

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

Reference is made to the announcement of the Company dated 27 July 2005. The Company is pleased to announce that on 27 July 2005, the Board resolved to approve the Company's entry into the Settlement Deed in order that the Receivers could apply to the Court for sanction.

At a hearing on 29 July 2005 in relation to the Receiver's application to the Court for sanction of the Receivers entering into the Settlement Deed in their capacity as receivers on behalf of the Company, it was ordered that sanction be given to the Receivers to enter into the Settlement Deed dated 5 July 2005 in their capacity as the Receivers and on behalf of the Company and for the implementation of the Settlement Deed including, without limitation, the making of the distributions as provided for in the Settlement Deed.

The NNGI Receivers, at a hearing on 26 July 2005, obtained sanction from the Court to enter into, in their capacity as receivers of New Nongkai, the Settlement Deed dated 5 July 2005 and the implementation of the Settlement Deed including, without limitation, the making of the distributions as provided for in the Settlement Deed.

The approval by a majority of the Directors of the Company voting at a meeting of the Board convened for the purposes of approving the Company entering into the Settlement Deed and sanction from the Court of the Receivers and the NNGI Receivers entering into this Deed in their capacity as receivers on behalf of the Company and New Nongkai respectively and their implementation of the Settlement Deed including, without limitation, the making of the distributions as provided for in the Settlement Deed are conditions precedent to the execution of the Settlement Deed.

Shareholders should note that the Settlement Proposal, the winding-up of the Company and the withdrawal of listing are subject to a number of conditions and therefore may or may not proceed.

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 2 June 2003 pending clarification of certain press articles regarding the Company and remains suspended. The Company will make further announcement(s) regarding any significant developments as and when appropriate.

BACKGROUND

On 27 July 2005, the Company announced it has entered into a Settlement Proposal with the Parties which involve, among other things, the winding-up of the Company by way of a members' voluntary winding-up, a distribution of the Company's assets to its Shareholders and a settlement of claims.

The Settlement Proposal involves the winding-up of the Company and is a very substantial disposal under the Listing Rules.

The Parties are the Company, New Nongkai, BOCHK, BOC (HK) Nominees, the Receivers, the NNGI Receivers, Mr. Chau and Ms. Mo.

Conditions precedent to the Settlement Deed

The following are conditions precedent to the operation of the Settlement Proposal as contained in the Settlement Deed:

- (1) approval by a majority of the Directors voting at a meeting of the Board convened for the purposes of approving the Company entering into the Settlement Deed;
- (2) the passing by the Independent Shareholders of a resolution at the EGM to approve the Settlement Deed and the transactions contemplated thereunder for the purposes of the Listing Rules, voting by way of poll;

- (3) the passing by the Shareholders of a special resolution at the EGM to approve, among other things, the winding-up of the Company (to the extent to which BOC (HK) Nominees may vote in respect of such resolution, BOCHK agreed to procure BOC (HK) Nominees to and BOC (HK) Nominees undertakes to vote in favour of such resolution); and
- (4) sanction from the Court in respect of the Receivers and the NNGI Receivers entering into the Settlement Deed in their capacity as receivers and on behalf of the Company and New Nongkai respectively and their implementation of the Settlement Deed including, without limitation, the making of the distributions.

The Company acting through the Receivers considers that it is appropriate to propose a resolution to the Independent Shareholders for their consideration for the withdrawal of listing of the Company on the Stock Exchange following the implementation of the Settlement Proposal. In accordance with Rule 6.12 of the Listing Rules, the approval of withdrawal of listing must be obtained from at least 75% of the Independent Shareholders voting by way of poll either in person or by proxy at the meeting.

The Company is pleased to announce that on 27 July 2005, the Board resolved to approve the Company's entry into the Settlement Deed in order that the Receivers could apply to the Court for sanction.

At a hearing on 29 July 2005 in relation to the Receiver's application to the Court for sanction of the Receivers entering into the Settlement Deed in their capacity as receivers on behalf of the Company, it was ordered that sanction be given to the Receivers to enter into the Settlement Deed dated 5 July 2005 in their capacity as the Receivers and on behalf of the Company and for the implementation of the Settlement Deed including, without limitation, the making of the distributions as provided for in the Settlement Deed.

The NNGI Receivers, at a hearing on 26 July 2005, obtained sanction from the Court to enter into, in their capacity as receivers of New Nongkai, the Settlement Deed dated 5 July 2005 and the implementation of the Settlement Deed including, without limitation, the making of the distributions as provided for in the Settlement Deed.

Saved for (2) and (3) above, the relevant conditions precedent will be deemed satisfied with copies of the minutes of meeting of the Board approving the Company entering into the Settlement Deed and the Court Orders granting sanction to the Receivers and NNGI Receivers delivered by the Party which was responsible for the satisfaction of the relevant condition precedent to the other Parties.

