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

If you have sold or transferred all your securities in SHK Hong Kong Industries Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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SHK 新工投資有限公司
Hong Kong Industries Limited

(Incorporated in Hong Kong with limited liability)

(Stock code: 666)

(Warrant code: 534)

Executive Directors:

Warren Lee Wa Lun
Mark Wong Tai Chun

Non-executive Directors:

Arthur George Dew
Peter Lee Yip Wah

Independent Non-executive Directors:

Ambrose So Shu Fai
Albert Ho
Louie Chun Kit

Registered Office:

Room 1801, 18th Floor,
Allied Kajima Building,
138 Gloucester Road,
Wanchai, Hong Kong

8 March 2011

*To the warrant holders and, for information only,
shareholders of the Company*

Dear Sir or Madam,

EXPIRY OF WARRANTS (WARRANT CODE: 534)

The board of directors of SHK Hong Kong Industries Limited (“Company”) wishes to remind holders of the existing outstanding warrants of the Company (warrant code: 534) (“Warrants”) that in accordance with the terms and conditions of the instrument constituting the Warrants dated 23 April 2009 (“Instrument”), the subscription rights attaching to the Warrants will expire at the close of business on Thursday, 21 April 2011 (being the business day immediately preceding the last day of the subscription period of which 22 April 2011 is a public holiday). Each Warrant entitles the holder thereof to subscribe for new share of HK\$0.10 each (“Share”) in the capital of the Company at the initial subscription price of HK\$0.10 per Share until the close of business on Thursday, 21 April 2011 (being the business day immediately preceding the last day of the subscription period of which 22 April 2011 is a public holiday). Any subscription rights attaching to the Warrants which have not been exercised by the close of business on Thursday, 21 April 2011 will lapse and the Warrant certificates will cease to be valid for any purpose.

In respect of the expiry of the Warrants, the Company has made the following arrangements regarding dealings in, transfers of and exercise of the subscription rights attaching to the Warrants:

1. **The last trading day of the Warrants on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) will be fixed on Monday, 18 April 2011** and trading of the Warrants on the Stock Exchange will cease after 4:00 p.m. on Monday, 18 April 2011. **The listing of the Warrants will be withdrawn from the Stock Exchange after close of business of the Stock Exchange at 4:00 p.m. on Thursday, 21 April 2011.**
2. **Registered holders of the Warrants who wish to exercise the subscription rights attaching to the Warrants must lodge with the share registrar of the Company, Tricor Secretaries Limited (“Registrar”) at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, the followings by not later than the close of business at 4:30 p.m. on Thursday, 21 April 2011:**
 - (a) the relevant certificate(s) of the Warrants;
 - (b) the duly completed and signed subscription form(s); and
 - (c) remittances for the relevant subscription moneys.
3. **Holders of the Warrants who have not registered their holdings in such Warrants in their own names and wish to exercise the subscription rights attaching thereto must lodge with the Registrar at the above-mentioned address the followings by not later than the close of business at 4:30 p.m. on Thursday, 21 April 2011:**
 - (a) the relevant duly executed and stamped instrument(s) of transfer and/or other document(s) of title;
 - (b) the relevant certificate(s) of the Warrants;
 - (c) the duly completed and signed subscription form(s); and
 - (d) remittances for the relevant subscription moneys.

Subscription forms lodged with the Registrar later than 4:30 p.m. on Thursday, 21 April 2011 will not be regarded as valid and will not be accepted. Under the terms of the Instrument, new Shares will be allotted and issued not later than 21 days after the date of exercise of the subscription rights attaching to the Warrants.

The closing prices of the Shares and the Warrants as quoted on the Stock Exchange on 3 March 2011 (being the latest practicable date prior to the printing of this circular) were HK\$0.320 per Share and HK\$0.235 per unit of Warrant respectively. Shares to be issued pursuant to the exercise of the subscription rights attaching to the Warrants will, when issued, rank pari passu in all respects with the then existing issued Shares.

Application has been made to the Stock Exchange for the withdrawal of listing of the Warrants with effect from close of business of the Stock Exchange on Thursday, 21 April 2011.

Holders of the Warrants who are in doubt as to your position or as to the actions to be taken should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser. If holders of the Warrants have any query on the exercise of the subscription rights of Warrants, please contact the Registrar at Tel: 2980 1333.

Yours faithfully,
By order of the Board of
SHK Hong Kong Industries Limited
Warren Lee Wa Lun
Chairman