

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Incorporated in Hong Kong with limited liability)

(Stock Code: 363)

AMENDMENTS OF CERTAIN TERMS OF THE AGREEMENT RELATING TO THE DISPOSAL OF INTERESTS IN A COMPANY HOLDING PROPERTY INTERESTS IN SHANGHAI

Reference is made to the announcement of the Company dated 26 February 2011 in relation to the proposed disposals of the Group's interests in Feng Tao Property, Feng Shun Property and Four Seasons Hotel Shanghai to the Feng Tao Purchaser, Feng Shun Purchaser and Good Cheer Purchasers respectively (the "**Previous Announcement**"). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as defined in the Previous Announcement.

As both the Company and CTF wish to have earlier completion of the Feng Shun Agreement so that the collaboration of both parties can commence at an early stage, S.I. Urban Development, an indirect wholly-owned subsidiary of the Company, and the Company entered into the Feng Shun Amendment Deed with the Feng Shun Purchaser and CTF on 20 April 2012 to, among other things, advance the completion date for the Feng Shun Agreement by eight months from 31 December 2012 to 30 April 2012. As a result of such advancement on completion date, the Feng Shun Amendment Deed will provide that the amount payable by the Feng Shun Purchaser at completion would be reduced for an amount of RMB8,580,167.34 (equivalent to HK\$10,170,533.69) to RMB351,419,832.66 (equivalent to HK\$416,556,823.08), and the amount of the consideration for the Feng Shun Sale Shares and the Feng Shun Sale Loan would also be reduced accordingly.

Save as specifically amended, varied or modified by the Feng Shun Amendment Deed, all terms and conditions of the Feng Shun Agreement remain in full force and effect.

Reference is made to the announcement of the Company dated 26 February 2011 in relation to the proposed disposals of the Group's interests in Feng Tao Property, Feng Shun Property and Four Seasons Hotel Shanghai to the Feng Tao Purchaser, Feng Shun Purchaser and Good Cheer Purchasers respectively (the "**Previous Announcement**"). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as defined in the Previous Announcement.

As both the Company and CTF wish to have earlier completion of the Feng Shun Agreement so that the collaboration of both parties can commence at an early stage, S.I. Urban Development, an indirect wholly-owned subsidiary of the Company, and the Company entered into the Feng Shun Amendment Deed with the Feng Shun Purchaser and CTF on 20 April 2012 to, among other things, advance the completion date for the Feng Shun Agreement by eight months from 31 December 2012 to 30 April 2012. As a result of such advancement on completion date, the Feng Shun Amendment Deed will provide that the amount payable by the Feng Shun Purchaser at completion and the amount of the consideration for the Feng Shun Sale Shares and the Feng Shun Sale Loan would be reduced. Further details of the Feng Shun Amendment Deed are set out below.

FENG SHUN AMENDMENT DEED

Date

20 April 2012

Parties

- (a) S.I. Urban Development
- (b) the Feng Shun Purchaser
- (c) the Company
- (d) CTF

Amendments and variations to the Feng Shun Agreement

Material amendments and variations to the Feng Shun Agreement are set out as follows:

- (1) Completion date of the Feng Shun Agreement has been changed from 31 December 2012 to 30 April 2012 (or such other date as the parties may agree in writing);
- (2) amount payable at completion has been reduced from RMB360,000,000 (equivalent to HK\$426,727,356.78) to RMB351,419,832.66 (equivalent to HK\$416,556,823.08);
- (3) consideration for the Feng Shun Sale Shares and the Feng Shun Sale Loan has been reduced from RMB1,305,000,000 (equivalent to HK\$1,546,886,668.33) to RMB1,296,419,832.66 (equivalent to HK\$1,536,716,134.63);
- (4) the last instalment of RMB655,000,000 (equivalent to HK\$776,406,718.59) will be payable on 31 December 2013; and

- (5) at completion, the Feng Shun Purchaser shall also deliver to the Vendor a post-dated cheque dated 30 June 2012 and drawn on a bank in Hong Kong in favour of S.I. Urban Development (or its nominee) for an amount of HK\$237,070,753.77 (the Hong Kong dollars equivalent of RMB200,000,000), which will be treated as security for the instalment payment due on 30 June 2012.

Save as specifically amended, varied or modified by the Feng Shun Amendment Deed, all terms and conditions of the Feng Shun Agreement remain in full force and effect.

REASONS AND BENEFITS FOR THE FENG SHUN AMENDMENT DEED

Both the Company and CTF wish to have early completion of the Feng Shun Agreement on 30 April 2012 so that the collaboration of both parties can commence at an early stage. This also enables the Group to have more available funds earlier for its businesses. As a result of the Feng Shun Amendment Deed, completion date for the Feng Shun Agreement has been moved earlier for eight months, and the remaining instalments payable by the Feng Shun Purchaser would actually be paid and received earlier. In view of the foregoing, the parties agreed that the consideration of the Feng Shun Agreement would be adjusted accordingly with reference to the interest that may be accrued on the relevant amount of the consideration payable at completion of the Feng Shun Agreement in a 8-month period at the prevailing bank borrowing rate offered to large enterprises in Hong Kong.

The directors of the Company (including the independent non-executive directors of the Company) consider that the Feng Shun Amendment Deed were entered into on an arm's length basis and on normal commercial terms, and maintain the view that the Disposals (as amended by the Feng Shun Amendment Deed) are fair and reasonable and are in the interest of the Company and its shareholders taken as a whole.

The Company's independent financial adviser has also confirmed that the Disposals (as amended by the Feng Shun Amendment Deed) are fair and reasonable so far as the shareholders of the Company are concerned.

LISTING RULES IMPLICATIONS

After entering into the Feng Shun Amendment Deed, the Disposals would remain as connected and discloseable transactions of the Company under the Listing Rules.

DEFINITION

In this announcement, the following expression has the meaning set out below unless the context requires otherwise.

"Feng Shun Amendment Deed"	the amendment deed dated 20 April 2012 entered into between S.I. Urban Development, the Company, the Feng Shun Purchaser and CTF to amend the Feng Shun Agreement
-----------------------------------	---

In this announcement, RMB has been converted to HK\$ at the rate of RMB0.84363 = HK\$1 for illustration purpose only. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.

By order of the Board
Shanghai Industrial Holdings Limited
Yee Foo Hei
Company Secretary

Hong Kong, 20 April 2012

As at the date of this announcement, 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