Shanghai Land Holdings Limited

(Receivers Appointed)

(Incorporated in Hong Kong with limited liability)

SUMMARISED UNAUDITED INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2003

A. SUMMARY OF RESULTS

The board of directors (the "Board") of Shanghai Land Holdings Limited (Receivers Appointed) (the "Company") and the joint and several receivers (the "Receivers") of the Company announce that the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 31 December 2003 together with the comparative figures for the corresponding period of the previous year were as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 31 December	
		2003	2002
		(Unaudited)	(Unaudited and restated)
	Notes	***HK$'000***	*HK$'000*
Turnover	*2*	**26,865**	744
Direct expenses		**(7,476)**	(153)
		19,389	591
Other revenue	*3*	**6,420**	17,402
Net foreign exchange gain/(loss)		**(5,741)**	276
Administrative expenses		**(49,410)**	(15,779)
Profit/(loss) from operations	*4*	**(29,342)**	2,490
Amortisation of goodwill		**–**	(7)
Finance costs	*5*	**(10,326)**	–
Profit/(loss) from ordinary activities before taxation		**(39,668)**	2,483
Taxation	*6*	**(389)**	(202)
Profit/(loss) attributable to shareholders		**(40,057)**	2,281
Basic earnings/(loss) per share	*7*	**(1.31 cents)**	0.07 cents
Dividend		**–**	–

Notes:

1. Basis of preparation of the interim financial report and principal accounting policies

a. On 7 June 2003, the High Court of Hong Kong appointed Mr. Stephen Liu Yiu Keung and Mr. Yeo Boon Ann, of Ernst and Young Transactions Limited, as the Receivers of the Company. The appointment requires the Receivers to take all appropriate actions to preserve the assets of the Company, to carry on the businesses of the Company and to do all other things as reasonably necessary for the purpose of protecting the value of the Company's assets and businesses.

On 16 December 2003, the Shanghai Administrative Bureau for Industry and Commerce (the "Shanghai AIC") endorsed:

- the change of legal representative for Shanghai Yihe Longbai Hotel Limited（上海逸和龍柏酒店有限公司）(formerly known as 上海逸和龍柏飯店有限公司）("Longbai"), an indirect wholly owned subsidiary of the Company, to Mr. Yeo Boon Ann; and
- the appointment of the Receivers and Mr. Laurence Yegene Ip (an employee of the Receivers' firm) as Longbai's directors.

Subsequent to the balance sheet date on 15 January 2004, the Shanghai AIC further endorsed:

- the change of legal representative for Shanghai Hongxin Real Estate Development Company Limited（上海宏興房地產發展有限公司）("Hongxin"), an indirect wholly owned subsidiary of the Company, to Mr. Yeo Boon Ann; and
- the appointment of the Receivers and Mr. Laurence Yegene Ip as Hongxin's directors.

On 20 January 2003, when Hongxin's previous business licence was issued, Hongxin's registered and paid-up capital were both US$16.7 million. However, according to a company search conducted on 12 June 2003 (five days after the Receivers' appointment), Hongxin's registered capital had been increased to US$30 million. The Shanghai AIC issued a new business licence in respect of Hongxin on 15 January 2004 following the change of the legal representative. The new business licence indicates that the registered capital is US$30 million, of which only US$16.7 million has been paid up. The Shanghai AIC has advised that if Hongxin cannot pay up all the registered capital before 24 May 2004, the new business licence may be revoked. The Receivers are currently investigating the circumstances under which Hongxin's registered capital was increased and are liaising with the Shanghai AIC and the Shanghai Foreign Investment Commission ("SFIC") in an attempt to restore the registered capital to US$16.7 million. At this stage, it is uncertain whether Hongxin's registered capital can be restored to US$16.7 million.

The Receivers have taken all reasonable steps and have used their best endeavours to prepare the Group's interim financial report for the six months ended 31 December 2003. Despite their efforts in ascertaining the affairs of the Group, the Receivers have only had limited access to the books and records of Hongxin and certain original documents of Longbai are not available to them. The management accounts of Hongxin as at 30 June 2003 were used in the preparation of the Group's interim financial report because Hongxin's management accounts for the period from 1 July 2003 to 31 December 2003 are not available as the former legal representative of Hongxin has yet to surrender the relevant books and records.

