
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This circular does not constitute an offer or invitation to subscribe for or purchase any securities of Shanghai Century Holdings Limited nor is it calculated to invite any such offer or invitation.

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shanghai Century Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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



SHANGHAI CENTURY HOLDINGS LIMITED 上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

DISCLOSEABLE AND CONNECTED TRANSACTION AND PROPOSED CHANGE OF COMPANY NAME

Financial adviser to Shanghai Century Holdings Limited



Shenyin Wanguo Capital (H.K.) Limited

**Independent financial adviser to
the Independent Board Committee and the Independent Shareholders of
Shanghai Century Holdings Limited**



SUN HUNG KAI INTERNATIONAL LIMITED

A letter from the Independent Board Committee is set out on pages 13 to 14 of this circular. A letter from SHKIL, the independent financial adviser to the Independent Board Committee, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 21 of this circular.

Notices convening the special general meetings of Shanghai Century Holdings Limited to be held at Unit 6108, The Center, 99 Queen's Road Central, Hong Kong on Monday, 28 June, 2004 at 10:00 a.m. and on Monday, 5 July, 2004 at 10:00 a.m. respectively are set out on pages 33 to 36 of this circular. Whether or not you are able to attend and vote at the relevant special general meetings, please complete and return the relevant enclosed proxy forms in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Secretaries Limited, at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the relevant meetings. Completion and return of the relevant proxy forms will not preclude you from subsequently attending and voting at the relevant special general meetings.

12 June, 2004

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	4
The Share Purchase Agreement dated 15 May, 2004	6
Information on Shanghai Zendai Land	8
Reasons for the proposed Share Purchase	9
Discloseable and connected transaction	10
The Independent Board Committee	10
Proposed change of company name	11
The Special General Meetings	11
Recommendation	12
Additional information	12
Letter from the Independent Board Committee	13
Letter from SHKIL	15
Appendix I – Land and property valuation	22
Appendix II – General information	28
Notice of First SGM	33
Notice of Second SGM	35

DEFINITIONS

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

“Ample Century”	Ample Century Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the executive directors of the Company
“Business Day”	a day (other than a Saturday or Sunday) on which banks are open for business in Hong Kong
“Company”	Shanghai Century Holdings Limited, a company incorporated in Bermuda, the shares of which are currently listed on the Stock Exchange
“Completion”	the completion of the Share Purchase, which shall take place on the fifth (5th) Business Day subject to the fulfillment of all the Conditions (or such other date as the parties to the Share Purchase Agreement may otherwise agree)
“Conditions”	conditions under the Share Purchase Agreement
“Director(s)”	the director(s) of the Company
“First SGM”	the special general meeting of the Company to be convened and held on Monday, 28 June, 2004 at 10:00 a.m. at Unit 6108, The Center, 99 Queen’s Road Central, Hong Kong, notice of which is set out on pages 33 to 34 of this circular
“Giant Glory”	Giant Glory Assets Limited, a limited company established in the British Virgin Islands, is a substantial shareholder of the Company holding approximately 54.40% of the entire issued share capital of the Company and is 100% beneficially owned by Mr. Dai Zhikang as at the Latest Practicable Date
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company comprising Messrs Lo Mun Lam, Raymond and Lai Chik Fan, both being independent non-executive Directors
“Independent Shareholders”	Shareholders other than Mr. Dai Zhikang, Mr. Zhu Nansong, Giant Glory and their respective associates
“Latest Practicable Date”	11 June, 2004, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Committee”	Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Joint Venture Agreements”	new agreements to be entered into between Ample Century and Shanghai Zendai Investment in respect of the change in the shareholding structure of Shanghai Zendai Land, including the joint venture agreement and articles of association
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong and the Macau Special Administrative Regions and Taiwan
“Sallmanns”	Sallmanns (Far East) Limited
“Second SGM”	the special general meeting of the Company to be convened and held on Monday, 5 July, 2004 at 10:00 a.m. at Unit 6108, The Center, 99 Queen’s Road Central, Hong Kong, notice of which is set out on pages 35 to 36 of this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai Hotel Management Company”	上海水清木華酒店管理有限公司 (Shanghai Shui Qing Mu Hua Hotel Management Company Limited), a sino-foreign equity joint venture established in the PRC which is beneficially owned as to 91% indirectly by the Company and 9% by Shanghai Zendai Investment

