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SHIMAO INTERNATIONAL HOLDINGS LIMITED

世茂國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 649)

ANNOUNCEMENT

Relating to Proposed Business Delineation and Non-Competition Undertaking

Reference is made to the announcements dated 10 March 2005 and 7 April 2005. Terms defined in the two previous announcements shall have the same meanings when used in this announcement.

The Board announces that the Company received a letter dated 9 August 2005 from the Listing (Review) Committee informing the Company that, following a review hearing on the decision of the Listing Committee made on 4 March 2005 in relation to the Undertaking as well as the business delineation with Shimao Property Holdings Limited, the Listing (Review) Committee has decided to overturn the decision and ruled that Practice Note 15 of the Listing Rules was not applicable to the Undertaking. The Company will now be working with the Listing Division to address certain points raised by the Listing (Review) Committee in the circular previously issued by the Company on 26 February 2005 and to reissue such circular as soon as practicable. A notice of the special general meeting of the Company will be included in the circular.

By Order of the Board
Shimao International Holdings Limited
Mok Chung Fu, Eric
Company Secretary

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*)

Tung Chi Shing, Joseph (*Executive Director*)

Chan Loo Shya (*Executive Director*)

Independent non-executive Directors:

Lee Chack Fan

Liu Hing Hung

Zhu Wenhui

Hong Kong, 10 August 2005

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