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(Incorporated in Hong Kong with limited liability)  
(Stock Code: 363)

## **INTERIM CASH DIVIDEND AND INTERIM SPECIAL DIVIDEND BY WAY OF DISTRIBUTION IN SPECIE OF SIUD SHARES**

### **RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

The Company announced on 28 August 2020 that the Board has recommended for the year of 2020 the payment to the Shareholders whose names appear on the register of members of the Company on the Record Date (or in case of the Distribution in Specie, the Qualifying Shareholders) of (i) an interim cash dividend of HK22 cents per Share; and (ii) an interim special dividend in the form of Distribution in Specie of the SIUD Shares held by the Group, in order to reciprocate the Shareholders and to enable them to participate more directly in the future business growth of the Company's subsidiary, SI Urban Development, and to help increase the liquidity of the SIUD Shares in the market.

In relation to the interim special dividend, the SIUD Shares will be distributed to the Qualifying Shareholders in proportion to their respective shareholdings on the Record Date in the Company on the following basis:

for every 5 Shares held ..... 1 SIUD Share

A Qualifying Shareholder holding less than an integral multiple of 5 Shares (for the avoidance of doubt, including a Qualifying Shareholder holding less than 5 Shares) will be entitled to a pro-rata number of SIUD Shares. If any calculation of a Shareholder's entitlement to SIUD Shares would result in a fraction of a SIUD Share, such entitlement will be rounded down to the nearest whole number of SIUD Shares. No fraction of a SIUD Share will be distributed, but such fractional SIUD Shares will be sold in the market as far as practicable and the net proceeds of such sale will be retained for the benefit of the Company.

For the purpose of determining the Shareholders' entitlement to both the interim cash dividend and interim special dividend, the register of members of the Company will be closed from Monday, 28 September 2020 to Tuesday, 29 September 2020, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the interim cash dividend and interim special dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited of 54th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Friday, 25 September 2020. In respect of the interim special dividend, the last day for trading in Shares on the Stock Exchange with entitlement to such dividend is expected to be Wednesday, 23 September 2020.

The Record Date for both the interim cash dividend and interim special dividend is Tuesday, 29 September 2020. The interim cash dividend and interim special dividend are expected to be distributed to the Shareholders (or Qualifying Shareholders in case of the interim special dividend) on or around Thursday, 22 October 2020.

## **INTERIM SPECIAL DIVIDEND BY WAY OF DISTRIBUTION IN SPECIE OF SIUD SHARES**

Reference is made to the announcement of the Company dated 28 August 2020 pursuant to which, among others, the Board announced that it has resolved to pay an interim special dividend in the form of Distribution in Specie. This announcement is made by the Company to provide the Shareholders with further information in relation to the Distribution in Specie.

### **Basis of entitlement**

At the meeting of the Board held on 28 August 2020, the Board has resolved to pay an interim special dividend in the form of Distribution in Specie of the SIUD Shares held by the Group to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date in proportion to their then respective shareholdings in the Company on the following basis:

for every 5 Shares held .....1 SIUD Share

A Qualifying Shareholder holding less than an integral multiple of 5 Shares (for the avoidance of doubt, including a Qualifying Shareholder holding less than 5 Shares) will be entitled to a pro-rata number of SIUD Shares. If any calculation of a Shareholder's entitlement to SIUD Shares would result in a fraction of a SIUD Share, such entitlement will be rounded down to the nearest whole number of SIUD Shares. No fraction of a SIUD Share will be distributed, but such fractional SIUD Shares will be sold in the market as far as practicable and the net proceeds of such sale will be retained for the benefit of the Company.

As at the date of this announcement, the Group holds 2,278,671,400 SIUD Shares, representing approximately 47.41% of the total number of issued SIUD Shares. The SIUD Shares are listed on the Main Board of the Stock Exchange (stock code: 563).

### **Record Date and closure of register of members**

For the purpose of determining the Shareholders' entitlement to the SIUD Shares, the register of members of the Company will be closed from Monday, 28 September 2020 to Tuesday, 29 September 2020, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the interim special dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited of 54th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Friday, 25 September 2020. The last day for trading in Shares on the Stock Exchange with entitlement to the Distribution in Specie is expected to be Wednesday, 23 September 2020.

The Record Date for determining a Shareholder's entitlement to the Distribution in Specie is Tuesday, 29 September 2020.

### **Dispatch of share certificates and CCASS settlement**

It is expected that share certificates for the relevant SIUD Shares will be dispatched on or about Thursday, 22 October 2020 by ordinary post at the own risk of the Qualifying Shareholders to their respective addresses shown on the register of members of the Company on the Record Date.

