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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)

**MAJOR TRANSACTION
ARRANGEMENTS FOR ACQUISITION OF
THE MEILIN CHECKPOINT LAND PARCELS**

A notice convening a special general meeting of Shenzhen International Holdings Limited to be held at the conference room of the Company at Rooms 2206-2208, 22nd Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 7 November 2014 at 10:00 a.m. or any adjournment thereof is set out on pages SGM-1 to SGM-2 of this circular. Whether or not you are able to attend and vote at the meeting, you are requested to complete the enclosed proxy form and return it to the branch share registrar of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjourned meeting(s) should you so wish.

22 October 2014

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DEFINITIONS

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

“Board”	the board of Directors
“close associates”	has the meaning as ascribed to it under the Listing Rules
“Company”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“DTZ”	DTZ Debenham Tie Leung Limited, an independent property valuer appointed by the Company
“Framework Agreement”	a framework agreement for the establishment of the Project Company in relation to the Meilin Checkpoint Urban Renewal Project (《關於合資成立梅林關城市更新項目公司的框架協議》) entered into by the Company and Shenzhen Expressway on 8 August 2014
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Land Premium”	the land premium required to be paid in respect of the Meilin Checkpoint Land Parcels, being the amount of RMB3,566,700,000 in the Land Premium Agreement subject to final adjustments
“Land Premium Agreement”	the agreement dated 10 September 2014 entered into between the Longhua Committee, the Company and Shenzhen Expressway in relation to, among other things, the payment of the Land Premium
“Latest Practicable Date”	20 October 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information
“Liguang Project Land Parcel”	the land parcel located at Guanlan Street, Longhua New Area in the west side of the terminal point of Meiguan Expressway in Shenzhen, with a site area of approximately 48,000 square metres, to which the Group’s Huatongyuan Logistic Centre is expected to relocate
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Longhua Committee”	Shenzhen Longhua New Area Administrative Committee
“Meilin Checkpoint Land Parcels”	the site of approximately 96,000 square metres being re-designated as development and construction land and forming part of the Meilin Checkpoint Urban Renewal Project for comprehensive development under the urban renewal policy
“Meilin Checkpoint Urban Renewal Project”	the comprehensive development project of the Shenzhen government under its urban renewal policy in respect of (i) the site held by Meiguan Expressway Company Limited (深圳市梅觀高速公路有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of Shenzhen Expressway, to the west of the Meilin toll station; and (ii) the site held by XTC Company on which the Huatongyuan Logistic Centre is situated, of approximately 131,000 square metres in total including approximately 96,000 square metres of land that will be re-designated as development and construction land
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, Macau and Taiwan
“Project Company”	Shenzhen International United Land Co., Ltd. (深圳市深國際聯合置地有限公司), a company established in Shenzhen City, Guangdong Province, PRC by XTC Company and Shenzhen Expressway pursuant to the Framework Agreement, and which shall be the applicant and legal entity for the Meilin Checkpoint Urban Renewal Project
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held at the conference room of the Company at Rooms 2206-2208, 22nd Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 7 November 2014 at 10:00 a.m. to consider and, if thought fit, approve the Land Premium Agreement and the transactions contemplated thereunder
“Shareholders”	holders of the issued Shares in the Company
“Shares”	ordinary shares of HK\$1.00 each in the issued share capital of the Company

DEFINITIONS

“Shenzhen Expressway”	Shenzhen Expressway Company Limited, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange and the A shares of which are listed on the Shanghai Stock Exchange
“Shenzhen UPLRC”	Urban Planning Land and Resources Commission of the Shenzhen Municipal (深圳市規劃和國土資源委員會)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“XTC Company”	Xin Tong Chan Development (Shenzhen) Company Limited (新通產實業開發(深圳)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company

In this circular, conversion of RMB into HK\$ is based on the exchange rate of HK\$1.00 to RMB0.79. The exchange rate has been used, where applicable, for the purposes of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

LETTER FROM THE BOARD



Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00152)

Executive Directors:

Gao Lei (*Chairman*)

Li Jing Qi (*Chief Executive Officer*)

Li Lu Ning

Liu Jun

Yang Hai

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Non-executive Director:

Yim Fung

*Head Office and Principal Place
of Business:*

Rooms 2206-2208

22nd Floor, Greenfield Tower

Concordia Plaza

No. 1 Science Museum Road

Tsimshatsui East, Kowloon

Hong Kong

Independent Non-executive Directors:

Leung Ming Yuen, Simon

Ding Xun

Nip Yun Wing

22 October 2014

To the Shareholders

Dear Sirs and Madams,

MAJOR TRANSACTION ARRANGEMENTS FOR ACQUISITION OF THE MEILIN CHECKPOINT LAND PARCELS

INTRODUCTION

Pursuant to the latest development plans of the Shenzhen municipal government in respect of the Longhua New Area, the government expects to modify the planned use of the sites held by the Group on which the Huatongyuan Logistic Centre is located and to the west of the Meilin toll station. Pursuant to the relevant regulations, as owner of the Meilin Checkpoint Land Parcels, the Group is entitled to establish a project company to obtain and deal with the Meilin Checkpoint Land Parcels.