DEFINITIONS

“Shanghai Zendai Investment” or “Vendor”	上海証大投資發展有限公司 (Shanghai Zendai Investment Development Company Limited), a company established in the PRC with limited liability, which is beneficially owned as to approximately 65.67% by Mr. Dai Zhikang, an executive Director and the chairman of the Company, approximately 9.33% by Mr. Dai Zhi Chang, a brother of Mr. Dai Zhikang, and approximately 15.0% by Mr. Zhu Nansong, an executive Director as at the Latest Practicable Date
“Shanghai Zendai Land”	上海証大置業有限公司 (Shanghai Zendai Real Estate Company Limited), a sino-foreign equity joint venture established in the PRC with limited liability which is beneficially owned as to 65% by Ample Century and 35% by Shanghai Zendai Investment prior to the Completion
“Share(s)”	share(s) of HK\$0.02 each in the capital of the Company
“Share Purchase”	the proposed conditional acquisition of a 15% interest in the registered capital of Shanghai Zendai Land pursuant to the terms and conditions of the Share Purchase Agreement
“Share Purchase Agreement”	a conditional agreement in relation to the Share Purchase dated 15 May, 2004 (in Chinese) entered into between Ample Century and the Vendor in connection with the acquisition of a further 15% interest in the registered capital of Shanghai Zendai Land by Ample Century
“Shareholders”	holder(s) of the Shares
“SHKIL”	Sun Hung Kai International Limited, a deemed licensed corporation to carry out types 1, 4, 6 and 9 regulated activities under the SFO
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars
“RMB”	Renminbi
“%”	per cent.

For the purpose of this circular, unless otherwise specifies, conversion of Renminbi into Hong Kong dollars is based on the approximate exchange rate of RMB1.06 = HK\$1.00.

LETTER FROM THE BOARD



SHANGHAI CENTURY HOLDINGS LIMITED

上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

Executive Directors:

Dai Zhikang

Huang Sudong

Zhu Nansong

Zhang Wei

Zhao Hangsheng

Tang Jian

Independent Non-executive Directors:

Lai Chik Fan

Lo Mun Lam, Raymond

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Principal place of business

in Hong Kong:

Unit 6108, The Center

99 Queen's Road Central

Hong Kong

12 June, 2004

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION AND PROPOSED CHANGE OF COMPANY NAME

INTRODUCTION

The Board announced on 18 May, 2004 that Ample Century, a wholly-owned subsidiary of the Company, had entered into the Share Purchase Agreement with the Vendor on 15 May, 2004 pursuant to which Ample Century had conditionally agreed to purchase a further 15% interest in the registered capital of Shanghai Zendai Land for a total consideration of RMB36,000,000 (equivalent to approximately HK\$33,962,000) from the Vendor.

Shanghai Zendai Land is a sino-foreign equity joint venture established in the PRC principally engaging in property development in the PRC. Currently, Shanghai Zendai Land is owned as to 65% by Ample Century, a wholly-owned subsidiary of the Company, and 35% by the Vendor respectively. Upon Completion, the Company's indirect interest in the registered

LETTER FROM THE BOARD

capital of Shanghai Zendai Land, through Ample Century, will increase from 65% to 80%. The Share Purchase is conditional and is subject to conditions set out under “Conditions of the Share Purchase” below.

Having considered the reasons set out under “Reasons for the Proposed Share Purchase” below, the Board is of the view that the terms and conditions of the Share Purchase Agreement are fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

Currently, Mr. Dai Zhikang and Mr. Zhu Nansong are interested in approximately 65.67% and 15.0% of the registered capital of Shanghai Zendai Investment respectively, which in turn is interested in 35% of the registered capital of Shanghai Zendai Land. Mr. Dai Zhikang is an executive Director and the chairman of the Company and holds the entire interest in the issued share capital of Giant Glory. Giant Glory is the controlling shareholder of the Company and is holding approximately 54.40% interest in the entire issued share capital of the Company as at the Latest Practicable Date. Mr. Zhu Nansong is also an executive Director. Accordingly, the Share Purchase constitutes a connected transaction for the Company under the Listing Rules and is subject to the approval of Independent Shareholders at the First SGM. In view of the relationships of Mr. Dai Zhikang and Mr. Zhu Nansong with Shanghai Zendai Investment, Mr. Dai Zhikang, Mr. Zhu Nansong, Giant Glory and their respective associates will abstain from voting in respect of the ordinary resolution to be proposed at the First SGM to approve the Share Purchase Agreement. In addition, the Share Purchase also constitutes a discloseable transaction for the Company under the Listing Rules.

In order to reflect the current business focus of the Group on investing in and developing property in the PRC, the Board also proposes to change the name of the Company to “Shanghai Zendai Property Limited” and to change the Chinese name of the Company to “上海証大房地產有限公司”, subject to, inter alia, the approval of the Shareholders at the Second SGM.

The Independent Board Committee has been set up to advise the Independent Shareholders on the terms of the Share Purchase Agreement and the transactions contemplated therein. SHKIL has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders. The recommendation of the Independent Board Committee and the advice of SHKIL are also included in this circular.

