深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00604)

VOLUNTARY ANNOUNCEMENT JOINT ACQUISITION AND DEVELOPMENT OF MIXED-USE LAND IN ZHONGSHAN CITY

The Board is pleased to announce that, on 23 June 2021, Shum Yip Terra Land Company (an indirect non-wholly owned subsidiary of the Company) and Hefei Vanke (an indirect wholly-owned subsidiary of Vanke) won the bid for the land use rights of the mixed-use Land offered for sale by Zhongshan Natural Resources Bureau (中山市自然資源局) at the bid price of RMB8,191 million through the public bidding process held by Zhongshan Public Resources Transaction Centre (中山市公共資源交易中心). A mixed-use complex for residential, commercial, cultural and public uses will be developed on the Land by the Project Company, a single purpose company to be established by the Project Investors. The Group intends for the Project Company to hold all the properties constructed on the Land for sale in batches when sales conditions are fulfilled and subject to market conditions.

This is a voluntary announcement made by the Company to keep the Shareholders and potential investors of the Company informed of the latest business development of the Group.

ACQUISITION OF THE LAND

The Board is pleased to announce that, on 23 June 2021, Shum Yip Terra Land Company (an indirect non-wholly owned subsidiary of the Company) and Hefei Vanke (an indirect wholly-owned subsidiary of Vanke) won the bid for the land use rights of the mixed-use Land offered for sale by Zhongshan Natural Resources Bureau (中山市自然資源局) at the bid price of RMB8,191 million through the public bidding process held by Zhongshan Public Resources Transaction Centre (中山市公共資源交易中心). A transaction confirmation has been entered into amongst Zhongshan Public Resources Transaction Centre and the Project Investors on 23 June 2021 confirming the successful bidding of the Land, and the Project Company will enter into the Land Use Right Grant Contract with Zhongshan Natural Resources Bureau.

A mixed-use complex for residential, commercial, cultural and public uses will be developed on the Land by the Project Company, a single purpose company to be established by the Project Investors. The Group intends for the Project Company to hold all the properties constructed on the Land for sale in batches when sales conditions are fulfilled and subject to market conditions.

The Land

The Land is a mixed-use land situated at Dongwuwei, the starting area of Cuiheng New District, Zhongshan City, Guangdong Province, the PRC* (中國廣東省中山市翠亨新區起步區東五圍) with a total site area of 668,974.40 sq. m., with maximum ground total construction area of 1,553,434.51 sq.m. and maximum underground total construction area of 2,284,939.60 sq.m.. The Land is comprised of various parcels of land designated for (a) residential use (with a land use right term of 70 years), (b) commercial use (with a land use right term of 40 years), (c) other purposes (including comprehensive community services center and comprehensive cultural services center, school, fitness center, public toilet, community carparking spaces and roads) and (d) underground carparking spaces (with land use right terms of 40 or 70 years).

A convention and exhibition center (the "**C&E Center**"), a joint-inspection building (the "**Joint-inspection Building**"), a landmark high-rise building with twin-towers (the "**High-rise Building**") (including an internationally well-known 5-star hotel (the "**Hotel**")), Lingnan-style water street with cultural, touristy and commercial characteristics, hotel-style office and apartments, and other commercial buildings will be constructed on the Land designated for commercial use. The C&E Center and the Joint-inspection Building, when completed, will be transferred to the government at the agreed consideration of RMB2,630 million (in the case of the C&E Center) and RMB1,600 million (in the case of the Joint-inspection Building). Community centers and public amenities, when completed, will be transferred to the government at no consideration. It is a requirement that the Project Company holds 20% of the part of the Land designated for commercial use (including part of the Land used for construction of the Lingnan-style water street and the Hotel, but excluding the C&E Center and the Joint-inspection Building) with a minimum construction area of 172,876 sq.m. for a minimum period of 10 years. The Group intends for the Project Company to also sell the properties constructed on this part of the Land in batches when sales conditions are fulfilled and subject to market conditions.

Bid price

The Project Investors won the bid for the land use rights of the Land at the bid price of RMB8,191 million. A deposit of RMB2,364 million has already been paid by the Project Investors in equal shares.

THE FORMATION OF THE PROJECT COMPANY

A single purpose company will be established by Shum Yip Terra Land Company and Hefei Vanke for the acquisition, development, construction, management, holding, sales and leasing of the Land.

