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If you have sold or transferred all your shares in **Shell Electric Mfg. (Holdings) Company Limited**, you should at once hand this document to the purchaser or transferee or to the bank, licensed securities dealer or registered institution or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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SHELL ELECTRIC MFG. (HOLDINGS) COMPANY LIMITED

蜆壳電器工業（集團）有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock code: 00081)

DISCLOSEABLE TRANSACTION

ACQUISITION OF 70% REGISTERED CAPITAL IN

青島頤景房地產開發有限公司

(QINGDAO YIJING REAL ESTATE DEVELOPMENT LIMITED*)

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DEFINITIONS

In this document, the following expressions have the following meanings, unless the context requires otherwise:

“Acquisition”	the acquisition of the 70% registered capital in Qingdao Yijing from Qingdao Chongjie to Beijing EB Real Estate under the Co-operation Agreement
“associate(s)”	has the meaning as ascribed in the Listing Rules
“Beijing EB Real Estate”	北京光大房地產開發有限公司 (Beijing Everbright Real Estate Development Limited*), an indirect 70% owned subsidiary of the Company
“Board”	the Board of Directors
“Company”	Shell Electric Mfg. (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning as ascribed in the Listing Rules
“Co-operation Agreement”	the co-operation agreement dated 2 August 2007 entered into by Beijing EB Real Estate and Qingdao Chongjie and Mr. Wu Zu Hua in relation to the Acquisition
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s), or in the case of companies, their ultimate beneficial owner(s), who are independent of and not connected with the Company and its subsidiaries and its connected persons or in the case of a corporation (the ultimate beneficial owner) their respective associates (“connected persons” and “associates” as defined in the Listing Rules)
“Latest Practicable Date”	10 September 2007 being the latest practicable date prior to the printing of this document for the purpose of ascertaining certain information for inclusion in this document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Party A”	Qingdao Chongjie and Mr. Wu Zu Hua
“PRC”	the People’s Republic of China, which for the purpose of this document excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Qingdao Chongjie”	青島崇杰集團有限公司, (Qingdao Chongjie Company Limited*), a company incorporated in the PRC with limited liability, is principally engaged in property development and sale of properties, an Independent Third Party
“Qingdao Yijing”	青島頤景房地產開發有限公司, (Qingdao Yijing Real Estate Development Limited*), a company incorporated in the PRC with limited liability
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shares(s)”	ordinary share(s), currently with par value of HK\$0.50 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

Amounts denominated in RMB in this document have been translated into HK\$ at a rate of RMB1.00=HK\$1.034 for illustration purposes.

* For identification purpose only

LETTER FROM THE BOARD



SHELL ELECTRIC MFG. (HOLDINGS) COMPANY LIMITED

蜆壳電器工業(集團)有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock code: 00081)

Directors:

Mr. Billy K YUNG

(Group Chairman and Chief Executive)

Dr. Leo Tung-Hai LEE, *GBM, GBS, Cav Gr Cr, OBE*

Chev Leg d'Hon, Comm Leopold II, LLD, JP⁺

Mr. Shiu-Kit NGAI, *SBS, OBE, JP⁺*

Madam YUNG HO Wun Ching

Mr. LEUNG Chun Wah

Mr. Eddie HURIP

Mr. Simon YUNG Kwok Choi[#]

Mr. Peter WONG Chung On⁺

Mr. Peter LAM⁺

Registered office and head office:

Shell Industrial Building

12 Lee Chung Street

Chai Wan Industrial District

Hong Kong

[#] *non-executive Director*

⁺ *independent non-executive Directors*

13 September 2007

To the Shareholders

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION
ACQUISITION OF 70% REGISTERED CAPITAL IN
青島頤景房地產發展有限公司
(QINGDAO YIJING REAL ESTATE DEVELOPMENT LIMITED*)**