The purpose of this circular is to give you further information on the proposed Share Purchase and the proposed change of name of the Company, to set out the advice of SHKIL to the Independent Board Committee and the Independent Shareholders, and the recommendation of the Independent Board Committee in respect of the proposed Share Purchase as well as to give you notice of the First SGM at which the ordinary resolution will be proposed to approve the proposed Share Purchase, and to give you notice of the Second SGM at which a special resolution will be proposed to approve the change of name of the Company.

LETTER FROM THE BOARD

THE SHARE PURCHASE AGREEMENT DATED 15 MAY, 2004

1. Parties to the Share Purchase Agreement

- a. Ample Century; and
- b. the Vendor.

2. Consideration and payment terms

The total consideration payable by Ample Century under the Share Purchase Agreement is RMB36,000,000 (equivalent to approximately HK\$33,962,000) which will be satisfied upon Completion in the following manner:

- (a) as to RMB18,000,000 (equivalent to approximately HK\$16,981,000) payable by Ample Century in cash to the Vendor or to parties as it may direct; and
- (b) as to the balance of RMB18,000,000 (equivalent to approximately HK\$16,981,000) by Ample Century procuring the transfer of the Company's indirect 91% interest in the registered capital of Shanghai Hotel Management Company to the Vendor or parties as it may direct. Shanghai Hotel Management Company is a sino-foreign equity joint venture established in the PRC in December 2002 and its registered capital of RMB20,000,000 (equivalent to approximately HK\$18,868,000) was fully paid up in March 2003. The Group had made a capital contribution of RMB18,200,000 (equivalent to approximately HK\$17,170,000) in March 2003 in proportion of its 91% interest in the registered capital of Shanghai Hotel Management Company. The Board does not anticipate any material gain or loss attributable to the transfer of such 91% interest in Shanghai Hotel Management Company as part of the consideration under the Share Purchase. Shanghai Hotel Management Company has not yet commenced any business operations after its incorporation. Upon Completion, the Company will not hold any interests in the registered capital of Shanghai Hotel Management Company.

The total consideration of RMB36,000,000 (equivalent to approximately HK\$33,962,000) for the Share Purchase has been arrived at after arms' length negotiation between the parties to the Share Purchase Agreement and with reference to (i) the audited net profit after taxation of approximately RMB86.2 million (equivalent to approximately HK\$81.3 million) of Shanghai Zendai Land for the year ended 31 December, 2003 (prepared in accordance with generally accepted accounting principles in the PRC); (ii) the audited net assets of Shanghai Zendai Land of approximately RMB190.2 million (equivalent to approximately HK\$179.4 million) as at 31 December, 2003 (prepared in accordance with generally accepted accounting principles in the PRC); (iii) the unaudited net profit after taxation of approximately HK\$84.2 million of Shanghai Zendai Land for the year ended 31 December, 2003 (prepared in accordance with generally accepted accounting principles in Hong Kong); (iv) the unaudited net assets of

LETTER FROM THE BOARD

approximately HK\$182.3 million of Shanghai Zendai Land as at 31 December, 2003 (prepared in accordance with generally accepted accounting principles in Hong Kong); (v) the business prospects of Shanghai Zendai Land regarding the third and fourth phases of 証大家園 which are now under development; and (vi) the future prospects of the property market in Shanghai, the PRC.

The cash consideration in the amount of RMB18,000,000 (equivalent to approximately HK\$16,981,000) will be funded by the Group's internal resources.

3. Conditions of the Share Purchase

The Share Purchase is conditional upon, among other things, the following conditions being satisfied on or before 30 September, 2004 or such other date as the parties to the Share Purchase Agreement may otherwise agree:

- (a) the passing by the Independent Shareholders of an ordinary resolution at the First SGM to approve the Share Purchase Agreement and the transactions as contemplated therein;
- (b) the due execution of the New Joint Venture Agreements by Ample Century and Shanghai Zendai Investment;
- (c) the permissions and approvals in respect of the Share Purchase and the New Joint Venture Agreements having been obtained by Ample Century and/or Shanghai Zendai Land (as the case may be) from the relevant PRC governmental authorities, including but not limited to the new approval certificate and business license for Shanghai Zendai Land, and such permissions and approvals do not contain any condition which is not acceptable to Ample Century;
- (d) the obtaining of all necessary consents and approvals by Ample Century and/or Shanghai Zendai Land (as the case may be) from all relevant regulatory authorities in the PRC with regard to all the transactions contemplated in the Share Purchase Agreement; and
- (e) the obtaining of a legal opinion by Ample Century issued by licensed PRC legal advisers on PRC securities laws, confirming:
 - (i) the legality and effect of the Share Purchase Agreement upon signing;
 - (ii) the completion of all necessary procedures and obtaining of all necessary approvals regarding the change of shareholding structure of Shanghai Zendai Land;
 - (iii) no change in the permitted scope of business of Shanghai Zendai Land after its change of shareholding structure; and
 - (iv) all other matters reasonably requested by Ample Century.

