Shanghai Merchants Holdings Limited

上海商貿控股有限公司*

(incorporated in the Bermuda with limited liability)

Stock code: 1104

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board of directors (the "Board") of Shanghai Merchants Holdings Limited (the "Company") is pleased to announce that Mr. Michael Joseph Bogue ("Mr. Bogue") has been appointed as an independent non-executive director ("INED"), member of the audit committee and remuneration committee of the Company with effect from 25 September 2006.

Mr. Bogue

Mr. Bogue, aged 35, who holds a Bachelor of Commerce degree from the University of Western Australia, has a diverse and successful background in senior executive roles related to the global resources sector. Over the last 14 years he has undertaken numerous mergers and acquisitions, equity and debt capital markets issuances and derivatives transactions across the global resources sector. Previous executive positions have included roles within a global investment bank as Co-Head of Mining & Metals for Asia Pacific, a senior Business Development and Finance role within a top tier Australian resources house and as principal of a boutique investment and advisory firm specializing in the resources sector. Since September 2006, Mr. Bogue is appointed the Managing Director and Chief Executive Officer of RIMCapital Limited, a company listed on the Australian Stock Exchange.

Mr. Bogue brings to the Company strong commercial, company management, investment evaluation and transaction execution experience which the Board believes will be important in its aspirations to create a significant investment company primarily focused on the global resources and related sectors.

Pursuant to the service contract with the Company, Mr. Bogue has been appointed for a specific term and shall continue until 30 June 2007, but subject to the relevant provisions of retirement and re-election at the annual general meetings in accordance with the bye-laws of the Company. He will hold office only until the next following annual general meeting of the Company and then be eligible for re-election at such meeting. Mr. Bogue's remuneration is fixed at HK$40,000 per annum as per his service contract, which commensurate with his duties and responsibilities as INED and the prevailing market situation.

Mr. Bogue had not previously held and is not, until his appointment as INED, holding any position with the Company and/or its subsidiaries. He is independent of the directors, senior management, substantial or controlling shareholders of the Company for the purpose of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Mr. Bogue does not have any interests in shares or convertible securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as at the date hereof.

The Board is not aware of any other matters or information that need to be brought to the attention of the shareholders of the Company or to be disclosed pursuant to Rule 13.51(2)(a) to (v) in relation to the aforesaid appointment.

The Board would like to express its warm welcome to Mr. Bogue on his joining the Board.

By Order of the Board
Shanghai Merchants Holdings Limited
Yue Jialin
Chairman

Hong Kong, 25 September 2006

As at the date of this announcement, the Board comprises (after the appointment of Mr. Bogue) two executive directors, namely Mr. Yue Jialin (Chairman) and Mr. Lau Yau Cheung (Chief Executive Officer) and four independent non-executive directors namely Mr. Wong Wing Kuen, Albert, Mr. Tsui Robert Che Kwong, Mr. Yang Weiming and Mr. Michael Joseph Bogue.

* *for identification purpose only*

Please also refer to the published version of this announcement in The Standard.