



上海實業控股有限公司

SHANGHAI INDUSTRIAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 363)

CHANGE OF DIRECTORS AND APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board of Directors (“the Board”) of Shanghai Industrial Holdings Limited (“the Company”) announces that, to cope with the business development of the Company and to comply with the national policy of personnel rotation, on 19th December 2005, Mr. Cai Yu Tian was appointed Executive Director, Vice Chairman and Chief Executive Officer of the Company. While not holding the position of Chief Executive Officer, Mr. Lu Ming Fang will remain as an Executive Director of the Company. On the same day, Mr. Lu Da Yong and Mr. Lu Shen resigned as Executive Directors of the Company. Mr. Lu Da Yong and Mr. Lu Shen have confirmed that there are no other matters relating to their resignation as Executive Directors of the Company that need to be brought to the attention of the Company’s shareholders.

Mr. Cai Yu Tian, aged 56, is the Executive Director and President of the Company’s controlling shareholder, Shanghai Industrial Investment (Holdings) Company Limited. He obtained a master’s degree from East China Normal University majored in world economics, and is designated a research fellow. During the period from September 1987 to November 2005, Mr. Cai was the Deputy Director, the Director of the Shanghai Municipal Housing and Real Estate Administration Bureau, the Director of the Shanghai Municipal Housing, Real Estate and Land Administration Bureau and the Director of the Shanghai Municipal Housing, Land and Resources Administration Bureau. Mr. Cai has more than 20 years’ experience in real estate, economic and administrative management.

As at the date of this announcement, Mr. Cai has no share interests in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Cai has a service agreement with the Company commencing 19th December 2005, which shall be terminated by either party giving to the other by six months’ prior written notice. He is entitled to receive a basic salary of approximately HK\$2,720,205 annually commencing 1st January 2006. In addition, he may receive a discretionary bonus payment subject to the absolute discretion of the Company having regard to the operating results of the Group and his performance. The Director’s emoluments are determined by reference to the factors such as the Company’s operating performance, prevailing market conditions and job responsibilities. Save as disclosed above, Mr. Cai did not hold any directorships in any listed public companies or holding any positions in the Group in the last three years, and has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

The Board confirmed that there are no other matters that need to be brought to the attention of the Company’s shareholders in relation to the appointment of Executive Director.

The Company would like to express its gratitude to Mr. Lu Ming Fang, Mr. Lu Da Yong and Mr. Lu Shen for their contribution to the Group and welcome Mr. Cai for joining the Board.

By Order of the Board
Shanghai Industrial Holdings Limited
Wong Mei Ling, Marina
Company Secretary

Hong Kong, 19th December 2005

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

Executive Directors:

Mr. Cai Lai Xing, Mr. Cai Yu Tian, Mr. Qu Ding, Mr. Lu Ming Fang, Mr. Ding Zhong De, Mr. Qian Shi Zheng, Mr. Yao Fang and Mr. Tang Jun

Independent Non-Executive Directors:

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

Please also refer to the published version of this announcement in South China Morning Post.