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SHANGHAI LAND HOLDINGS LIMITED
上海地產控股有限公司

(Incorporated in Hong Kong with limited liability)

CONNECTED TRANSACTION
IN RELATION TO THE EXERCISE OF THE PUT OPTION

Reference is made to the circular of Shanghai Land Holdings Limited (the “Company”) (formerly known as imGO Limited) dated 25th May, 2002 (the “May Circular”) in relation to the Put Option Agreement.

The Board announces that on 17th February, 2003, the Company elected to exercise the Put Option. Upon completion of the exercise of the Put Option, the Company will dispose of its entire interest in the Investments to Investor imGO at an aggregate consideration of US\$13,037,500 (equivalent to approximately HK\$101,692,500), subject to certain reimbursements in favour of the Company for liabilities in respect of the Investments.

Pursuant to the circular of the Company dated 25th May, 2002, the Put Option granted by Investor imGO constitutes a connected transaction for the Company under the Listing Rules and a special deal under Note 4 to Rule 25 of the Takeovers Code and hence requires consent of the Executive. The Executive has indicated that such consent would be granted subject to independent financial adviser opining that the terms of the Put Option Agreement are fair and reasonable and the Put Option Agreement is approved by the Independent Shareholders at an extraordinary general meeting on vote. The special deal was subsequently approved by the Independent Shareholders at an extraordinary general meeting held on 10th June, 2002.

The exercise of the Put Option may only proceed with the approval of the Independent Shareholders. An independent board committee of the Company will be formed to advise

the Independent Shareholders in respect of the exercise of the Put Option. An independent financial adviser will be appointed to advise the independent board committee of the Company on whether the exercise of the Put Option is fair and reasonable so far as the Independent Shareholders are concerned. Copies of the Exercise Circular containing the details of the Put Option Agreement, the recommendation of the independent board committee of the Company, an opinion letter from the independent financial adviser to the independent board committee of the Company and a notice convening the Exercise EGM referred to above will be despatched to the Shareholders as soon as practicable in compliance with the requirements of the Listing Rules.

Reference is made to the circular of Shanghai Land Holdings Limited (the “Company”) (formerly known as imGO Limited) dated 25th May, 2002 (the “May Circular”) in relation to the Put Option Agreement.

Defined terms and expressions used herein shall have the same meanings as those in the May Circular unless otherwise defined.

The Board announces that on 17th February, 2003 the Company elected to exercise the Put Option. Upon completion of the exercise of the Put Option, the Company will dispose of its entire interest in the Investments to Investor imGO at an aggregate consideration of US\$13,037,500 (equivalent to approximately HK\$101,692,500), subject to certain reimbursements in favour of the Company for liabilities in respect of the Investments.

Information on the Group

The Group is principally engaged in property development and investment in the PRC. The Group was principally engaged in property development and investment in Hong Kong prior to November, 2001. Since May 2000, the Group has decided to diversify its business to investment opportunities in the wireless communications and Internet business in Hong Kong. In this connection, the Group has gradually realised substantially all of its property investments in Hong Kong and has also invested in the Investments. In November 2001, the Company divested its property portfolio when it exercised the put options granted to it by Guoco Group Limited in March 2000.

As mentioned in the Company’s circular dated 25th May, 2002, the Purchaser considered that there is tremendous growth in PRC properties and intended that the Group would re-engage itself in property development and investment, particularly those in the PRC. Accordingly, the Company has acquired several property projects in the PRC since the close of the Offer on

11th July, 2002. The directors of the Company consider that it is an appropriate time to elect to exercise the Put Option in order to divest its Investments and to focus itself in property development and investment in the PRC.

Since the close of the Offer on 11th July, 2002, the Company has acquired (i) 15 office units and two levels of car parks in Jun Ling Plaza (the “Jun Ling Plaza”), Shanghai at a consideration of approximately HK\$33.3 million in October 2002 for rental purpose; (ii) a four star hotel in Shanghai at a consideration of approximately HK\$381.0 million in January 2003; and (iii) a parcel of land in Shanghai at a consideration of approximately HK\$330.1 million in February 2003 for development of a residential complex, from independent third parties who are not connected with the Company or the directors, chief executive or substantial shareholders of the Company or its subsidiaries or their respective associates (as defined in the Listing Rules). The expected completion date for the acquisition of a four star hotel is mid March 2003 and the acquisition of the Jun Ling Plaza and the parcel of land above have been completed as at the date of this announcement. The Company has settled/will settle the above consideration by internal resources and accordingly, the unaudited cash balance as a percentage of the consolidated net asset value of the Company prior to the exercise of the Put Option will fall below 70% as compared to around 95% as at 30th June, 2002.

Listing Rules implications

Pursuant to the circular of the Company dated 25th May, 2002, the Put Option granted by Investor imGO constitutes a connected transaction for the Company under the Listing Rules and a special deal under Note 4 to Rule 25 of the Takeovers Code and hence requires consent of the Executive. The Executive has indicated that such consent would be granted subject to independent financial adviser opining that the terms of the Put Option Agreement are fair and reasonable and the Put Option Agreement is approved by the Independent Shareholders at an extraordinary general meeting of the Company by way of a poll. The special deal was subsequently approved by the Independent Shareholders at an extraordinary general meeting of the Company held on 10th June, 2002.

The exercise of the Put Option may only proceed with the approval of the Independent Shareholders. An independent board committee of the Company will be formed to advise the Independent Shareholders in respect of the exercise of the Put Option. An independent financial adviser will be appointed to advise the independent board committee of the Company on whether the exercise of the Put Option is fair and reasonable so far as the Independent Shareholders are concerned. Copies of the Exercise Circular containing the details of the Put Option Agreement, the recommendation of the independent board committee of the Company,

an opinion letter from the independent financial adviser to the independent board committee of the Company and a notice convening the Exercise EGM referred to above will be despatched to the Shareholders as soon as practicable in compliance with the requirements of the Listing Rules.

The directors of the Company confirm that save as disclosed in the circular dated 4th February, 2003 and in the annual report of the Group for the year ended 30th June, 2002, the directors of the Company are not aware of any material change in the financial or trading position of the Group since 30th June, 2002, being the latest published audited financial statements of the Group were made up. In addition, the directors of the Company considers that the Company will not become a cash company (within the meaning of Rule 14.35) as a result of the exercise of the Put Option.

Despatch of the Exercise Circular

The Board announces that copies of the circular of the Company (the “Exercise Circular”) containing, inter alia, (i) the letter from the Board; (ii) the letter from the independent board committee of the Company; (iii) the letter of advice from an independent financial adviser; and (iv) a notice convening the Exercise EGM, in connection with the exercise of the Put Option will be despatched to the Shareholders as soon as practicable in compliance with the requirements of the Listing Rules.

By Order of the Board
Shanghai Land Holdings Limited
Chau Ching Ngai
Chairman

Hong Kong, 18th February, 2003

Unless otherwise specified, the translation of US\$ into Hong Kong dollars are based on the exchange rate of US\$1.00 to HK\$7.80. The above translation should not be construed as a representation that the relevant amounts have been, could have been, or could be, converted at that or any other rate at all.

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