In addition, Bowyer Profits Limited ("Bowyer") an indirect wholly owned subsidiary of the Company, appointed Shanghai Nongkai Development Group Limited (上海農凱發展(集團)有限公司) ("Shanghai Nongkai") as manager to act on its behalf for all matters relating to the leasing of its investment properties in Jun Ling Plaza and to act as trustee to receive income and to make payments of expenses related thereto. Shanghai Nongkai was supposed to prepare monthly financial reports in respect of the leasing status and cash position of Bowyer's investment properties in Jun Ling Plaza. However, the Receivers have not yet received sufficient information or documents from Shanghai Nongkai to ascertain whether Bowyer's transactions have been properly accounted for in the interim financial report.

In light of the above, the Receivers are unable to give an unqualified representation that all transactions affecting the Group during the six months ended 31 December 2003 have been included in the interim financial report and also as to whether the interim financial report presents a true and fair view of the Group's operations and cash flows for the six months ended 31 December 2003 and the Group's financial position as at that date. The Receivers therefore disclaim all liabilities in respect of the interim financial report of the Group in relation to the affairs of the Group for the six months ended 31 December 2003, if any.

The Board has relied on the Receivers to carry on the business of the Company and to do all other things as reasonably necessary for the purpose of protecting the value of the Company's assets and its businesses. In view of the limitations on the information accessed by the Receivers mentioned above, the Board has not been able to give an unqualified representation that all transactions affecting the Group during the six months ended 31 December 2003 have been included and that the interim financial report presents a true and fair view of the Group's operations and cash flows for the six months ended 31 December 2003 and the financial position of the Group as at that date. The Board therefore disclaims all liabilities in respect of the interim financial report of the Group in relation to the affairs of the Group for the six months ended 31 December 2003, if any.

b. The above condensed consolidated income statement is extracted from the Group's interim financial report, which is unaudited, but has been reviewed by Nexia Charles Mar Fan & Co. ("NCMF") in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants ("HKSA").

The interim financial report has been prepared in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") ("Listing Rules") including compliance with Statement of Standard Accounting Practice ("SSAP") 25 "Interim financial reporting" issued by the HKSA.

The financial information relating to the financial year ended 30 June 2003 included in the interim financial report does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Such financial statements for the year ended 30 June 2003 are available from the Company's registered office. The auditors had expressed a disclaimer opinion on those financial statements in their report dated 27 October 2003.

The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group's audited financial statements for the year ended 30 June 2003, except for the adoption of SSAP 12 (Revised) "Income taxes" which became effective in the current interim period.

SSAP 12 (Revised) principally prescribes the accounting treatment and disclosures for deferred taxation. In prior years, deferred taxation was provided for using the income statement liability method on all significant timing differences to the extent it was probable that the liability would crystallise in the foreseeable future. A deferred tax asset was not recognised until its realisation was assured beyond reasonable doubt. SSAP 12 (Revised) requires the adoption of the balance sheet liability method, whereby deferred taxation is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. In the absence of any specific transitional requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively.

The change in accounting policy has resulted in the following changes to the Group's reported balances of deferred tax liabilities and negative goodwill:

	Balance per SSAP 12		**Balances per SSAP 12 (Revised)**	
	31 December 2003	**30 June 2003**	**31 December 2003**	**30 June 2003**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Deferred tax liabilities	–	–	99,623	99,491
Negative goodwill	112,396	114,136	–	–

As a consequence, the consolidated loss attributable to the shareholders for the six months ended 31 December 2003 has been increased by HK$1,872,000 and the consolidated profit attributable to the shareholders for the six months ended 31 December 2002 has been decreased by HK$7,000, and the consolidated accumulated losses at 1 July 2003 have been reduced by HK$14,645,000, as detailed in the condensed consolidated statement of changes in equity as set out in the Group's interim financial report. There was no effect on the consolidated accumulated losses as at 1 July 2002.