In the case of a joint holding of Shares, the share certificate for the SIUD Shares will be posted to the address shown on the register of members of the Company in respect of such Shares on the Record Date.

Investors holding Shares through CCASS Participants are expected to receive the SIUD Shares through their respective stockbrokers or custodians or through their CCASS Investor Participant stock accounts following the dispatch of share certificates of the SIUD Shares. Such investors should seek the advice of their respective stockbrokers or other professional advisers in case of doubt.

### **Qualifying Shareholders and Non-Qualifying Shareholders**

The Distribution in Specie will be available to the Shareholders whose names appear on the register of members of the Company on the Record Date, but will not be extended to the Non-Qualifying Shareholders.

### ***Shareholders with registered addresses outside Hong Kong***

Based on the register of members of the Company as at 31 August 2020, there were a total of 8 Shareholders whose addresses as shown on the register of members of the Company were outside Hong Kong, comprising 4 jurisdictions that are outside Hong Kong, including Macau, Canada, the

United Kingdom and the United States, with a total shareholding of 50,500 Shares, representing in aggregate approximately 0.005% of the total number of issued Shares as at the close of business on 31 August 2020.

The Company had engaged legal counsels to ascertain whether or not there are any legal or regulatory requirements or restrictions which would make extending the Distribution in Specie to the Shareholders whose addresses as shown on the register of members of the Company are located in the aforementioned jurisdictions outside Hong Kong administratively prohibitive or inexpedient. Having considered such advice provided by the legal counsels in the aforementioned jurisdictions, the Directors are of the view that:

- (i) with respect to Macau and the United Kingdom, the Company has been advised that there are no such legal or regulatory restrictions or the Company has met the relevant exemption requirement(s) in such jurisdiction(s) which would exempt the Company from the obtaining of approval from the relevant regulatory authorities under the applicable laws and regulations of such jurisdiction(s) for the purpose of the Distribution in Specie. The Distribution in Specie will accordingly be extended to the Shareholders whose addresses as shown on the register of members of the Company are in Macau and the United Kingdom on the Record Date; and
- (ii) with respect to the United States and Canada, the Company has been advised that there are applicable legal or regulatory requirements or restrictions and the Board considered that, as additional time and resources are required to ascertain the satisfaction of the relevant requirements or exemptions, it is expedient and beneficial to the Company and the Shareholders as a whole to exclude the Shareholders whose addresses as shown on the register of members of the Company are in the United States or Canada on the Record Date from receiving the SIUD Shares and to regard such Shareholder(s) as Non-Qualifying Shareholder(s).

Shareholders with registered addresses outside Hong Kong should consult their own professional advisers as to whether or not they are permitted to receive the interim special dividend in the form of Distribution in Specie or if any governmental or other consent is required or other formalities which need to be observed and whether there are any other restrictions in relation to the future sale of any SIUD Shares so received.

Notwithstanding the arrangements with regard to the Shareholders with registered addresses outside Hong Kong as described above, the Board reserves the ultimate right to exclude any Shareholder from the Distribution in Specie if it believes that the transfer of the SIUD Shares to such person(s) may violate any applicable legal and/or regulatory requirements in any jurisdiction.

#### ***Arrangements for Non-Qualifying Shareholders (if any)***

As the Distribution in Specie will not be extended to the Non-Qualifying Shareholders (if any), arrangements will be made for the SIUD Shares which would otherwise have been transferred to any Non-Qualifying Shareholders to be sold in the market as soon as possible, on or after the date of posting of the share certificates for the SIUD Shares (which date is currently expected to be on or about Thursday, 22 October 2020), and any proceeds of sale, after deduction of expenses and duties,

will be distributed in HK\$ to the relevant Non-Qualifying Shareholders, except that net proceeds less than HK\$100 will be retained for the benefit of the Company.

Cheques representing the net proceeds of the sale of such SIUD Shares, if any, will be sent by ordinary post to the Non-Qualifying Shareholders at their own risk, within fourteen (14) days after the sale of all such SIUD Shares. In the absence of bad faith or willful default, none of the Company or any broker or agent appointed by the Company to effect the sale shall have any liability of any loss whatsoever arising as a result of the timing or the terms of any such sale.

### **Reasons for and Benefits of the Distribution in Specie**

The Board is of the view that the payment of the interim special dividend by way of Distribution in Specie is a way to reciprocate the Shareholders and enable them to participate more directly in the future business growth of the Company's subsidiary, SI Urban Development, and will also help increase the liquidity of SIUD Shares in the market.

