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*(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 Wednesday, 18 May 2011 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 31 December 2010 together with the reports of the directors and the auditor thereon.
2. To declare a final dividend.
3. To re-elect Directors and authorize the Board of Directors to fix the Directors’ remuneration.
4. To re-appoint auditor and authorize 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 on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognized 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 share capital of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (A) of this resolution shall not exceed 10 percent of the aggregate nominal amount of the share capital of the Company 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 authorize 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 recognized 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  
**Shanghai Industrial Holdings Limited**  
**Yee Foo Hei**  
*Company Secretary*

Hong Kong, 13 April 2011

*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 proxy form 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 proxy form 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 Monday, 16 May 2011 to Wednesday, 18 May 2011, 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 Friday, 13 May 2011.
4. The Board of Directors has recommended a final dividend for the year ended 31 December 2010 of HK58 cents per share (2009: HK60 cents per share). Together with the interim dividend of HK50 cents per share (2009: HK48 cents per share), the total dividend for the year amounts to HK108 cents per share (2009: HK108 cents per share).
5. Concerning resolution numbered 3 above, Mr. Cai Yu Tian, Mr. Zhou Jie and Mr. Zhou Jun will retire by rotation, 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 13 April 2011 (the "**Circular**"). None of the Directors being proposed for re-election at the annual general meeting has a service agreement 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 14 to the consolidated financial statements in the annual report 2010. Details of Directors' years of service and term of appointment are set out in the corporate governance report in the annual report 2010.
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 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 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 2010 on or about Wednesday, 13 April 2011. The proxy form will be published on the HKExnews website of the Stock Exchange 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 comprises:*

*Executive Directors:*

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

*Independent Non-Executive Directors:*

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