Each of Shum Yip Terra Land Company and Hefei Vanke will hold a 50% equity interest in the Project Company and the initial registered capital of the Project Company will be RMB1,000 million. The Project Investors will contribute to the registered capital of the Project Company and fund the capital required by the Project Company (to the extent not otherwise funded by external borrowings) in proportion to their equity interest. The total capital commitment of the Group is approximately RMB14,000 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION AND FORMATION OF THE PROJECT COMPANY

The Land is located at the bridgehead of the Shenzhen-Zhongshan Bridge towards the side of Zhongshan City. It will be the first stop for the expansion of the Shenzhen metropolitan area towards the west bank of the Pearl River ("**Zhujiang**") and the starting point for industry collaboration between Shenzhen and Zhongshan City.

The Land is set to become an influential super complex in the western Greater Bay Area and the landmark of Cuiheng New District that will house the iconic High-rise Building (twin-skyscrapers to be named "The Gate of the Future"), the C&E Center, the Joint-inspection Building, a Lingnan-style water street with cultural, touristy and commercial characteristics, schools, high-end apartments and large residential communities.

This successful tender of the Land in Zhongshan City is a significant step for the Group to achieve its vast expansion during the "14th Five-Year Plan". It is also a milestone for a company under the Shenzhen State-owned Assets Supervision and Administration Commission flagship to fully participate in the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. Going forward, the Group will continue to implement the strategic plan for the Guangdong-Hong Kong-Macao Greater Bay Area.

As Zhongshan Natural Resources Bureau has set out certain qualifications for potential bidders, including funds proof and prior experience of independent development of commercial complex and mixed commercial and residential complex of a certain scale, the Project Investors benefited from the cooperation by pooling together their experiences and resources, and exerting their combined strengths to grasp the opportunity. In addition, the cooperation by forming the Project Company will reduce the investment risks for each of the Project Investors and create a greater return for each of them.

GENERAL

Shum Yip Terra Land Company is an indirect non-wholly owned subsidiary of the Company established in Shenzhen. The Group is principally engaged in property development, property investment and property management business.

Hefei Vanke is an indirect wholly-owned subsidiary of Vanke established in the PRC. Vanke and its subsidiaries are principally engaged in the development and sale of properties in the PRC.

This is a voluntary announcement made by the Company to keep the Shareholders and potential investors of the Company informed of the latest business development of the Group.

DEFINITIONS

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

"Acquisition"	the acquisition of the land use rights of the Land from Zhongshan Natural Resources Bureau through the public bidding process held by Zhongshan Public Resources Transaction Centre
"Board"	the board of Directors
"Company"	Shenzhen Investment Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 604)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hefei Vanke"	合肥萬科瑞翔地產有限公司(Hefei Vanke Ruixiang Real Estate Company Limited*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of Vanke
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Land"	a piece of mixed-use land situated at Dongwuwei, the starting area of Cuiheng New District, Zhongshan City, Guangdong Province, the PRC* (中國廣東省中山市翠亨新區起步區東五圍), with a total site area of 668,974.40 sq.m., with maximum ground total construction area of 1,553,434.51 sq.m. and maximum underground total construction area of 2,284,939.60 sq.m.
"Land Use Right Grant Contract"	a state-owned development land use right grant contract (國有建設用地使用權出讓合同) to be entered into by the Project Company and Zhongshan Natural Resources Bureau for the Acquisition
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, for the purpose of this announcement, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
"Project Company"	a company to be established in the PRC with limited liability by the Project Investors
"Project Investors"	Shum Yip Terra Land Company and Hefei Vanke
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	shareholder(s) of the Company

"Shum Yip Terra Land Company"	深業泰然置地投資發展(深圳)有限公司(Shum Yip Terra Land Investment & Development (Shenzhen) Co., Ltd.*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vanke"	萬科企業股份有限公司(China Vanke Co., Ltd.*), a joint stock limited company incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange (SZSE: 000002) and the Main Board of the Stock Exchange (stock code: 2202)
"%"	per cent.

By Order of the Board
SHENZHEN INVESTMENT LIMITED
LU Hua
Chairman

Hong Kong, 27 June 2021

As at the date of this announcement, the Board comprises 8 directors, of which Dr. LU Hua, Mr. HUANG Wei, Ms. CAI Xun, Mr. DONG Fang and Mr. LIU Shichao are the executive directors of the Company and Mr. WU Wai Chung, Michael, Mr. LI Wai Keung and Dr. WONG Yau Kar, David are the independent non-executive directors of the Company.

* *For identification purpose only*