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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shanghai Industrial Urban Development Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**上海實業城市開發集團有限公司**  
**SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 563)**

**PROPOSED GRANTING OF GENERAL MANDATES  
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES OF THE COMPANY  
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES  
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS OF THE COMPANY  
PROPOSED AMENDMENT TO BYE-LAWS OF THE COMPANY  
AND ADOPTION OF NEW BYE-LAWS  
AND  
NOTICE OF THE 2012 ANNUAL GENERAL MEETING OF THE COMPANY**

A notice convening an annual general meeting of Shanghai Industrial Urban Development Group Limited to be held at Salon 2 & 3, JW Marriott Ballroom (Level 3), JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 18 May 2012 at 11:30 a.m. is set out on pages 18 to 29 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.siud.com](http://www.siud.com)). Whether or not you are able to attend the annual general meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the accompanying form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

16 April 2012

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“2012 AGM”	the annual general meeting of the Company to be held at Salon 2 & 3, JW Marriott Ballroom (Level 3), JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 18 May 2012 at 11:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 29 of this circular, or any adjournment thereof;
“Board”	the board of Directors;
“Buyback Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“Bye-laws”	the bye-laws of the Company currently in force;
“Company”	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;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“Latest Practicable Date”	10 April 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

## DEFINITIONS

“PRC”	the People’s Republic of China;
“Remuneration Committee”	the remuneration committee of the Company;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“SIHL”	Shanghai Industrial Holdings Limited;
“SIIC”	Shanghai Industrial Investment (Holdings) Company Limited;
“Share(s)”	ordinary share(s) of HK\$0.04 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Repurchases issued by the Securities and Futures Commission in Hong Kong.

LETTER FROM THE BOARD



上海實業城市開發集團有限公司  
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

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

*Executive Directors:*

Mr. Cai Yu Tian (*Chairman*)  
Mr. Ni Jianda (*President*)  
Mr. Qian Shizheng  
Mr. Zhou Jun  
Mr. Yang Biao  
Mr. Chen Anmin

*Independent Non-executive Directors:*

Mr. Doo Wai-Hoi, William, J.P.  
Dr. Wong Ying Ho, Kennedy, BBS, J.P.  
Mr. Fan Ren Da, Anthony  
Mr. Li Ka Fai, David

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head Office and*

*Principal Place of Business:*

Suites 3003-7  
30/F., Great Eagle Centre  
23 Harbour Road  
Wanchai  
Hong Kong

16 April 2012

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES  
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES OF THE COMPANY  
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES  
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS OF THE COMPANY  
PROPOSED AMENDMENT TO BYE-LAWS OF THE COMPANY  
AND ADOPTION OF NEW BYE-LAWS  
AND  
NOTICE OF THE 2012 ANNUAL GENERAL MEETING OF THE COMPANY**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the 2012 AGM for (i) Buyback Mandate; (ii) Issuance Mandate; (iii) the extension of the Issuance Mandate by adding to it the nominal amount of issued Shares repurchased by the Company under the Buyback Mandate; (iv) the proposed amendments to the Bye-Laws and adoption of a new set of Bye-laws; and (v) the re-election of the retiring Directors.

## LETTER FROM THE BOARD

### 2. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES, AND EXTENSION OF THE ISSUANCE MANDATE

At the annual general meeting of the Company held on 16 May 2011, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to allot, issue and deal with new Shares respectively. Such mandates will lapse at the conclusion of the 2012 AGM.

