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If you have sold or transferred all your shares in **Shenzhen International Holdings Limited** (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, licenced securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00152)

**PROPOSED SHARE CONSOLIDATION
AND
CHANGE IN BOARD LOT SIZE**

A notice convening the 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 Wednesday, 12 February 2014 at 11:00 a.m., Hong Kong is set out on pages 9 to 10 of this circular.

Whether or not you are able to attend and vote at the special general meeting, you are requested to complete the accompanying form of proxy and return it to the branch share registrar of the Company, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less 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 form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

24 January 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
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Shenzhen International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Consolidated Share(s)”	share(s) with a par value of HK\$1.00 each in the share capital of the Company after the Share Consolidation having become effective
“Director(s)”	the director(s) of the Company
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	21 January 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“SGM”	the special general meeting of the Company to be convened and 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 Wednesday, 12 February 2014 at 11:00 a.m. (or any adjournment thereof) to consider and, if thought fit, approve the Share Consolidation, a notice of which is set out on pages 9 to 10 of this circular
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares into one (1) Consolidated Share
“Shareholder(s)”	holder(s) of Shares or Consolidated Shares, as the context requires
“Share(s)”	share(s) with a par value of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

EXPECTED TIMETABLE

Set out below is the expected timetable in relation to the Share Consolidation and change in board lot size. The timetable is subject to the results of the SGM and other changes. The Company will notify the Shareholders of any significant changes to the expected timetable by way of announcement(s) as and when appropriate.

2014

Latest time for lodging form of proxy for the SGM	11:00 a.m. on Monday, 10 February
SGM	11:00 a.m. on Wednesday, 12 February
Publication of announcement of results of the SGM	Wednesday, 12 February
Effective date for the Share Consolidation	Thursday, 13 February
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	Thursday, 13 February
Dealings in Consolidated Shares commence	9:00 a.m. on Thursday, 13 February
Original counter for trading in Shares in board lots of 2,500 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Thursday, 13 February
Temporary counter for trading in Consolidated Shares in board lots of 250 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Thursday, 13 February
Original counter for trading in Consolidated Shares in new board lots of 500 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 27 February
Parallel trading in Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Thursday, 27 February
Designated broker starts to stand in the market to provide matching services for odd lots of Consolidated Shares	9:00 a.m. on Thursday, 27 February
Temporary counter for trading in Consolidated Shares in board lots of 250 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. on Wednesday, 19 March

EXPECTED TIMETABLE

Parallel trading in Consolidated Shares (in the form of new
share certificates and existing share certificates) ends 4:00 p.m. on Wednesday, 19 March

Designated broker ceases to stand in the market to provide
matching services for odd lots of Consolidated Shares 4:00 p.m. on Wednesday, 19 March

Last day for free exchange of existing share certificates for
new share certificates Friday, 21 March

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

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

Non-executive Director:

Wong Yuk Shan

Independent Non-executive Directors:

Leung Ming Yuen, Simon

Ding Xun

Nip Yun Wing

24 January 2014

To the Shareholders

Dear Sirs or Madams,

PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

INTRODUCTION

Reference is made to the announcement of the Company dated 10 January 2014 in relation to, amongst other matters, the proposed Share Consolidation and change in board lot size. The purpose of this circular is to provide you with information on the Share Consolidation and to give you a notice of the SGM at which resolution will be proposed to consider and, if thought fit, approve the Share Consolidation.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value HK\$0.10 each will be consolidated into one (1) Consolidated Share of par value HK\$1.00.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company amounts to HK\$2,000,000,000 divided into 20,000,000,000 Shares, of which 16,577,716,950 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot, issue or repurchase any further Shares prior thereto, the authorised share capital of the Company shall become HK\$2,000,000,000 divided into 2,000,000,000 Consolidated Shares, of which 1,657,771,695 Consolidated Shares will be in issue. Upon the Share Consolidation becoming effective, the Consolidated Shares will rank *pari passu* in all respects with each other.

Dealings of the Consolidated Shares

The Consolidated Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (i) the passing by the Shareholders of an ordinary resolution to approve the Share Consolidation at the SGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Consolidated Shares in issue.

Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

LETTER FROM THE BOARD

The Shares and the 4.375% senior notes due 2017 of the Company are listed, and dealt in, on the Stock Exchange. Save as disclosed above, no equity or debt securities of the Company is listed, or dealt in, on any other stock exchange, nor is listing, or permission to deal in, on any other exchange being, or proposed to be, sought.

PROPOSED CHANGE OF BOARD LOT SIZE

The Board also proposes to change the board lot size for trading in the ordinary shares of the Company from 2,500 Shares to 500 Consolidated Shares upon the Share Consolidation becoming effective.

Based on the closing price of HK\$1.07 per Share (equivalent to HK\$10.70 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the estimated market value per board lot of 500 Consolidated Shares will be HK\$5,350 assuming the Share Consolidation becoming effective.

