



*(Incorporated in Hong Kong with limited liability)*

**(Stock Code : 363)**

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Shanghai Industrial Holdings Limited (the “Company”) will be held at the Conference Room of the Company at 26th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong on Friday, 30th May 2008 at 3:00 p.m. for the following purposes:–

1. To receive and consider the audited consolidated Financial Statements of the Company for the year ended 31st December 2007 together with the Reports of the Directors and the Auditor thereon.
2. To declare a final dividend.
3. To re-elect retiring Directors and authorise the Board of Directors to fix the Directors’ remuneration.
4. To re-appoint Auditor and authorise the Board of Directors to fix the Auditor’s remuneration.

To consider as special business, and, if thought fit, pass with or without modification, the following resolutions as Ordinary Resolutions:

### **ORDINARY RESOLUTIONS**

5. **“THAT:**

- A. subject to paragraph (B) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase ordinary shares in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

B. the aggregate nominal amount of the Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (A) of this Resolution shall not exceed 10 percent of the aggregate nominal amount of the Shares in issue at the date of the passing of this Resolution and the authority pursuant to paragraph (A) of this Resolution shall be limited accordingly; and

C. for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- i. the conclusion of the next Annual General Meeting of the Company;
- ii. the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any applicable laws of Hong Kong to be held; or
- iii. the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meetings.”

6. **“THAT:**

- A. subject to paragraph (C) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- B. the approval in paragraph (A) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- C. the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (A) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of the subscription or conversion rights attaching to any warrants, convertible bonds or other securities issued by the Company which are convertible into shares of the Company, (iii) any share option scheme or similar arrangement for the time being adopted for the grant or issue to the eligible participants of shares or rights to acquire shares in the capital of the Company, or (iv) any scrip dividend or similar arrangement providing for the

allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20 percent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

D. for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- i. the conclusion of the next Annual General Meeting of the Company;
- ii. the expiration of the period within which the next Annual General Meeting of the Company is required by the Articles of Association of the Company or any applicable laws of Hong Kong to be held; or
- iii. the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meetings.”

“Rights Issue” means an offer of shares open for a period fixed by the Company or by the Directors of the Company to holders of shares on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

7. “**THAT**, conditional upon the passing of Resolutions numbered 5 and 6 set out in the notice convening this meeting, the aggregate nominal amount of the shares which are repurchased or otherwise acquired by the Company pursuant to Resolution numbered 5 shall be added to the aggregate nominal amount of the shares which may be issued pursuant to Resolution numbered 6, provided that such an amount shall not exceed 10 percent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution.”

By Order of the Board  
**Wong Mei Ling, Marina**  
*Company Secretary*

Hong Kong, 28th April 2008

*Registered Office:*

26th Floor, Harcourt House,  
39 Gloucester Road,  
Wanchai, Hong Kong.

*Notes:*

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and on a poll, vote on his behalf. The proxy need not be a Shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the registered office of the Company at 26th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person if he is subsequently able to be present and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. The Register of Members of the Company will be closed from Wednesday, 28th May 2008 to Friday, 30th May 2008, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the entitlement of the final dividend and be entitled to attend the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong by 4:30 p.m. on Tuesday, 27th May 2008.
4. The Board of Directors has recommended a final dividend for the year ended 31st December 2007 of HK43 cents per share (2006: HK30 cents per share). Together with the interim dividend of HK37 cents per share (2006: HK22 cents per share), the total dividend for the year amounts to HK80 cents per share (2006: HK52 cents per share).
5. Concerning Resolution numbered 3 above, Mr. Cai Lai Xing, Mr. Zhou Jie, Mr. Qian Shi Zheng, Dr. Lo Ka Shui and Prof. Woo Chia-Wei will retire by rotation and among them, Mr. Zhou Jie, Mr. Qian Shi Zheng, Dr. Lo Ka Shui and Prof. Woo Chia-Wei, being eligible, have offered themselves for re-election at the Annual General Meeting and their biographical details together with other information are set out in Appendix II to the circular to Shareholders dated 28th April 2008 (the "Circular"). None of the Directors being proposed for re-election at the Annual General Meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation. Details of Directors' emoluments are set out in note 12 to the consolidated financial statements in the Annual Report 2007. Details of Directors' years of services and term are set out in the corporate governance report in the Annual Report 2007.
6. Concerning Resolutions numbered 5 and 6 above, the Directors wish to state that there are no immediate plans to repurchase any existing shares or to issue any new shares or warrants. The Explanatory Statement containing the information necessary to enable the Shareholders to make an informed decision on whether to vote for or against the Resolution numbered 5 to approve the repurchase by the Company of its own shares, as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited is set out in Appendix I to the Circular.

7. Proxy forms for use at the Annual General Meeting will be sent to Shareholders together with the Annual Report 2007 on or before Wednesday, 30th April 2008. The proxy form will be published on the HKExnews website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and can also be downloaded from the Company's website at [www.sihl.com.hk](http://www.sihl.com.hk).

As at the date of this notice, the Board of Directors of the Company comprises:

Executive Directors:

Mr. Cai Lai Xing, Mr. Cai Yu Tian, Mr. Lu Ming Fang, Mr. Ding Zhong De, Mr. Zhou Jie, Mr. Qian Shi Zheng, Mr. Yao Fang and Mr. Tang Jun

Independent Non-Executive Directors:

Dr. Lo Ka Shui, Prof. Woo Chia-Wei and Mr. Leung Pak To, Francis.