Ordinary resolutions will be proposed at the 2012 AGM to approve the granting of new general mandates to the Directors:

- (a) To exercise the powers of the Company to repurchase Shares not exceeding 10% of aggregate nominal amount of the share capital of the Company in issue at the date of the passing of such resolution (the "Buyback Mandate");
- (b) To exercise the powers of the Company to issue, allot and otherwise deal with new Shares not exceeding 20% of aggregate nominal amount of the share capital of the Company in issue at the date of the passing of such resolution (the "Issuance Mandate"); and
- (c) To extend the Issuance mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issuance Mandate of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprises 4,811,523,189 Shares. Assuming that there is no change in the issued and fully paid up share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Issuance Mandate and the Buyback Mandate, the maximum number of Shares which may be repurchased by the Company pursuant to the Buyback Mandate will be 481,152,318 Shares; and the maximum number of Shares which may be issued pursuant to the Issuance Mandate will be 962,304,637 Shares.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the 2012 AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the 2012 AGM as set out on pages 18 to 29 of this circular. With reference to the Buyback Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buyback Mandate. The explanatory statement as required by

## LETTER FROM THE BOARD

the Listing Rules in connection with the Buyback Mandate is set out in Appendix I to this circular. Neither the explanatory statement nor the proposed granting of the Buyback Mandate has any unusual features.

### **3. PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF NEW BYE-LAWS**

The Board proposes to seek approval from the Shareholders at the 2012 AGM for the amendments to the Bye-laws and the adoption of a new set of Bye-laws, in order to bring the constitution of the Company in line with the recent amendments to the Listing Rules, the recent changes to the Companies Act 1981 of Bermuda and certain housekeeping amendments proposed by the Board. The principal effects of the amendments include the following:

- (a) the Company is allowed to provide financial assistance for the purchase of its shares;
- (b) all resolutions at general meetings of the Company shall be decided by poll other than resolution which relates purely to a procedural or administrative matter as the chairman of the meeting may in good faith allow it to be voted on by a show of hands;
- (c) the Bye-Laws will be amended to provide that every Director (other than those holding the office of chairman and/or managing director) shall retire from office by rotation at least once every three years; Directors holding the office of chairman or managing director shall be subject to re-election at least once every three years;
- (d) subject to certain exceptions, a Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of this associates has a material interest nor shall he be counted in the quorum present at the meeting, and the exception that Director may vote on such board resolution provided that he or any of his associates are not beneficially interested in 5% or more of the issued shares of any class of shares or voting rights of the party with which the Company proposes to enter into a contract or arrangement is removed; and
- (e) the solvency test for payment of dividend and making of distribution is simplified by the removal of the reference to the Company's issued share capital and share premium account in the solvency test.

Details of the proposed amendments to the Bye-Laws are set out in the notice of the 2012 AGM.

The proposed amendments to the Bye-Laws and the proposed adoption of a new set of Bye-laws which consolidates all of the proposed amendments as set out in the notice of the 2012 AGM and all previous amendments made to the Bye-laws are subject to the approval of the Shareholders by way of passing of the requisite special resolutions at the 2012 AGM.

## LETTER FROM THE BOARD

Shareholders are advised that the Bye-laws are available only in English and the Chinese translation of the amendments to the Bye-laws provided in the notice of the 2012 AGM is for reference only. If there is any conflict between the English and the Chinese versions, the English version shall prevail.

A copy of the Bye-Laws will be available for inspection at the Company's principal place of business in Hong Kong at Suites 3003-7, 30th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong during the normal business hours from the date hereof up to and including the date of 2012 AGM.

#### **4. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS**

In accordance with the Bye-laws, Mr. Ni Jianda, Mr. Yang Biao and Mr. Chen Anmin all being executive Directors and Mr. Fan Ren Da, Anthony, being independent non-executive Director, will retire from office and, being eligible, offer themselves for re-election at the 2012 AGM.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix II to this circular.

#### **5. 2012 AGM AND PROXY ARRANGEMENT**

The notice of the 2012 AGM is set out on pages 18 to 29 of this circular. At the 2012 AGM, resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate, the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the aggregate nominal amount of share capital of the Company repurchased pursuant to the Buyback Mandate, the re-election of the retiring Directors and the proposed amendments to the Bye-laws and adoption of a new set of Bye-laws.

