Company to CR Major Bridge within 30 days after completion of the acceptance inspection.</p>
<b>Performance Guarantee</b>	<p>Within 28 days after receiving the letter of acceptance and before the signing of the Construction Works Agreement (TJ4 Bid Section), CR Major Bridge shall provide a performance guarantee in the amount equivalent to 10% of the contract price in the form of cash (or cheque), bank guarantee or other legal means, which shall remain effective until GSZ Company starts to deduct the quality guarantee deposit.</p>
<b>Effectiveness</b>	<p>The Construction Works Agreement (TJ4 Bid Section) shall become effective upon CR Major Bridge having provided the performance guarantee and the parties having signed and stamped the contract.</p>

## LETTER FROM THE BOARD

### (4) Construction Works Agreement (TJ5 Bid Section)

A summary of the key terms of the Construction Works Agreement (TJ5 Bid Section) is as follows:

<b>Parties</b>	(i) GSZ Company, a deemed subsidiary of the Company  (ii) CCCC R&B
<b>Subject Matter</b>	CCCC R&B (as the contractor) shall undertake the construction works of the road section starting from K34+792.5 and ending at K40+545 of the Approved Road Section with a total length of approximately 5.75k.m.  CCCC R&B shall be responsible for the construction works of the abovementioned road section, mainly including the construction of bridge and interchange, the mechanical and electrical maintenance, the relocation of pipeline and related construction transportation arrangements, etc.
<b>Construction Period</b>	Commencing construction under the instruction of the supervisor of the construction project with a construction period of 54 months.
<b>Contract price</b>	The contract price shall be approximately RMB842,098,363, which may be adjusted subject to the actual construction works changes agreed to accept by GSZ Company, price fluctuation of construction materials and change in the relevant PRC laws, regulations and value-added tax. A premium quality award in an amount equivalent to 2% of a designated portion of the contract price will be paid to CCCC R&B if the particular conditions agreed in the Construction Works Agreement (TJ5 Bid Section) are satisfied.  GSZ Company currently does not anticipate that there will be any material adjustments to the contract price. The Company will re-comply with the requirements under the Listing Rules (as applicable) if there are any material upward adjustments to the contract price under the Construction Works Agreement (TJ5 Bid Section).  GSZ Company intends to finance the contract price by way of its internal resources and/or external bank financing.

## LETTER FROM THE BOARD

<b>Basis of Determination of Contract price</b>	<p>GSZ Company conducted an open tender process through Guangzhou Public Resources Trading Center for the Construction Works Agreement (TJ5 Bid Section). In accordance with the relevant regulations and management documents of the PRC and Guangdong Province on tendering and bidding management and on preparation bills of quantities, GSZ Company has prepared relevant tender documents and set maximum bid limits. After filing with relevant department, a public tender announcement was issued.</p> <p>GSZ Company established a bid evaluation committee in accordance with the requirements of relevant laws and regulations, and awarded the contract to CCCC R&amp;B after considering the bidder's bid price, experience and performance, technical capabilities and reputation comprehensively. The contract price of approximately RMB842,098,363 was determined based on the bidding price provided by CCCC R&amp;B.</p>
<b>Advance Payment</b>	<p>The advance payment amount is 10% of the contract price.</p> <p>The advance payment may be set off against the incurred contract amount at an agreed ratio upon the incurred contract amount reaching 30% of the contract price.</p>
<b>Payment Arrangement</b>	<p>Incurred contract amount will be paid by GSZ Company to CCCC R&amp;B by instalments based on the construction progress of not less than RMB500,000 each time. After the monthly measurement report submitted by CCCC R&amp;B for the supervisor's review, GSZ Company will pay 50% of the tentative measurement amount of the current period as the first payment. After the completion of the supervisor's reviewing process of the monthly measurement report, GSZ Company will make the second payment based on the approved payment certificate and deduct the first tentative payment amount.</p>
<b>Quality Guarantee Deposit and Defect Responsibility Period</b>	<p>The amount of the quality guarantee deposit is 3% of the contract price. The quality guarantee deposit paid is intended to ensure the fulfillment of CCCC R&amp;B's obligation to rectify defects during the defect liability period (2 years from the actual completion date).</p>

## LETTER FROM THE BOARD

After the completion of the final account review and filing and the completion of final account audit of the project, 80% of the balance of the quality guarantee deposit will be returned by GSZ Company to CCCC R&B within 30 days from the date when the settlement amount is finalised. The remaining balance of the quality guarantee deposit will be returned by GSZ Company to CCCC R&B within 30 days after completion of the acceptance inspection.

