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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)*

(Stock Code: 67)

### ANNOUNCEMENT

After taking legal advice, Hongxin and Longbai decided not to appeal against the Hongxin Judgment and Longbai Judgment respectively.

The Company will make further announcement(s) to inform the Shareholders of further developments as and when appropriate.

Trading in the shares of the Company on the Stock Exchange has been suspended since 9:30 a.m. on 2 June 2003 and will remain suspended until further announcement.

Shareholders are referred to the Company's announcement dated 26 November 2004. Hongxin received on 19 November 2004 the Hongxin Judgment dated 17 November 2004 issued by the Intermediate Court. Hongxin had the right to appeal against the Hongxin Judgment within 15 days of 19 November 2004, being the date of the delivery of the Hongxin Judgment to Hongxin. The time limit for appeal expired on 6 December 2004.

Shareholders are referred to the Company's announcement dated 3 December 2004. Longbai received on 27 November 2004 the Longbai Judgment dated 19 November 2004 issued by the Intermediate Court. Longbai had the right to appeal against the Longbai Judgment within 15 days of 27 November 2004, being the date of the delivery of the Longbai Judgment to Longbai. The time limit for appeal expired on 13 December 2004.

After taking legal advice, Hongxin and Longbai decided not to appeal against the Hongxin Judgment and Longbai Judgment respectively as they were advised that any such appeals would be unlikely to succeed.

Hongxin Land and Hotel Longbai were purportedly pledged as security in respect of the Hongxin Purported Loan and Longbai Purported Loan respectively. Based on the information available to the Receivers so far, there is no information indicating that the Company has provided any guarantee for the Purported Loans or that SRCC has any recourse against the Company in respect of the Purported Loans.

As stated in the Company's announcement dated 3 December 2004, should the Company cease to own Hotel Longbai as a result of the execution of the Longbai Enforcement Notice and cease to own Hongxin Land as a result of the Hongxin Enforcement Notice, there is a risk that the Company may be unable to comply with Rule 13.24 of the Listing Rules. Rule 13.24 states that an issuer shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Stock Exchange to warrant the continued listing of the issuer's securities. The Company will make further announcement(s) to inform the Shareholders of further developments as and when appropriate.

Trading in the shares of the Company on the Stock Exchange has been suspended since 9:30 a.m. on 2 June 2003 and will remain suspended until further announcement.

As at the date of this announcement, the board of directors of the Company comprises nine directors. The executive directors are Mr Chau Ching Ngai, Ms Gong Bei Ying, Mr Jiang Dong Liang, Mr Koo Hoi Yan, Donald and Mr Mao Wei Ping. The non-executive directors are Ms Fan Cho Man and Mr Tan Lim Heng. The independent non-executive directors are Mr Mok Chiu Kuen and Mr Ho Yau Hoo, Ronald.

## **DEFINITIONS**

Unless the context requires otherwise, the use of capitalised terms in this announcement shall have the following meanings:

“Company”	Shanghai Land Holdings Limited (上海地產控股有限公司) (Receivers Appointed), a company incorporated in Hong Kong with limited liability the shares of which are listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongxin”	上海宏興房地產發展有限公司 (Shanghai Hongxin Real Estate Development Company Limited), a company established in the PRC and a wholly owned subsidiary

of the Company, which is principally engaged in property development

“Hongxin Enforcement Notice”	the enforcement notice dated 28 June 2004 served on Hongxin stating, among other things, that the Intermediate Court had ruled that Hongxin should pay to SRCC RMB301,447,005.54 with accrued penalty interest and an enforcement fee of RMB303,447
“Hongxin Judgment”	the judgment dated 17 November 2004 issued by the Intermediate Court stating that, among other things, the Hongxin Purported Loan Agreements are legally binding, the Intermediate Court does not support Hongxin’s applications for the invalidation of the Hongxin Purported Loan Agreements, the return by SRCC of the interest of RMB4,071,000 paid by Hongxin and payment of an amount of approximately RMB194,500, being the interest accrued on the interests paid by Hongxin, and further ruled that Hongxin must bear the court fees of approximately RMB1,510,000, which have already been paid.
“Hongxin Land”	a parcel of land situated at 26 Wu Zhong Lu, Shanghai, the PRC which is owned by Hongxin
“Hongxin Purported Loan”	the loan of RMB300 million purportedly made by SRCC to Hongxin pursuant to a loan agreement dated 27 March 2003
“Hongxin Purported Loan Agreements”	the loan agreement dated 27 March 2003 and the accompanying security agreement dated 27 March 2003 purportedly entered into between SRCC and Hongxin
“Hotel Longbai”	上海逸和龍柏飯店 (Hotel Yihe Longbai Shanghai), which is situated at 2451 Hong Qiao Road, Shanghai, the PRC and owned by Longbai
“Intermediate Court”	上海市第一中級人民法院 (Shanghai No.1 Intermediate Court) of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Longbai”	上海逸和龍柏酒店有限公司 (Shanghai Yihe Longbai Hotel Limited) (formerly known as 上海逸和龍柏飯店有限公司), a company established in the PRC and a wholly owned subsidiary of the Company, which is principally engaged in hotel investment and operation
“Longbai Enforcement Notice”	the enforcement notice dated 28 June 2004 served on Longbai stating, among other things, that the Intermediate Court had ruled that Longbai should pay to SRCC RMB354,934,911.58 with accrued penalty interest and an enforcement fee of RMB356,935
“Longbai Judgment”	the judgment dated 19 November 2004 issued by the Intermediate Court stating that, among other things, the Longbai Purported Loan Agreements are legally binding, the Intermediate Court does not support Longbai’s applications for the invalidation of the Longbai Purported Loan Agreements, the return by SRCC of the interest of approximately RMB9,928,000 paid by Longbai and payment of an amount of approximately RMB399,000, being the interest accrued on the interest paid by Longbai, and further ruled that Longbai must bear the court fees of approximately RMB1,760,000, which have already been paid
“Longbai Purported Loan”	the loan of RMB350 million purportedly made by SRCC to Longbai pursuant to a loan agreement dated 11 April 2003
“Longbai Purported Loan Agreements”	the loan agreement dated 11 April 2003 and the accompanying security agreement dated 11 April 2003 purportedly entered into between SRCC and Longbai
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purported Loans”	the Hongxin Purported Loan and the Longbai Purported Loan

“Receivers”	Messrs. Stephen Liu Yiu Keung and Yeo Boon Ann, both of Ernst & Young Transactions Limited of 17th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong
“Shareholders”	the shareholders of the Company
“SRCC”	上海市農村信用合作社聯合社 (Shanghai Rural Credit Cooperatives Union) and its branches, being the lender of the Purported Loans
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 17 December 2004

*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.