A form of proxy for use at the 2012 AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.siud.com](http://www.siud.com)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, at the Branch Share Registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the 2012 AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2012 AGM if you so wish and in such event, the proxy form shall be deemed to be revoked.

## LETTER FROM THE BOARD

### 6. LISTING RULES REQUIREMENT

According to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, the chairman of the 2012 AGM will therefore demand a poll for every resolution put to the vote of the 2012 AGM pursuant to Article 66 of the Bye-laws. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 8. RECOMMENDATION

The Directors consider that the granting of the Buyback Mandate, the granting/extension of the Issuance Mandate, the re-election of the retiring Directors, and the proposed amendments of the Bye-laws and adoption of a new set of Bye-laws are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the 2012 AGM.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the 2012 AGM.

### 9. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory statement on the Buyback Mandate) and Appendix II (Details of the retiring Directors proposed to be re-elected at the 2012 AGM) to this circular.

By Order of the Board  
**SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED**  
**Cai Yu Tian**  
*Chairman of the Board*

*The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2012 AGM in relation to the granting of the Buyback Mandate. Neither the explanatory statement nor the proposed granting of the Buyback Mandate has any unusual features.*

## **1. REASONS FOR REPURCHASES**

The Directors believe that the granting of the Buyback Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$192,460,927.56 divided into 4,811,523,189 Shares of HK\$0.04 each.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the 2012 AGM in respect of the granting of the Buyback Mandate assuming that there is no change in the issued and fully paid up share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Issuance Mandate and the Buyback Mandate, the maximum number of Shares which may be repurchased by the Company pursuant to the Buyback Mandate will be 481,152,318 Shares.

## **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws, the laws of Bermuda and/or any other applicable laws, as the case may be.

The Company is empowered by its Memorandum of Association and the Bye-laws to repurchase Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase by a company may only be paid out of the capital paid up on the relevant shares, or funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on a repurchase may only be paid out of the funds of the company which would otherwise be available for dividend or distribution or out of the share premium account of the Company.

#### 4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2011) in the event that the Buyback Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 5. TAKEOVERS CODE

If as a result of a repurchase of shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The interests of the substantial Shareholders which fall to be disclosed to the Company under Part XV of the SFO as at the Latest Practicable Date and their respective percentage shareholdings of the Company assuming that the Buyback Mandate is exercised in full are as follows:

<b>Name of substantial Shareholders</b>	<b>Number of Shares held as at the Latest Practicable Date</b>	<b>Percentage of existing shareholding as at the Latest Practicable Date</b>	<b>Percentage of shareholding if the Buyback Mandate is exercised in full</b>
SIHL ( <i>Note 1</i> )	3,415,883,000 ( <i>Notes 2 and 3</i> )	70.99%	78.88%
SIIC ( <i>Note 2</i> )	3,415,883,000 ( <i>Notes 2 and 3</i> )	70.99%	78.88%

*Notes:*

1. These shares are beneficially held by Novel Good Limited, a wholly owned subsidiary of SIHL.
2. These interests include 2,182,191,000 consideration shares issued and allotted to SIHL to settle the consideration for the Transactions (as defined in the paragraph headed "Issue of Equity Securities" of the Directors' Report of the 2011 Annual Report of the Company), the completion of which took place on 23 November 2011.

3. These interests include 50,000,000 Shares (short position) held by Invest Gain Limited (a company beneficially and wholly owned by Mr. Li Song Xiao who ceased to be a substantial shareholder of the Company during the year ended 31 December 2011) which was pledged to Novel Good Limited. Therefore, SIHL and SIIC are deemed or taken to be interested in these 50,000,000 Shares.
4. SIIC through its subsidiaries, namely Shanghai Investment Holdings Ltd., SIIC Capital (B.V.I.) Ltd., SIIC Treasury (B.V.I.) Ltd., Shanghai Industrial Financial (Holdings) Co. Ltd., South Pacific International Trading Ltd., The Tien Chu Ve-Tsin (Hong Kong) Co. Ltd., SIIC Trading Co. Ltd., SIIC CM Development Funds Ltd., Billion More Investments Ltd. and SIIC CM Development Ltd. held approximately 56.74% of the shares of SIHL. Therefore, SIIC is deemed or taken to be interested in the 3,415,883,000 shares held by SIHL for the purpose of the SFO.