1. INTRODUCTION

The Board announced that on 2 August 2007, 北京光大房地產開發有限公司 (Beijing Everbright Real Estate Development Limited*) entered into the Co-operation Agreement, which was effective and legally binding, with 青島崇杰集團有限公司 (Qingdao Chongjie Company Limited*) and Mr. Wu Zu Hua. Pursuant to the Co-operation Agreement, Beijing EB Real Estate agreed to acquire and Qingdao Chongjie agreed to dispose of 70% equity interest in Qingdao Yijing for a total payment of RMB560 million comprising RMB7 million (approximately HK\$7 million) to Qingdao Chongjie and Beijing EB Real Estate agreed to provide shareholder's loan to Qingdao Yijing of RMB553 million (approximately HK\$572 million) for property development.

* *For identification purpose only*

LETTER FROM THE BOARD

It was only around mid August 2007 when the Company received a signed copy of the Co-operation Agreement. The Company has been collating and ascertaining certain relevant information for the purpose of complying with the disclosure requirements in respect of the Acquisition. Delays in the gathering of the relevant information from parties concerned, the time lags in communication between the Group's staff in the PRC and in Hong Kong have caused the Company not to be in a position to make an informed announcement of the transaction contemplated under the Co-operation Agreement until such information are obtained. Based on such information, the transactions contemplated under the Co-operative Agreement was ratified by the Board on 24 August 2007.

The purpose of this document is to provide you with the relevant information regarding the Acquisition.

2. THE CO-OPERATION AGREEMENT

Summarised below are the principal terms of the Co-operation Agreement.

2.1 Date

2 August 2007

2.2 Parties

- (a) Beijing EB Real Estate
- (b) Qingdao Chongjie
- (c) Mr. Wu Zu Hua

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Qingdao Chongjie and their ultimate beneficial owner(s) and Mr. Wu Zu Hua are Independent Third Parties.

2.3 Subject of the Acquisition

Qingdao Yijing is a company incorporated in the PRC with limited liability with registered capital of RMB10 million. It is principally engaged in property development business in the PRC. In December 2003, Qingdao Yijing obtained the rights via open market auction for a total consideration of approximately RMB42.3 million, which had already been fully settled, to develop the properties in 466 Hong Kong East Road, Laoshan Region, Qingdao, the PRC (青島嶗山區香港東路466號) ("Laoshan Project"). As at the Latest Practicable Date, the land use right for the Laoshan Project has already been obtained by Qingdao Yijing.

LETTER FROM THE BOARD

Laoshan Project is mainly for residential and commercial purposes. The gross floor area of construction area in Laoshan Project is estimated to be approximately 140,000 square meters of which approximately 100,000 square meters are intended for residential purpose. As at the Latest Practicable Date, the development for the Laoshan Project has not commenced yet.

As at the Latest Practicable Date, Qingdao Yijing has completed the development and sales in the 頤景園項目 (“Project Yijingyuan”*) and has submitted an application of reclamation, the proposed size ranges from 100,000 to 140,000 square meters, for setting up a five stars hotel and a yacht club (“Reclamation Project”*). For the purposes of the Acquisition, given the Project Yijingyuan has been completed and the Reclamation Project is yet to commence, any future economic benefit to be derived from the Project Yijingyuan and the Reclamation Project will be solely attributable to Party A and Beijing EB Real Estate will not be responsible for any expenses/costs in relation to the Reclamation Project. Save as disclosed herein, Qingdao Yijing currently does not own nor is in the process of developing any other projects.

Immediately prior to the completion of the Acquisition, the registered capital of Qingdao Yijing is owned as to 88% by Qingdao Chongjie and the remaining 12% owned by Mr. Wu Zu Hua.

Upon completion, the registered capital of Qingdao Yijing is owned as to 70% by Beijing EB Real Estate, 18% owned by Qingdao Chongjie and the remaining 12% owned by Mr. Wu Zu Hua.

