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SHELL ELECTRIC MFG. (HOLDINGS) COMPANY LIMITED

蜆壳電器工業（集團）有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00081)

CLARIFICATION ANNOUNCEMENT

The Board wishes to clarify the information contained in the announcement dated 15 November 2007 in relation to the shareholding held by Madam YUNG HO Wun Ching.

Reference is made to the announcement issued by Shell Electric Mfg. (Holdings) Company Limited (the “Company”) dated 15 November 2007 (the “Announcement”) in relation to discloseable and connected transaction with regard to the acquisition of 42% registered capital in 廣州市光大花園房地產開發有限公司 (Guangzhou Everbright Gardens Real Estate Development Co. Limited*). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

The Company wishes to clarify that the number of Shares held by Madam YUNG HO Wun Ching as stated in the Announcement should be 53,196,300 Shares, instead of 63,196,300 Shares, representing 10.12%, instead of 12.03% of the existing issued share capital of the Company. Consequently, the written approval of the Acquisition from the members of the Yung’s family who have no interest in the Acquisition other than their interests as Shareholders should be based on a holding in aggregate of 302,918,384 Shares, instead of 312,918,384 Shares, representing approximately 57.65%, instead of 59.55% of the existing issued share capital of the Company.

For the avoidance of doubt, the Company has obtained the written approval of the Acquisition from members of the Yung’s family and will still apply to the Stock Exchange for a waiver pursuant to Rule 14A.43 of the Listing Rules under which written Independent Shareholders’ approval may be accepted in lieu of holding a general meeting.

By Order of the Board

Billy K Yung

Group Chairman and Chief Executive

Hong Kong, 20 November 2007

As at the date of this announcement, the Board comprises nine Directors, of which four are executive Directors, namely Mr. Billy K YUNG, Madam YUNG HO Wun Ching, Mr. LEUNG Chun Wah and Mr. Eddie HURIP, one non-executive Director being Mr. Simon YUNG Kwok Choi and four independent non-executive Directors, namely Dr. Leo Tung-Hai LEE, Mr. Shiu-Kit NGAI, Mr. Peter WONG Chung On and Mr. Peter LAM.