

上海實業控股有限公司

SHANGHAI INDUSTRIAL HOLDINGS LIMITED

(Incorporated in Hong Kong under the Companies Ordinance)

Form of Proxy for use at the Extraordinary General Meeting to be held on 28th May, 2004

I/We (Note 1) _____
of _____
being the registered holder(s) of _____ shares
(Note 2) of HK\$0.10 each in the share capital of Shanghai Industrial Holdings Limited ("the Company") HEREBY
APPOINT THE CHAIRMAN OF THE MEETING (Note 3) or _____

of _____
as my/our proxy to vote and act for me/us at the Extraordinary General Meeting (and any adjournment thereof) of the Company to be held at the Conference Room of the Company at 26th Floor, Harcourt House, 39 Gloucester Road, Hong Kong on 28th May, 2004 at 3:30 p.m. (or so soon thereafter as the Annual General Meeting of the Company convened for the same day and place at 3:00 p.m. shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the Ordinary Resolutions set out in the Notice convening the said Meeting and at such Meeting (and at any adjournment thereof) to vote for me/us and in my/our name(s) in respect of the Ordinary Resolutions as indicated below (Note 4).

Ordinary Resolutions	For	Against
1. Item 1 of the Notice of Extraordinary General Meeting (to adopt the share option scheme of Mergen Biotech Limited)		
2. Item 2 of the Notice of Extraordinary General Meeting (to approve the proposed grant of options to Mr. Hu Fang as more particularly described in the circular as despatched to the shareholders of the Company)		

Date this _____ day of _____ 2004 Signed: _____

Notes:

1. Full name(s) and address(es) to be inserted in BLOCK CAPITALS.
2. Please insert the number of shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
3. If any proxy other than the Chairman is preferred, strike out "THE CHAIRMAN OF THE MEETING" here inserted and insert the name and address of the proxy desired in the space provided. ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.
4. IMPORTANT: IF YOU WISH TO VOTE FOR THE RESOLUTIONS, TICK THE APPROPRIATE BOXES MARKED "FOR". IF YOU WISH TO VOTE AGAINST THE RESOLUTIONS, TICK THE APPROPRIATE BOXES MARKED "AGAINST". Failure to complete any or all the boxes will entitle your proxy to cast his votes at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting other than those referred to in the Notice convening the Meeting.
5. This form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation must be either executed under its common seal or under the hand of an officer or attorney duly authorised.
6. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose, seniority will be determined by the order in which the names stand in the Register of Members.
7. To be valid, this form of proxy together with the power of attorney (if any) or other authority under which it is signed or a notarially certified copy thereof, must be deposited at the registered office of the Company at 26th Floor, Harcourt House, 39 Gloucester Road, Hong Kong not less than 48 hours before the time for holding the Meeting or adjourned meeting or poll (as the case may be).
8. The proxy need not be a member of the Company but must attend the Meeting in person to represent you.
9. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting if you so wish, in such event, the instrument appointing a proxy shall be deemed to be revoked.
10. This form of proxy is also available for viewing on the website of each of The Stock Exchange of Hong Kong Limited at <http://www.hkex.com.hk> and the Company at <http://www.sihl.com.hk>.