As the Receivers have not been able to ascertain whether certain balances relating to Hongxin, Longbai and Bowyer have been properly accounted for in the consolidated balance sheet as at 30 June 2003, they are unable to confirm the accuracy and completeness of the above adjustments arising from the adoption of SSAP 12 (Revised).

2. Segmental information

The Group is principally engaged in property investment and hotel investment.

Business segments

Business segment analysis is chosen for the primary reporting format as the Group's results were principally affected by hotel investment, property investment and property development activities during the six months ended 31 December 2003 and property investment and wireless technology investment activities during the six months ended 31 December 2002.

	Six months ended 31 December									
	Hotel investment		**Property investment**		**Property development**		**Wireless technology investment**		**Consolidated**	
	2003 (Unaudited)	2002 (Unaudited)	**2003 (Unaudited)**	2002 (Unaudited and restated)	**2003 (Unaudited)**	2002 (Unaudited)	**2003 (Unaudited)**	2002 (Unaudited and restated)	**2003 (Unaudited)**	2002 (Unaudited and restated)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Turnover	**25,921**	–	**944**	744	**–**	–	**–**	–	**26,865**	744
Segment results	**8,789**	–	**780**	582	**–**	–	**–**	–	**9,569**	582
Interest income									**6,266**	17,153
Management fee income									**–**	166
Unallocated administrative expenses net of other revenue									**(45,177)**	(15,411)
Profit/(loss) from operations									**(29,342)**	2,490
Amortisation of goodwill	**–**	–	**–**	(7)	**–**	–	**–**	–	**–**	(7)
Finance costs									**(10,326)**	–
Profit/(loss) from ordinary activities before taxation									**(39,668)**	2,483
Taxation	**(132)**	–	**(257)**	(202)	**–**	–	**–**	–	**(389)**	(202)
Profit/(loss) attributable to shareholders									**(40,057)**	2,281

No inter-segment sales and transfers were transacted during the current and prior interim periods.

The Group disposed of all its wireless technology companies on 28 March 2003 and since then ceased its wireless technology investment activity.

Geographical segments

No geographical analysis is provided as the hotel investment, property investment and property development activities during the six months ended 31 December 2003 and the property investment activities during the six months ended 31 December 2002 were carried out in the People's Republic of China ("the PRC").

3. Other revenue

	Six months ended 31 December	
	2003 (Unaudited)	2002 (Unaudited)
	HK$'000	*HK$'000*
Interest income	**6,266**	17,153
Management fee income	**–**	166
Sundry income	**154**	83
	6,420	17,402

4. Profit/(loss) from operations

The Group's profit/(loss) from operations is arrived at after charging:

	Six months ended 31 December	
	2003 (Unaudited)	2002 (Unaudited)
	HK$'000	*HK$'000*
Provision for bad debts	**2,837**	–
Depreciation	**1,045**	561
Staff costs, including net retirement scheme contributions of HK$36,000 (2002: HK$94,000)	**8,104**	5,513

5. Finance costs

	Six months ended 31 December	
	2003 (Unaudited)	2002 (Unaudited)
	HK$'000	*HK$'000*
Interest expenses on purported loans wholly repayable within five years	**10,326**	–

6. **Taxation**

	Six months ended 31 December 2003 (Unaudited) *HK$'000*	2002 (Unaudited) *HK$'000*
Current tax in the PRC	**257**	202
Deferred tax	**132**	–
	389	202

a. No provision for Hong Kong profits tax has been made as the Group did not have any assessable profits arising in Hong Kong for both current and prior interim periods.

b. Bowyer has provided income tax at the applicable tax rate of 33% on its estimated taxable income arising in the PRC for both current and prior interim periods.

7. **Basic earnings/(loss) per share**

The calculation of basic earnings/(loss) per share is based on the consolidated loss attributable to shareholders for the six months ended 31 December 2003 of HK$40,057,000 (2002: Profit of HK$2,281,000, as restated) and 3,051,438,765 shares (2002: 3,051,438,765 shares) in issue during the interim period. There were no dilutive potential ordinary shares in existence during the current and prior interim periods.