According to audited financial information of Qingdao Yijing for two years ended 31 December 2006, it has recorded a net loss (before and after taxation) of approximately RMB104,000 (approximately HK\$107,000) and RMB141,000 (approximately HK\$146,000) respectively. As at 31 December 2005 and 2006, the audited net assets of Qingdao Yijing were approximately RMB52.1 million (approximately HK\$53.9 million) and RMB50.6 million (approximately HK\$52.3 million) respectively (prepared in accordance with PRC generally accepted accounting principles).

Upon Beijing EB Real Estate receives its return on its investment and the repayment of shareholder’s loan from Qingdao Yijing, Beijing EB Real Estate agreed to dispose of its 70% interest in Qingdao Yijing to Party A.

Beijing EB Real Estate is entitled to receive its return on its investment on a pro rata basis based on its shareholding interest, i.e. 70%. The consideration for the disposal has not been determined at this stage.

Depending on the results of the relevant size tests and/or the requirements of the Listing Rules at the relevant time, such transaction may constitute another notification and/or connected transaction for the disposal of its 70% interest in Qingdao Yijing to Party A and the Company will comply with the relevant Listing Rules accordingly.

* For identification purpose only

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2.4 Consideration and settlement method

Pursuant to the Co-operation Agreement, Beijing EB Real Estate, after arm's length negotiation, agreed to acquire 70% of registered capital of Qingdao Yijing at an aggregate payment of RMB560 million comprising RMB7 million to Qingdao Chongjie and Beijing EB Real Estate agreed to provide shareholder's loan to Qingdao Yijing of RMB553 million for (i) the repayment of outstanding liabilities of Qingdao Yijing; and (ii) Laoshan Project development under Qingdao Yijing.

The payments of RMB7 million and RMB553 million, i.e. the aggregate payment of RMB560 million, have been/will be settled in following multiple tranches and have been/will be satisfied by the internal resources of the Company.

Beijing EB Real Estate set up a jointly controlled bank account within three days from the date of the Co-operation Agreement.

After the Business Administration Registration is filed in respect of the aforesaid transfer on 7 August 2007, RMB7 million is released to Qingdao Chongjie as consideration and RMB193 million is released to Qingdao Yijing as shareholder's loan on 10 August 2007.

Within 75 days from the date of the Co-operation Agreement (in any event, no later than one month thereafter), Party A is responsible to obtain the necessary approval for the development of the Laoshan Project, the payment for the remaining balance of RMB360 million will be settled in the following manners:

- (i) within three working days after obtaining the 建設用地規劃許可證 ("Land use permit"*), Beijing EB Real Estate agrees to pay RMB200 million to Qingdao Yijing;
- (ii) within three working days after obtaining the 建設工程規劃許可證 ("Building permit"*), Beijing EB Real Estate agrees to pay RMB50 million to Qingdao Yijing;
- (iii) within three working days after obtaining the 施工許可證 ("Construction licence"*), Beijing EB Real Estate agrees to pay RMB50 million to Qingdao Yijing; and
- (iv) within three working days after obtaining the 預售許可證 ("Pre-sale licence"*), Beijing EB Real Estate agrees to pay RMB60 million to Qingdao Yijing.

The consideration was made by reference to the estimate of the management of Beijing EB Real Estate with regard to the recent market statistics and comparable market transactions as well as the future business potential of Qingdao Yijing (i.e. the underlying value of the property assets of Qingdao Yijing when it is completed).

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2.5 Completion

The transfer of 70% registered capital in Qingdao Yijing from Qingdao Chongjie to Beijing EB Real Estate took place on 7 August 2007 (when the Business Administration Registration was filed). Accordingly, Beijing EB Real Estate becomes the holder of 70% registered capital in Qingdao Yijing. Upon completion of the Acquisition, Qingdao Yijing is treated as non-wholly owned subsidiary of the Group.

3. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in (i) the manufacturing and marketing of electric fans, vacuum cleaners, electric cables and other electrical household appliances, (ii) the EMS (Electronic Manufacturing Services) business and (iii) property development and investment in the PRC.

With the expected continuing growth of the economy of the PRC, the Directors are optimistic about the growth potential for the property market in the PRC. The Acquisition is in line with the Group's stated strategy and will further enhance the Group's interest in a portfolio of property development projects and the Directors are of the view that it is fair and reasonable and is in the interests of the Company and Shareholders as a whole.

4. POSSIBLE FINANCIAL EFFECTS OF THE ACQUISITION ON THE GROUP

The Board believes that the Acquisition will not give rise to any material effect on the earnings and the assets and liabilities of the Group.

5. GENERAL

The Acquisition constituted a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. Your attention is also drawn to the additional information set out in the appendix to this document.

Yours faithfully,
For and on behalf of the Board of
Shell Electric Mfg. (Holdings) Company Limited
Billy K YUNG
Group Chairman and Chief Executive

1. RESPONSIBILITY STATEMENT

This document includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests of the Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO), or were required to be recorded in the register required to be maintained by the Company under Section 352 of the SFO or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

(a) Long position in the Shares

Name of Director	Capacity	Nature of Interests	Number of Shares held	Aggregate long position	Percentage of aggregate long position in Shares to the issued share capital of the Company
Mr. Billy K Yung	Beneficial owner	Personal	29,685,000	256,014,084	48.72%
	Interest of child under 18 or spouse (<i>note 1</i>)	Other	216,329,084		
	Interest held jointly with another person (<i>note 2</i>)	Other	10,000,000		
Dr. Leo Tung-Hai Lee	Beneficial owner	Personal	3,206,000	3,206,000	0.61%
Mr. Peter Lam	Beneficiary of a trust (<i>note 3</i>)	Other	1,300,000	1,300,000	0.25%

Name of Director	Capacity	Nature of Interests	Number of Shares held	Aggregate long position	Percentage of aggregate long position in Shares to the issued share capital of the Company
Madam Yung Ho Wun Ching	Beneficial owner	Personal	53,196,300	63,196,300	12.03%
	Interest of spouse (note 4)	Family	10,000,000		
Mr. Leung Chun Wah	Beneficial owner	Personal	1,057,400	1,057,400	0.20%
Mr. Simon Yung Kwok Choi	Beneficial owner	Personal	39,147,911	43,577,351	8.29%
	Interest of controlled corporation (note 5)	Corporate	3,529,440		
	Interest of spouse (note 6)	Family	900,000		

Notes:

- (1) These Shares are held by a trust for the benefit of Mr. Billy K Yung's family members.
- (2) These Shares are held by jointly with his wife, Madam Hsu Vivian.
- (3) These Shares are held by a trust for the benefit of Mr. Peter Lam.
- (4) This interest represents the holding of Shares held by the late Dr. Yung Yau.
- (5) These Shares are held by Konvex Enterprises Limited, which is wholly-owned by Mr. Simon Yung Kwok Choi.
- (6) This interest represents the holding of Shares held by Mr. Simon Yung Kwok Choi's spouse, Madam Chiu Man.

(b) Share options scheme

Details of the share options held by the Directors as at the Latest Practicable Date were as follows:

(i) Share options to subscribe for shares in Appeon Corporation (“Appeon”)

Name of Director	Capacity	Date of grant	Period during which options are exercisable	Subscription price per share US\$	Number of share options held as at Latest Practicable Date	Percentage to the issued share capital of Appeon as at the Latest Practicable Date
Mr. Billy K Yung	Beneficial owner	09.06.2003	09.06.2003 – 10.11.2012	2.50	6,750	
		09.06.2003	01.10.2003 – 10.11.2012	2.50	3,375	
		09.06.2003	01.04.2004 – 10.11.2012	2.50	3,375	
		09.06.2003	01.10.2004 – 10.11.2012	2.50	3,375	
		09.06.2003	01.04.2005 – 10.11.2012	2.50	3,375	
		09.06.2003	01.10.2005 – 10.11.2012	2.50	3,375	
		09.06.2003	01.04.2006 – 10.11.2012	2.50	3,375	
Total number of share options held by Director					27,000	0.74%