LETTER FROM THE BOARD

4. Completion of the Share Purchase

Completion of the Share Purchase will take place on the fifth Business Day after the satisfaction of all the Conditions or the waiver (except condition (a) above which cannot be waived) from Ample Century on the Conditions. If the Conditions are not satisfied on or before the deadline set out above, the Share Purchase Agreement will lapse and all the obligations and liabilities of the parties to the Share Purchase Agreement will cease and terminate.

INFORMATION ON SHANGHAI ZENDAI LAND

Shanghai Zendai Land is a sino-foreign equity joint venture established in the PRC with limited liability on 31 August, 1999 with fully paid-up registered capital of RMB100,000,000 (equivalent to approximately HK\$94,340,000). Prior to the Share Purchase, the Company acquired from Mr. Huang Su Dong, Mr. Zhu Nansong and Mr. Dai Zhi Feng an aggregated indirect interest in 65% of the registered capital of Shanghai Zendai Land in February 2003. Shanghai Zendai Land is principally engaged in property development in the PRC and is involved in the development of one of the Group's flagship residential property project named “証大家園”. Currently, the Group has a majority control of the board of Shanghai Zendai Land and the Board does not anticipate any material change in the composition of the board of Shanghai Zendai Land after completion of the Share Purchase.

証大家園 is a large-scale residential real estate development project divided into four phases with a total gross floor area of approximately 580,000 square metres to be constructed, which is located in Northern Pudong District, Shanghai, the PRC and in the middle of 外高橋保稅區金橋出口加工區. It comprises both apartments and terrace-houses targeting the middle to high-end markets. The first and second phases of the project, including 1,600 units in total, have been sold out. The construction of the third phase of the project has commenced in June 2003. The project is expected to be completed in 2006.

According to the audited accounts of Shanghai Zendai Land for the year ended 31 December, 2003 (prepared in accordance with generally accepted accounting principles in the PRC), Shanghai Zendai Land recorded an audited net profit before and after taxation of approximately RMB101.5 million (equivalent to approximately HK\$95.8 million) and approximately RMB86.2 million (equivalent to approximately HK\$81.3 million) respectively. The audited net assets of Shanghai Zendai Land as at 31 December, 2003 was approximately RMB190.2 million (equivalent to approximately HK\$179.4 million). According to the audited accounts of Shanghai Zendai Land for the year ended 31 December, 2002 (prepared in accordance with generally accepted accounting principles in the PRC), Shanghai Zendai Land recorded an audited net profit before and after taxation of approximately RMB5.9 million (equivalent to approximately HK\$5.6 million) and approximately RMB1.5 million (equivalent to approximately HK\$1.4 million) respectively. The audited net assets of Shanghai Zendai Land as at 31 December, 2002 was approximately RMB104.0 million (equivalent to approximately HK\$98.0 million).

LETTER FROM THE BOARD

According to the unaudited management accounts of Shanghai Zendai Land for the year ended 31 December, 2003 which are prepared by the management in accordance with the generally accepted accounting principles in Hong Kong, Shanghai Zendai Land recorded an unaudited net profit before and after taxation of approximately HK\$99.4 million and approximately HK\$84.2 million respectively. The unaudited net assets of Shanghai Zendai Land as at 31 December, 2003 was approximately HK\$182.3 million.

REASONS FOR THE PROPOSED SHARE PURCHASE

The Group is principally engaged in property investment and development in Shanghai and its surrounding areas. Since 2002, the Group has been successfully adjusting its business portfolio to focus on property development and has achieved a sound reputation in Shanghai, the PRC, one of the fastest growing financial centers in Asia. The Board is of the view that, given the prospects for the property market in Shanghai, demand for high-end properties are promising and is conducive to the Group's property business. The Board is optimistic about the prospects of the third and fourth phases of 証大家園 which are now under development. The results of Shanghai Zendai Land were consolidated into the consolidated financial statements of the Group since late February 2003 after completion of the Group's acquisition of a 65% shareholding interests in Shanghai Zendai Land through Ample Century. The Board considers that the Share Purchase will further enhance the Group's profit generating ability in addition to the strengthening of its status as one of the leading property developer in Shanghai.