### **Performance Guarantee**

Within 28 days after receiving the letter of acceptance and before the signing of the Construction Works Agreement (TJ5 Bid Section), CCCC R&B shall provide a performance guarantee in the amount equivalent to 10% of the contract price in the form of cash (or cheque), bank guarantee or other legal means, which shall remain effective until GSZ Company starts to deduct the quality guarantee deposit.

### **Effectiveness**

The Construction Works Agreement (TJ5 Bid Section) shall become effective upon CCCC R&B having provided the performance guarantee and the parties having signed and stamped the contract.

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

### **The Group**

The Group is principally engaged in the expressway business, with its development strategy focusing on the development of infrastructure and related businesses in the Greater Bay Area as well as land development and utilisation along expressway.

### **GSZ Company**

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 (Superhighway) Limited (a non-wholly owned subsidiary of the Company) and Guangdong Highway Construction.

### **CR 12th Bureau**

CR 12th Bureau is a limited liability company established in the PRC and is wholly owned by CRCC. CR 12th Bureau possesses first-grade general contracting qualifications for construction of highway, water conservancy and hydropower construction, municipal utility, communication project, etc., and specialises in tunnel, bridge, roadbed, pavement, foundation, airport road, track laying, rail transportation, mechanical and electrical equipment installation, geological disaster management, etc. It has first-grade contracting

## **LETTER FROM THE BOARD**

and other qualifications. The company's business scope involves engineering construction, planning and design, logistics and trade, line maintenance, capital operations, real estate development and other fields and professions.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, CR 12th Bureau and its ultimate beneficial owners are Independent Third Parties.

### **CR Major Bridge**

CR Major Bridge is a limited liability company established in the PRC and is wholly owned by CREC. CR Major Bridge is in the leading position in PRC's bridge industry, and possesses special-grade qualifications for general contracting of railways, highways, and municipal public engineering construction, first-grade qualifications for general contracting of construction, electric power, and mechanical and electrical projects, bridges, tunnels, ports and coasts, railway track laying, highway subgrades, power transmission and transformation, steel structures, foundations, etc.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, CR Major Bridge and its ultimate beneficial owners are Independent Third Parties.

### **CCCC Second Highway**

CCCC Second Highway is a limited liability company established in the PRC and is owned as to approximately 74.76% and 25.24% by CCCC and other Independent Third Parties, respectively. CCCC Second Highway mainly engages in the construction of infrastructure, roads, bridges, tunnels, railways, urban rail transit, station hubs, comprehensive urban development, municipal administration, housing construction, water conservancy, ecological and environmental protection, etc. CCCC Second Highway processes special-grade qualifications for general contracting of highway engineering construction and first-grade qualifications for general contracting of highway, municipal, construction, railway, and mechanical and electrical construction, etc.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, CCCC Second Highway and its ultimate beneficial owners are Independent Third Parties.

### **CCCC R&B**

CCCC R&B is a limited liability company established in the PRC and is owned as to approximately 71.08% and 28.92% by CCCC and other Independent Third Parties, respectively. CCCC R&B mainly engages in the construction of highways, bridges, airports, ports, tunnels, water supply and drainage and other civil engineering projects in the PRC.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, CCCC R&B and its ultimate beneficial owners are Independent Third Parties.

## LETTER FROM THE BOARD

#### 4. REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

The investment, construction, operation and maintenance of expressways is one of the Group's principal businesses. The entering into of the Construction Works Agreements (TJ2-TJ5 Bid Sections) 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.

