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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)

VOLUNTARY ANNOUNCEMENT UPDATES ON THE PROGRESS OF THE QIANHAI PROJECT

On 5 October 2015, Shenzhen International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) announced that it entered into a land consolidation and preparation framework agreement (the “Framework Agreement”) with Urban Planning Land and Resources Commission of the Shenzhen Municipality (深圳市規劃和國土資源委員會) (“Shenzhen UPLRC”) and Authority of Qianhai Shenzhen-Hongkong Modern Service Industry Cooperation Zone of Shenzhen (深圳市前海深港現代服務業合作區管理局) (“Qianhai Authority”), whereby the parties have agreed to conduct consolidation and preparation work in respect of five land parcels with an aggregate site area of approximately 380,000 square metres by way of land swap, monetary compensation and profit sharing. Such land parcels are in Qianhai and owned by Shenzhen International West Logistics Co., Ltd (深圳市深國際西部物流有限公司) (“West Logistics”), a wholly-owned subsidiary of the Company. Pursuant to the Framework Agreement, Shenzhen UPLRC and Qianhai Authority have also agreed to arrange a profit-oriented land site (經營性用地) with an area of approximately 38,800 square metres at Block 6, Unit 19 of Qianhai Shenzhen-Hong Kong Cooperation Zone (前海深港合作區 19 單元 6 街坊) as “Shenzhen International Qianhai Intelligent Hub” (「深國際前海智慧港」), the Group’s start-up project in Qianhai (the “Qianhai Start-up Project”).

The land site for the Qianhai Start-up Project is located within Land Parcel No. T102-0069, one of the five land parcels currently owned by the Group in Qianhai, the land use of which has been changed from solely logistics warehousing to integrated land use comprising primarily office buildings complemented by high-end commercial and residential space. The gross floor area of the Qianhai Start-up Project will be approximately 100,000 square metres.

The Group has coordinated and communicated with relevant authorities under the Shenzhen Municipal Government and secured the understanding and support from the relevant government authorities. As agreed by the relevant parties, West Logistics has recently entered into an agreement with Qianhai Authority to terminate the previous land use right agreement in respect of Land Parcel No. T102-0069. On 2 December 2016, three of the Group’s wholly-owned subsidiaries have also entered into three new land use rights agreements (the “New Land Use Rights Agreements”) with Qianhai Authority respectively to formalise the Group’s title to the respective land use rights of such land parcels in Qianhai on which the Qianhai Start-up Project will be developed.

Details of the New Land Use Rights Agreements are set out below:

(A) Land Parcel No. T102 - 0265

Transferor : Qianhai Authority
Transferee : Shenzhen International Qianhai Real Estate (Shenzhen) Co., Ltd. (深國際前海置業(深圳)有限公司)
Land use : Residential use
Land site area : Approximately 12,491 square metres
Gross floor area : Approximately 52,900 square metres
Term : Until 31 December 2084

(B) Land Parcel No. T102 - 0266

Transferor : Qianhai Authority
Transferee : Shenzhen International Qianhai Business Development (Shenzhen) Co., Ltd. (深國際前海商業發展(深圳)有限公司)
Land use : Commercial use
Land site area : Approximately 22,619 square metres (including land of approximately 5,279 square metres for road use)
Gross floor area : Approximately 10,400 square metres
Term : Until 31 December 2054

(C) Land Parcel No. T102 - 0267

Transferor : Qianhai Authority
Transferee : Shenzhen International Qianhai Asset Management (Shenzhen) Co., Ltd. (深國際前海資產管理(深圳)有限公司)
Land use : Office use
Land site area : Approximately 11,055 square metres (including land of approximately 2,092 square metres for road use)
Gross floor area : Approximately 36,950 square metres
Term : Until 31 December 2054

The profit-oriented land site (經營性用地) of 38,800 square metres (total gross floor area of 100,250 square metres) stated in the above New Land Use Rights Agreements is the first part of the consolidation and preparation work to be conducted by Shenzhen Municipality Government on the five land parcels with an aggregate site area of approximately 380,000 square metres in Qianhai owned by the Group. The assessment date of the market value of the land parcels under the above New Land Use Rights Agreement was 1 January 2015 with a value of approximately RMB2.47 billion in aggregate. Further details of the swap of land parcels with equal value will be confirmed and accounted altogether when the Group enters into a land consolidation and preparation agreement with Qianhai Authority and Shenzhen UPLRC.

In accordance with the principles laid down in the Framework Agreement, the Group has been actively negotiating with Qianhai Authority and Shenzhen UPLRC in respect of the major terms of land consolidation and preparation of all five land parcels with an aggregate site area of approximately 380,000 square metres in Qianhai owned by the Group, including the time of assessment and value of the land under the previous and new land use arrangements, the commencement date of the term in respect of the land swap, the party which owns the value of land under the previous land use arrangements and the ratio of profit sharing in respect of increase in the value of land under the new land use arrangements. Implementation of a recent key case on land consolidation and preparation in Qianhai will also facilitate the agreement to be entered into by the Group in respect of land consolidation and preparation.

The entering into of the New Land Use Rights Agreements in respect of the Qianhai Start-up Project signifies a major progress of land consolidation and preparation in respect of the Group's Qianhai Project, lays a solid foundation for the land resources and valuation of other land sites which the Group may obtain through land consolidation and preparation in the future and safeguards the overall interests of the Group in Qianhai.

If the Qianhai Start-up Project and the transactions contemplated thereunder constitute notifiable transactions of the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Company will comply with applicable Listing Rules accordingly.

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

Hong Kong, 2 December 2016

As at the date of this announcement, the board of directors of the Company consists of Messrs. Gao Lei, Li Hai Tao, Zhong Shan Qun, Liu Jun and Li Lu Ning as executive directors, Dr. Yim Fung, JP as non-executive director and Messrs. Leung Ming Yuen, Simon, Ding Xun and Nip Yun Wing as independent non-executive directors.

In this announcement, certain English names are translation of their Chinese names, and are included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.