The Board considers that the terms of the Share Purchase Agreement are fair and reasonable and are in the interests of the Group and the Shareholders as a whole. Upon Completion, the Company's indirect interest in the registered capital of Shanghai Zendai Land will increase from 65% to 80%. The purchase of 15% interest in the registered capital of Shanghai Zendai Land at a total consideration of RMB36,000,000 (equivalent to approximately HK\$33,962,000) under the Share Purchase is the result of arm's length negotiation between the parties to the Share Purchase Agreement and with reference to (i) the audited net profit after taxation of approximately RMB86.2 million (equivalent to approximately HK\$81.3 million) of Shanghai Zendai Land for the year ended 31 December, 2003; (ii) the audited net assets of Shanghai Zendai Land of approximately RMB190.2 million (equivalent to approximately HK\$179.4 million) as at 31 December, 2003; (iii) the unaudited net profit after taxation of approximately HK\$84.2 million of Shanghai Zendai Land for the year ended 31 December, 2003; (iv) the unaudited net assets of approximately HK\$182.3 million of Shanghai Zendai Land as at 31 December, 2003; (v) the business prospects of Shanghai Zendai Land regarding the third and fourth phases of 証大家園 which are now under development; and (vi) the future prospects of the property market in Shanghai, the PRC. The Board does not have any present intention to acquire any further interests in the registered capital of Shanghai Zendai Land.

Regarding Shanghai Hotel Management Company, the establishment of which by the Group is for its expansion to tourism related businesses including golf course and hotel management in the PRC. However, as market competition in golf and hotel management

LETTER FROM THE BOARD

industry in the PRC is growing rapidly, the Board considers that it is in the interest of the Company to redirect its resources to business areas where the Group has proven track records. As Shanghai Hotel Management Company has not yet commenced any operations, the Directors do not foresee any material impact on the Group's operations as well as financial conditions due to the transfer of the Group's 91% interest in the registered capital of Shanghai Hotel Management Company to settle part of the consideration of the Share Purchase.

DISCLOSEABLE AND CONNECTED TRANSACTION

Currently, Mr. Dai Zhikang and Mr. Zhu Nansong are interested in approximately 65.67% and 15.0% of the registered capital of Shanghai Zendai Investment respectively, which in turn is interested in a 35% of the registered capital of Shanghai Zendai Land. Mr. Dai Zhikang is an executive Director and the chairman of the Company and holds the entire interest in the issued share capital of Giant Glory. Giant Glory is the controlling shareholder of the Company and is holding approximately 54.40% interest in the entire issued share capital of the Company as at the Latest Practicable Date. Mr. Zhu Nansong is also an executive Director. Accordingly, the Share Purchase constitutes a connected transaction for the Company under the Listing Rules and is subject to the approval of Independent Shareholders at the First SGM. In view of the relationships of Mr. Dai Zhikang and Mr. Zhu Nansong with Shanghai Zendai Investment, Mr. Dai Zhikang, Mr. Zhu Nansong, Giant Glory and their respective associates will abstain from voting in respect of the ordinary resolution to be proposed at the First SGM to approve the Share Purchase Agreement. To the best knowledge and so far as is known by the Directors, there are no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder, or any obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby any Shareholder has or may have temporarily or permanently passed control over the exercise of any voting right in respect of his shares in the Company to a third party, either generally or on a case-by-case basis; and there is no discrepancy between any Shareholder's beneficial shareholding interest in the capital of the Company as disclosed herein by which any Shareholder will control or will be entitled to exercise control over the voting right. Voting at the First SGM will be taken on a poll in compliance with the Listing Rules.

In addition, the Share Purchase also constitutes a discloseable transaction for the Company under the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Messrs Lo Mun Lam, Raymond and Lai Chik Fan, both being the independent non-executive Directors, has been formed for the purpose of advising the Independent Shareholders on the terms of the Share Purchase Agreement and the transactions contemplated therein. SHKIL has been appointed as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the same.

LETTER FROM THE BOARD

PROPOSED CHANGE OF COMPANY NAME

In order to reflect the current business focus of the Group of property development in the PRC, the Board proposes to change the name of the Company to “Shanghai Zendai Property Limited” and to change the Chinese name of the Company to “上海証大房地產有限公司”, subject to, inter alia, the approval of Shareholders by way of a special resolution at the Second SGM and the approval by the Registrar of Companies in Bermuda. The Company will carry out the necessary filing procedures with the Registrar of Companies in Hong Kong. The Board considers that the change of name is appropriate as the Group’s property business has been and will continue to be the major contributor to the Group’s operation. The proposed change of the name of the Company is not conditional on the completion of the Share Purchase.

The existing share certificates of the Company under the name of “Shanghai Century Holdings Limited” shall after the proposed change of name becoming effective continue to be evidence of title to the Shares and will be valid for trading, settlement and delivery for the same number of Shares in the new name of the Company. Once the change of name has become effective, any new share certificate of the Company will be issued in the new name of the Company.

