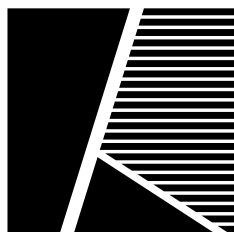


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# Shanghai Land Holdings Limited

## 上海地產控股有限公司

*(Receivers Appointed)*

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 67)

### ANNOUNCEMENT

The Receivers are currently engaged in ongoing without prejudice negotiations with Mr. Chau's representatives and BOCHK's representatives with a view to reaching an agreement with respect to the Proposal. No agreement has been entered into by the Company in this regard. **Shareholders should note that the Proposal being discussed is subject to a number of uncertainties and therefore may or may not proceed.**

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.

### THE PROPOSAL

The Receivers have been exploring alternatives with a view to preserving and/or maximising the value of the assets of the Company for the benefit of the Shareholders, in particular the minority shareholders. Having considered the various developments, the time and costs involved in the pursuit of litigation by the Group against various parties as well as the difficulties involved in maintaining the continued listing status of the Company and restoring the trading of

the Company's shares, the Receivers have been engaged in without prejudice negotiations with Mr. Chau's representatives and BOCHK's representatives, which negotiations are currently ongoing, regarding the possibility of returning the Company's capital to Shareholders through a liquidation of the Company as part of a settlement of certain significant litigation commenced by the Group and certain other claims which the Group would otherwise proceed to litigate. Mr. Chau is beneficially interested in the entire issued share capital of New Nongkai which is the beneficial owner of approximately 75% of the Company's issued share capital. Such shares in New Nongkai and the Company have been respectively charged by Mr. Chau and New Nongkai in favour of BOCHK. Negotiations are ongoing and no agreement has yet been reached.

The Company's major assets include its cash reserve, its equity interests in three subsidiaries which respectively own certain units at Jun Ling Plaza, Hongxin Land and Hotel Longbai and the claims which it has against various parties. As stated in the Company's previous announcements, Hongxin Land and Hotel Longbai were purportedly pledged as security in respect of the certain purported loans. The Company may lose ownership of Hongxin Land as a result of the Hongxin Enforcement Notice and may lose ownership of Hotel Longbai as a result of the Longbai Enforcement Notice. Should the Company lose ownership of Hongxin Land and/or Hotel Longbai, the Company may or may not be able to comply with Rule 13.24 of the Listing Rules regarding its continued suitability for listing. The Company understands that the Intermediate Court should be proceeding with the procedures for execution of the Hongxin Enforcement Notice and the Longbai Enforcement Notice.

Discussions regarding the Proposal are ongoing. No agreement has been entered into by the Company in this regard. **Shareholders should note that the Proposal being discussed is subject to a number of uncertainties and therefore may or may not proceed.**

The Receivers will make further announcement(s) to inform the Shareholders of further developments as and when appropriate in accordance with the Listing Rules.

## **GENERAL**

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.

As stated in the Company's announcement dated 18 November 2004, since Mr. Liu Lit Man's resignation as an independent non-executive director and audit committee member of the Company with effect from 11 November 2004, the Company has only two independent non-executive directors which falls short of the minimum requirement under Rule 3.10(1) of the Listing Rules. Shareholders are advised to refer to the Company's announcement dated 24 January 2005 and the interim report dated 22 March 2005 for the six months ended 31 December 2004 in respect of the action taken by the Company with a view to appointing further independent non-executive directors. The Receivers are preparing for an application to the Court to seek directions in this regard.

## **DEFINITIONS**

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

“BOCHK”	Bank of China (Hong Kong) Limited
“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
“Group”	the Company and its subsidiaries
“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 Shanghai Rural Credit Cooperatives Union 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
“Jun Ling Plaza”	Jun Ling Plaza, an office building located at 500 Chengdu North Road, Huangpu District, Shanghai, the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“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 Shanghai Rural Credit Cooperatives Union RMB354,934,911.58 with accrued penalty interest and an enforcement fee of RMB356,935
“Mr. Chau”	Mr. Chau Ching Ngai, the Chairman of the Company
“New Nongkai”	New Nongkai Global Investments Limited (Receivers and Managers Appointed), a company beneficially owned by Mr. Chau
“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
“Proposal”	a proposal which may involve, among other things, the return of the Company’s capital to Shareholders through liquidation of the Company as part of a settlement of certain litigation commenced by the Group and of certain other claims the Group has against various parties

“Receivers”                      Messrs. Stephen Liu Yiu Keung and Yeo Boon Ann, both of 17th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong

“Shareholders”                  the shareholders of the Company

“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, 27 April 2005

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