SHANGHAI MERCHANTS HOLDINGS LIMITED
上海商貿控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1104)

NOTICE OF ANNUAL GENERAL MEETING 2003

REFERENCE is made to the Notice of the Special General Meeting of the Company made on 16 August 2004 and published in the local newspapers wherein it was stated that the 2003 Annual General Meeting which was convened and held on 18 June 2003 had been adjourned sine die. The Board wish to draw your attention that the aforesaid 2003 Annual General Meeting was not adjourned sine die but was dissolved due to a lack of quorum. Accordingly, the directors of the Company propose to convene the 2003 Annual General Meeting by serving the following notice which shall supersede the aforementioned Notice of Special General Meeting.

NOTICE IS HEREBY GIVEN that the Annual General Meeting 2003 of Shanghai Merchants Holdings Limited ("**the Company**") will be held at Chater Room 1, B/3, Regal Hongkong Hotel of 88 Yee Wo Street, Causeway Bay, Hong Kong on 22 September 2004 at 10:30 a.m. for the following purposes:–

To receive and consider the audited financial statements and reports of the directors and auditors of the Company for the period ended 31 December 2002 as contained in the Annual Report 2002 of the Company despatched to its shareholders and dated 7 April 2003.

By order of the board of Directors
Yue Jialin
Chairman

Hong Kong, 27 August 2004

Notes:

(1) A shareholder entitled to attend and vote at the above meeting may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a shareholder of the Company.

(2) Where there are joint registered holders of any share of the Company ("**the Share**"), any one such persons may vote at the meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons to present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.

(3) In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Company's Hong Kong branch share registrar, Secretaries Limited at 28th Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.

(4) Completion and delivery of the form of proxy will not preclude shareholders from attending and voting at the meeting convened, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

* *For identification purpose only*