Upon the effective date of the change of name, Shareholders who desire to exchange their existing share certificates for share certificates bearing the new name of the Company may do so at no cost if effected within 30 days from such effective date. Subsequent changes will incur a fee of HK\$2.50 (or such higher amount as may from time to time be charged) for each of such certificate to be issued. A further announcement will be made by the Company to inform the Shareholders the effective date of the change of name of the Company and the arrangement for the trading and dealings in the Shares.

THE SPECIAL GENERAL MEETINGS

Notices convening the First SGM to be held on 28 June, 2004, Monday at 10:00 a.m. and the Second SGM to be held on 5 July, 2004, Monday at 10:00 a.m. respectively at Unit 6108, The Center, 99 Queen’s Road Central, Hong Kong are set out on pages 33 to 36 of this circular.

There are enclosed forms of proxy for use at the First SGM and the Second SGM respectively. Whether or not the Shareholders intend to be present at First SGM and the Second SGM, they are requested to complete the forms of proxy and return them to the office of the Company’s branch share registrars, Secretaries Limited, at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding of the First SGM and the Second SGM. Completion and delivery of the forms of proxy will not prevent the Shareholders from attending, and voting at the First SGM and the Second SGM if they so wish.

Pursuant to the Bye-laws, a poll may be demanded in relation to any resolution put to the vote of the First SGM and the Second SGM before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll:

- (a) by the chairman of the meeting; or

LETTER FROM THE BOARD

- (b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorized representative or by proxy and holding shares in the Company conferring a right to attend and vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in respect of the proposed Share Purchase and the transactions contemplated therein as set out on pages 13 to 14 of this circular; and (ii) the letter from SHKIL containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the terms of the proposed Share Purchase and the transactions contemplated therein as well as the principal factors and reasons taken into account in arriving at its advice as set out on pages 15 to 21 of this circular.

The Independent Board Committee has considered the terms of the proposed Share Purchase and the transactions contemplated therein as well as the advice given by SHKIL and is of the opinion that the proposed Share Purchase and the transactions contemplated therein are in the interests of the Company and the Shareholders as a whole and that the terms of the Share Purchase Agreement and the transactions contemplated therein, as a whole, are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Board and the Independent Board Committee recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the First SGM in respect of the Share Purchase Agreement and the transactions contemplated therein.

The Board also considers that the proposed change of name of the Company is in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the special resolution to be proposed at the Second SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the respective recommendation and advice given by the Independent Board Committee and SHKIL as well as the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Dai Zhikang
Chairman



SHANGHAI CENTURY HOLDINGS LIMITED

上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

Unit 6108, The Center
99 Queen's Road Central
Hong Kong

12 June, 2004

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
AND
PROPOSED CHANGE OF COMPANY NAME**

We refer to the circular dated 12 June, 2004 (the "Circular") issued by the Company of which this letter forms part. Terms used herein shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board to be the members of the Independent Board Committee for the purpose of considering the terms of the Share Purchase Agreement and the transactions contemplated therein, details of which are set out in the text of the letter from the Board as set out on pages 4 to 12 of the Circular.

We wish to draw your attention to the letter from SHKIL as set out on pages 15 to 21 of the Circular which contains, inter alia, its advice to us as regards the terms of the Share Purchase Agreement and the transactions contemplated therein together with the principal factors and reasons for its advice.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the advice of SHKIL, we consider that the proposed Share Purchase and the transactions contemplated therein are in the interests of the Company and the Shareholders as a whole and that the terms of the Share Purchase Agreement and the transactions contemplated therein, as a whole, are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution approving the proposed Share Purchase and the transactions contemplated therein at the First SGM.

Yours faithfully,

For and on behalf of

The Independent Board Committee

Lo Mun Lam Raymond Lai Chik Fan

Independent Non-executive Directors

LETTER FROM SHKIL



SUN HUNG KAI INTERNATIONAL LIMITED

Shanghai Century Holdings Limited
Unit 6108, The Center
99 Queen's Road Central
Hong Kong

12 June 2004

*To the Independent Board Committee
and Independent Shareholders*

Dear Sirs

DISCLOSEABLE AND CONNECTED TRANSACTION

We refer to our engagement under which Sun Hung Kai International Limited (“Sun Hung Kai”) has been appointed as the independent financial adviser to advise the Independent Board Committee and Independent Shareholders in relation to the terms of the Share Purchase Agreement. Terms defined in the circular of the Company to the Shareholders dated 12 June 2004 (the “Circular”), of which this letter forms part, bear the same meanings herein unless the context otherwise requires.

On 18 May 2004, the Board announced that Ample Century, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement with the Vendor pursuant to which Ample Century has conditionally agreed to purchase a further 15% interest in the registered capital of Shanghai Zendai Land for a total consideration of RMB36,000,000 (equivalent to approximately HK\$33,962,000) from the Vendor.