Each of the winning bidders for the Construction Works Agreements (TJ2-TJ5 Bid Sections) was ranked first in the bidding score of each construction bid section through a tender and bidding process which is regulated by the bidding laws and regulations in the PRC. Based on the bid evaluation method reviewed and approved by the Department of Transport of Guangdong Province, the ranking was determined by an independent bid evaluation committee.

Taking into account the reasons set out above, the Directors consider that the terms of each of the Construction Works Agreements (TJ2-TJ5 Bid Sections) 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 the highest applicable percentage ratio in respect of the transactions contemplated under each of the Construction Works Agreement (TJ2 Bid Section) and the Construction Works Agreement (TJ4 Bid Section) exceeds 25% but is less than 100%, the entering into of and the transactions contemplated under the Construction Works Agreement (TJ2 Bid Section) and the Construction Works Agreement (TJ4 Bid Section) will constitute major transactions of the Company and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Whilst the highest applicable percentage ratio in respect of the transactions contemplated under Construction Works Agreement (TJ5 Bid Section) exceeds 5% but is less than 25% on a standalone basis and the highest applicable percentage ratio in respect of the transactions contemplated under Construction Works Agreement (TJ3 Bid Section) exceeds 25% but is less than 100% on a standalone basis, given that the CCCC Constructions Works Agreements are entered into with parties connected with each other, the highest applicable percentage ratio in respect of the transactions contemplated under the CCCC Construction Works Agreements on an aggregated basis, pursuant to Rule 14.22 of the Listing Rules, exceeds 25% but is less than 100%.

In view of the above, the entering into of and the transactions contemplated under the Construction Works Agreements (TJ2-TJ5 Bid Sections) constitute major transactions of the Company and are subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **LETTER FROM THE BOARD**

As none of the Directors has any material interest in the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder, none of the Directors was required to abstain from voting on the board resolutions approving the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder.

### **6. WRITTEN SHAREHOLDERS' APPROVAL**

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval may be obtained by written Shareholders' approval in lieu of convening a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder; and (b) the written approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company having the right to attend and vote at the general meeting to approve the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, none of the Shareholders has any material interest in the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder, and therefore no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder.

A written Shareholders' approval has been obtained from SIIC for the approval of the Construction Works Agreements (TJ2-TJ5 Bid Sections) pursuant to Rule 14.44 of the Listing Rules on 3 April 2024. As at the date of such approval and as at the Latest Practicable Date, SIIC holds 2,213,449,666 Shares, representing approximately 71.83% of the issued share capital of the Company. As a result, no general meeting is required to be convened by the Company to approve the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder under Chapter 14 of the Listing Rules.

### **7. RECOMMENDATION**

As the Board (including the independent non-executive Directors) considered that the terms of the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder are on normal commercial terms, and are fair and reasonable, and in the best interests of the Group and the Shareholders as a whole, the Board would recommend the Shareholders to vote in favour of the resolutions to approve the Construction Works Agreements (TJ2-TJ5 Bid Sections) and the transactions contemplated thereunder if the Company were to convene a general meeting for the approval of the same.

**LETTER FROM THE BOARD**

**8. ADDITIONAL INFORMATION**

Your attention is drawn to the financial and general information set out in the appendices to this circular.

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

\* *For identification purpose only*

## 1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the financial year ended 31 December 2020, the financial year ended 31 December 2021, the financial year ended 31 December 2022 and the financial year ended 31 December 2023 respectively was set out in the annual reports and the results announcement of the Company for these periods respectively and are available on the website of the Stock Exchange set out below:

<b>Financial period ended</b>	<b>Website</b>
31 December 2020	<a href="https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0325/2021032500829.pdf">https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0325/2021032500829.pdf</a>
31 December 2021	<a href="https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0324/2022032400630.pdf">https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0324/2022032400630.pdf</a>
31 December 2022	<a href="https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0418/2023041800951.pdf">https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0418/2023041800951.pdf</a>
31 December 2023	<a href="https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0319/2024031900921.pdf">https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0319/2024031900921.pdf</a>

## 2. INDEBTEDNESS STATEMENT

At the close of business on 31 March 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had the following indebtedness:

- (a) bank loans of approximately RMB4,142,638,000, of which RMB30,000,000 was secured by toll-collection rights of Coastal Expressway (Shenzhen Section) of the Coastal Company and unguaranteed, approximately RMB3,836,511,000 was unsecured and guaranteed by the Company, and the remaining of approximately RMB276,127,000 were unsecured and unguaranteed; and
- (b) lease liability amounting to approximately RMB13,100,000 which was unsecured and unguaranteed.