B. INDEPENDENT REVIEW REPORT

The interim financial report has been reviewed by NCMF. Their independent review report is set out below:

"INTRODUCTION

We have been instructed by the Company to review the interim financial report for the six months ended 31 December 2003.

DIRECTORS' RESPONSIBILITIES

The Listing Rules require the preparation of an interim financial report to be in compliance with SSAP 25 "Interim financial reporting" issued by the HKSA and the relevant provisions thereof. The interim financial report is the responsibility of, and has been approved by, the Board.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the HKSA, except that the scope of our review was limited as explained below.

A review consists principally of making enquires of management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as test of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

The scope of our review was limited as set out below:

1. **Opening balance sheet**

   Our audit report on the financial statements of the Group for the year ended 30 June 2003 was disclaimed in view of the significance of the possible effect of the limitations in evidence available to us, details of which were set out in our report dated 27 October 2003. Any adjustments to the opening balances of the Group as at 30 June 2003 would have a consequential effect on the net assets of the Group as at 31 December 2003 and the results of the Group for the six months then ended. Also the comparative figures in the condensed consolidated balance sheet as at 30 June 2003 may not be comparable to figures as at 31 December 2003.

2. **Disclaimer of liabilities by the Receivers and the Board**

   As explained in the interim financial report, the Receivers and the Board have not been able to give an unqualified representation as to whether all transactions affecting the Group during the six months ended 31 December 2003 have been properly included in the interim financial report and also as to whether the interim financial report presents a true and fair view of the Group's operations and cash flows for the six months ended 31 December 2003 as well as the Group's financial position as at that date. The Receivers and the Board have also disclaimed any liabilities on the interim financial report in relation to the affairs of the Group for the six months ended 31 December 2003. As a consequence, we have been unable to obtain adequate assurance regarding the completeness and accuracy of the assets, liabilities, income and expenses, the cash flows, as well as commitments, contingent liabilities and the disclosures appearing in the interim financial report.

3. **Accounting records and documents**

   As explained in the interim financial report, despite the Receivers' efforts in ascertaining the affairs of the Group, they have only had limited access to the books and records of Hongxin and Bowyer.

   In addition, certain original documents of Longbai are not available.

Accordingly, we have been unable to ascertain whether the following balances, related to Hongxin, Longbai and Bowyer, have been properly accounted for in the interim financial report:

- Turnover of HK$944,000;
- Finance costs of HK$10,326,000;
- Prior period adjustment on deferred taxation of HK$14,645,000;
- Fixed assets of HK$559,000,000;
- Debtors, deposits and prepayments of HK$921,443,000;
- Cash, bank balances and deposits of HK$68,176,000;
- Creditors and accruals of HK$10,367,000;
- Tax payable of HK$1,376,000;
- Purported loans of HK$614,250,000; and
- Deferred tax liabilities of HK$99,623,000.

In addition, we have also been unable to ascertain whether cash and bank balances of HK$68,176,000 have been properly classified as cash and cash equivalents in the condensed consolidated cash flow statement.

4. Creditors and accruals

We have not been able to obtain sufficient evidence relating to the retention consideration payable included in creditors and accruals of HK$10,000,000 as at 31 December 2003. Accordingly, we have been unable to ascertain whether this amount has been properly accounted for in the interim financial report.

Any adjustments arising in relation to the matters referred to in paragraphs 1 to 4 above would have a consequential significant effect on the loss and cash flows of the Group for the six months ended 31 December 2003 and the net assets of the Group as at that date.

FUNDAMENTAL UNCERTAINTY RELATING TO THE GOING CONCERN OF CERTAIN SUBSIDIARIES

In arriving at our review conclusion, we have considered the adoption of the going concern basis in consolidating Hongxin and Longbai. The major assets of Hongxin and Longbai were allegedly secured against loans purportedly advanced to them and funds largely equivalent to the purported loans were then deposited and/or advanced to certain parties. Should these receivables become irrecoverable and the proceeds from realisation of the assets be insufficient to cover the purported loans and outstanding interest, Hongxin and Longbai might have a going concern problem.

