

上海實業控股有限公司 SHANGHAI INDUSTRIAL HOLDINGS LIMITED

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FOR IMMEDIATE RELEASE

SHANGHAI INDUSTRIAL SETS UP TECHNOLOGY FUND WITH TEMASEK HOLDINGS AND VERTEX MANAGEMENT

(March 24, 2000 — Hong Kong) Shanghai Industrial Holdings Ltd (SIHL) is organising a technology venture capital fund with Temasek Holdings (Pte) Ltd, the investment arm of the Singapore Government, and Vertex Management, the venture capital arm of the Singapore Technologies Group. The fund, called S.I. Technology Fund, this new organization will invest in high growth hi-tech projects in Shanghai and the greater China region.

The fund has identified the following sectors that have growth potential: e-commerce infrastructure, info-communications technology, life sciences and micro-electronics. SIHL, Temasek and Vertex have agreed to commit an initial amount of US\$20 million to the fund. At a later stage, the fund size will be increased to US\$50 million to allow the participation of additional major foreign investors.

Mr Zhuo Fu Min, Chief Executive Officer of SIHL, Mr Quek Poh Huat, President of Temasek Holdings, and Mr Lee Kheng Nam, President of Vertex Management signed the agreement today in Hong Kong.

Mr Zhuo said: "China, especially Shanghai, is entering an exciting phase in its economic development. There are many opportunities for investing in high growth companies or projects. This collaboration with our Singapore friends is timely. We are confident that the participation by the Singapore group will make this technology fund a leading international fund."

Mr Quek agreed: "We are pleased to partner with Shanghai Industrial to tap the many hi-tech investment opportunities in Shanghai and the rest of China. We continue to seek new areas of collaboration not only in Shanghai, but in other parts of China as well."

"Vertex is very excited about this fund. Drawing on our extensive experience in fund management and in funding start-up and growth companies, we hope this fund will in turn contribute to the further growth of the Shanghai economy. This collaboration provides Vertex with yet another avenue to expand our investment activities in China," commented Mr Lee of Vertex Management.

SIHL is a Hong Kong-listed subsidiary of Shanghai Industrial Investment (Holdings) Co., the overseas window company of Shanghai Municipal Government. Besides providing the parent company with access to international capital markets, SIHL also offers investment opportunities in Shanghai to overseas investors.

Temasek Holdings is Singapore's leading investment holding company. It owns and manages the Singapore Government's investments, both locally and overseas.

Vertex Management started in 1988 as the venture capital arm of Singapore Technologies Group. It has become a global venture capital firm with over US\$600 million under management. It is headquartered in Singapore and has offices in Silicon Valley in the United States, London and Taipei.

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TEMASEK HOLDINGS

Temasek Holdings (Pte) Ltd

Established in 1974 as a private limited company, Temasek Holdings is wholly owned by the Minister for Finance, Incorporated. It owns and manages the Singapore Government's direct investments, both locally and overseas. Temasek's Board of Directors comprises 10 prominent leaders from both the public and private sectors in Singapore.

Temasek's mission is to contribute to Singapore's economic growth by nurturing world-class companies through effective stewardship and commercially-driven strategic investments.

Temasek's investment philosophies are:

1. Create value for shareholders
2. Adopt long-term approach with global perspective
3. Co-invest with the Temasek group of companies and partner other Singapore companies in their regionalisation efforts
4. Anticipate and capitalise on opportunities which will add significant returns to Temasek's portfolio
5. Form strategic alliances with international partners to tap into the worldwide business network.

The Temasek group of companies cover a wide spectrum of industries comprising transportation, ship repair and engineering, power and gas, telecommunications, media, high-tech industries, financial services, properties and hotels, property management and consultancy, construction, leisure and recreation.

The major listed companies in the Temasek group account for about 27% of the total capitalisation on the Singapore stock exchange. The leading companies in the Temasek stable include Neptune Orient Lines, PSA Corporation, Singapore Airlines, Singapore Telecommunications, and Singapore Technologies. The total assets of the group is in excess of US\$45 billion.

For more information, visit our web site at <http://www.temasekholdings.com.sg>.

Vertex Management

Vertex Management started in 1988 as the venture capital arm of Singapore Technologies Group. Today, it is a global venture capital firm with over US\$600 million under management. Its first fund, Vertex Investment Pte Ltd started in 1988 with a fund size of US\$35 million. It's latest fund is Vertex Technology Fund (II), which is its seventh fund with a targeted fund size of US\$100 million.

Vertex is headquartered in Singapore and has offices in Silicon Valley in the United States, London and Taiwan. It has been actively investing in private, high technology companies in the United States, Europe and Asia since 1988. As at 30 Sep 99, Vertex has invested US\$450 million in 180 companies in the seed to mezzanine stage of financing in various industries including software, Internet, e-commerce, communications, electronics and healthcare. Of these 180 companies, 56 of them have either been fully divested or listed in the US, Europe, Taiwan and Singapore stock exchanges.

Vertex's global network adds value to its portfolio companies by helping to identify cross border market opportunities, marketing and distribution channels, new products and manufacturing partners as well as alternate financing sources.

Vertex is part of the Singapore Technologies Group, a multi-billion dollar conglomerate headquartered in Singapore. Singapore Technologies is one of the largest industrial and technology groups in Singapore with a 1998 revenue of US\$3.5 billion. The group has over 250 subsidiaries and 60 associates with offices in Asia, USA and Europe. The group has a diversified range of businesses in engineering, technology, infrastructure, property and finance.

For more information, visit our web site at <http://www.vertexmgt.com>.