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



*(Incorporated in Bermuda with limited liability)
(Stock Code: 563)*

JOINT ANNOUNCEMENT

EXTENSION OF LONG STOP DATE AND FURTHER DELAY IN DESPATCH OF CIRCULAR

**Financial adviser to
Shanghai Industrial Holdings Limited**



Deutsche Bank AG, Hong Kong Branch

**Financial adviser to
Shanghai Industrial Urban Development Group Limited**

J.P.Morgan

J.P. Morgan Securities (Asia Pacific) Limited

EXTENSION OF LONG STOP DATE

The board of SIH and SIUD jointly announced that SIH and SIUD agreed on 30 September 2011 to extend the Long Stop Date as stipulated in the Agreement to 31 December 2011.

FURTHER DELAY IN DESPATCH OF CIRCULAR

The board of SIUD announced that an application has been made to the Executive for a further extension of the deadline for the despatch of the Circular to 30 November 2011.

Reference is made to the joint announcement made by SIH and SIUD dated 14 April 2011 (the “**Announcement**”), and the announcements of SIUD dated 5 May 2011, 17 May 2011 and 30 June 2011, respectively (collectively, the “**Subsequent Announcements**”). Unless otherwise stated, capitalised terms used in this announcement have the same meanings as those defined in the Announcement and the Subsequent Announcements, respectively.

EXTENSION OF LONG STOP DATE

As disclosed in the Announcement, if any of the conditions precedent to the completion of the sale and purchase of the Sale Share and the Shareholder's Loan set out therein has not been fulfilled (or, if applicable, waived) on or before 30 September 2011 (or such later date as may be agreed between SIH and SIUD) (the “**Long Stop Date**”), the Agreement will terminate with immediate effect. As more time than expected is required for the fulfilment of certain conditions precedent to the completion of the sale and purchase of the Sale Share and the Shareholder's Loan, including but not limited to the approval of Independent SIUD Shareholders at the SGM and the Listing Committee's approval in principle of the New Listing Application having been obtained, it is not expected that completion of the Transactions will take place by 30 September 2011. Accordingly, on 30 September 2011, SIH and SIUD agreed in writing to extend the Long Stop Date to 31 December 2011.

Save as the aforesaid, all other terms and conditions of the Agreement remain in full force and effect.

FURTHER DELAY IN DESPATCH OF CIRCULAR

Under Rule 8.2 of the Takeovers Code, the Circular is required to be despatched to the SIUD Shareholders within 21 days of the date of the Announcement. As disclosed in the announcements of SIUD dated 5 May 2011 and 30 June 2011, applications had been made to the Executive for an extension of the deadline for the despatch of the Circular to 30 June 2011 and a further extension of the deadline for the despatch of the Circular to 30 September 2011.

The Transactions constitute a reverse takeover for SIUD under Rule 14.06(6)(b) of the Listing Rules, and the Transactions are therefore subject to the approval of the Listing Committee of the New Listing Application. The New Listing Application was submitted to the Stock Exchange on 17 May 2011. The Circular will be despatched to the SIUD Shareholders as soon as practicable after SIUD has obtained the approval in principle from the Listing Committee with respect to the New Listing Application.

As at the date of this announcement, the Stock Exchange is still considering the New Listing Application. In view of the process that is required in connection with the New Listing Application and the despatch of the Circular, it is unlikely that the Circular will be despatched on or before 30 September 2011.

An application has been made to the Executive for a further extension of the deadline for the despatch of the Circular to 30 November 2011.

It should be noted that the Transactions are subject to a number of conditions, which may or may not be fulfilled. It is one of the conditions precedent to completion of the sale and purchase of the Sale Share and the Shareholder's Loan that the approval of Independent SIUD Shareholders at the SGM has been obtained, and the assignment of the Dividend Receivable will only become effective upon, inter alia, the Target Company becoming a wholly-owned subsidiary of SIUD. In addition, the approval of the New Listing Application

and the Whitewash Waiver may or may not be granted. In the event that the approval for the New Listing Application is not granted by the Listing Committee, the Agreement and the Deed will not become unconditional and the Transactions will not proceed. Respective shareholders of SIUD and SIH and potential investors should exercise caution when they deal or contemplate dealing in the shares or other securities of SIUD or SIH.

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

By order of the Board
**Shanghai Industrial Urban Development
Group Limited**
Chan Kin Chu, Harry
Company Secretary

Hong Kong, 30 September 2011

As at the date of this announcement, the board of SIH comprises 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 as executive directors and Dr. Lo Ka Shui, Prof. Woo Chia-Wei and Mr. Leung Pak To, Francis as independent non-executive directors.

As at the date of this announcement, the board of SIUD comprises Mr. Cai Yu Tian, Mr. Ni Jianda, Mr. Qian Shizheng, Mr. Zhou Jun, Mr. Yang Biao, Mr. Chen Anmin and Mr. Jia Bowei as executive directors and Mr. Doo Wai-Hoi, William, J.P., Dr. Wong Ying Ho, Kennedy, BBS, J.P., Mr. Fan Ren Da, Anthony and Mr. Li Ka Fai, David as independent non-executive directors.

The directors of SIH jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those in relation to SIUD) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those in relation to SIUD) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

The directors of SIUD jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those in relation to SIH and the Target Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those in relation to SIH and the Target Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.