SHANGHAI INDUSTRIAL INVESTMENT
TREASURY COMPANY LIMITED
(incorporated in the British Virgin Islands with limited liability)

SHANGHAI INDUSTRIAL HOLDINGS LIMITED
(incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT
HK$2,330,000,000
Zero Coupon Guaranteed Exchangeable Bonds due 2009
(subject to an additional HK$389,000,000 in aggregate principal amount of bonds
which may be issued pursuant to an option granted to HSBC Bank plc)
(the “Exchangeable Bonds”)
unconditionally and irrevocably guaranteed by
SHANGHAI INDUSTRIAL INVESTMENT (HOLDINGS) COMPANY LIMITED
(incorporated in Hong Kong with limited liability)
exchangeable into existing ordinary shares of
SHANGHAI INDUSTRIAL HOLDINGS LIMITED

Reference is made to the announcement made by Shanghai Industrial Holdings Limited (the “Company”) dated 18 February 2004 and the Notice of Listing on The Stock Exchange of Hong Kong Limited of Shanghai Industrial Investment Treasury Company Limited (the “Issuer”) dated 12 March 2004.

The directors of the Company and the Issuer jointly announce that the Company has been advised by the Issuer that pursuant to the Subscription Agreement dated 18 February 2004 made between, inter alia, the Issuer, Shanghai Industrial Investment (Holdings) Company Limited and HSBC Bank plc (the “Lead Manager”), the Lead Manager has given notice to the Issuer of the exercise of the option to subscribe an additional HK$100,900,000 in aggregate principal amount of Exchangeable Bonds. Accordingly, the aggregate principal amount of the Exchangeable Bonds subscribed for shall be HK$2,430,900,000. Payment for, and delivery of, the Exchangeable Bonds are expected to take place on 16 March 2004.

By Order of the Board
Shanghai Industrial Investment
Treasury Company Limited
Wang Rong Feng
Director

By Order of the Board
Shanghai Industrial Holdings Limited
Roger L. C. Leung
Company Secretary

Hong Kong, 15 March 2004