LETTER FROM THE BOARD

Reference is made to the Company's announcement dated 8 August 2014 in relation to, among other things, the establishment of a project company between the Company and Shenzhen Expressway, a 50.889% subsidiary of the Company, in order to research, analyse and explore the feasibility of and the opportunity for obtaining valuable land resources in the Longhua New Area, being the returning of the land use rights in respect of the land to the west of the Meilin toll station and the land where the Huatongyuan Logistic Centre is situated respectively, in their existing designated uses and the acquisition of land use rights in the Meilin Checkpoint Land Parcels upon their re-designation as development and construction land. The acquisition, which in effect amounts to a re-granting by the government of the land use rights in the Meilin Checkpoint Land Parcels to the Group, will be effected against payment of the Land Premium and the entering into of the land transfer agreement between the Group and the Shenzhen UPLRC (the relevant PRC governmental authority for granting the land use rights in Meilin Checkpoint Land Parcels). As the Company considers it more efficient to hold the Meilin Checkpoint Land Parcels with Shenzhen Expressway via a dedicated corporate entity, the Project Company was established in August 2014 to effect the acquisition. As at the Latest Practicable Date, the Project Company was owned as to 51% by XTC Company (a subsidiary of the Company) and as to 49% by Shenzhen Expressway.

Following the implementation of toll-free passage on the approximately 13.8 kilometre section of the Meiguan Expressway between Meilin to Guanlan, the Shenzhen government is gradually implementing urban planning design and renewal work along Meiguan Expressway. According to its urban planning, the Shenzhen government intends to implement the Meilin Checkpoint Urban Renewal Project, which involves the modification of planned use of approximately 131,000 square metres of land including those located to the west of the Meilin toll station and on which the Huatongyuan Logistic Centre is located, and the re-designation of approximately 96,000 square metres as development and construction land for comprehensive development in accordance with urban renewal policy. The Longhua New Area in Shenzhen, where the Meilin Checkpoint Land Parcels are located, is one of five identified sub city centres in the "Overall Planning for Shenzhen Municipal (2007-2020) (深圳城市總體規劃(2007-2020))" and an area designated for expansion of urban centre function and key development. It is adjacent to the Futian District, downtown area of the Shenzhen City, and is situated at a geographically advantageous location with good investment value and appreciation potential. The Meilin Checkpoint Urban Renewal Project has a planned composite plot ratio of 5.06 and total gross floor area of approximately 486,000 square metres, comprising properties for residential, commercial, office, business apartments and public and ancillary uses, etc. In connection with the acquisition by the Project Company of the Meilin Checkpoint Land Parcels, Meiguan Expressway Company Limited and XTC Company will have to demolish and relocate their respective properties on the Meilin Checkpoint Land Parcels, and surrender the relevant land to the government, which will then be transferred to the Project Company pursuant to a land transfer agreement between the Group and Shenzhen UPLRC. Under the above arrangements, the Project Company will be required to pay land premium to the government and demolition and relocation compensation to Meiguan Expressway Company Limited and XTC Company.

After taking into account the Land Premium, associated taxes and other related costs, and based on the currently planned saleable area of approximately 470,000 square metres, the estimated acquisition cost for the Project Company of the Meilin Checkpoint Land Parcels is approximately RMB10,000 to RMB11,000 per square metre. Costs representing the demolition and relocation compensation paid to Meiguan Expressway Company Limited (a subsidiary of the Company through Shenzhen Expressway) and XTC Company (a wholly-owned subsidiary of the Company) will effectively lower the final amount of acquisition cost of the Meilin Checkpoint Land Parcels to be recognised by the Group in its financial statements.

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In order to facilitate obtaining the Meilin Checkpoint Land Parcels and under the overall arrangement of the Shenzhen municipal government, the Company, Shenzhen Expressway and Longhua Committee have entered into the Land Premium Agreement to record their agreement on certain arrangements in relation to the timing of entering into the relevant land transfer agreement and payment of Land Premium for the Meilin Checkpoint Land Parcels.

THE LAND PREMIUM AGREEMENT

A summary of the salient terms of the Land Premium Agreement are as follows:

Date

10 September 2014

Parties

- (1) the Longhua Committee;
- (2) the Company; and
- (3) Shenzhen Expressway, a 50.889% subsidiary of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Longhua Committee is a third party independent of the Company and its connected persons.

Subject matter and consideration

The total Land Premium payable pursuant to the Land Premium Agreement is RMB3,566,700,000 (equivalent to approximately HK\$4,514,810,000). Under the Land Premium Agreement, the Company and Shenzhen Expressway will, through the Project Company, enter into a land transfer agreement for the Meilin Checkpoint Land Parcels with the Shenzhen UPLRC and pay 30% of the Land Premium, that is, RMB1,070,010,000 (approximately HK\$1,354,443,000) by 30 June 2015. Further, the Company and Shenzhen Expressway will pay through the Project Company the balance of the Land Premium, being RMB2,496,690,000 (approximately HK\$3,160,367,000), within one year of the land transfer agreement becoming effective.

Pursuant to the Land Premium Agreement, the Longhua Committee has undertaken to assist the Project Company in the demolition and relocation work under the Meilin Checkpoint Urban Renewal Project and co-ordinate the signing of the relevant land transfer agreement in respect of the Liguang Project Land Parcel, to the extent within the scope of its authorities. Further details in respect of the Liguang project are set out in the Company's announcement dated 10 September 2014.

Conditions precedent of the Land Premium Agreement

The Land Premium Agreement will become effective upon all parties having obtained all relevant approvals, authorisation, consent and permit under the applicable laws, rules and regulations.

LETTER FROM THE BOARD

The Land Premium Agreement and the transactions contemplated thereunder will be conditional upon the approval of the Shareholders at the SGM. If the Land Premium Agreement is not approved by the Shareholders at the SGM, the transactions contemplated under the Land Premium Agreement will not proceed, and the Group will continue to hold the relevant land parcels under the current usage.

