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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

#### **Update on the Receivers' effort to secure management control of the Company's subsidiaries in the PRC**

The Company is pleased to announce that on 16 December 2003 the Shanghai AIC formally endorsed the change of the legal representative of Longbai. In respect of Hongxin, the Shanghai AIC has advised that it will also be effecting the necessary procedures to endorse the change of its legal representative.

#### **Proposal by certain Directors to appoint additional Directors**

The Receivers understand that certain Directors convened meetings of the Board to consider, among others, appointing additional Directors to the Board and such meeting was adjourned to 22 December 2003. On 22 December 2003, the Court ordered that the powers of the board of directors of the Company or any of its directors under the Memorandum and Articles of Association of the Company to appoint new director and alternate director cease forthwith unless as otherwise, on an individual and on a case by case basis, authorised by the Receivers or by the Court. The Receivers understand that no Board resolution was passed on 22 December 2003 and no alternate/additional Directors were appointed.

#### **Results of the AGM**

The AGM was held on 23 December 2003 at which all resolutions (as set out in the notice of AGM dated 28 November 2003) were passed by the Shareholders. The composition of the Board after the AGM remains the same as that disclosed in the Annual Report.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 2 June 2003 and will remain suspended until further announcement.

Reference is made to the announcement of the Company dated 19 November 2003 (the "Announcement"). Unless otherwise defined, capitalised terms used herein have the same meanings as in the Announcement.

#### **Update on the Receivers' effort to secure management control of the Company's subsidiaries in the PRC**

As stated in the Announcement, on 17 November 2003 the Shanghai AIC formally acknowledged receipt of the applications by the Receivers to change the legal representatives and the directors of Hongxin and Longbai, both indirect wholly-owned

subsidiaries of the Company established in the People's Republic of China (the "PRC"). The Company is pleased to announce that on 16 December 2003, the Shanghai AIC formally endorsed the change of the legal representative of Longbai. The Company has appointed Mr. YEO Boon Ann as the new legal representative of Longbai and Messrs Stephen LIU Yiu Keung, YEO Boon Ann and Laurence IP Yegene as the new directors of Longbai. Based on the advice from the Company's PRC legal advisers, the Shanghai AIC will also be effecting the necessary procedures to endorse the change of the legal representative of Hongxin.

The Receivers have already served notice on the staff of Longbai on the change of legal representative and are now in the process of securing control of the operations and management of Longbai.

### **Proposal by certain Directors to appoint additional Directors**

The Receivers understand that on 19 December 2003 certain directors of the Company received notices of meetings of the board (the "Board") of directors (the "Directors") of the Company, purportedly issued by Mr. Jiang Dong Liang ("Mr. Jiang"), a Director residing in the PRC, to be held on 19 December 2003 by conference telephone or similar communications equipment. Based on the notices of meetings, the Board meetings were convened for the purpose of considering and acting on matters relating to the appointment of Mr. Zhou Zheng Ming ("Mr. Zhou") as the alternate Director to Mr. Chau Ching Ngai ("Mr. Chau"), the chairman of the Company, and the appointment of three additional Directors. Neither notice was served on the Receivers. The Board meeting was adjourned to 22 December 2003.

Upon the application of the Receivers made on 22 December 2003, the High Court of the Hong Kong Special Administrative Region (the "Court") ordered that the powers of the board of directors of the Company or any of its directors under Articles 95, 96(A) and 108 of the Memorandum and Articles of Association of the Company to appoint new director and alternate director cease forthwith unless as otherwise, on an individual and on a case by case basis, authorised by the Receivers or by the Court. A copy of the Court order was sent to each of the Directors. The Receivers understand that no Board resolution was passed on 22 December 2003 and no alternate/additional Directors were appointed.

Mr. Jiang and Mr. Mao Wei Ping ("Mr. Mao"), a Director residing in the PRC, were present for the purpose of the Board meeting on 22 December 2003 via video-conference. They have not attended any Board meeting previously convened by the Company, since the appointment of the Receivers, for the purpose of transacting various matters relating to the Company including the approval of the Annual Report. Based on the information and belief of the Receivers, (i) Mr. Zhou is a brother of Mr. Chau; (ii) Mr. Mao is a brother of Ms. Mo Yuk Ping, the general manager of the Company; and (iii) Mr. Jiang is the legal representative of a company which has a shareholding of approximately 20% in Fuyou Securities Brokerage Co., Limited (富友證券經紀有限公司) which was involved in the purported loan transactions mentioned in the Company's announcements dated 9 June and 16 July 2003 and the Annual Report. The solicitors purporting to act for Mr. Chau informed the company secretary of the Company that they booked meeting room for the meetings convened for 19 December 2003 and 22 December 2003.

### **Results of the AGM**

The annual general meeting (the "AGM") of the shareholders of the Company (the "Shareholders") was held on 23 December 2003 at which all resolutions (as set out in the notice of AGM dated 28 November 2003) were passed by the Shareholders. In particular, the Shareholders resolved to re-elect Mr. TAN Lim Heng, Mr. KOO Hoi Yan

Donald and Ms. FAN Cho Man (who retired by rotation in accordance with the Articles of Association of the Company and offered themselves for re-election as Directors at the AGM) as Directors. The composition of the Board after the AGM remains the same as that disclosed in the Annual Report.

Further announcement will be made in due course to inform Shareholders of any further developments.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 2 June 2003 and will remain suspended until further announcement.

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

Hong Kong, 23 December 2003

*The Receivers 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 due and 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.