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MIDLAND REALTY (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

RESULTS OF THE SPECIAL GENERAL MEETING

The Board announces that at the special general meeting of the Company held today, the resolution to approve the Bonus Warrant Issue was not approved by the Shareholders present at the meeting.

Reference is made to the announcement of the Company dated 8 April, 2003 (the “Announcement”) and the circular issued by the Company dated 25 April, 2003 (the “Circular”), relating to the Bonus Warrant Issue. Unless the context otherwise requires, capitalised terms used herein shall have the same meaning as defined in the Announcement and the Circular.

The Board announces that at the special general meeting of the Company held today, the resolution to approve the Bonus Warrant Issue was, on a vote by poll, not approved by the Shareholders present at the meeting. 8,633,000 shares, equivalent to approximately 7.78% of the voting shares, voted for the resolution and 102,396,000 shares, equivalent to approximately 92.22% of the voting shares, voted against the resolution. As the Bonus Warrant Issue is conditional upon the passing of an ordinary resolution by the Shareholders, the Bonus Warrant Issue will not proceed.

The Directors consider that the failure to complete the Bonus Warrant Issue will not have any material and adverse effect on the financial position and operations of the Group as the Company only intends to apply the proceeds that may arise from the subscription of the Warrants as additional working capital of the Group.

In the meantime, public investors and Shareholders are urged to exercise caution in dealing in the securities of the Company.

By order of the board of
Midland Realty (Holdings) Limited
Ip Kit Yee, Kitty
Deputy Chairman

Hong Kong, 21 May, 2003

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