On the basis that (1) both the issued share capital of the Company and the shareholding interest remain unchanged immediately prior to the full exercise of the Buyback Mandate; and (2) the number of Shares held by SIHL and SIIC remain unchanged before and after the full exercise of the Buyback Mandate, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the 2012 AGM, the shareholding interest of SIHL and SIIC in the issued Shares would be increased to approximately 78.88% of the total issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer under Takeovers Code. In any event, the Directors do not intend to exercise the Buyback Mandate to an extent or which will reduce the aggregate amount of the share capital of the Company in public hands below 25% of the issued share capital of the Company, being the minimum public float requirement of the Stock Exchange.

## **6.      UNDERTAKING**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Buyback Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

**7.    MARKET PRICES OF SHARES**

During each of the previous 12 months, the highest and lowest prices at which the Shares were traded on Stock Exchange preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Traded Prices</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2011</b>		
April	3.26	2.65
May	2.77	2.46
June	2.56	2.17
July	2.50	1.97
August	2.13	1.29
September	1.72	1.15
October	1.55	0.95
November	1.73	1.39
December	1.61	1.28
<b>2012</b>		
January	1.63	1.30
February	2.05	1.57
March	1.69	1.41
April (up to the Latest Practicable Date)	1.47	1.40

**8.    REPURCHASES OF SHARES MADE BY THE COMPANY**

No repurchase of Shares has been made by the Company during the previous six months immediately preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

<b>APPENDIX II    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2012 AGM</b>
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Pursuant to the Listing Rules, details of the Directors who will retire and stand for re-election at the 2012 AGM according to the Bye-laws are provided below.

**(1) Mr. Ni Jianda (“Mr. Ni”)**

*Position and Experience*

Mr. Ni, aged 48, is an executive Director and the president of the Company and was appointed on 5 July 2010. He is a member of nomination committee of the Company. He is a deputy chief executive officer of Shanghai Industrial Holdings Limited (Stock Code: 363). He has been a director of 上海城開(集團)有限公司 (Shanghai Urban Development (Holdings) Co., Ltd.) (“Shanghai Urban Development”) since 18 July 2007. He is also the president of Shanghai Urban Development. He graduated from Shanghai University, and La Trobe University of Australia with a master’s degree in business administration in 1997. Mr. Ni was the general manager of Shanghai Xuhui Real Estate Management Co., Ltd., a deputy general manager of Shanghai Urban Development and the general manager of the real estate department of China Huayuan Group Ltd. (which is primarily in the business of property development textile, financial services and pharmaceuticals) from October 1997 to July 1998. He has more than 20 years of professional experience in real estate development and general management. Mr. Ni was elected a member of the Shanghai Municipal People’s Congress in 2003, and honoured as one of the 25 Chinese Entrepreneurs with Most Reforming Ideas, among the Top Ten Persons of the Year elected by the 2006 China International Real Estate and Architech Fair, one of the 2007 Boao Forum-Most Influential Persons in China’s Real Estate Industry in 20 Years and one of the Top Ten Entrepreneurs in the Shanghai Real Estate Sector in 18 Years in 2005. He was a vice chairman of Shanghai Youth Federation and is currently the chairman of Shanghai Young Entrepreneurs Association and a vice chairman of the Shanghai Real Estate Association.

Save as disclosed above, Mr. Ni has not held any other directorships in public companies the securities of which are listed in Hong Kong or overseas in the last three years.

