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(incorporated in Hong Kong with limited liability)

(Stock Code: 363)

**UPDATES ON PROPOSED DUAL PRIMARY LISTING OF
SIIC ENVIRONMENT HOLDINGS LTD.
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
BY WAY OF INTRODUCTION**

On 8 March 2018, the Approval In-Principle in relation to the Proposed Dual Primary Listing of SIIC Environment was granted by the Stock Exchange.

Shareholders and potential investors should note that the Proposed Dual Primary Listing is subject to fulfilment of certain conditions set out in the Approval In-Principle by the Stock Exchange, and the granting of the final approval of the listing of, and permission to deal in, the SIIC Environment Shares on the Main Board of the Stock Exchange by the Listing Committee of the Stock Exchange. Accordingly, there is no certainty that the Proposed Dual Primary Listing may occur. Shareholders are advised to exercise caution when trading in the Shares and to refrain from taking any action which may be prejudicial to their interests. In the event that the Shareholders and other investors are in doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

Reference is made to the announcement of Shanghai Industrial Holdings Limited (the “**Company**”) dated 28 December 2017 (the “**Announcement**”) regarding the submission of an application by SIIC Environment to the Stock Exchange for the listing of, and the permission to deal in, the SIIC Environment Shares on the Main Board of the Stock Exchange by way of introduction. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement, unless otherwise stated herein.

APPROVAL IN-PRINCIPLE

The Board is pleased to announce that approval in-principle for the listing of and permission to deal in the SIIC Environment Shares on the Main Board of the Stock Exchange was granted by the Stock Exchange on 8 March 2018 (the “**Approval In-Principle**”).

SIIC Environment expects to issue its listing document in connection with the Proposed Dual Primary Listing and post the same on the website of the Stock Exchange at www.hkexnews.hk on 12 March 2018, and subject to the formal and final approval of the Stock Exchange to the Proposed Dual Primary Listing, for trading of the SIIC Environment Shares to commence on the Stock Exchange at 9.00 a.m. (Hong Kong time) on 23 March 2018.

As another update, on 29 January 2018, a shareholders’ meeting of SIIC Environment was convened and held to consider and approve, among other matters, the Proposed Dual Primary Listing. The Board is pleased to announce that the resolution on the Proposed Dual Primary Listing was duly passed and approved by the shareholders of SIIC Environment at the meeting.

BRIDGING ARRANGEMENTS

Upon the Proposed Dual Primary Listing and during the bridging period (being the 30-day period from and including the date on which the dealing in SIIC Environment Shares first commence on the Stock Exchange (the “**Bridging Period**”), which is expected to be on or about 23 March 2018 (the “**Listing Date**”), Credit Suisse Securities (Hong Kong) Limited (the “**Designated Dealer**”), on its own account, will seek to undertake or request Haitong International Securities Company Limited (the “**Alternate Designated Dealer**”) to undertake certain arbitrage activities where there exists a meaningful price differential between share prices of SIIC Environment Shares quoted on the Stock Exchange and those quoted on the SGX-ST (as determined by the Designated Dealer). Such arbitrage activities are expected to contribute to the liquidity of trading in SIIC Environment Shares in the Hong Kong market upon the Proposed Dual Primary Listing as well as to reduce potential material divergence between share prices of SIIC Environment Shares in the Hong Kong and the Singapore markets. The bridging arrangements and the role of the Designated Dealer and the Alternate Designated Dealer will terminate and cease at the expiry of the Bridging Period.

In connection with the bridging arrangements, on 9 March 2018, (a) a stock borrowing and lending agreement was entered into between Triumph Power Limited (“**Triumph Power**”, a wholly-owned subsidiary of the Company) (as lender) with each of Credit Suisse (Hong Kong) Limited (the “**CS Affiliate**”) and the Alternate Designated Dealer (as borrower) (the “**Stock Borrowing and Lending Agreements**”); and (b) a sale and repurchase agreement was entered into between Triumph Power (as seller) and the CS Affiliate (as purchaser) (the “**Sale and Repurchase Agreement**”). As at the date of this announcement, the Company, through its wholly-owned subsidiaries, is indirectly interested in 1,207,025,926 SIIC Environment Shares, representing approximately 46.31% of the issued share capital of SIIC Environment, among which 986,929,551 SIIC Environment Shares (representing approximately 37.86% of SIIC Environment Shares in issue) are held through Triumph Power.

Pursuant to the Stock Borrowing and Lending Agreements, Triumph Power will make available to the CS Affiliate and the Alternate Designated Dealer stock lending facilities of up to 260,658,000 SIIC Environment Shares in aggregate, or approximately 10% of SIIC Environment Shares in issue, on one or more occasions during the Bridging Period, subject to applicable laws, rules and regulations in Singapore and Hong Kong. The Stock Borrowing and Lending Agreements provide, inter alia, that all of SIIC Environment Shares borrowed shall be returned to Triumph Power not later than 15 business days after the expiry of the Bridging Period (the “**Re-delivery Date**”), which may be postponed in case the process for re-delivering and transfer of the borrowed SIIC Environment Shares on Hong Kong branch share register of members of SIIC Environment is not completed on or before the Re-delivery Date.

Additionally, to facilitate the role of the Designated Dealer commencing from the pre-opening period (9:00 a.m. to 9:30 a.m.) on the first day of the Proposed Dual Primary Listing, the Designated Dealer has made arrangements to build up a small inventory of SIIC Environment Shares prior to the commencement of trading of the SIIC Environment Shares. Pursuant to the Sale and Repurchase Agreement, Triumph Power shall sell 16,682,000 SIIC Environment Shares (the “**Sale Shares**”), or approximately 0.64% of SIIC Environment Shares in issue, at a sale price based on the closing price of SIIC Environment Shares quoted on the SGX-ST on the date immediately before the date of the Sale and Repurchase Agreement (i.e. 8 March 2018). Conditional upon the CS Affiliate acquiring the Sale Shares under the Sale and Repurchase Agreement, the CS Affiliate shall sell and Triumph Power shall repurchase the equivalent number of the Sale Shares, at the same price as such Sale Shares were sold, not later than 15 business days following the expiry of the Bridging Period.

Shareholders and potential investors should note that the Proposed Dual Primary Listing is subject to fulfilment of certain conditions set out in the Approval In-Principle by the Stock Exchange, and the granting of the final approval of the listing of, and permission to deal in, the SIIC Environment Shares on the Main Board of the Stock Exchange by the Listing Committee of the Stock Exchange. Accordingly, there is no certainty that the Proposed Dual Primary Listing may occur. Shareholders are advised to exercise caution when trading in the Shares and to refrain from taking any action which may be prejudicial to their interests. In the event that the Shareholders and other investors are in doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

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

Hong Kong, 9 March 2018

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Shen Xiao Chu, Mr. Zhou Jun, Mr. Xu Bo and Mr. Xu Zhan

Independent Non-Executive Directors:

Prof. Woo Chia-Wei, Mr. Leung Pak To, Francis, Mr. Cheng Hoi Chuen, Vincent and Mr. Yuen Tin Fan, Francis