Termination

If for reasons attributable to the Longhua Committee or other government departments the governmental approval process in respect of the Meilin Checkpoint Land Parcels is delayed, the deadline for the payment of the first instalment of the Land Premium may be correspondingly postponed with the written agreement of the parties to the Land Premium Agreement. The Land Premium Agreement may be terminated without penalty to either party as a result of (amongst other things) force majeure events, operation of law or mutual agreement, or the termination of the Meilin Checkpoint Urban Renewal Project by the government.

Compensation for non-performance

In the event the Company and Shenzhen Expressway fail to fulfill their respective obligations under the Land Premium Agreement, they shall pay an agreed compensation in the amount of the damages (if any) actually paid by the Longhua Committee to the Group at the rate of 0.05% per day in respect of any delay in payment of compensation for the implementation of the toll-free passage on the 13.8 kilometre section of the Meiguan Expressway.

BASIS OF DETERMINATION OF THE LAND PREMIUM

The Land Premium in respect of the Meilin Checkpoint Land Parcels were negotiated on an arm's length basis between the Group and the Shenzhen government, and finally determined by the Shenzhen government after taking into account (among other things) the prevailing market conditions and the land price of the neighbouring land of the Meilin Checkpoint Land Parcels. The final amount of the Land Premium payable by the Project Company will be that specified in the land transfer agreement for the Meilin Checkpoint Land Parcels and the Group expects that the Land Premium (based on the final government verified and approved site area of the Meilin Checkpoint Land Parcels and which may therefore differ from that specified in the Land Premium Agreement) and other associated taxes will not exceed RMB3.7 billion. Whilst there are not many land parcels in the vicinity of the Meilin Checkpoint Land Parcels which have recently been listed for sale, the Board noted that certain land parcels near the Meilin Checkpoint Land Parcels were sold in October 2013 for approximately RMB14,563 per square metre, which is substantively higher than the estimated acquisition cost of approximately RMB10,000 to RMB11,000 per square metre contemplated under the Land Premium Agreement and referred to in the paragraph headed "Introduction" above.

Based on the management accounts of the Group as at 30 June 2014, the carrying value of the land on which Huatongyuan Logistic Centre is situated and the site located to the west of Meilin toll station both held by the Group and buildings erected thereon amounted to approximately RMB257 million (equivalent to approximately HK\$325 million).

LETTER FROM THE BOARD

The valuation report in respect of the Meilin Checkpoint Land Parcels as assessed by DTZ, a firm of independent professional valuer, is set out in Appendix II of this circular. As set out in Appendix II, with the assumptions set out therein including (amongst other things) settlement in full of land premium and completion of urban renewal, the market value of the Meilin Checkpoint Land Parcels as at 31 July 2014 would be RMB6,188,000,000 (based on the currently planned saleable area of approximately 470,000 square metres, giving a per square metre valuation of RMB13,166). This is higher than the estimated acquisition cost to the Project Company of RMB10,000 to RMB11,000 per square metre as mentioned in the paragraph headed “Introduction” as contemplated under the Land Premium Agreement taking into account the RMB3.7 billion Land Premium together with associated taxes payable, and other related costs. As part of the abovementioned costs would be payable by the Project Company as demolition and relocation compensation to members of the Group (which are to undertake such demolition or relocation work in respect of the Meilin Checkpoint Urban Renewal Project), and will effectively lower the actual acquisition cost to the Group expected to be recognised in its financial statements.

Taking into account all factors referred to above, the Directors are of the view that the Land Premium is fair and reasonable to the Company and the Shareholders as a whole.

HUATONGYUAN LOGISTIC CENTRE

Huatongyuan Logistic Centre, which is operated by the Group, is located within the area designated for the Meilin Checkpoint Urban Renewal Project. The Group is in active discussions with the relevant government departments for the relocation of Huatongyuan Logistic Centre and the land transfer agreement for the Liguang Project Land Parcel.

For the year ended 31 December 2013, Huatongyuan Logistic Centre’s revenue and profit attributable to shareholders was HK\$117 million and HK\$22.01 million, respectively. For the six months ended 30 June 2014, Huatongyuan Logistic Centre’s revenue and profit attributable to shareholders was HK\$59.77 million and HK\$11.85 million, respectively.

FINANCIAL EFFECTS

Upon completion of the transactions contemplated under the Land Premium Agreement, the Group will consolidate the Meilin Checkpoint Land Parcels through the consolidation of the Project Company into the Group’s financial statements, and as the Meilin Checkpoint Land Parcels are expected to be recorded at cost in the financial statements of the Project Company, the Group does not expect the acquisition of the Meilin Checkpoint Land Parcels to have any material impact on the earnings of the Group immediately upon completion of the transactions contemplated under the Land Premium Agreement.

The Group intends to fund this project through its internal financial resources, borrowings or a combination of both as is considered appropriate at the time. For illustrative purpose, based on the unaudited consolidated financial statements of the Group for the six months ended 30 June 2014 and assuming that the final amount of Land Premium payable will be (i) RMB3.7 billion, (ii) funded entirely by borrowings and (iii) paid in one lump-sum, the payment of the Land Premium would result

LETTER FROM THE BOARD

in a change of the Group's debt-asset ratio (calculated by dividing the Group's total liabilities over its total assets) of not more than 5 percentage points. On the other hand, should the Group proceed to pay the Land Premium in full utilising only its internal resources, there will not be any material impact on the assets and liabilities of the Group.

