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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)

TERMINATION OF PLACING OF SHARES BY CONTROLLING SHAREHOLDER

Reference is made to the announcements of SHK Hong Kong Industries Limited (the “Company”) dated 10th December, 2010, 25th January, 2011 and 24th February, 2011 (the “Announcements”) in relation to the proposed disposal of shares of the Company by the controlling shareholder of the Company, Allied Group Limited through its indirect wholly-owned subsidiary, Bright Clear Limited (“Bright Clear”) as vendor. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

We have been informed by Bright Clear that in view of the current unstable situation in both Japan and North Africa, the Placee requested to enter into a termination agreement (the “Termination Agreement”) on 24th March, 2011 whereby the parties have agreed to terminate *ab initio* the Agreement as varied by two supplemental agreements dated 25th January, 2011 and 24th February, 2011 (collectively “Principal Agreement”). Pursuant to the Termination Agreement the parties will mutually release each other from any liabilities including pursuit of liquidated damages by Bright Clear pursuant to the Agreement and any deposit paid will be returned to the Placee.

By order of the Board
SHK HONG KONG INDUSTRIES LIMITED
Lee Wa Lun, Warren
Chairman

Hong Kong, 24th March, 2011

As at the date of this announcement, the composition of the Board is as follows: Mr. Warren Lee Wa Lun (Chairman) and Mr. Mark Wong Tai Chun are Executive Directors; Mr. Arthur George Dew and Mr. Peter Lee Yip Wah are Non-executive Directors; and Mr. Ambrose So Shu Fai, Mr. Albert Ho and Mr. Louie Chun Kit are Independent Non-executive Directors.