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Shanghai Land Holdings Limited 上海地產控股有限公司

(Receivers Appointed)

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

The Company has commenced legal proceedings against Mr. Chau and Ms. Mo claiming US\$34.2 million (approximately HK\$266.76 million) from Mr. Chau and Ms. Mo.

In a separate action, the Company has commenced legal proceedings against GCL claiming HK\$53,157,294.07 from GCL.

Trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 2 June 2003 and will remain suspended until further announcement. The Company will make further announcement(s) regarding any significant developments on the abovementioned legal proceedings as and when appropriate.

Shanghai Land Holdings Limited (the "Company") has commenced legal proceedings against Mr. Chau Ching Ngai ("Mr. Chau") as the 1st defendant and Ms. Mo Yuk Ping ("Ms. Mo") as the 2nd defendant. Mr. Chau is a director of, and the chairman of, the Company. Ms. Mo is the general manager of the Company. A writ of summons was issued in the High Court on 23 July 2003 claiming US\$34.2 million (approximately HK\$266.76 million) from Mr. Chau and Ms. Mo being money which the Company claims Mr. Chau and Ms. Mo between 22 April 2003 and 30 May 2003 wrongfully and in breach of their fiduciary duties misappropriated for their own use and purpose or transferred from the bank accounts of the Company to some third parties through the bank accounts of the Company's subsidiaries without the authority or approval of the Company.

In a separate action, the Company has commenced legal proceedings against Great Center Limited ("GCL"). A writ of summons was issued in the High Court on 17 July 2003 claiming HK\$53,157,294.07 from GCL being money received by GCL on 4 April 2003 which the Company claims rightfully belongs to the Company.

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") was suspended with effect from 9:30 a.m. on 2 June 2003 and will remain suspended until further announcement. The Company will make further announcement(s) regarding any significant developments on the abovementioned legal proceedings as and when appropriate.

For and on behalf of
Shanghai Land Holdings Limited
(Receivers Appointed)
Stephen Liu Yiu Keung
and Yeo Boon Ann
Joint & Several Receivers

Hong Kong, 28 July 2003

The joint and several receivers of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

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