

For Immediate Release

20 August 2021

Shenzhen Investment Holdings Bay Area Development Company Limited

深圳投控灣區發展有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Codes: 737 (HKD counter) and 80737 (RMB counter))

Shenzhen Investment Holdings Bay Area Development Company Limited Announces 2021 Interim Results

Highlights

- In 1H2021, profit attributable to owners of the Company amounted to RMB287 million (1H2020: loss of RMB115 million), mainly due to the Company's share of net profit of the two expressway joint ventures reached RMB302 million, which turnaround the loss recorded in the corresponding period of last year, and benefited from the net exchange gain of RMB14 million (1H2020: net exchange loss of RMB15 million).
- Toll revenue of the GS Superhighway and the GZ West Superhighway increased significantly YoY was primarily attributable to the fact that in light of the COVID-19 pandemic, the policy of waiver of tolls on toll roads nationwide was implemented during the period from 17 February 2020 to 5 May 2020, resulting in a decrease in toll revenue and a low base effect, as compared to normal toll fees collection during the corresponding period of 2021.
- The interim dividend for 2021 is RMB9.3 cents per share (equivalent to HK11.147631 cents per share), and the Company believes the full-year regular dividend payout ratio target of 100% on recurring income will be sustainable.

(August 20, 2021 – Hong Kong) **Shenzhen Investment Holdings Bay Area Development Company Limited** (“Bay Area Development”, the “Company”; SEHK HKD-traded Shares: 737; SEHK RMB-traded Shares: 80737) announced today its interim results for the six months ended 30 June 2021.

During the period under review, the Company's share of net toll revenue of the two expressway projects increased significantly by 102% YoY to RMB931 million. The increase in toll revenue was mainly due to the toll free policies introduced by the PRC government in light of the COVID-19 pandemic last year, resulting in a low comparison base as compared to normal toll fees collection during the corresponding period in 2021. As a result, the Company's share of net profit of the two expressway joint ventures reached RMB302 million, which turnaround the loss recorded in the corresponding period of last year. In addition, benefited from the appreciation of RMB since the second half of 2020, net exchange gain of RMB14 million was recorded, as compared with a net exchange loss of RMB15 million in the corresponding period in 2020. The profit

attributable to owners of the Company amounted to RMB287 million, which turnaround the loss of RMB115 million recorded in the corresponding period in 2020.

The Board declared an interim dividend for 2021 of RMB9.3 cents per share. The Company maintained a healthy financial position and the Board believes the full-year regular dividend payout ratio target of 100% on recurring income will be sustainable.

In the first half of 2021, the average daily toll revenue and average daily full-length equivalent traffic of the GS Superhighway grew 101% and 98% YoY to RMB7.74 million and 89,000 vehicles respectively; the average daily toll revenue and average daily full-length equivalent traffic of the GZ West Superhighway grew 106% and 89% YoY to RMB3.64 million and 51,000 vehicles respectively. Toll revenue and traffic volume increased significantly YoY was mainly due to the implementation of the policy of waiver of tolls from 17 February 2020 to 5 May 2020 pursuant to the notice from the Ministry of Transport, and the Holiday Toll-free Policy for small passenger vehicles with 7 seats or less during the Lunar New Year holiday in 2020, which was extended from 7 days to 16 days, resulting in a low comparison base as compared to normal toll fees collection during the corresponding period in 2021.

Guangdong province saw a rebound of COVID-19 cases since late May 2021, with local confirmed cases reported in Guangzhou, Foshan, Dongguan and Shenzhen. In an effort to mitigate the risk of spreading COVID-19 pandemic, the governments tightened the preventive and control measures again and imposed restrictions on cross-region movement and intra-city travel, resulting in the decrease in traffic flow and toll revenue of the GS Superhighway and the GZ West Superhighway.

The expansion of the GS Superhighway continues to advance as planned. The feasibility report of the expansion work is currently under further revision pursuant to the comments received from the preliminary review by relevant government departments and subsequent to the revisions, the process to submit application for work approval will be entered. On the other hand, the survey and design work has been carried out simultaneously to shorten the time for preparatory work and accelerate the project progress in order to strive to officially commence the expansion work in 2022.

The Xintang interchange residential project has been named as the Grand Park City and the construction will be carried out in three phases. The pre-sale of a portion of the residential units in the first phase has been commenced in May 2021, with the annual sales target comprising a gross floor area of approximately 70,000 square metres. As of 30 June 2021, the contracted sales amounted to approximately RMB370 million with contracted gross floor area amounted to approximately 13,000 square metres, representing the average sales price of RMB28,000 per square metre. Those units will be delivered to buyers in 2023 the earliest, and relevant revenue will be recognised accordingly.

For more details, please refer to the Bay Area Development website (www.sihbay.com).

Financial Highlights

(in million RMB)	For the six months ended 30 June		% Change
	2020	2021	
Net toll revenue	462	931	102%
EBITDA of toll expressways	351	855	144%
(Loss) /Profit before net exchange (loss)/gain	(100)	277	n/a
(Loss) /Profit attributable to owners of the Company	(115)	287	n/a

Operational Highlights

	For the six months ended 30 June		% Change
	2020	2021	
Average Daily Toll Revenue (RMB '000)			
GS Superhighway	3,847	7,735	101%
GZ West Superhighway	1,762	3,636	106%
Average Daily Full-Length Equivalent Traffic^{N1} ('000 vehicles)			
GS Superhighway	45	89	98%
GZ West Superhighway	27	51	89%

N1: Average daily full-length equivalent traffic is defined as the total distance travelled by all vehicles on the expressway divided by the full length of the expressway and the total number of days in the period under review.

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About Shenzhen Investment Holdings Bay Area Development Company Limited

Listed on The Stock Exchange of Hong Kong Limited in August 2003, Shenzhen Investment Holdings Bay Area Development Company Limited (formerly known as Hopewell Highway Infrastructure Limited) focuses on the development of infrastructure and related businesses in the Guangdong-Hong Kong-Macao Greater Bay Area as well as land development and utilisation along the GS Superhighway.

This press release is issued by **Wonderful Sky Financial Group Limited** on behalf of **Shenzhen Investment Holdings Bay Area Development Company Limited**.

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