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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)

**RESIGNATION OF EXECUTIVE DIRECTORS
AND
APPOINTMENT OF EXECUTIVE DIRECTORS**

The Board hereby announces the following changes to the Board:

- (1) each of Mr. Zhou Jun and Mr. Yang Biao has tendered his resignation as an executive director of the Company with effect from 30 June 2017 due to their own business and other commitments;
- (2) each of Mr. Lou Jun, Mr. Fei Zuoxiang and Mr. Zhong Tao has been appointed as an executive director of the Company with effect from 30 June 2017. Each of Mr. Lou Jun, Mr. Fei Zuoxiang and Mr. Zhong Tao shall hold office as an executive director of the Company until the next general meeting of the Company after appointment, at which ordinary resolutions will be proposed to seek shareholders' approval to the proposed election of each of them as executive Director. A circular containing details of the New Directors, among other things, will be despatched to the shareholders in due course; and
- (3) the Company is identifying a suitable candidate to fill an additional vacancy of the INED with a view to fulfilling the minimum required number of INED under the Listing Rules as soon as practicable within three months from 30 June 2017 pursuant to Rule 3.11 of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Shanghai Industrial Urban Development Group Limited (the “**Company**”) hereby announces the following changes to the Board.

RESIGNATION OF EXECUTIVE DIRECTORS

The Board hereby announces that each of Mr. Zhou Jun (“**Mr. Zhou**”) and Mr. Yang Biao (“**Mr. Yang**”) has tendered his resignation as an executive director of the Company with effect from 30 June 2017 due to their own business and other commitments. Each of Mr. Zhou and Mr. Yang will resign from directorship and executive positions from all other subsidiaries of the Company. Each of Mr. Zhou and Mr. Yang has confirmed that he has no disagreement with the Board and there is no matter relating to their resignation that should be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to express its sincere appreciation for the valuable contributions of Mr. Zhou and Mr. Yang towards the Company during their tenure of service.

APPOINTMENT OF EXECUTIVE DIRECTORS

The Board is pleased to announce that each of Mr. Lou Jun (“**Mr. Lou**”), Mr. Fei Zuoxiang (“**Mr. Fei**”) and Mr. Zhong Tao (“**Mr. Zhong**”) has been appointed as an executive director of the Company with effect from 30 June 2017.

The Board would like to take this opportunity to express its warm welcome to all the newly appointed directors (the “**New Directors**”) to the Board.

The biographical details of the New Directors are set out below:

(1) Biographical details of Mr. Lou

Mr. Lou, aged 45, is a director, chief representative of the Shanghai representative office, general manager of the board office and general manager of the executive office of Shanghai Industrial Investment (Holdings) Company Limited. He obtained a bachelor’s degree in law and graduated from the Youth Work Department of the China Youth University of Political Studies, majoring in political education. In 2008, he acted as deputy director of the general office of the Foreign Affairs Office of the Shanghai Municipal People’s Government (Hong Kong and Macao Affairs Office of the Shanghai Municipal People’s Government) and was seconded to the Standing Committee Office of Shanghai Municipal People’s Congress as the leading secretary of the standing committee. He previously acted as the leading secretary of the Standing Committee of Shanghai Municipal People’s Congress and director of the general supervision department of the Standing Committee Office of Shanghai Municipal People’s Congress.

As at the date of this announcement, Mr. Lou has entered into the service contract with the Company pursuant to which he was appointed as an executive Director for a term of three years with effect from 30 June 2017, subject to retirement by rotation in accordance with the articles of association of the Company (the “**Articles**”). Mr. Lou will not receive any director’s fee from the Company under the relevant service contract but is entitled to a discretionary bonus under the relevant service contract and additional fees will be paid to Mr. Lou for serving on other Board committees, if any, the amount of which will be determined by the remuneration committee of the Company (the “**Remuneration Committee**”) and the Board. The amount of the discretionary bonus and additional fees will be determined with reference to his duties, responsibilities and performance to the Company, the Company’s remuneration policy and the prevailing market situation.

Save as disclosed above, Mr. Lou is not related to any director, senior management, substantial or controlling shareholder of the Company. Mr. Lou has not held any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years and has not held any other positions with the Company and other subsidiaries of the Company at any time.

As at the date of this announcement, Mr. Lou does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Save as disclosed above, there are no other matters concerning the appointment of Mr. Lou as an executive Director that need to be brought to the attention of the shareholders of the Company and there is no information relating to Mr. Lou that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

(2) Biographical details of Mr. Fei

Mr. Fei, aged 52, is the vice chairman of Shanghai Urban Development (Holdings) Co., Ltd. He graduated from Shanghai Second Light Industry School, majoring in financial accounting for industrial enterprises, and is a senior accountant. He was previously an accountant of the Shanghai Pujiang Metalwork Factory (上海浦江金屬品廠), cadre of the Xuhui District Audit Bureau, head of the general business division of the Xuhui District Audit Bureau and director of the Xuhui District Finance Bureau.