REASONS FOR AND THE BENEFITS OF THE ARRANGEMENTS IN RESPECT OF THE MEILIN CHECKPOINT LAND PARCELS AND THE LAND PREMIUM AGREEMENT

The Meilin Checkpoint Land Parcels are situated at a geographically advantageous location and, having taken into account the market price of land parcels adjacent to the Meilin Checkpoint Land Parcels, the Board believes it to be in the interests of the Group to secure the Meilin Checkpoint Land Parcels at the Land Premium, in terms of (i) favourable investment cost as the estimated acquisition cost per square metre to the Group in respect of the Meilin Checkpoint Land Parcels, which takes into account the Land Premium, associated taxes and other related costs, is lower than the per square metre land price of other land recently listed for sale in the vicinity of the Meilin Checkpoint Land Parcels, and (ii) expected room for appreciation in value. The Meilin Checkpoint Land Parcels can create higher economic value for the land owned by the Group, and contribute towards the improvement of the overall corporate performance and shareholders' returns. The Company considers that by entering into the Land Premium Agreement with the Longhua Committee, the Group has secured agreement with respect to the timing for the obtaining the Meilin Checkpoint Land Parcels and related obligations of the government, and locks in the basic Land Premium in respect of the Meilin Checkpoint Land Parcels. Meanwhile, pursuant to the terms of the Land Premium Agreement, Longhua Committee has undertaken to coordinate the land transfer agreement in respect of the Liguang Project Land Parcel to be signed by the Group, which will enable the Project Company to seize the opportunity for urban development and renewal, timely realise the commercial value of current resources.

As the Group will continue its strategy of operating logistics infrastructural facilities and toll road businesses, the management of the Group does not consider it appropriate for the Group to engage in the development of the Meilin Checkpoint Land Parcels. Accordingly, after the signing of the land transfer agreement for the Meilin Checkpoint Land Parcels, the Group's preferred approach is to prioritise the transfer of more than 50% equity interests in the Project Company to a well-established real estate development company by way of listing-for-sale on an asset and equity exchange. In the event sale of equity interests in the Project Company at a favourable price is not practicable in the future, the Directors will re-consider the feasibility of developing the Meilin Checkpoint Land Parcels subject to obtaining the relevant approvals and taking into account, among other things, the Group's strategic development plan at the time.

The Directors are of the view that the terms of and the transactions contemplated under the Land Premium Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GENERAL

The Group is principally engaged in the investment, construction and operation of logistic infrastructure facilities, as well as providing various value-added logistic services to customers leveraging its infrastructure facilities and information services platform.

LETTER FROM THE BOARD

Shenzhen Expressway and its subsidiaries are principally engaged in the investment, construction, operation and management of toll highways and roads.

The Longhua Committee is an agency of the Shenzhen government, and performs the duties which the Shenzhen government authorises the district-level government to perform within the Longhua New Area in the Shenzhen municipal.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of obtaining the Meilin Checkpoint Land Parcels as contemplated under the Land Premium Agreement, is more than 25% but less than 100%, the proposed transactions constitute a major transaction of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As no Shareholder has any material interest in such transactions which is different from other Shareholders, no Shareholder is required to abstain from voting in respect of the resolutions(s) to be proposed at the SGM to approve such transactions.

SGM

The SGM will be convened to consider and, if thought fit, to approve the Land Premium Agreement and the transactions in respect of the obtaining the Meilin Checkpoint Land Parcels. A notice convening the SGM is set out on pages SGM-1 to SGM-2 of this circular. Voting at the SGM will be taken on a poll.

A form of proxy for use at the SGM is enclosed. Whether or not Shareholders are able to attend the meeting, they are requested to complete and return the enclosed form of proxy to the branch share registrar of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the meeting or any adjournment thereof should they wish to do so.

CLOSURE OF REGISTER OF MEMBERS

Shareholders whose name appear on the Company's register of members on Friday, 7 November 2014, will be eligible for attending and voting at the SGM. The Company's register of members and books of transfer will be closed from Wednesday, 5 November 2014 to Friday, 7 November 2014, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible for attending and voting at the SGM, all transfer forms accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 4 November 2014.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the terms of the Land Premium Agreement and the transactions contemplated thereunder are fair and reasonable, and the entering into of the Land Premium Agreement is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution approving the entering into of the Land Premium Agreement and the transactions contemplated thereunder.

FURTHER INFORMATION

Your attention is also drawn to the information set forth in the Appendices to this circular and the notice of the SGM.

By order of the Board
Shenzhen International Holdings Limited
Gao Lei
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for (i) the two years ended 31 December 2013 and 31 December 2012 are disclosed in the annual report of the Company for the year ended 31 December 2013 from pages 65 to 152; (ii) the year ended 31 December 2011 is disclosed in the annual report of the Company for the year ended 31 December 2011 from pages 59 to 132, all of which have been published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.szihl.com>).

2. FINANCIAL AND TRADING PROSPECTS

It is expected that the global economy will continue to embrace challenges in the second half of 2014, while China's economy will remain stable with a number of uncertainties. The Group will proactively take contingency measures, while focusing on improving business performance.

For the second half of 2014, the Group will accelerate the upgrade and improvement of existing logistic parks and actively promote the construction and expansion of "China Urban Integrated Logistics Hub" projects, thus expanding the scale of the Group's logistic business and the coverage of domestic networks. It is expected that "China Urban Integrated Logistics Hub" will be the main driver of growth performance for the Group. By adhering to its strategic policies, the Group will realise the network-based operation of the project as soon as possible, therefore laying the solid foundation for the Group's long-term development.