*Length of service*

Mr. Ni has been appointed for a term of 3 years and is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

*Relationships*

Save as disclosed above, Mr. Ni does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

<b>APPENDIX II    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2012 AGM</b>
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*Interests in Shares*

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Ni held 8,000,000 share options granted by the Company under the share option scheme adopted on 12 December 2002, which entitle him to subscribe for 8,000,000 Shares. Save as disclosed above, Mr. Ni is not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

*Director's emoluments*

There is a service contract entered into between Mr. Ni and the Company. Mr. Ni is entitled to a director fee of HK\$225,000 per month and a discretionary bonus which is determined by the Remuneration Committee and the Board by reference to his responsibilities and performance and the prevailing market conditions.

**(2) Mr. Yang Biao ("Mr. Yang")**

*Position and Experience*

Mr. Yang, aged 48, is an executive Director of the Company and was appointed on 5 July 2010. He is based in the Group's office in Shanghai. Mr. Yang is responsible for overseeing various property development projects of the Group. He takes part in the management's project selection process, project positioning and planning and setting sales and marketing strategies for individual projects. Further, Mr. Yang oversees the execution of the Group's projects and ensures that the development progress of the projects is carried out in accordance with the approved plans. He is also responsible for public relations (including maintaining relationship with various government authorities) in his day-to-day management of the Group. He is the legal representative of a number of the Group's project companies, including 成都中新錦泰房地產開發有限公司 (Chengdu Zhongxin Jintai Real Estate Development Co., Ltd.) and 重慶中華企業房地產發展有限公司 (Chongqing Chinese Enterprises Real Estate Development Co., Ltd.), and a director of 湖南淺水灣湘雅溫泉花園有限公司 (Hunan Qianshuiwan Xiangya Garden Co., Ltd.). Mr. Yang has been a director of 上海城開(集團)有限公司 (Shanghai Urban Development (Holdings) Co., Ltd.) ("Shanghai Urban Development") since 18 July 2007. He is also the vice-chairman of Shanghai Urban Development. Since he joined Shanghai Urban Development, he has participated in the development of various projects, such as Urban Cradle, Ivy Aroma Town and Toscana. He was also a director of SUD Chongqing Depu and Changsha Chengpu in 2008. Mr. Yang taught at Shanghai Normal University from July 1986 to March 2000. He was a deputy director of the Audit Bureau of Xuhui District in Shanghai from March 2000 to September 2005 and a director of the Xuhui District State-owned Assets Administrative Committee with primary responsibilities in the decision making and operation of its property investment from September 2005 to June 2010. He also participated in the decision making and operation of other property development project companies under the Xuhui District State-owned Assets Administrative Committee, including 上海匯城集

<b>APPENDIX II    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2012 AGM</b>
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團 (Shanghai Huicheng Group) and 上海徐房(集團)有限公司 (Shanghai Xufang (Group) Co., Ltd.) in 2006. He was the deputy municipal secretary of the Xinjiang Aksu from July 2002 to July 2005. He has over five years of experience in real estate and he also has extensive experience in general management and finance and accounting. He is a qualified auditor.

Save as disclosed above, Mr. Yang has not held any other directorships in public companies the securities of which are listed in Hong Kong or overseas in the last three years.

*Length of service*

Mr. Yang has been appointed for a term of 3 years and is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

*Relationships*

As far as the Directors are aware, Mr. Yang does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

*Interests in Shares*

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Yang held 7,000,000 share options granted by the Company under the share option scheme adopted on 12 December 2002, which entitle him to subscribe for 7,000,000 Shares. Save as disclosed above, Mr. Yang is not interested or deemed to be interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO.

*Director's emoluments*

There is a service contract entered into between Mr. Yang and the Company. Mr. Yang is entitled to a director fee of HK\$187,500 per month and a discretionary bonus which is determined by the Remuneration Committee and the Board by reference to his responsibilities and performance and the prevailing market conditions.