Further, according to the latest business licence of Hongxin, the registered capital of Hongxin is stated at US$30 million, of which only US$16.7 million has been paid up. The Company has been informed by the Shanghai AIC that if Hongxin cannot pay up all the registered capital before 24 May 2004, the business licence of Hongxin issued on 15 January 2004 may be revoked. The Receivers are liaising with the Shanghai AIC and the SFIC regarding whether the registered capital can be restored to US$16.7 million and the consequence in the event of non-compliance by 24 May 2004.

It is considered appropriate to consolidate Hongxin and Longbai on a going concern basis. The interim financial report does not include any adjustments that would result should the going concern basis of Hongxin and Longbai be inappropriate. However, should the going concern basis be inappropriate for Hongxin and Longbai, adjustments would have to be made to reclassify their non-current assets as current assets, non-current liabilities as current liabilities, to restate the assets to their recoverable amounts and to provide for any further liabilities that might arise.

INABILITY TO REACH A REVIEW CONCLUSION

Because of the significance of the possible effect of the limitations in evidence available to us, we are unable to reach a review conclusion as to whether material modifications should be made to the interim financial report for the six months ended 31 December 2003."

C. MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS AND POSITION

During the six months ended 31 December 2003, the net asset value of the Group decreased by HK$25,412,000 to HK$2,063,059,000. The loss attributable to shareholders during the interim period was HK$40,057,000. A prior period adjustment of HK$14,645,000 was made and credited to the consolidated accumulated losses as at 30 June 2003.

INVESTMENTS AND DISPOSALS OF SUBSIDIARIES

There were no significant changes in any of the Group's investments during the interim period.

BUSINESS REVIEW

Property investment

（峻嶺廣場）Jun Ling Plaza

Rental income and profit from the leasing of investment properties in Jun Ling Plaza, Shanghai, the PRC during the six months ended 31 December 2003 amounted to HK$944,000 (2002: HK$744,000) and HK$780,000 (2002: HK$582,000) respectively. The occupancy ratio during the interim period was approximately 49%.

Hotel investment
（上海逸和龍柏飯店）Hotel Yihe Longbai Shanghai (“Hotel Longbai”)
Income and profit from the Hotel Longbai’s operations during the six months ended 31 December 2003 amounted to HK$25,921,000 (2002: Nil) and HK$8,789,000 (2002: Nil) respectively. The occupancy ratio during the interim period was approximately 63%.

Property development
（吳中路）Wuzhong Road (the “Land”)
The Group is yet to commence the foundation and construction work on the Land as at the balance sheet date and there was neither income nor profit generated for the Group during the interim period.

CAPITAL COMMITMENTS

The Board and the Receivers have decided that it would not be appropriate at the moment to incur any further capital expenditure on the above investments. Hence, the Group has neither appropriated nor arranged funding for any future capital commitments on the above investments.

LIQUIDITY AND FINANCIAL RESOURCES

In the six months ended 31 December 2003, the Group’s cash position decreased by HK$38,993,000 to HK$1,282,198,000 as at 31 December 2003 due to operation and administration expenses, legal and professional fees, and exchange differences. (In the six months ended 30 June 2003, the Group’s cash position decreased by HK$893,999,000 to HK$1,321,191,000).

TREASURY

The cash position of the Group as at 31 December 2003 mainly comprised HK dollars, US dollars, Japanese Yen (“JPY”) and Renminbi (“RMB”) amounting to HK$1,282,198,000.

Cash and Bank Currency Profile

	Total *HK$’000*	*%*
US dollars	1,261,676	98.4
HK dollars	4,779	0.4
RMB	15,718	1.2
JPY	25	–
Total	1,282,198	100

Most of the Group’s income and expenditure are denominated in either RMB or HK dollars. By maintaining its cash currencies mostly in RMB, HK dollars and US dollars, the Group was able to minimise its exposure to foreign currency fluctuations.

PLEDGE OF ASSETS, BANK BORROWINGS AND GEARING

As at 31 December 2003, the Land and Hotel Longbai remained purportedly pledged by Hongxin and Longbai respectively to a financial institution as security for loans purportedly granted to these two subsidiaries.

