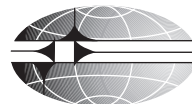


SHENZHEN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 152)



深圳高速公路股份有限公司

SHENZHEN EXPRESSWAY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 548)

MAJOR TRANSACTION

MAJOR AND CONNECTED TRANSACTIONS



(Financial Adviser to the companies)

JOINT FURTHER ANNOUNCEMENT SUPPLEMENTAL AGREEMENT TO ACQUISITION OF WUHUANG EXPRESSWAY

The directors of SZ International and SZ Expressway announce that on 12 July 2005, SZ Expressway, its wholly-owned subsidiary Mei Wah and Flywheel (a wholly-owned subsidiary of SZ International) entered into the Supplemental Agreement to provide for the possibility of the acquisition of the Jade Emperor Sale Shares by the Purchasers from the Vendors being completed on a different date from the Repurchase. The Project Company Acquisition Agreement, the proceeds from which will be used to effect the Repurchase, may require more time to complete than originally estimated.

The overall consideration payable by the Purchasers and/or SZ Expressway and other major terms of the Acquisitions remain unchanged and the effective interests of SZ Expressway and Flywheel in the Project Company remain unchanged at 55% and 45% respectively. The changes to the Acquisitions are not material and there is no material impact on the overall structure of the proposed Acquisitions. The two transactions remain to be major transactions of both SZ Expressway and SZ International and therefore the approvals by SZ Expressway Shareholders and SZ International Shareholders on 3 June 2005 and 11 May 2005 respectively remain effective. The SZ International Directors and the SZ Expressway Directors confirm that the Supplemental Agreement has no material impact on the overall structure of the proposed Acquisitions.

Reference is made to the joint announcement of SZ International and SZ Expressway dated 22 March 2005. Words and phrases defined in that announcement take the same meaning when used in this announcement, unless the context otherwise requires.

THE SUPPLEMENTAL AGREEMENT

On 12 July 2005, the parties to the Jade Emperor Acquisition Agreement entered into the Supplemental Agreement, in order to supplement the Jade Emperor Acquisition Agreement and the Project Company Acquisition Agreement.

The Supplemental Agreement provides that instead of simultaneous completion of the acquisition of the Jade Emperor Sale Shares by the Purchasers from the Vendors and the Repurchase on Jade Emperor Completion Date, completion of the Repurchase can take place on the Further Completion Date, i.e. a date other than the Jade Emperor Completion Date. Upon completion of the acquisition of the Jade Emperor Sale Shares, all the directors of Jade Emperor previously appointed by the Vendors will be replaced except for one director, all the directors of the Project Company previously appointed by the Vendors will (unless earlier already changed under the Project Company Acquisition Agreement) be changed, and the legal representative of the Project Company (unless earlier already changed under the Project Company Acquisition Agreement) will be changed to one selected by the Purchasers. There is no substantive change with respect to the number of directors allocated to each of the Jade Emperor Acquisition and the Repurchase respectively. The change of directors is still proportionate to the shareholdings being acquired. As Jade Emperor still holds 85% interest in the Project Company, the majority of directors will be changed at the same time. The redemption of the assignment of dividends in respect of the 61,180,000 shares of the Third Vendor will be effected out of the proceeds from the sale of the Jade Emperor Sale Shares upon such completion, instead of out of the proceeds of the Repurchase as originally intended. Instead of being set-off against proceeds payable to the Third Vendor in respect of the Repurchase, the redemption will be set off against the proceeds payable to the Third Vendor in respect of the Jade Emperor Acquisition. As the Jade Emperor Acquisition relates to 85% of the shares it is imperative that all encumbrances must be released at the time the consideration for the Jade Emperor Acquisition is paid.

The parties have also agreed to set-off against the consideration payments for such Jade Emperor Sale Shares 85% of the net profits from September 2004 to December 2004 (which are attributable to the Purchasers under the Jade Emperor Acquisition Agreement but were earlier already distributed to the Vendors) rather than 100% as originally intended. The remaining 15% will be refunded by the Third Vendor pursuant to post-completion provisions of the Jade Emperor Acquisition Agreement.

The Supplemental Agreement provides for all the completion actions relating to the repurchase of the Repurchase Shares and the payment of consideration to the Third Vendor with respect to the same to be handled separately on Further Completion Date. Separate completion for the Repurchase and Jade Emperor Acquisition provides for the possibility and flexibility to complete the Jade Emperor Acquisition and the Project Company Acquisition. Upon completion of the repurchase of the Repurchase Shares the sole remaining director of Jade Emperor previously appointed by the Vendors will resign and a new director will be appointed by SZ Expressway.

If the completion of the Repurchase takes place later than the acquisition of the Jade Emperor Sale Shares the parties will execute a Shareholders' Agreement to regulate their relationship as shareholders in Jade Emperor during the period between Jade Emperor Completion Date and Further Completion Date, during which Mei Wah will have 40% shareholding, Flywheel will have 45% shareholding and the Third Vendor will continue to have 15% shareholding.

In the event that the conditions precedent specific to the Repurchase require more time than is agreed under the Supplemental Agreement to procure, the parties have in the interests of a speedy final completion of the entire transaction also provided for the Purchasers and SZ Expressway to have the right to elect for Mei Wah to acquire the Repurchase Shares that would otherwise have been repurchased from the Third Vendor, for the same consideration as would have been paid for the Repurchase. If this arrangement is proceeded with, then Mei Wah will hold a 55% shareholding and all of the effective interest of SZ Expressway will be held through Mei Wah rather than partially through a direct stake held by itself. In any event, the effective interests of SZ Expressway and Flywheel in the Project Company remain unchanged at 55% and 45% respectively.

