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(Incorporated in Hong Kong with limited liability)

(Stock Code: 363)

DISCLOSEABLE TRANSACTIONS

SUPPLEMENTAL AGREEMENT

The Company wishes to set out the background for entering into of the Supplemental Agreement as well as provide its shareholders and investors with some information on Tianjin Yangguang Xindi.

Reference is made to the announcements of the Company dated 11th June 2009 and 30th July 2009 (the “**Announcements**”). Further to the announcement of the Company dated 30th July 2009 setting out the particulars of the Supplemental Agreement, the Company wishes to set out the background for entering into of the Supplemental Agreement as well as provide its shareholders and investors with some information on Tianjin Yangguang Xindi, which is the provider of the Tianjin Yangguang Xindi Guarantee. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those used in the Announcements.

BACKGROUND FOR ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT

Subsequent to the signing of the Acquisition Agreement, it was discovered that a much longer period than originally envisaged would be required before the Hotel Second Mortgage can be obtained. In the interest of time, the parties to the Acquisition Agreement therefore agreed to replace the Hotel Second Mortgage with the Tianjin Yangguang Xindi Guarantee and had accordingly entered into the Supplemental Agreement to amend the relevant provisions in the Acquisition Agreement, the Entrustment Agreement and the PRC Acquisition Agreement.

BRIEF INFORMATION ON TIANJIN YANGGUANG XINDI

According to the information provided by the Vendor, Tianjin Yangguang Xindi, an indirect wholly-owned subsidiary of the Vendor, is a company established in the PRC and is a property developer in the PRC. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, Tianjin Yangguang Xindi and its ultimate beneficial owners are independent of the Company and its connected persons as defined under the Listing Rules.

By Order of the Board
Shanghai Industrial Holdings Limited
Leung Lin Cheong
Company Secretary

Hong Kong, 31st July 2009

As at the date of this announcement, the Board is comprised of:

Executive Directors:

*Mr. Teng Yi Long, Mr. Cai Yu Tian, Mr. Lu Ming Fang, Mr. Ding Zhong De, Mr. Zhou Jie,
Mr. Qian Shi Zheng, Mr. Yao Fang and Mr. Zhou Jun*

Independent Non-Executive Directors:

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