**(3) Mr. Chen Anmin (“Mr. Chen”)**

*Position and Experience*

Mr. Chen, aged 61, is an executive Director and was appointed on 5 July 2010. He is also the executive vice president of the Group. He is mainly responsible for the Group's overall financial and auditing affairs, including the Group's financial reporting, budgeting, financial planning and financial compliance. Mr. Chen has been a director of 上海城開(集團)有限公司 (Shanghai Urban Development (Holdings) Co., Ltd.) (“Shanghai Urban Development”) since 18 July 2007 and he is an executive vice president of Shanghai

<p style="text-align: center;"><b>APPENDIX II    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2012 AGM</b></p>
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Urban Development. He is a director of China Haisum Engineering Co., Ltd. (a company listed in the Shenzhen Stock Exchange with a stock code of 2116). He was the vice general manager of Shanghai Cement Group and a director of Ningbo Fubang Precision Industry Group Stock Co., Ltd. (a company listed on the Shanghai Stock Exchange with a stock code of 600768). He was also the factory director of Shanghai Yaohua Glass Factory. He has over 30 years of experience in the construction and property development industry.

Save as disclosed above, Mr. Chen has not held any other directorships in public companies the securities of which are listed in Hong Kong or overseas in the last three years.

*Length of service*

Mr. Chen has been appointed for a term of 3 years and is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

*Relationships*

As far as the Directors are aware, Mr. Chen does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

*Interests in Shares*

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Chen held 7,000,000 share options granted by the Company under the share option scheme adopted on 12 December 2002, which entitles him to subscribe for 7,000,000 Shares. Save as disclosed above, Mr. Chen is not interested or deemed to be interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO.

*Director's emoluments*

There is a service contract entered into between Mr. Chen and the Company. Mr. Chen is entitled to a director fee of HK\$187,500 per month and a discretionary bonus which is determined by the Remuneration Committee and the Board by reference to his responsibilities and performance and the prevailing market conditions.

<b>APPENDIX II    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2012 AGM</b>
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**(4) Mr. Fan Ren Da, Anthony (“Mr. Fan”)**

*Position and Experience*

Mr. Fan, aged 51, joined in 5 July 2010 as an independent non-executive director of the Company. He is the member of all of the audit committee, remuneration committee and nomination committee of the Company; and also the chairman of investment appraisal committee of the Company. He has over three years of experience in the property industry. Mr. Fan holds a Master’s Degree in Business Administration from the United States of America. He is the chairman and managing director of Asia Link Capital Limited. He is also an independent non-executive director of Technovator International Limited (Stock Code: 1206), Raymond Industrial Limited (Stock Code: 229), Uni-President China Holdings Ltd. (Stock Code: 220), Renhe Commercial Holdings Company Limited (Stock Code: 1387), Tenfu (Cayman) Holdings Company Limited (Stock Code: 6868), Citic Resources Limited (Stock Code: 1205), Guodian Technology & Environment Group Corporation Limited (Stock Code: 1296) and Hong Kong Resources Holdings Company Limited (Stock Code: 2882), all listed on the Main Board of the Stock Exchange. Mr. Fan is also the independent non-executive director of Shenzhen World Union Properties Consultancy Co., Ltd. (Stock Code: 2285) listed on the Shenzhen Stock Exchange. In June 2011, he resigned as an independent non-executive director of Chinney Alliance Group Limited (Stock Code: 385) listed on the Main Board of the Stock Exchange.

Save as disclosed above, Mr. Fan has not held any other directorships in public companies the securities of which are listed in Hong Kong or overseas in the last three years.

*Length of service*

Mr. Fan has been appointed for a term of 3 years and is subject to retirement and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

*Relationships*

As far as the Directors are aware, Mr. Fan does not have any relationships with any other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

<b>APPENDIX II    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2012 AGM</b>
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*Interests in Shares*

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Fan held 1,000,000 share options granted by the Company under the share option scheme adopted on 12 December 2002, which entitle him to subscribe for 1,000,000 Shares. Save as disclosed above, Mr. Fan is not interested or deemed to be interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO.