As at the Latest Practicable Date, Mr. Dai Zhikang and Mr. Zhu Nansong are interested in approximately 65.67% and 15.0% of the registered capital of Shanghai Zendai Investment respectively, which in turn is interested in a 35% of the registered capital of Shanghai Zendai Land. Mr. Dai Zhikang is an executive Director and the chairman of the Company and holds the entire interest in the issued share capital of Giant Glory. Giant Glory is the controlling shareholder of the Company and is holding approximately 54.4% interest in the entire issued share capital of the Company. Mr. Zhu Nansong is also an executive Director. Accordingly, the Share Purchase constitutes a connected transaction for the Company under the Listing Rules and is subject to the approval of Independent Shareholders at the First SGM.

In view of the relationships of Mr. Dai Zhikang and Mr. Zhu Nansong with Shanghai Zendai Investment, Mr. Dai Zhikang, Mr. Zhu Nansong, Giant Glory and their respective associates will abstain from voting at the First SGM in respect of the ordinary resolution proposed to approve the Share Purchase Agreement. In addition, the Share Purchase also constitutes a discloseable transaction for the Company under the Listing Rules.

LETTER FROM SHKIL

In formulating our opinion and recommendation, we have relied on the statements, information, opinions, representations and facts supplied to us by the Company and its advisers. We have assumed that all information and representations contained or referred to in the Circular or otherwise supplied to us by the Company were true at the time they were made and continue to be true as at the date of the Circular. We have assumed that all statements of belief, opinion and intention made by the Directors in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth and accuracy of the information and facts provided to us. The Directors have confirmed, 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 in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view regarding the terms of the Share Purchase Agreement, and to justify our reliance on the accuracy of the information and representations contained in the Circular and to provide a reasonable basis for our recommendations. We have no reason to suspect that any relevant information has been withheld by the Company. We have not, however, carried out any independent verification of the information, nor have we conducted any form of investigation into the businesses, operational aspects, financial standing and affairs of the Group or the companies to be acquired by the Group.

PRINCIPAL FACTORS TAKEN INTO ACCOUNT

Background to and reasons for the Share Purchase Agreement

The Group is principally engaged in property investment and development in Shanghai and its surrounding areas. Since 2002, the Group has been successfully adjusting its business portfolio to focus on property development and has achieved a sound reputation in Shanghai, the PRC, one of the fastest growing financial centers in Asia. As disclosed in the 2003 annual report of the Group, over 90% of the Group's revenue and assets are attributable to the development and sales of properties in the PRC for the year ended 31 December 2003. The Board is of the view that, given the prospects for the property market in Shanghai, demand for high-end properties are promising and is conducive to the Group's property business. The Board is optimistic about the prospects of the third and fourth phases of 証大家園 which are now under development. The Board considers that the Share Purchase will further enhance the Group's profit generating ability in addition to the strengthening of its status as one of the leading property developer in Shanghai.

The Board considers that the terms of the Share Purchase Agreement are fair and reasonable and are in the interests of the Group and the Shareholders as a whole. Upon Completion, the Company's indirect interest in the registered capital of Shanghai Zendai Land will increase from 65% to 80%. The Board does not have any present intention to acquire any further interests in the registered capital of Shanghai Zendai Land.

LETTER FROM SHKIL

Information of Shanghai Zendai Land

Shanghai Zendai Land is a sino-foreign equity joint venture established in the PRC with limited liability on 31 August 1999 with fully paid-up registered capital of RMB100,000,000 (equivalent to approximately HK\$94,340,000). Prior to the Share Purchase, the Company acquired from Mr. Huang Su Dong, Mr. Zhu Nansong and Mr. Dai Zhi Feng an aggregate indirect interest in 65% of the registered capital of Shanghai Zendai Land in February 2003. Shanghai Zendai Land is principally engaged in property development in the PRC and is involved in the development of one of the Group's flagship residential property project named “証大家園”. Currently, the Group has a majority control of the board of Shanghai Zendai Land.

証大家園 is a large-scale residential real estate development project divided into four phases with a total gross floor area of approximately 580,000 square metres to be constructed, which is located in Northern Pudong District, Shanghai, the PRC and in the middle of 外高橋保稅區金橋出口加工區. It comprises both apartments and terrace-houses targeting the middle to high-end markets. The first and second phase of the project, including 1,600 units in total, have been sold out. The construction of the third phase of the project has commenced in June 2003. The project is expected to be completed in 2006.