As at the date of this announcement, Mr. Fei has entered into the service contract with the Company pursuant to which he was appointed as an executive Director for a term of three years with effect from 30 June 2017, subject to retirement by rotation in accordance with the Articles. Mr. Fei is entitled to a director’s fee of RMB131,692 per month and a discretionary bonus under the relevant service contract and additional fees will be paid to Mr. Fei for serving on other Board committees, if any, the amount of which will be determined by the Remuneration Committee and the Board. The amount of director’s fee, the discretionary bonus and additional fees will be determined with reference to his duties, responsibilities and performance to the Company, the Company’s remuneration policy and the prevailing market situation.

Save as disclosed above, Mr. Fei is not related to any director, senior management, substantial or controlling shareholder of the Company. Mr. Fei has not held any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years and has not held any other positions with the Company and other subsidiaries of the Company at any time.

As at the date of this announcement, Mr. Fei does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning the appointment of Mr. Fei as an executive Director that need to be brought to the attention of the shareholders of the Company and there is no information relating to Mr. Fei that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

(3) Biographical details of Mr. Zhong

Mr. Zhong, aged 45, is the vice president of the Company. He obtained a master's degree in business management from Shanghai Fudan University in 1998. He was a project manager of Shanghai Industrial Real Property Group (Shanghai) Company Limited, an assistant to the general manager of Shanghai Xinghe Digital Investment Company Limited, and the chief planning officer of Shanghai Industrial Management (Shanghai) Company Limited prior to his employment with the Company. He is also currently a director and vice president of Shanghai Urban Development (Holdings) Co., Ltd., and the chairman of each of the intercity companies in Beijing, Tianjin and Shenyang.

As at the date of this announcement, Mr. Zhong has entered into the service contract with the Company pursuant to which he was appointed as an executive Director for a term of three years with effect from 30 June 2017, subject to retirement by rotation in accordance with the Articles. Mr. Zhong is entitled to a director's fee of HK\$150,000 per month and a discretionary bonus under the relevant service contract and additional fees will be paid to Mr. Zhong for serving on other Board committees, if any, the amount of which will be determined by the Remuneration Committee and the Board. The amount of director's fee, the discretionary bonus and additional fees will be determined with reference to his duties, responsibilities and performance to the Company, the Company's remuneration policy and the prevailing market situation.

Save as disclosed above, Mr. Zhong is not related to any director, senior management, substantial or controlling shareholder of the Company. Mr. Zhong has not held any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years and has not held any other positions with the Company and other subsidiaries of the Company at any time.

As at the date of this announcement, apart from the 6,000,000 share options involving the Company's shares granted to Mr. Zhong by the Company, Mr. Zhong does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters concerning the appointment of Mr. Zhong as an executive Director that need to be brought to the attention of the shareholders of the Company and there is no information relating to Mr. Zhong that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Each of Mr. Lou, Mr. Fei and Mr. Zhong shall hold office as executive director of the Company until the next general meeting of the Company after appointment, at which ordinary resolutions will be proposed to seek shareholders' approval to the proposed election of each of them as executive Director. A circular containing details of the New Directors, among other things, will be despatched to the shareholders in due course.

LISTING RULES REQUIREMENT

Following the change of directors as mentioned above, the number of independent non-executive directors (the “**INED**”) of the Company falls below the minimum number required under Rule 3.10A of the Listing Rules. The Company is identifying a suitable candidate to fill an additional vacancy of the INED with a view to fulfilling the minimum required number of INED under the Listing Rules as soon as practicable within three months from 30 June 2017 pursuant to Rule 3.11 of the Listing Rules. Further announcement will be made by the Company in relation to such appointment as and where appropriate.

By order of the Board of
Shanghai Industrial Urban Development Group Limited
Ji Gang
Chairman

Hong Kong, 30 June 2017

As at the date of this announcement, the Board comprises Mr. Ji Gang, Mr. Lou Jun, Mr. Yang Jianwei, Mr. Fei Zuoxiang, Mr. Ye Weiqi, Ms. Huang Fei and Mr. Zhong Tao as executive Directors and Mr. Doo Wai-Hoi, William, J.P., Mr. Fan Ren Da, Anthony and Mr. Li Ka Fai, David as independent non-executive Directors.