### **Contingent liabilities**

As at the close of business on 31 March 2024, the Group did not have any material contingent liabilities.

### 3. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

For the year ended 31 December 2023, the revenue from investment projects attributable to the Group was approximately RMB2,951 million, representing an increase of approximately 44% compared to approximately RMB2,050 million for the year ended 31 December 2022. For the year ended 31 December 2023, the profit attributable to equity shareholders of the Company amounted to approximately RMB528 million, representing an increase of approximately 89% compared to approximately RMB279 million for the year ended 31 December 2022.

The Group is principally engaged in expressway business and adopts development strategies focusing on the infrastructure and correlated business as well as land development and utilisation along the Guangzhou-Shenzhen Superhighway within the Greater Bay Area. Since the promulgation of the “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” 《(粵港澳大灣區發展規劃綱要)》 in 2019, Mainland China and Guangdong Province have successively introduced a series of policies to support the accelerated implementation of the construction process of the Greater Bay Area, which will benefit the operating environment of the Group’s expressway business in the long run and provide strong support for the long-term and sustainable development of the Group’s business.

The Guangzhou-Shenzhen Superhighway connects the core cities in the Greater Bay Area and is a major transport artery between the Greater Bay Area and the core area of the Pearl River Delta, which enjoys obvious line position advantage. With the economic development and the increase in car ownership in the PRC, especially in Guangdong Province, the traffic flow on the Guangzhou-Shenzhen Superhighway has been nearly saturated. In order to satisfy the growing traffic demand in the surrounding area, the Approved Road Section R&E Project has been included in the first batch of the “14th Five-Year” key projects to accelerate the construction of a country with strong transportation network. The implementation of the Approved Road Section R&E Project will help to enhance the traffic capacity and service level of the Approved Road Section, further strengthening the Group’s core competitiveness in the toll road industry, which is in line with the strategy of the Group.

The entering into of the Construction Works Agreements (TJ2-TJ5 Bid Sections) is a part of the implementation of the Approved Road Section R&E Project. Please refer to the section headed “Reasons for and benefits of the entering into the agreement” in the “Letter from the Board” in this circular for the reasons for and the benefits of the entering into the Construction Works Agreements (TJ2-TJ5 Bid Sections) that are expected to accrue to the Group.

Looking forward to the remainder of financial year ending 31 December 2024, the Group will continue to focus on its main business and the implementation of the Approved Road Section R&E Project.

**4. SUFFICIENCY OF WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the financial resources available to the Group (including the Group's internal resources, available banking and other borrowing facilities) as well as the effect of the transactions contemplated under the Construction Works Agreements (TJ2-TJ5 Bid Sections), the working capital available to the Group is sufficient for the Group's requirements for at least 12 months from the date of this circular.

**5. NO MATERIAL ADVERSE CHANGE**

The Directors confirm that there was no material adverse change in the financial position or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

**6. FINANCIAL IMPACT OF TRANSACTIONS CONTEMPLATED UNDER THE CONSTRUCTION WORKS AGREEMENTS (TJ2-TJ5 BID SECTIONS)**

The Group expects that GSZ Company (being a deemed subsidiary of the Company) will finance the construction amounts payable under Construction Works Agreements (TJ2-TJ5 Bid Sections) by way of its internal resources and/or external bank financing. The Group's share of cash and cash equivalents of the GSZ Company are expected to decrease, and the Group's share of external financing of the GSZ Company is expected to increase after the completion of the transactions contemplated under the Construction Works Agreements (TJ2-TJ5 Bid Sections).