*Director's emoluments*

There is a service contract entered into between Mr. Fan and the Company. Mr. Fan is entitled to an annual director fee of HK\$380,000, which is determined by the Remuneration Committee and the Board by reference to his responsibilities and performance and the prevailing market conditions.

Save as disclosed, there is no information which is discloseable nor are/were Mr. Ni, Mr. Yang, Mr. Chen and Mr. Fan involved in any of the matters required to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Ni, Mr. Yang, Mr. Chen and Mr. Fan that need to be brought to the attention of the Shareholders.

## NOTICE OF THE 2012 AGM



# 上海實業城市開發集團有限公司 SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

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

## NOTICE OF THE 2012 AGM

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Shanghai Industrial Urban Development Group Limited (the “Company”) will be held at Salon 2 & 3, JW Marriott Ballroom (Level 3), JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 18 May 2012, Friday at 11:30 a.m. for the following purposes:

1. To consider and receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditors of the Company for the year ended 31 December 2011;
2. To re-elect directors of the Company (the “Directors”) and to authorise the board of directors of the Company (the “Board”) to fix the Directors’ remuneration;
3. To re-appoint auditors and to authorise the Board to fix their remuneration;
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until which ever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in general meetings; and

## NOTICE OF THE 2012 AGM

(iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held.”;

5. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) any issue of shares of the Company on the exercise of the outstanding subscription rights or conversion rights attaching to any securities which are convertible into shares of the Company from time to time;
  - (iii) the exercise of options granted under a share option scheme of the Company; and
  - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and this approval shall be limited accordingly; and

## NOTICE OF THE 2012 AGM

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until which ever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by an ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws to be held; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”;

6. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of resolutions set out in items 4 and 5 of the notice convening this meeting (the “Notice”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate nominal amount of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the Shares in the capital of the Company repurchased by the Company pursuant to the mandate referred to in the resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”;

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7. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“THAT the Bye-laws of the Company be and are hereby amended in the following manner:

**(a) Bye-law 1**

By altering the definition of “Company” in Bye-law 1 as follows:

“Shanghai Industrial Urban Development Group Limited 上海實業城市開發集團有限公司.”.

**(b) Bye-law 2**

(i) By deleting “.” at the end of the existing Bye-law 2(j) and replacing it with “;”.

(ii) By adding the following new Bye-law 2(k) after the existing Bye-law 2(j):

“2. (k) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”.

**(c) Bye-law 3**

(i) By deleting the existing Bye-law 3(1) in its entirety and substituting therefor the following:

“3. (1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of \$0.04 each.”.

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- (ii) By deleting the existing Bye-law 3(3) in its entirety and substituting therefor the following:

“3. (3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.”.

**(d) Bye-law 10**

By inserting the word “and” after the semi-colon in the last line of the existing Bye-law 10(a).

**(e) Bye-law 44**

By deleting the first sentence of the existing Bye-law 44 and substituting therefor the following:

“The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon on every business day by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act.”.

**(f) Bye-law 45**

By inserting the word “and” after the semi-colon in the last line of the existing Bye-law 45(a).

**(g) Bye-law 46**

By deleting the existing Bye-law 46 in its entirety and substituting therefor the following:

“46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the rules of the Designated Stock Exchange or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.”.

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### (h) Bye-law 66

By deleting the existing Bye-law 66 in its entirety and substituting therefor the following:

- “66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one representative is appointed by a Member which is a clearing house (or its nominee), each such representative shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.
- (2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

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- (b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.

- (3) Where the Company has knowledge that any Member is, under the rules of the Designated Stock Exchange, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.”.

**(i) Bye-law 67**

By deleting the existing Bye-law 67 in its entirety and substituting therefor the following as new Bye-law 67:

“67. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”.

