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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

The staff of the Receivers at Hotel Longbai have recently been threatened and physically assaulted. The Receivers currently consider that it is unsafe for their staff to work at Hotel Longbai. In the circumstances, the Receivers consider that the day-to-day operation of Hotel Longbai is no longer under the Receivers' control.

At a hearing on 25 February 2005 in relation to the Company's claim against Mr Chau Ching Ngai for US\$34.2 million (approximately HK\$266.76 million), the Court ordered (amongst other things) that the Company be granted leave to amend and serve the Writ out of the jurisdiction on Mr Chau Ching Ngai. The Default Judgment was set aside on 15 November 2004. On 3 March 2005, the Court ordered (amongst other things) that the discharge of the appointment of the Receivers of Certain of Mr Chau's Assets would take immediate effect (pursuant to the Court order made on 15 November 2004) upon the undertaking by Mr Chau Ching Ngai and Ms Mo Yuk Ping not, without leave of the Court, to deal with certain assets of Mr Chau.

On 23 December 2004, the Intermediate Court made two orders suspending the executions of the Hongxin Enforcement Notice and the Longbai Enforcement Notice. On 7 March 2005, the Intermediate Court ordered the resumption of the executions of the Hongxin Enforcement Notice and the Longbai Enforcement Notice. On 14 March 2005, the Intermediate Court indicated that it would proceed with the procedures for execution of the Hongxin Enforcement Notice and that it would defer proceeding with the procedures for execution of the Longbai Enforcement Notice for a further seven days.

The Receivers 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 announcements of the Company dated 26 November 2004 and 17 December 2004.

The staff of the Receivers at Hotel Longbai have recently been threatened and physically assaulted by a gang of people. The police in Shanghai were called on a number of occasions by the staff of the Receivers seeking protection. In particular, one of the Receivers' staff was physically detained against his will at the hotel, physically assaulted and was only allowed to leave after being forced to sign a document against his will and under duress. The Receivers currently consider that it is unsafe for their staff to work at Hotel Longbai. In the circumstances, the Receivers consider that the day-to-day operation of Hotel Longbai is no longer under the Receivers' control.

On 23 July 2003, the Writ was filed by the Company with the Court claiming US\$34.2 million (approximately HK\$266.76 million) against, inter alios, Mr Chau Ching Ngai in respect of a claim for misappropriated moneys. The Company obtained the Default Judgment against Mr Chau Ching Ngai on 21 August 2003. Pursuant to a Court order made on 28 August 2003, Messrs Stephen Liu Yiu Keung and Yeo Boon Ann were appointed as the Receivers of Certain of Mr Chau's Assets in order to preserve the value thereof and apply the same in satisfaction of the Default Judgment.

At a hearing on 25 February 2005 in relation to the Company's claim against Mr Chau Ching Ngai for US\$34.2 million (approximately HK\$266.76 million), the Court ordered (amongst other things) that the Company be granted leave to amend and serve the Writ out of the jurisdiction on Mr Chau Ching Ngai. The Default Judgment was set aside on 15 November 2004. On 3 March 2005, at a continuation of the hearing held on 25 February 2005, the Court ordered (amongst other things) that the discharge of the appointment of the Receivers of Certain of Mr Chau's Assets would take immediate effect (pursuant to the Court order made on 15 November 2004) upon the undertaking by Mr Chau Ching Ngai and Ms Mo Yuk Ping not, without leave of the Court, to deal with certain assets of Mr Chau.

The Court further ordered at the hearing on 3 March 2005 that the legal action (High Court Action No. 200 of 2004) commenced against Sun Tai Cheung Credits Limited, Sun Hung Kai Investment Services Limited and Ms Mo Yuk Ping by Shanghai Finance Holdings Limited, at the instigation of the Receivers of Certain of Mr Chau's Assets be stayed until the final resolution of the Company's above action against Mr Chau Ching Ngai.

On 23 December 2004, the Intermediate Court made two orders suspending the executions of the Hongxin Enforcement Notice and the Longbai Enforcement Notice. On 7 March 2005, the Intermediate Court ordered the resumption of the executions of the Hongxin Enforcement Notice and the Longbai Enforcement Notice. On 14 March 2005, the Intermediate Court indicated that it would proceed with the procedures for execution of the

Hongxin Enforcement Notice and that it would defer proceeding with the procedures for execution of the Longbai Enforcement Notice for a further seven days.

As stated in the Company's announcements dated 3 and 17 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 Receivers will make further announcement(s) to inform the Shareholders of further developments as and when appropriate in accordance with the Listing Rules.

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 eight directors. The executive directors are Mr Chau Ching Ngai, 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:

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| “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 |
| “Court” | the High Court in Hong Kong |
| “Default Judgment” | the default judgement obtained on 21 August 2003 by the Company against Mr Chau Ching Ngai for US\$34.2 million (approximately HK\$266.76 million) in High Court Action No. 2704 of 2003 |
| “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 |

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| “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 Land” | a parcel of land situated at 26 Wu Zhong Lu, Shanghai, the PRC which is owned by 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 |
| “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 |
| “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 |
| “Receivers of Certain of Mr Chau’s Assets” | Messrs Stephen Liu Yiu Keung and Yeo Boon Ann appointed as joint and several receivers of certain assets of Mr Chau Ching Ngai pursuant to a Court order made on 28 August 2003 in High Court Action No. 2704 of 2003 |

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| “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 |
| “Writ” | the writ of summons filed by the Company with the High Court in Hong Kong on 23 July 2003 (High Court Action No. 2704 of 2003) |

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

Hong Kong, 18 March 2005

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