The interest costs of external financing attributable to the transactions contemplated under the Construction Works Agreements (TJ2-TJ5 Bid Sections) are expected to be recorded and included in the Group's consolidated statement of financial position as interests in joint ventures (being one form of the GSZ Company's non-current assets). Therefore, the Group expects that such interest costs will not affect the Group's consolidated statement of profit or loss and other comprehensive income and net profit before completion of the Construction Works Agreements (TJ2-TJ5 Bid Sections).

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or, which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) contained in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

### (a) Interests and short positions of directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company

Name of Director	Capacity	Number of Shares held (long position)	Number of underlying Shares held	Number of Shares held (short position)	Approximate % of shareholding in the total issued Shares
Siyan CHEN*	Beneficial owner/Interests of spouse	92,000 <sup>(i)</sup>	Nil	Nil	0.00299

*Note:*

- (i) Ms. Siyan CHEN\* is interested in 92,000 Shares, out of which 5,500 Shares are owned by her as personal interests and 86,500 Shares held by her spouse as family interests.

**(b) Interests and short positions of directors and chief executive of the Company in the shares, underlying shares and debentures in associated corporation**

Name of Director	Name of associated corporation	Capacity	Approximate % of shareholding in the total issued shares	Number of shares and underlying shares held (long position)	Number of shares held (short position)
Xiangwen LIAO*	Shenzhen International Holdings Limited	Interests of Spouse	0.03	850,293 <sup>(i)</sup>	Nil

*Note:*

- (i) 20,293 shares are owned by spouse of Mr. Xiangwen LIAO\* and the share options for 830,000 shares under share option scheme of Shenzhen International Holdings Limited were granted to spouse of Mr. Xiangwen LIAO\* on 1 November 2023 and 40% of the share options granted shall be vested on 1 November 2025 and become exercisable from 1 November 2025 to 31 October 2028; 30% of the share options granted shall be vested on 1 November 2026 and become exercisable from 1 November 2026 to 31 October 2028 and 30% of the share options granted shall be vested on 1 November 2027 and become exercisable from 1 November 2027 to 31 October 2028.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

**(c) Interests and short positions of the Shareholders in the Shares, underlying Shares of the Company**

As at the Latest Practicable Date, so far as is known to the Directors or chief executives of the Company, the interests and short positions of Shareholders (other than the Directors and the chief executives of the Company) who had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Name	Capacity	Number of Shares	Approximate % of shareholding in the total issued Shares
SIIC (i)	Beneficial owner	2,213,449,666 (L)	71.83
Shenzhen Expressway (i)	Interests of controlled corporation	2,213,449,666 (L)	71.83
Shenzhen International Holdings Limited (“ <b>Shenzhen International</b> ”) (深圳國際控股有限公司) (i)	Interests of controlled corporation	2,213,449,666 (L)	71.83
Shenzhen Investment Holdings Co., Ltd (“ <b>SIHC</b> ”) (深圳市投資控股有限公司) (i)	Interests of controlled corporation	2,213,449,666 (L)	71.83
Golden Baycrest (BVI) Limited (ii)	Beneficial owner	305,087,338 (L)	9.90
China Vanke Co., Limited (萬科企業股份有限公司) (ii)	Interests of controlled corporation	305,087,338 (L)	9.90
CMF Global Quantitative Multi-Asset SPC — CMF Global Quantitative Stable SP (iii)	Trustee	291,207,411 (L)	9.45
China Taiping Life Insurance (Hong Kong) Company Limited (iii)	Beneficiary of a trust (other than a discretionary interest)	291,207,411 (L)	9.45
China Taiping Insurance Holdings Company Limited (iii)	Interests of controlled corporation	291,207,411 (L)	9.45