Based on the foregoing, the Board is of the view that the payment of the interim special dividend by way of Distribution in Specie is in the interests of the Company and the Shareholders as a whole.

### **Financial Effects of the Distribution in Specie**

SI Urban Development has been a subsidiary of the Company whose results have been consolidated in the financial statements of the Company. Following the Distribution in Specie, SI Urban Development will remain as a subsidiary of the Company and its results will continue to be consolidated in the financial statements of the Company.

The profit and loss implications on the Group as a result of the distribution of the SIUD Shares upon completion of the Distribution in Specie may only be ascertained following the date of settlement of the Distribution in Specie.

### **Tentative Timetable for the Distribution in Specie**

Last day of dealing in the Shares on a cum-entitlement basis	Wednesday, 23 September 2020
Commencement of dealing in the Shares on an ex-entitlement basis	Thursday, 24 September 2020
Latest time for lodging documents for the transfer of the Shares in order to qualify for the Distribution in Specie	4:30 p.m. on Friday, 25 September 2020
Closure of register of members of the Company	Monday, 28 September 2020 to Tuesday, 29 September 2020 (both days inclusive)

Record Date

Tuesday, 29 September 2020

Register of members of the Company re-open

Wednesday, 30 September 2020

Dispatch of physical share certificates for the  
SIUD Shares

Thursday, 22 October 2020

*Note 1: All references to time and date in this announcement refer to Hong Kong local time and date.*

*Note 2: The timings are indicative only.*

If there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning in force on Friday, 25 September 2020, the dates mentioned in the timetable above may be affected. In such event, the Company will notify the Shareholders by way of announcement on any change to the timetable as soon as practicable.

### **Information on the Group**

The Group is principally engaged in the businesses of infrastructure facilities, real estate and consumer products.

### **Information on SI Urban Development**

SI Urban Development is a company incorporated under the laws of Bermuda with limited liability, and is an investment holding company. SI Urban Development and its subsidiaries are principally engaged in the businesses of property development, property investment and hotel operations in the PRC.

### **INTERIM CASH DIVIDEND**

In addition to the interim special dividend, the Board has also on 28 August 2020 announced that it has resolved to pay an interim cash dividend. The interim cash dividend will be paid to the Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date. It is expected that the interim cash dividend will be paid on or around Thursday, 22 October 2020. For the purpose of determining the Shareholders’ entitlement to the interim dividend, the register of members of the Company will be closed from Monday, 28 September 2020 to Tuesday, 29 September 2020, both days inclusive. During the aforementioned period, no transfer of Shares will be effected. In order to qualify for the interim cash dividend, all transfer forms accompanied by relevant share certificates must be lodged with the Company’s share registrar, Tricor Secretaries Limited of 54th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong by 4:30 p.m. on Friday, 25 September 2020 for registration.

## DEFINITIONS

In this announcement, the following expressions shall have the meanings as set out below unless the context otherwise requires:

“Board”	the board of Directors;
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation;
“CCASS Participant”	any person admitted to participate in CCASS as a direct clearing participant, a general clearing participant, a custodian participant, or any CCASS Investor Participant;
“Company”	Shanghai Industrial Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 363);
“Director(s)”	director(s) of the Company;
“Distribution in Specie”	the distribution of an interim special dividend by the Company in the form of a distribution in specie of SIUD Shares held by the Group to the Qualifying Shareholders in proportion to their respective shareholdings in the Company on the basis of an entitlement to 1 SIUD Share for every 5 Shares held by each Qualifying Shareholder as at the Record Date. As at the date of this announcement, there were a total number of 1,087,211,600 Shares in issue;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Non-Qualifying Shareholder(s)”	Shareholder(s) whose (respective) address as shown on the register of members of the Company on the Record Date is in a place outside Hong Kong (if any), and whom is excluded from receiving the SIUD Shares in the Distribution in Specie on account of the relevant legal or regulatory requirements or restrictions by the Board out of necessity or expediency;

“PRC”	the People’s Republic of China;
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s);
“Record Date”	29 September 2020, being the date fixed for determining the Shareholders’ entitlement to the Distribution in Specie;
“Share(s)”	ordinary share(s) in the capital of the Company;
“Shareholder(s)”	shareholder(s) of the Company;
“SI Urban Development”	Shanghai Industrial Urban Development Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 563);
“SIUD Share(s)”	ordinary share(s) in the capital of SI Urban Development;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong; and
“%”	per cent.

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

Hong Kong, 8 September 2020

*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*