Pursuant to the purported loan agreement dated 27 March 2003 signed by the legal representative of Hongxin in the PRC, the Land was purportedly pledged as the alleged security for a loan of RMB300,000,000 (equivalent to HK$283,500,000) purportedly granted from the Shanghai Rural Credit Cooperatives Union（上海市農村信用合作社聯合社）(“SRCC”) to Hongxin for a term of one year commencing from 27 March 2003 with interest payable quarterly and charged at an interest rate of 5.31% per annum.

Pursuant to the purported loan agreement dated 11 April 2003 signed by the legal representative of Longbai in the PRC, Hotel Longbai was purportedly pledged as the alleged security for a loan of RMB350,000,000 (equivalent to HK$330,750,000) purportedly granted from the SRCC to Longbai for a term of five years commencing from 18 April 2003 with interest payable quarterly and charged at an interest rate of 5.58% per annum.

In accordance with the purported loan agreements signed by Hongxin and Longbai with SRCC, approximately RMB99,520,000 has to be paid in the event of an early termination.

The Receivers understand that these purported loans were not duly authorised and approved by the Board. Accordingly, the Receivers have written to SRCC to request information and documents in relation to the purported loans. To date, the Receivers have not received any official reply from SRCC. Given the above, the quarterly interest payment of approximately RMB4,880,000 due on 20 March 2004 on Longbai’s purported loan was not paid.

According to available information, the terms of Hongxin’s purported loan of RMB300,000,000 is set to expire on 27 March 2004.

The Receivers have recently met with the representatives of SRCC who have demanded that Longbai and Hongxin make the repayments as per the purported loan agreements and have reserved SRCC’s rights to take action if the Receivers fail to do so.

The Group’s gearing ratio was approximately 30% (gearing ratio is calculated by dividing the purported loans by shareholders’ funds) as at 31 December 2003 (30 June 2003: 29%).

Apart from the above and disclosures in the interim financial report, the Board and the Receivers are unable to determine whether there were any other debt commitments and contingent liabilities as at 31 December 2003.

DIVIDEND

The Board does not recommend any payment of dividends for the interim financial period ended 31 December 2003 (2002: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 31 December 2003, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SHARE OPTION SCHEME

During the interim period, no options were outstanding, granted, exercised, cancelled or lapsed pursuant to the Company's 23 October 2001 share option scheme.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2003, the Group employed 14 (30 June 2003: 20) staff in Hong Kong and approximately 300 (30 June 2003: 280) staff in the PRC. The Group remunerates its employees based on their performance and experience in the context of prevailing industry practice.

CODE OF BEST PRACTICE

None of the directors of the Company are aware of any information that would reasonably indicate that the Company is not, or was not for any time during the six months ended 31 December 2003, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules except that the non-executive directors of the Company are not appointed for a specific term as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's articles of association.

AUDIT COMMITTEE

The Company's audit committee comprises of two independent non-executive directors. An audit committee meeting was convened to approve the Company's interim financial report on 23 March 2004, however, as a quorum was not present, the meeting did not proceed and the audit committee did not approve the interim financial report.

D. PUBLICATION OF INTERIM RESULTS ON THE STOCK EXCHANGE'S WEBSITE

In due course, all the information required by paragraphs 46(1) to 46(6) of the Listing Rules' Appendix 16 regarding the interim results of the Group for the six months ended 31 December 2003 will be published on the Stock Exchange's website.

E. MAXIMISING THE VALUE OF THE COMPANY

Upon seeking further advice from senior counsel, the Receivers consider that the loan assignment proposal (as stated in the Company's announcement dated 13 October 2003 and the annual report for the year ended 30 June 2003 respectively) might not be feasible and should not be pursued. The Receivers are obliged to report to the Court on these issues and will inform the shareholders of further details upon obtaining approval from the Court. The Receivers have no duty to brief the Board on this issue; hence the Receivers have not provided the Board with full details of such proposals and the Board has not been involved in devising such proposals.

F. OUTLOOK

The Receivers will continue to consider all feasible options to maximise the value of the Company for the benefit of its shareholders and creditors. At this juncture, the Receivers are not in a position to determine when the receivership will conclude.

By order of the Board
Koo Hoi Yan, Donald
Director

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

Hong Kong, 23 March 2004

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