L: Long Position

*Notes:*

- (i) The 2,213,449,666 Shares were held by SIIC, an indirect wholly-owned subsidiary of Shenzhen Expressway which in turn was a subsidiary of Shenzhen International. Shenzhen International was indirectly owned as to 44.24% by SIHC. The interests of SIIC, Shenzhen Expressway, Shenzhen International and SIHC in the 2,213,449,666 Shares represented the same block of Shares and were deemed under the SFO to have same interests with each other.
- (ii) The 305,087,338 Shares were held by Golden Baycrest (BVI) Limited, an indirect wholly-owned subsidiary of China Vanke Co., Limited. The interests of Golden Baycrest (BVI) Limited and China Vanke Co., Limited in the 305,087,338 Shares represented the same block of Shares and were deemed under the SFO to have same interests with each other.
- (iii) China Taiping Life Insurance (Hong Kong) Company Limited is a direct wholly-owned subsidiary of China Taiping Insurance Holdings Company Limited which in turn is directly owned as to 52.97% by China Taiping Insurance Group (HK) Company Limited, 1.76% by Taiping Golden Win Investment Limited, 4.68% by Easiwell Limited and 1.84% by Manhold Limited. Taiping Golden Win Investment Limited, Easiwell Limited and Manhold Limited are wholly-owned by China Taiping Insurance Group (HK) Company Limited which in turn is a direct wholly-owned subsidiary of China Taiping Insurance Group Ltd. The interests of China Taiping Life Insurance (Hong Kong) Company Limited, China Taiping Insurance Holdings Company Limited and CMF Global Quantitative Multi-Asset SPC in the 291,207,411 Shares represented the same block of Shares.

Saved as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any person (other than Directors and chief executives of the Company) who had interests or short positions in the Shares and underlying Shares under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept under Section 336 of the SFO.

As at the Latest Practicable Date, Mr. Xiangwen LIAO\*, who is also the executive director and president of Shenzhen Expressway, being the intermediate controlling shareholder of the Company and Mr. Xuan WANG\*, who is also the regional partner and investment and strategy research general manager of the southern region headquarters of China Vanke Co. Ltd., the holding company of Golden Baycrest (BVI) Limited which holds approximately 9.90% of the total issued Shares. Save for Mr. Xiangwen LIAO\* and Mr. Xuan WANG\*, no other Director or proposed Director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**3. DIRECTORS' INTERESTS IN ASSETS/CONTRACTS AND OTHER INTERESTS**

As at the Latest Practicable Date,

- (a) none of the Directors were materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

**4. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors nor their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

**5. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claims of material importance and, so far as the Directors were aware, no litigation or claim of material importance was pending or threatened by or against any member of the Group.

**6. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by any member of the Group within one year without payment of compensation (other than statutory compensation).

## 7. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business of the Group have been entered into by the members of the Group within two years immediately preceding the Latest Practicable Date and which are, or may be, material:

- (a) the Construction Works Agreements (TJ2-TJ5 Bid Sections);
- (b) the Construction Supervision Agreement (JL2 Bid Section) dated 25 March 2024 entered into between the GSZ Company and Guangdong Hualu Transportation Technology Company Limited\* (廣東華路交通科技有限公司), a company established in the PRC with limited liability and a wholly owned subsidiary of GPCG, pursuant to which Guangdong Hualu Transportation Technology Company Limited\* (廣東華路交通科技有限公司) shall undertake certain agreed construction supervisory works in connection with the Approved Road Section R&E Project at a total contract fee of RMB51,736,021;
- (c) the 2024 Coastal Expressway (Shenzhen Section) Maintenance Services Agreement dated 25 January 2024 entered into between the Coastal Company and Shenzhen Expressway Engineering Development Limited\* (深圳高速工程發展有限公司), a company incorporated in the PRC and an indirect non-wholly owned subsidiary of Shenzhen Expressway, pursuant to which Shenzhen Expressway Engineering Development Limited\* (深圳高速工程發展有限公司) shall provide maintenance services to the Coastal Company for a term of one year commencing from 1 January 2024;
- (d) the Humen Town Section Land Expropriation, Demolition and Relocation Works Agreement dated 21 December 2023 entered into between the GSZ Company and the People's Government of Humen Town of Dongguan City\* (東莞市虎門鎮人民政府), pursuant to which, the People's Government of Humen Town of Dongguan City\* (東莞市虎門鎮人民政府) 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;
- (e) the Construction Works Agreement (TJ1 Section) dated 7 December 2023 entered into between the GSZ Company and Poly Changda Overseas Engineering Company Limited\* (保利長大工程有限公司), a company established in the PRC with limited liability and is owned as to approximately 37.60% by GPCG, pursuant to which Poly Changda Overseas Engineering Company Limited\* (保利長大工程有限公司) will undertake construction works of TJ1 Section in connection with the Approved Road Section R&E Project at a project price of RMB419,825,633;
- (f) the Compensation Agreement dated 18 September 2023 entered into between the GSZ Company and Shenzhen Expressway, pursuant to which, it was agreed that (i) the GSZ Company and Shenzhen Expressway shall jointly operate the new Hezhou toll station; (ii) Shenzhen Expressway shall pay a one-off layout optimisation fee of RMB2,867,900 (inclusive of tax) to the GSZ Company; and (iii) Shenzhen