OTHER ARRANGEMENTS

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed KGI Asia Limited as an agent to provide matching services on a best efforts basis (and bear the related transactional costs incurred by Shareholders provided requests are made by Shareholders to KGI Asia Limited no later than Thursday, 17 April 2014) for the sale and purchase by Shareholders of odd lots for the sole purpose of matching a full board lot of the Consolidated Shares. Shareholders who wish to take advantage of this facility should contact the Customer Service Officer of KGI Asia Limited at 41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong at telephone number (852) 2878 5555 during office hours.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares are not guaranteed. If any Shareholder is in doubt about the odd lot trading arrangement, such Shareholder should consult his/her/its own professional advisers. Shareholders may refer to the section headed "EXPECTED TIMETABLE" on pages 2 to 3 of this circular for the period during which the Company will provide matching service for the sale and purchase of the odd lots of the Consolidated Shares.

Fractional entitlements

Fractional Consolidated Shares, i.e. less than one Consolidated Share, will be disregarded and not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company.

Exchange of Share Certificates

Subject to the Share Consolidation becoming effective, which is expected to be at 9:00 a.m. on Thursday, 13 February 2014, Shareholders may, on or after Thursday, 13 February 2014 until 4:00 p.m. on Friday, 21 March 2014 (both days inclusive) submit share certificates for existing Shares in orange colour to the Company's branch registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expense of

LETTER FROM THE BOARD

the Company, for certificates in blue colour for the Consolidated Shares with a new par value of HK\$1.00 each. Thereafter, certificates for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each certificate for the Consolidated Shares issued or each share certificate for the existing Shares submitted for cancellation, whichever the number of certificates involved is higher.

Nevertheless, the existing certificates for the Shares will continue to be good evidence of legal title and may be exchanged for certificates for the Consolidated Shares at any time at the expense of the Shareholders but are not acceptable for trading, settlement and delivery purpose after 4:00 p.m. on Wednesday, 19 March 2014, being the last day of operation of the temporary counter for trading in Consolidated Shares in board lots of 250 Consolidated Shares.

REASONS FOR THE SHARE CONSOLIDATION

The par value of HK\$0.10 for each existing share of the Company was determined upon incorporation of the Company in 1989. Since the year 2000, through a series of strategic acquisitions, integration of resources and with effective management, the Company has experienced significant growth in its asset base, profitability and market value. In addition, the Group's core logistic infrastructure business has provided a relatively stable growth in earnings in recent years. These factors have combined to take the Company to a new level over the past two decades. The Directors believe that the Share Consolidation will change the par value and share price of the Company's share to a level that would more reasonably reflect the scale of business, profitability and asset value of the Group. The adjusted share price of the Company upon completion of the Share Consolidation would also be more comparable with companies of similar size and market capitalisation, which in turn may attract more potential investors and expand the shareholder base of the Company. Moreover, as the market value of each new board lot upon the Share Consolidation becoming effective will be higher than the market value of each existing board lot, the proportion of the transaction cost compared with the market value of each board lot will be lower. Accordingly, the Directors are of the view that the Share Consolidation is in the interests of the Company, the Shareholders and investors as a whole.

ADJUSTMENTS TO OUTSTANDING OPTIONS GRANTED UNDER THE SHARE OPTION SCHEME OF THE COMPANY

As at the Latest Practicable Date, there are outstanding options granted under the share option scheme of the Company to subscribe for 139,615,195 Shares. The Share Consolidation will cause adjustments to the exercise price and/or the number of Consolidated Shares to be issued upon the exercise of the outstanding options granted or may be granted under the share option scheme of the Company. The Company will instruct its auditors to review and certify the basis of such adjustments as soon as possible. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

SGM

The Share Consolidation is subject to the Shareholders' approval at the SGM and no Shareholders are required to abstain from voting on the resolution in relation to the Share Consolidation.

LETTER FROM THE BOARD

A notice convening the SGM is set out on pages 9 to 10 of this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the SGM in accordance with the instructions printed thereon.

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the SGM will demand a poll for the resolution put forward at the SGM.

RECOMMENDATION

The Directors are of the opinion that the proposed Share Consolidation is in the interests of the Company and the Shareholders as a whole and recommend you to vote in favour of the resolution to be proposed at the SGM.

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

Hong Kong, 24 January 2014

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 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 Wednesday, 12 February 2014 at 11:00 a.m., for the purpose of considering and, if thought fit, passing the following resolution, with or without amendments, as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in the Consolidated Shares (as defined below) to be in issue upon the Share Consolidation (as defined below) becoming effective, with effect from the first business day immediately following the date on which this resolution is passed:

- (a) every ten (10) issued and unissued shares of par value HK\$0.10 each in the share capital of the Company be consolidated (“**Share Consolidation**”) into one (1) share of par value HK\$1.00 (“**Consolidated Share(s)**”);
- (b) all of the Consolidated Shares shall rank *pari passu* in all respects with each other in the same class and have the rights and privileges and be subject to the restrictions contained in the bye-laws of the Company;
- (c) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefits of the Company in such manner and on such terms as the directors (“**Director(s)**”) of the Company may think fit; and

NOTICE OF SGM

- (d) the Directors be and are hereby authorised to do all such acts, deeds and things and to sign and execute all such documents, including under the seal of the Company (where applicable), on behalf of the Company, as they may, in their absolute discretion, consider necessary, desirable or expedient to implement and give effect to any or all of the foregoing.”

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

Hong Kong, 24 January 2014

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 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, 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 deemed to 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.