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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)

ANNOUNCEMENT ADJOURNMENT OF SPECIAL GENERAL MEETING

The Board received a letter dated 4 March 2005 from the Listing Committee and a further letter dated 8 March 2005 from the Listing Division. The letters relate to the Company's proposal to enter into the Undertaking (the "**Proposal**"), the contents of which are further disclosed in this announcement below. The Company wrote on 9 March 2005 to request that the Listing Committee provide written reasons for the decision made on 4 March 2005. The Company is considering the content of and its response to both letters.

Under these circumstances, the Board considers it appropriate to adjourn the SGM scheduled to be held on 14 March 2005 until further notice. A further announcement will be published by the Company in due course.

Trading in the Shares was suspended at the request of the Company with effect from 9:30 am on 7 March 2005 pending the publication of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 am on 11 March 2005.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares.

The Board refers to the announcement regarding business delineation and the Undertaking dated 23 February 2005 (the "**Announcement**") as well as the Company's circular dated 26 February 2005 containing, inter alia, the recommendation of the independent board committee and the advice of the independent financial adviser, and the notice of the SGM dated the same day.

Terms used in the Announcement shall have the same meanings when used in this announcement.

The Company would like to inform the investors that it received a letter dated 4 March 2005 from the Listing Committee in relation to the Undertaking as well as the business delineation with Shimao Property Holdings Limited following a hearing of the Listing Committee held on 3 March 2005. Given the interest of some of the directors of the Company in the Undertaking, the Listing Committee raised questions about fairness of the Undertaking and the handling of the Proposal which involves conflicts of interests. The Listing Committee took the view that the principles that Stock Exchange applies in considering spin-off applications should apply to the Proposal and, in particular, the principle that the Company should retain a sufficient level of operations and sufficient assets to support its listing status after completion of the Proposal. The Listing Committee also requested that the Company make further disclosure to the Shareholders to ensure that the Shareholders are in a position to consider the Proposal. The Board received a further letter dated 8 March 2005 from the Listing Division requesting further information to demonstrate the fairness of the process undertaken, or proposed to be undertaken, by the Company to approve the Proposal. The Company wrote on 9 March 2005 to request that the Listing Committee provide written reasons for the decision made on 4 March 2005. Pending receipt of the reasons, the Company continues to consider the appropriate course of action. The Company is considering the content of and its response to both letters.

Under these circumstances, the Board considers it appropriate to adjourn the SGM scheduled to be held on 14 March 2005 until further notice. A further announcement will be published by the Company in due course.

Trading in the Shares was suspended at the request of the Company with effect from 9:30 am on Monday, 7 March 2005 pending the release of this announcement. An application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 am on Friday, 11 March 2005.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the securities of the Company.

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

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

Directors:

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*)

Hong Kong, 10 March 2005

Independent non-executive Directors:

Lee Chack Fan

Liu Hing Hung

Zhu Wenhui

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