Although there is now the flexibility of completing the acquisition of the Jade Emperor Sale Shares by the Purchasers from the Vendors and the Repurchase of the Repurchase Shares from the Third Vendor on separate dates, the parties to the Jade Emperor Acquisition Agreement and the Project Company Acquisition Agreement will continue to use their best endeavors to procure that these transactions take place simultaneously. The Directors of SZ Expressway and SZ International expect the transaction will be completed by 13 August 2005. No Shareholders' Agreement will be executed if simultaneous completion can be achieved.

As consideration for the amendments contained in the Supplemental Agreement the Deposit has been increased from HK\$21,250,000 to HK\$118,842,151.90 (roughly equivalent to 10% of the total consideration for the entire transaction), which will be payable as to HK\$65,363,183.54 by Mei Wah and as to HK\$53,478,968.36 by Flywheel.

The parties have also agreed that in the event that completion of the acquisition of the Jade Emperor Sale Shares by the Purchasers from the Vendors does not successfully take place on or before 7 August 2005 otherwise than by the default of any Vendor, then the Purchasers shall be liable to the Vendors for HK\$10,000,000 by way of compensation, which will be payable as to HK\$5,500,000 by Mei Wah and as to HK\$4,500,000 by Flywheel.

Such compensation (if payable) will be settled by set-off against amounts payable by the Purchasers to the Vendors as consideration for the Acquisitions, or in the event that the Jade Emperor Acquisition Agreement lapses in accordance with its terms without completion upon expiration of the last time available for such completion, by payment within 3 Business Days of the expiration of such time. Where such compensation is paid by the Purchasers it will be in lieu of any liability that they may have in respect of the HK\$5,000,000 liquidated damages arrangements previously disclosed.

REASON FOR ENTERING INTO THE SUPPLEMENTAL AGREEMENT

The Supplemental Agreement is being made in order to set aside more time for the completion of the Project Company Acquisition Agreement, i.e. the 15% stake in the Project Company by SZ Expressway. Instead of suspending completion of the Jade Emperor Acquisition Agreement, the acquisition of the Jade Emperor Sale Shares can now separately proceed to completion. The Repurchase provided for under the Jade Emperor Acquisition Agreement, which will be funded from the proceeds of the Project Company Acquisition Agreement, will be completed depending on progress under the Project Company Acquisition Agreement.

The overall consideration payable by the Purchasers and/or SZ Expressway and other major terms of the Acquisitions remain unchanged and the effective interests of SZ Expressway and Flywheel in the Project Company remain unchanged at 55% and 45% respectively. The changes to the Acquisitions are not material and there is no material impact on the overall structure of the proposed Acquisitions. The two transactions remain to be major transactions of both SZ Expressway and SZ International and therefore the approvals by SZ Expressway Shareholders and SZ International Shareholders on 3 June 2005 and 11 May 2005 respectively remain effective. The SZ International Directors and the SZ Expressway Directors confirm that the Supplemental Agreement has no material impact on the overall structure of the proposed Acquisitions.

DEFINITIONS

"Further Acquisition"	the acquisition of the Repurchase Shares by Mei Wah
"Further Completion"	the completion of the Repurchase (or Further Acquisition, as the case may be)
"Further Completion Date"	such Business Day after all the conditions precedent for Further Completion have been either satisfied or waived in accordance with the Jade Emperor Acquisition Agreement as may be agreed amongst the parties hereto which is a date not later than 13 August 2005 or such other later Business Day as the Purchasers, Jade Emperor and the Vendors may unanimously agree
"Shareholders' Agreement"	the shareholders' agreement in relation to Jade Emperor to be entered into by the Purchasers and the Third Vendor pursuant to the Supplemental Agreement
"Supplemental Agreement"	The supplemental agreement entered into on 12 July 2005 between SZ Expressway, Mei Wah, Flywheel, the Vendors, the Guarantors and Jade Emperor as a supplement to the Jade Emperor Acquisition Agreement and the Project Company Acquisition Agreement

By Order of the Board of
Shenzhen International Holdings Limited
Li Hei Hu
Chairman

By Order of the Board of
Shenzhen Expressway Company Limited
Yang Hai
Chairman

Hong Kong, 12 July 2005

As at the date of this announcement, the board of directors of SZ International consists of Mr. Li Hei Hu (chairman), Mr. Chen Chao (vice-chairman and chief executive), Mr. Li Jing Qi (executive director), Mr. Qiao Gang (executive director), Mr. Liu Jun (executive director), Mr. To Keung Simon (non-executive director), Mr. Leung Ming Yuen Simon (independent non-executive director), Mr. Ding Xun (independent non-executive director) and Mr. Nip Yun Wing (independent non-executive director).

As at the date of this announcement, the board of directors of SZ Expressway consists of Mr. Yang Hai (Chairman of the Board); Mr. Wu Ya De (Director and General Manager); Mr. Zhang Rong Xing (Director); Mr. Lin Xiang Ke (Director); Ms. Zhang Yang (Director); Mr. Chiu Chi Cheong, Clifton (Director); Mr. Li Jing Qi (Director); Mr. Wang Ji Zhong (Director); Mr. Li Zhi Zheng (Independent non-executive Director); Mr. Zhang Zhi Xue (Independent non-executive Director); Mr. Poon Kai Leung, James (Independent non-executive Director) and Mr. Wong Kam Ling (Independent non-executive Director).