Appeon is company incorporated in January 2002 with limited liability and engaged in investment holding and computer software development. As at the Latest Practicable Date, the issued share capital of Appeon is held as to 89.33% by the Company indirectly, 0.82% by an employee of Appeon and 9.85% by Independent Third Parties.

(ii) *Share options to subscribe for shares in Galactic Computing Corporation (“Galactic”)*

Name of Director	Capacity	Date of grant	Period during which options are exercisable	Subscription price per share US\$	Number of share options held as at Latest Practicable Date	Percentage to the issued share capital of Galactic as at the Latest Practicable Date
Mr. Billy K Yung	Beneficial owner	09.06.2003	09.06.2003 – 10.11.2012	0.45	25,000	
		09.06.2003	01.12.2003 – 10.11.2012	0.45	25,000	
		09.06.2003	01.06.2004 – 10.11.2012	0.45	25,000	
		09.06.2003	01.12.2004 – 10.11.2012	0.45	25,000	
		09.06.2003	01.06.2005 – 10.11.2012	0.45	25,000	
		09.06.2003	01.12.2005 – 10.11.2012	0.45	25,000	
		09.06.2003	01.06.2006 – 10.11.2012	0.45	25,000	
		09.06.2003	01.12.2006 – 10.11.2012	0.45	25,000	
Total number of share options held by Director					200,000	0.84%

Galactic is a company incorporated in November 2001 with limited liability and engaged in investment holding and computer software and hardware development. As at the Latest Practicable Date, the Company indirectly held 100% of the issued share capital of Galactic.

(c) **Disclosure of other interests**

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of the Company was interested in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (c) were required, pursuant to the Model Code for Securities Transaction by the Directors of Listing Companies to be notified to the Company and the Stock Exchange.

3. DISCLOSURE INTEREST UNDER DIVISIONS 2 AND 3 PART XV OF THE SFO AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors and chief executives of the Company, the persons, other than a Director or chief executive of the Company, who had an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group and the amount of each of such person's interest in such securities or in any options in respect of such capital were as follows:

(a) Shares in the Company

Name of substantial shareholder	Capacity	Nature of interests	Number of Shares held	Aggregate long position	Percentage of Shares held to the issued share capital of the Company
UBS Trustees (BVI) Limited	Trustee of a trust (note 1)	Other	224,437,334	224,437,334	42.71%
Diamond Key Enterprises Inc.	Beneficial owner (note 1)	Beneficial	143,612,287	143,612,287	27.33%
On Fat Profits Corporation	Beneficial owner (note 1)	Beneficial	72,716,797	72,716,797	13.84%
Madam Chiu Man	Beneficial owner	Personal	900,000	43,577,351	8.29%
	Interest of spouse (note 2)	Family	42,677,351		
Madam Hsu Vivian	Interest of spouse	Family	29,685,000	39,685,000	7.55%
	Interest held jointly with another person (note 3)	Other	10,000,000		
Madam Yung Siu Chee Margaret (note 4)	Beneficial owner	Personal	28,154,604	28,154,604	5.36%

Notes:

- (1) 143,612,287 Shares and 72,716,797 Shares form part of the 224,437,334 Shares held by UBS Trustee (BVI) Limited. Of which, the aggregate number of 143,612,287 Shares and 72,716,797 Share (i.e. 216,329,084 Shares) are disclosed in the sub-paragraph headed “2.(a) Long position in the Shares” under the paragraph headed “2. Disclosure of interests” above as being held under a trust with Mr. Billy K Yung’s family as the beneficiaries. None of the directors are directors or employees of On Fat Profits Corporation and Diamond Key Enterprises Inc.
- (2) Madam Chiu Man’s Shares held under personal and family interests are in fact the same block of Shares already disclosed respectively under family, personal and corporate interests of her husband, Mr. Simon Yung Kwok Choi as disclosed in the sub-paragraph headed “2.(a) Long position in the Shares” under the paragraph headed “2. Disclosure of interests” above.
- (3) Madam Hsu Vivian’s Shares held under family and other interests are in fact the same block of Shares already disclosed respectively under personal and other interests of her husband, Mr. Billy K Yung as disclosed in the sub-paragraph headed “2.(a) Long position in the Shares” under the paragraph headed “2. Disclosure of interests” above.
- (4) Madam Yung Siu Chee Margaret is daughter of Madam Yung Ho Wun Ching. She is also a sister of Mr. Billy K Yung and Mr. Simon Yung Kwok Choi.

(b) Shares in the Company’s subsidiaries

Name of substantial shareholder	Capacity	Name of subsidiary	Percentage of equity interest
APD Semiconductor, Inc.	Beneficial owner	Phoenix Atlantic Limited	35.00%
Honwise International Limited	Beneficial owner	Brentwood Ventures Limited	12.50%
Wylar Investments Limited	Beneficial owner	Brentwood Ventures Limited	12.50%
Poly Bright Holdings Limited	Beneficial owner	Brentwood Ventures Limited	12.50%
Assure Win Investments Limited	Beneficial owner	China Everbright Real Estate Development Limited	30.00%
呼和浩特繞城公路建設開發有限責任公司 (Hohhot Rao Cheng Gong Lu Construction and Development Company Limited*)	Beneficial owner	呼和浩特光大環城建設開發有限公司 (Hohhot Guang Da Huan Cheng Construction and Development Company Limited*)	20.00%
深圳光大策略投資有限公司 (Shenzhen City Guang Da Strategic Investment Company Limited*)	Beneficial owner	廣州市光大花園房地產開發有限公司 (Guangzhou City Guang Da Hua Yuan Real Estate Development Company Limited*)	42.00%
北京世紀隆興投資有限公司 (Beijing Century Longxing Investment Limited*)	Beneficial owner	北京華世柏利房地產開發有限公司 (Beijing Huashiboli Property Development Limited*)	10.00%
北京世紀恆信諮詢有限公司 (Beijing Century Hengxin Consulting Limited*)	Beneficial owner	北京華世柏利房地產開發有限公司 (Beijing Huashiboli Property Development Limited*)	20.00%

* For identification purpose only

Save as disclosed above, as at the Latest Practicable Date, as far as is known to the Directors and chief executives of the Company, none of the persons, other than a Director or chief executive of the Company, had any interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or had, directly or indirectly, any interests in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. LITIGATION

So far as the Directors are aware, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against the Company or any of its subsidiaries as at the Latest Practicable Date.

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had any interest in businesses, which are considered to compete or are likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

7. MISCELLANEOUS

- (a) The head office and registered office of the Company is at Shell Industrial Building, 12 Lee Chung Street, Chai Wan Industrial District, Hong Kong.
- (b) The share registrar and transfer office of the Company is Tricor Standard Limited, Share Registration Public Office, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (c) The secretary of the Company is Mr. Peter Lee Yip Wah, a qualified solicitor practising in Hong Kong.
- (d) The qualified accountant of the Company is appointed pursuant to Rule 3.24 of the Listing Rules is Mr. Chu Ka Loy, the Group Financial Controller, who is an associate member of both the Institute of Chartered Secretaries and Administrators and the Chartered Institute of Management Accountants of the United Kingdom and is also an associate member of the Hong Kong Institute of Certified Public Accountants.
- (e) The translation into Chinese language of this document is for reference only. In the event of any inconsistency, the English text of this document shall prevail over the Chinese language text.