As the PRC government implements macroeconomic policies to stimulate domestic demand, growth in traffic demand in China is expected to remain steady. The Group will constantly pay attention to the conditions of surrounding road network, while monitoring and analysing the traffic flow. The Group will also take the initiative to improve traffic conditions as well as implement targeted marketing, so as to attract traffic flow for its expressway projects, and in return keep improving the operating performance of the toll road business.

During the first half of 2014, the Group maintained sound communication with the relevant government authorities of Qianhai area in relation to its land project in Qianhai, proactively cooperating with the government on the overall planning of the Qianhai area and strived to achieve progress of land preparation for its project in Qianhai. For the second half of 2014, the Group will actively carry out the preparatory work, such as planning and business development, and will continue to communicate with relevant government departments and revise the development plan for its Qianhai project. In doing so, the Group will strive to make more efficient use of land parcels and fully prepare for the next phase of the project.

With the economic development in the PRC market and advancement of urbanisation process, the Group's logistic parks will be met with both challenges and opportunities arising from transformation and upgrades.

The Group has engaged consultants to study the relevant overall transformation, upgrading and planning scheme of South China Logistic Park, and has proactively propelled the development and construction of the land of Phase II of South China Logistic Park with an area of approximately 77,000 square metres.

3. INDEBTEDNESS OF THE GROUP

At the close of business on 31 August 2014, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following borrowings totalling approximately HK\$16,454,206,000;

- (1) secured non-current bank borrowings of approximately HK\$5,013,076,000, which was secured by the toll collection rights of Qinglian Project;
- (2) unsecured non-current bank borrowings of approximately HK\$2,240,297,000;
- (3) secured current bank borrowings of approximately HK\$74,486,000 which were secured by the toll collection rights of Qinglian Project as to HK\$44,486,000 and the Group's 55% equity interest in Jade Emperor Limited, a subsidiary of the Company, as to HK\$30,000,000;
- (4) unsecured current bank borrowings of approximately HK\$1,625,020,000;
- (5) secured corporate bonds with carrying value of approximately RMB794,710,000 (equivalent to HK\$1,002,662,000) and a nominal value of RMB800,000,000 (equivalent to HK\$1,009,336,000) for a term of 15 years from August 2007 which were guaranteed by China Construction Bank, Shenzhen Branch with a pledge of Shenzhen Expressway's 100% equity interest in Shenzhen Meiguan Expressway Company Limited as counter-guarantee;
- (6) unsecured corporate bonds with carrying value of approximately RMB1,499,997,000 (equivalent to HK\$1,892,502,000) with face value of RMB1,500,000,000 (equivalent to HK\$1,892,506,000) for a term of 5 years from August 2011;
- (7) unsecured senior notes in an aggregate principal amount of USD300,000,000 (equivalent to HK\$2,325,000,000) and with carrying value of approximately HK\$2,343,782,000 for a term of 5 years from April 2012;
- (8) medium-term notes with carrying value of approximately RMB994,854,000 (equivalent to HK\$1,255,178,000) and a nominal value of RMB1,000,000,000 (equivalent to HK\$1,261,670,000) for a term of 3 years from May 2014; and
- (9) private placement notes amounting to RMB800,000,000 (equivalent to HK\$1,009,336,000) and with carrying value of approximately RMB798,309,000 (equivalent to HK\$1,007,203,000) for a term of 3 years from December 2012.

At the close of business on 31 August 2014, the Group had the following contingent liabilities:

- (1) Shenzhen Expressway signed a construction management service contract with Shenzhen Traffic and Transportation Committee under which Shenzhen Expressway was entrusted to manage the construction project of Nanping Phase II Project. Pursuant to the contract, Shenzhen Expressway had arranged with bank to issue irrevocable performance guarantees to Shenzhen Traffic and Transportation Committee amounting to RMB15,000,000 (equivalent to HK\$18,925,000).
- (2) Shenzhen Expressway signed a construction management service contract with Shenzhen Traffic Public Facilities Construction Center and was entrusted to manage the construction project of municipal facilities of Dalang Section of Longda Expressway. Pursuant to the contract, Shenzhen Expressway had arranged with bank to issue irrevocable performance guarantees to Shenzhen Traffic Public Facilities Construction Center amounting to RMB2,000,000 (equivalent to HK\$2,523,000).
- (3) Shenzhen Expressway signed a construction management service contract with Shenzhen Longhua New Area Construction Management Center under which Shenzhen Expressway was entrusted to manage the construction project of the Interchange of Dezheng Road and Longda Expressway and the extension of the eastern section of Dezheng Road in Shenzhen Longhua New Area. Pursuant to the contract, Shenzhen Expressway had arranged with bank to issue irrevocable performance guarantees to Shenzhen Longhua New Area Construction Management Center amounting to approximately RMB35,850,000 (equivalent to HK\$45,231,000).
- (4) Arbitration in progress

Upon the government approval, Guangdong Qinglian Highway Development Company Limited, a subsidiary of the Company, upgraded Qinglian Class I Highway to an expressway and the project was completed on 25 January 2011. In 2011, Qingyuan Fengyun Eco-tourism Development Company Limited sued against Guangdong Qinglian Highway Development Company Limited in Qingyuan Intermediate Court for the closing of exits of expressway due to construction. Guangdong Qinglian Highway Development Company Limited was judged to win in the first trial. Qingyuan Fengyu Eco-tourism Development Company Limited appealed to the High court of Guangdong Province. As at 31 August 2014, the litigation was still in progress. Having considered the nature and construction status of the project, the Group expects that the outcome of the litigation would not have any significant impact on the Group's operating results.