Expressway shall pay the operation management fees with an annual cap that shall not exceed RMB30,000,000 to the GSZ Company as compensation for the increased operation costs during the term of the compensation agreement;

- (g) the Technological Development Contract dated 28 February 2023 (as supplemented by a supplemental agreement dated 4 September 2023) entered into between the Coastal Company and the consortium comprising Shenzhen Expressway Digital Technology Co., Ltd.\* (深圳高速公路集團數字科技有限公司) (a company incorporated in the PRC with limited liability and a non-wholly owned subsidiary of Shenzhen Expressway) and Yunji Intelligent Engineering Holding Company Limited\* (雲基智慧工程股份有限公司), pursuant to which the consortium agreed to conduct expressway BIM and digital management, research and development for Phase I and Phase II of Shenzhen section of Guangshen Coastal Expressway at a total service fee of RMB22,725,800 (including taxes);
- (h) the Compensation Agreement dated 30 September 2022 entered into among GSZ Company, Guangzhou Development District Land Development Reserve Exchange Centre\* (廣州開發區土地開發儲備交易中心), Guangzhou Huangpu District People's Government Yunpu Street Office\* (廣州市黃埔區人民政府雲埔街道辦事處) and Guangzhou Dongjin New District Development Co. Ltd.\* (廣州東進新區開發有限公司), pursuant to which GSZ Company agreed to surrender land use rights of two land parcels located at the Luogang interchange of Huangpu District of Guangzhou City, the PRC with an aggregated ascertained site area of 294,540.09 square meters together with buildings construed thereon with an aggregated gross floor area of 13,785.70 square meters to Guangzhou Development District Land Development Reserve Exchange Centre\* (廣州開發區土地開發儲備交易中心) in consideration of approximately RMB317.0 million and the incentive fee of approximately RMB2.4 million (if any);
- (i) the Conditional Subscription Agreement entered into among the Shenwan Infrastructure, Shenzhen Expressway and the Coastal Company on 18 August 2022, pursuant to which, Shenwen Infrastructure conditionally agreed to inject RMB2,998,000,000 to the Coastal Company to obtain 51% of the enlarged equity interest in the Coastal Company, and the remaining 49% will continue to be held by Shenzhen Expressway upon completion; and
- (j) the Lease Agreement dated 31 May 2022 entered into between Shenwan Infrastructure (as lessee), an indirect subsidiary of the Company, and Shenzhen Expressway (as lessor), in respect of the lease of 2-4/F, Jiangsu Building, Futian District, Shenzhen, PRC (中華人民共和國深圳市福田區江蘇大廈裙樓二樓至四樓) for a term of three years commencing on 1 June 2022.

**8. MISCELLANEOUS**

- (a) The company secretary of the Company is Ms. Ching Fan KOO of Fair Wind Secretarial Services Limited, an external service provider.
- (b) The registered office of the Company is at P.O. Box 309, Uglan House, Grand Cayman KY1-1104, Cayman Islands. The principal place of business of the Company in Hong Kong is at Rooms 4902–4916, 49th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

**9. DOCUMENTS ON DISPLAY**

Copies of the Construction Works Agreements (TJ2-TJ5 Bid Sections) are available on (i) the website of the Company ([www.sihbay.com](http://www.sihbay.com)); and (ii) the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) during the period of 14 days from the date of this circular.

\* *For identification purpose only*