The Parties may agree in writing to amend or waive any of the conditions precedent, to the extent that such conditions precedent are capable of being waived or amended, either unconditionally or subject to further terms. As at the date of the announcement, none of the parties has expressed any intention to vary or waive any of the conditions precedent.

The Settlement Proposal involves the winding-up of the Company and is a very substantial disposal under the Listing Rules and constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. An EGM will be convened to obtain the necessary approvals from the relevant Shareholders for the Settlement Proposal, the winding-up of the Company and the withdrawal of listing on the Stock Exchange following the implementation of the Settlement Proposal. New Nongkai, BOC (HK) Nominees, BOCHK, Mr. Chau, Ms Mo and their respective associates holding 75% of the shareholding are required to abstain from voting in respect of the resolution to approve the Settlement Proposal and the withdrawal of listing for the purposes of the Listing Rules.

The Company will despatch a circular containing, among other things, further details of the Settlement Proposal and the Group's assets and liabilities, the recommendation from the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders and a notice convening the EGM to the Shareholders as soon as practicable.

Shareholders should note that the Settlement Proposal, the winding-up of the Company and the withdrawal of the listing are subject to a number of conditions and therefore may or may not proceed.

Trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 2 June 2003 and remains suspended. The Company will make further announcement(s) regarding any significant developments as and when appropriate.

As at the date of this announcement, the Board comprises nine 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, Mr. Ho Yau Hoo, Ronald and Mr. Choi Man On.

DEFINITIONS

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

“Board”	the board of Directors
“BOCHK”	Bank of China (Hong Kong) Limited, the provider of the Facility to New Nongkai, the principal business of which is the provision of banking and related financial services
“BOC (HK) Nominees”	Bank of China (Hong Kong) Nominees Limited, a wholly-owned subsidiary of BOCHK (according to the notice dated 2 December 2003 filed by BOCHK with the Company pursuant to section 324 of Part XV of the Securities and Futures Ordinance) and the registered holder of approximately 75% of the issued share capital of the Company, the principal business of which is nominee services
“Company”	Shanghai Land Holdings Limited (Receivers Appointed), a company incorporated in Hong Kong and the shares of which are listed on the Main Board of the Stock Exchange
“Court”	the High Court of Hong Kong
“Director(s)”	director(s) of the Company
“Facility”	a demand loan facility provided by BOCHK as lender and New Nongkai as borrower pursuant to the terms of a loan agreement dated 23 April 2002 (as amended by supplemental agreements dated 3 May 2002 and 12 June 2002)
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chau”	Mr. Chau Ching Ngai, the Chairman of the Company
“Ms. Mo”	Ms. Mo Yuk Ping, the former general manager of the Company and understood to be the wife of Mr. Chau

“New Nongkai”	New Nongkai Global Investments Limited (Receivers and Managers Appointed), a company wholly owned by Mr. Chau, which is beneficially interested in approximately 75% of the issued share capital of the Company, the principal business of which is investment holding
“NNGI Receivers”	Mr. Kennic Lai Hang Lui and Ms Ruby Mun Yee Leung, the joint and several receivers and managers of New Nongkai, who, to the best of the knowledge of the Receivers and the Board, are the connected persons of the Company by virtue of being parties to the Settlement Proposal (as defined in the Listing Rules)
“Parties”	parties to the Settlement Deed, namely the Company, New Nongkai, BOCHK, BOC (HK) Nominees, the Receivers, the NNGI Receivers, Mr. Chau and Ms. Mo
“PRC”	The People’s Republic of China
“Primary Parties”	the Company, New Nongkai, BOCHK, BOC (HK) Nominees, the Receivers, the NNGI Receivers and Mr. Chau
“Receivers”	Messrs. Stephen Liu Yiu Keung and Yeo Boon Ann, the joint and several receivers of the Company, who are the connected persons of the Company (save for their capacity as the Receivers) by virtue of being parties to the Settlement Proposal (as defined in the Listing Rules)
“Settlement Deed”	a conditional settlement deed entered into on 5 July 2005 amongst the Company, New Nongkai, BOCHK, BOC (HK) Nominees, the Receivers, the NNGI Receivers, Mr. Chau and Ms. Mo in respect of the Settlement Proposal
“Settlement Proposal”	a settlement proposal which involves, among other things, the winding-up of the Company by way of a members’ voluntary liquidation, a distribution of the Company’s assets to its Shareholders and a settlement of claims, which is more fully described in the section headed “Settlement Proposal involving winding-up of the Company” in this announcement
“Share(s)”	ordinary share(s) of HK\$0.50 each in the capital of the Company

“Shareholders” the holders of the Shares

“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, 1 August 2005

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