For the purpose of preparing the indebtedness of the Group, translation of amounts in RMB into HK\$ and USD into HK\$ have been made at the exchange rates of HK\$1 = RMB0.7926 and HK\$7.75 = USD1, the respective closing rates as at 31 August 2014.

Save as aforesaid, and apart from the intra-group liabilities, the Group did not have any mortgages, charges, debentures, outstanding loans, overdrafts or other similar indebtedness, liabilities under acceptances or acceptance credits or any guarantees, finance leases or hire-purchase commitments or other material contingent liabilities as at the close of business on 31 August 2014.

4. WORKING CAPITAL SUFFICIENCY OF THE GROUP

Taking into account the expected payment of the Land Premium as contemplated under the Land Premium Agreement and the financial resources available to the Group, including internally generated funds and available banking facilities, the Directors are of the opinion that the Group has sufficient working capital for its present requirements, that is, for at least next 12 months from the date of this circular.

The following is an extract of the text of the valuation report prepared by DTZ, a firm of independent property valuer, in respect of the Meilin Checkpoint Land Parcels for incorporation in this circular.



16th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

22 October 2014

The Directors
Shenzhen International Holdings Limited
Rooms 2206-2208
22nd Floor Greenfield Tower
Concordia Plaza
No. 1 Science Museum Road
Tsimshatsui East
Kowloon
Hong Kong

Dear Sirs,

INSTRUCTIONS, PURPOSE AND DATE OF VALUATION

In accordance with your instructions for us to value the property situated in the People's Republic of China (the "PRC") in which Shenzhen International Holdings Limited (the "Company") and its subsidiaries (hereinafter referred to as the "Group") have interests, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing the Group with our opinion of the market value of the property as at 31 July 2014 (the "date of valuation").

DEFINITION OF MARKET VALUE

Our valuation of the property represents its market value which in accordance with The HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

VALUATION BASIS AND ASSUMPTION

Our valuation excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoing of an onerous nature which could affect its value.

In valuing the property, we have complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards (2012 Edition) published by The Hong Kong Institute of Surveyors.

In the course of our valuation of the property, we have assumed that transferable land use rights in respect of the property for a specific term have been granted and that any premium has already been fully settled. We have relied on the advice given by the Group regarding the title to the property. For the purpose of our valuation, we have assumed that the grantee has enforceable title to the property.

In valuing the property, we have assumed that the grantee or the user of the property has free and uninterrupted rights to use or to assign the property for the whole of the unexpired term as granted.

METHOD OF VALUATION

We have valued the property on the basis that it will be developed and completed in accordance with the latest development proposals provided to us by the Group. We have assumed that all consents, approvals and licences from relevant government authorities for the development proposals have been or will be obtained without onerous conditions or delays. We have also assumed that the design and construction of the developments are in compliance with the local planning and other relevant regulations and will be approved by the relevant authorities. In arriving at our valuation, we have adopted the Direct Comparison Method by making reference to comparable sales evidence as available in the relevant market and have also taken into account the costs that will be expended to complete the development.

SOURCE OF INFORMATION

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as statutory notices, easements, tenure, identification of property, site and floor areas and all other relevant matters. Dimensions, measurements and areas included in this valuation report are based on information provided to us and are therefore only approximation. We have had no reason to doubt the truth and accuracy of the information provided to us by the Group which is material to the valuation. We were also advised that no material facts have been omitted from the information supplied.

TITLE INVESTIGATION

We have been provided with copies of documents in relation to the title to the property. However, we have not been able to conduct searches to verify the ownership of the property or to ascertain any amendment which may not appear on the copies handed to us.

In the course of our valuation, we have relied to a considerable extent on the information given by the Group and its legal adviser, Junyan Law Firm, in respect of the title to the property in the PRC.

SITE INSPECTION

We have inspected the property. The site inspection was carried out on 3 June 2014 by our Mr. Wang Wei who is a Registered China Real Estate Appraiser. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not able to report that the property is free of rot, infestation and any other structural defects, nor were any test carried out to any of the services. Moreover, we have not carried out investigation on site to determine the suitability of the soil conditions and the services etc. for any future development. Our valuation is prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during the construction period.

Unless otherwise stated, we have not been able to carry out on-site measurements to verify the site and floor area of the property and we have assumed that the areas shown on the copies of the documents handed to us are correct.

CURRENCY

Unless otherwise stated, all money amounts stated in this valuation report are in Renminbi (“RMB”), the official currency of the PRC.

We enclose herewith our valuation certificate.

Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung Limited
Andrew K.F. Chan
Registered Professional Surveyor (General Practice)
Registered China Real Estate Appraiser
MSc. M.H.K.I.S.
Senior Director

Note: Mr. Andrew K.F. Chan is a Registered Professional Surveyor (General Practice) who has over 27 years’ experience in the valuation of properties in the PRC.