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**(j) Bye-law 68**

By deleting the existing Bye-law 68 in its entirety and replacing it with the words "Intentionally deleted".

**(k) Bye-law 84**

By inserting the words "including, where a show of hands is allowed, the right to vote individually on a show of hands" after the word "authorisation" in the last line of the existing Bye-law 84(2).

**(l) Bye-law 86**

(i) By deleting the existing Bye-law 86(1) in its entirety and replacing therefor the following:

"86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 87 or at any special general meeting called for such purpose and who shall hold office for such term as the Members may determine or, in the absence of such determination, in accordance with Bye-law 87 or until their successors are elected or appointed or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting."

(ii) By deleting the existing Bye-law 86(2) in its entirety and replacing therefor the following:

"86. (2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members

## NOTICE OF THE 2012 AGM

after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.”.

### **(m) Bye-law 87**

By deleting the existing Bye-law 87 in its entirety and replacing therefor the following:

- “87. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term but excluding those holding the office of chairman and/or managing director) shall be subject to retirement by rotation at least once every three years. Every Director holding the office of chairman or managing director shall be subject to re-election at least once every three years.
- (2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.”.

### **(n) Bye-law 103**

- (i) By inserting the word “or” at the end of the existing Bye-law 103(1)(iv).
- (ii) By deleting the existing Bye-laws 103(1)(v), 103(2) and 103(3) in their entirety and replacing each of them with the words “Intentionally deleted”.

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(iii) By inserting the words “or arrangement” after the words “any proposal” in the 1st line of the existing Bye-law 103(1)(vi).

**(o) Bye-law 127**

(i) By deleting the existing Bye-law 127(1) in its entirety and substituting therefor the following:

“127. (1) The officers of the Company shall consist of the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Act and, subject to Bye-law 132(4), these Bye-laws.”.

(ii) By deleting the existing Bye-law 127(2) in its entirety and substituting therefor the words “Intentionally deleted”.

**(p) Bye-law 129**

By deleting the existing Bye-law 129 in its entirety and substituting therefor the words “Intentionally deleted”.

**(q) Bye-law 133**

By deleting the word “Minutes” after the words “The Board shall cause” in the 1st line of the existing Bye-law 133(1) and replacing with the word “minutes”.

**(r) Bye-law 138**

By deleting the existing Bye-law 138 in its entirety and substituting therefor the following:

“138. No dividend shall be paid or distribution made out of contributed surplus if to do so would render the Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.”.

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(s) **Bye-law 153**

By deleting the existing Bye-law 153 in its entirety and substituting therefor the following:

“153. Subject to Section 88 of the Act and Bye-law 153A, a printed copy of the Directors’ report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors’ report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the annual general meeting and at the same time as the notice of annual general meeting and laid before the Company at the annual general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.”.

(t) **Bye-law 155**

By inserting “,” after the word “Act” in the 1st line of the existing Bye-law 155.”; and

8. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT** subject to the passing of special resolution no. 7 as set out in the notice convening this meeting, a new set of Bye-laws which consolidates all of the proposed amendments referred to in resolution no. 7 and all previous amendments made pursuant to the resolution passed by shareholders of the Company at the general meeting held on 10 September 2009, a copy of which has been tabled at the meeting marked “**A**” and signed by the chairman of this meeting for identification purpose, be and is hereby adopted as the new Bye-laws of the Company in substitution for and to the exclusion of the existing Bye-laws of the Company with immediate effect.”.

By Order of the Board  
**Shanghai Industrial Urban Development Group Limited**  
**Cai Yu Tian**  
*Chairman*

Hong Kong, 16 April 2012

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*Notes:*

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the Register of members of the Company.
3. To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In relation to the ordinary resolutions set out in items 4, 5 and 6 of the above notice, the Directors wish to state that they have no immediate plan to repurchase any existing shares or issue any new shares of the Company.
5. The votes to be taken at the meeting for the resolutions will be by way of poll.