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SHIMAO CHINA HOLDINGS LIMITED

世茂中國控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock code: 649)

Proposed Business Delineation Non-Competition Undertaking constituting a Connected Transaction Formation of Independent Board Committee and Appointment of Independent Financial Adviser Despatch of Circular

Independent Financial Adviser to the Independent Board Committee



PLATINUM
Securities

The Board is pleased to announce (1) the formation of Independent Board Committee, (2) the appointment of Platinum as the independent financial adviser, and (3) the despatch of the circular.

Reference is made to the Company's announcement dated 23 February 2005 (the "**Previous Announcement**") relating to the proposed business delineation and the Undertaking. Unless otherwise stated, terms defined in the Previous Announcement shall have the same meanings when used in this announcement.

Formation of Independent Board Committee

The Board announces today that it has established an Independent Board Committee, comprising Professor Lee Chack Fan, Mr. Liu Hing Hung and Mr. Zhu Wenhui, to advise the Independent Shareholders with respect to the Undertaking.

Appointment of independent financial adviser

The Board further announces that Platinum Securities Company Limited has been appointed as the independent financial adviser ("**Platinum**") to advise the Independent Board Committee and the Independent Shareholders with respect to the Undertaking.

Despatch of circular

The circular containing, inter alia, details of the Undertaking, the recommendation of the Independent Board Committee and the letter from the Platinum has been despatched to Shareholders today.

The SGM to consider and, if thought fit, approve the Undertaking has been convened to take place at 10:00 a.m. on Monday, 14 March 2005. The notice of the SGM is contained in the circular.

By Order of the Board
Shimao China Holdings Limited
Hui Wing Mau
Chairman

As at the date of this announcement, the Board comprises:

Hui Wing Mau (*Chairman and Non-Executive Director*)

Chung Shui Ming, Timpson (*Chief Executive Officer and Executive Director*)

Hui Mei Mei, Carol (*Deputy Chairman and Executive Director*)

Hui Sai Tan, Jason (*Executive Director*)

Chan Loo Shya (*Executive Director*)

Tung Chi Shing, Joseph (*Executive Director*)

Professor Lee Chack Fan (*Independent non-executive Director*)

Liu Hing Hung (*Independent non-executive Director*)

Zhu Wenhui (*Independent non-executive Director*)

Hong Kong, 26 February 2005

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