PROPERTY TO BE HELD FOR FUTURE DEVELOPMENT BY THE GROUP IN THE PRC

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 31 July 2014
Meilin Checkpoint Urban Renewal Project, Lot nos. A802-0014, A807-0039, A807-0242 and portion of A931-0001, Minzhi Road, Longhua New District, Shenzhen, Guangdong Province, the PRC (中國廣東省深圳市龍華新區民治街道宗地號 A802-0014、A807-0039、A807-0242 及部份 A931-0001, 梅林關城市更新項目)	The property comprises a proposed development to be erected on a site with total site area of approximately 96,000 sq m.	At the date of valuation, the property was occupied as logistics park, toll office, toll booth, dormitory and relevant facilities.	No commercial value
	The property is planned to be redeveloped into a composite development. According to the information provided by the Group, the constituent planned gross floor areas of the property are as follows:		
	Use	Approximate Gross Floor Area (sq m)	
	Residential	204,180	
	Affordable apartment	41,820	
	Commercial	35,000	
	Office	78,000	
	Apartment	112,000	
	Ancillary	<u>15,400</u>	
	Total:	<u>486,400</u>	
	The property is located in Longhua New District, close to Shenzhen North Station. Developments nearby are mainly residential developments.		

Notes:

- (1) As advised by the Group, Certificate of Real Estate Ownership of the project has not been obtained, we have ascribed no commercial value to the property. Had valid Certificate of Real Estate Ownership been issued, transferred land use rights been granted, all premium been fully settled, the procedure for urban renewal been completed, the market value of the property as at 31 July 2014 would be RMB6,188,000,000.

- (2) According to the planning requirement announced by 深圳市城市更新辦公室 (Shenzhen City Renewal Office), the planned gross floor areas of the property are set out as below:

Use	Approximate Gross Floor Area (sq m)
Residential	204,180
Affordable apartment	41,820
Commercial	35,000
Office	78,000
Apartment	112,000
Ancillary	<u>15,400</u>
Total:	486,400

- (3) We have been specially instructed by the Group to value the property on the basis assuming that the property at the date of valuation was a vacant land and ready to develop into a comprehensive development with a total gross floor area of 486,400 sq m in accordance with the planning requirement in note (2).
- (4) We have been provided with a legal opinion on the title which contains, inter-alia, the following information:
- (i) The land owners involved in this urban renewal project include Xin Tong Chan Development (Shenzhen) Company Limited (新通產實業開發(深圳)有限公司) and Shenzhen Meiguan Expressway Company Limited (深圳市梅觀高速公路有限公司). Xin Tong Chan Development (Shenzhen) Company Limited owns 3 parcels of land with lot nos. A802-0014, A807-0039, A807-0242 respectively. Shenzhen Meiguan Expressway Company Limited owns a parcel of land with lot no. A931-0001;
 - (ii) Shenzhen Meiguan Expressway Company Limited is a wholly owned subsidiary of Shenzhen Expressway Company Limited. Xin Tong Chan Development (Shenzhen) Company Limited is the controlling shareholder of Shenzhen Expressway Company Limited with a shareholding of 30.025%. Meanwhile, Xin Tong Chan Development (Shenzhen) Company Limited is a wholly owned subsidiary of the Company. The Company indirectly holds 50.889% shareholding of Shenzhen Expressway Company Limited. Shenzhen Meiguan Expressway Company Limited, Shenzhen Expressway Company Limited and Xin Tong Chan Development (Shenzhen) Company Limited are the subsidiaries of the Company;
 - (iii) There is no legal impediment to set up a project company from the subsidiaries of the Company to develop this urban renewal project by way of resettlement;
 - (iv) Once the project company has obtained the planning approval for urban renewal project and has entered into the state owned land use rights grant contract with the Planning State-owned Land Bureau, the stipulated land use rights term will recount; the land use rights term shall be 70 years for residential use and 40 years for commercial use;
 - (v) Once the land premium and the relevant taxes have been fully settled by the owner of the land involved in this project or the project company, the property could be transferred with the residual term of land use rights;
 - (vi) Lot nos. A807-0039, A807-0242 and A931-0001 of the property are not subject to mortgage, seizure and any title defects; and

- (vii) Lot no. A802-0014 of the property is subject to seizure. During the demolition and relocation period of the lot, matters in relation to registration of property title and mortgage (excluding cancellation of registration of property title of the demolition and relocation area) are suspended.

Despite the limitation on the aforesaid registration of property title and mortgage, cancellation of registration of property title will not be affected.

According to the proposal as advised by the Company, the Meilin Checkpoint Urban Renewal Project will be implemented by way of cancellation of registration of original property title during the demolition and relocation process. Accordingly, pursuant to the documents in relation to Shenzhen Urban Renewal Measures (深圳市城市更新辦法), the seizure of the lot would not have any actual legal impediment on the implementation of the urban renewal project.

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 and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) 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 the Directors and the chief executives were taken or deemed to have under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in the Listing Rules were as follows:

Long positions in the Shares of the Company

Name of Directors	Number of Shares held	Capacity	Nature of interest	Approximate % of issued share capital of the Company
Li Jing Qi	864,840	Beneficial owner	Personal	0.05%
Liu Jun	900,000	Beneficial owner	Personal	0.05%

Long positions in the underlying Shares of the Company

Name of Directors	Number of unlisted share options (physically settled equity derivative) held	Capacity	Nature of interest	Approximate % of issued share capital of the Company
Gao Lei	2,056,000	Beneficial owner	Personal	0.12%
Li Jing Qi	1,840,000	Beneficial owner	Personal	0.11%
Li Lu Ning	1,575,000	Beneficial owner	Personal	0.09%
Liu Jun	1,479,000	Beneficial owner	Personal	0.09%
Yang Hai	1,523,100	Beneficial owner	Personal	0.09%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of the Company was interested in the Shares, underlying shares or debentures of the Company and 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 the Directors or the chief executives were taken or deemed to have under such provisions of the SFO) or which are required to be entered into the register maintained by the Company under section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code. Messrs. Gao Lei, Li Jing Qi, Li Lu Ning and Liu Jun are the directors of Ultrarich International Limited which has an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO.

3. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors and their respective close associates was interested in any business, apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business.

4. INTERESTS IN CONTRACT OR ARRANGEMENT

As at the Latest Practicable Date, none of the Directors was materially interested in any contracts or arrangement entered into by any member of the Group which is subsisting at the date of this circular and which is significant in relation to the business of the Group.

5. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2013, being the date to which the latest published audited accounts of the Group were made up.

6. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2013, the date to which the latest published audited consolidated financial statements of the Group have been made up.

7. LITIGATION

As at the Latest Practicable Date, no litigation or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

8. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered, or is proposing to enter, into any service contract with the Group which is not expiring or may not be terminated by the Company within a year without payment of any compensation (other than statutory compensation).

9. EXPERT

- (a) The following are the qualifications of the experts who have given opinion or advice contained in this circular:

Name	Qualification
DTZ	Independent property valuer
Junyan Law Firm (“Junyan”)	PRC legal adviser

- (b) As at the Latest Practicable Date, none of DTZ or Junyan had any shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member of the Group.
- (c) Each of DTZ and Junyan has given and has not withdrawn its written consent to the issue of this circular, with inclusion of the valuation report prepared by DTZ and references to their respective names in the form and context in which they are included.
- (d) As at the Latest Practicable Date, none of DTZ or Junyan was interested, directly or indirectly, in any assets which had since 31 December 2013 (being the date to which the latest published audited accounts of the Company were made up) been acquired or disposed of by or leased to any member of the Group or which are proposed to be acquired or disposed of by or leased to any member of the Group.

10. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the date of this circular and are, or may be, material:

- (a) the Land Premium Agreement; and
- (b) Agreement on the Toll Adjustment and Compensation and the Transfer of Assets Regarding Meiguan Expressway (梅觀高速公路調整收費補償及資產移交協議) dated 27 January 2014 entered into among (i) Shenzhen Expressway, (ii) Shenzhen Meiguan Expressway Company Limited (深圳市梅觀高速公路有限公司), a wholly-owned subsidiary of Shenzhen Expressway, (iii) Transport Commission of Shenzhen Municipality (深圳市交通運輸委員會), and (iv) the Longhua Committee relating to, among other things, the toll adjustment

of the Meiguan Expressway and the relevant arrangements as regards compensation to the Group of approximately RMB1,597,950,000 and (subject to adjustments) other relevant costs/expenses for approximately RMB1,102,370,000.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours of the Company at the principal place of business of the Company at Rooms 2206-2208, 22nd Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong up to and including the date of the SGM:

- (a) the Memorandum of Association and Bye-laws of the Company;
- (b) the material contracts referred to in this Appendix III above;
- (c) the valuation report prepared by DTZ, further details of which are set out in Appendix II of this circular; and
- (d) the annual reports of the Company for each of the three financial years ended 31 December 2011, 2012 and 2013.

12. MISCELLANEOUS

- (a) The company secretary of the Company is Ms. Tam Mei Mei and she is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company is situated at Rooms 2206-2208, 22nd Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text except for the English names of certain PRC entities which are translated from their Chinese names and are included herein for identification purpose only, in which case their Chinese names shall prevail.

NOTICE OF SGM



Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00152)

NOTICE IS HEREBY GIVEN that a special general meeting (the “SGM”) of Shenzhen International Holdings Limited (the “Company”) will be held at the conference room of the Company at Rooms 2206-2208, 22nd Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 7 November 2014 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the land premium agreement dated 10 September 2014 (the “Land Premium Agreement”) (a copy of which is produced before the meeting marked “A” and initialed by the Chairman of the meeting for the purpose of identification) and entered into between Shenzhen International Holdings Limited (the “Company”), 深圳市龍華新區管委會 (the Shenzhen Longhua New Area Administrative Committee) and Shenzhen Expressway Company Limited (a 50.889% subsidiary of the Company) and the transactions contemplated thereunder, including but not limited to the payment of such final amount of land premium and associated taxes of not more than RMB3.7 billion in aggregate, be and are hereby approved, ratified and confirmed; and
- (b) the board of directors of the Company be and is hereby authorised to do all such acts and things and exercise all powers as they consider necessary or expedient or desirable in connection with the implementation of, or to give effect to, the transactions contemplated under the Land Premium Agreement including without limitation to the execution, amendment, supplement, delivery, waiver, submission and implementation of any further documents or agreements (including but not limited to the related land transfer agreements).”

By Order of the Board
Shenzhen International Holdings Limited
Gao Lei
Chairman

Hong Kong, 22 October 2014

NOTICE OF SGM

Notes:

1. A form of proxy for use at the meeting is enclosed herewith.
2. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him in accordance with the Company's Bye-Laws. A proxy need not be a member of the Company but must be present in person to represent the member.
3. To be valid, a form of proxy, together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or any adjournment thereof (as the case may be) should they so wish, and in such event, the instrument appointing a proxy shall be revoked.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
6. Shareholders whose name appear on the Company's register of members on Friday, 7 November 2014, will be eligible for attending and voting at the SGM. The Company's register of members will be closed from Wednesday, 5 November 2014 to Friday, 7 November 2014, both days inclusive, during which no transfer of Shares will be registered. In order to be eligible for attending and voting at the SGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 4 November 2014.