According to the audited accounts of Shanghai Zendai Land for the year ended 31 December 2003 (prepared in accordance with generally accepted accounting principles in the PRC), Shanghai Zendai Land recorded an audited net profit before and after taxation of approximately RMB101.5 million (equivalent to approximately HK\$95.8 million) and approximately RMB86.2 million (equivalent to approximately HK\$81.3 million) respectively. The audited net assets of Shanghai Zendai Land as at 31 December 2003 was approximately RMB190.2 million (equivalent to approximately HK\$179.4 million). According to the audited accounts of Shanghai Zendai Land for the year ended 31 December 2002 (prepared in accordance with generally accepted accounting principles in the PRC), Shanghai Zendai Land recorded an audited net profit before and after taxation of approximately RMB5.9 million (equivalent to approximately HK\$5.6 million) and approximately RMB1.5 million (equivalent to approximately HK\$1.4 million) respectively. The audited net assets of Shanghai Zendai Land as at 31 December 2002 was approximately RMB104.0 million (equivalent to approximately HK\$98.0 million).

Consideration

The total consideration of RMB36,000,000 (equivalent to approximately HK\$33,962,000) for the Share Purchase has been arrived at after arms' length negotiation between the parties to the Share Purchase Agreement and with reference to (i) the audited net profit after taxation of approximately RMB86.2 million (equivalent to approximately HK\$81.3 million) of Shanghai Zendai Land for the year ended 31 December 2003 (prepared in accordance with generally accepted accounting principles in the PRC); (ii) the audited net assets of Shanghai Zendai Land of approximately RMB190.2 million (equivalent to approximately HK\$179.4 million) as at 31 December 2003 (prepared in accordance with generally accepted accounting principles

LETTER FROM SHKIL

in the PRC); (iii) the unaudited net profit after taxation of approximately HK\$84.2 million of Shanghai Zendai Land for the year ended 31 December 2003 (prepared by management in accordance with generally accepted accounting principles in Hong Kong); (iv) the unaudited consolidated net assets of approximately HK\$182.3 million of Shanghai Zendai Land as at 31 December 2003 (prepared by management in accordance with generally accepted accounting principles in Hong Kong); (v) the business prospects of Shanghai Zendai Land regarding the third and fourth phases of 証大家園 which are now under development; and (vi) the future prospects of the property market in Shanghai, the PRC.

As advised by the Directors, the unaudited net assets value of Shanghai Zendai Land as at 31 December 2003 is approximately HK\$182 million (based on the unaudited consolidated balance sheet prepared by management in accordance with generally accepted accounting principles in Hong Kong). The consideration represents a premium of approximately 24% to the 15% attributable interest in the total unaudited net assets value as at 31 December 2003 of approximately HK\$27.3 million.

Given the fact that (a) the Group is principally engaged in property investment and development in Shanghai and its surroundings areas; (b) the Board considers that the Share Purchase will further enhance the Group's profit generating ability in addition to the strengthening of its status as one of the leading property developer in Shanghai; and (c) Shanghai Zendai Land recorded unaudited consolidated turnover and net profit for the year ended 31 December 2003 of approximately HK\$318 million and HK\$84 million respectively (based on the unaudited consolidated income statement prepared by management in accordance with Hong Kong GAAP), we consider the basis of determining the consideration of the Share Purchase Agreement, which is with reference to (i) the audited net profit of Shanghai Zendai Land for the year ended 31 December 2003; (ii) the audited net assets of Shanghai Zendai Land as at 31 December 2003; (iii) the unaudited net profit of Shanghai Zendai Land for the year ended 31 December 2003 (prepared by management in accordance with Hong Kong GAAP); (iv) the unaudited consolidated net assets of Shanghai Zendai Land as at 31 December 2003 (prepared by management in accordance with generally accepted accounting principles in Hong Kong); (v) the business prospect of Shanghai Zendai Land regarding the third and fourth phases of 証大家園; (vi) the future prospects of property market in Shanghai, the PRC, to be fair and reasonable.

In addition, we note that Sallmanns (Far East) Limited, an independent property valuer, has valued the property interests (portion of Phase III South Zone, Phase III North Zone and Phase IV of Zheng Da Jia Yuan) of Shanghai Zendai Land at approximately RMB873 million as at 30 April 2004.

As advised by the Directors, the Group had made a capital contribution of RMB18,200,000 (equivalent to approximately HK\$17,170,000) in March 2003 in the registered capital of Shanghai Hotel Management Company and Shanghai Hotel Management Company has not yet commenced any business operations.

LETTER FROM SHKIL

Given the above, we consider the consideration of RMB36,000,000 (equivalent to approximately HK\$33,962,000) to be fair and reasonable so far as the Company and the Independent Shareholders are concerned.

Payment terms

The total consideration payable by Ample Century under the Share Purchase Agreement of RMB36,000,000 (equivalent to approximately HK\$33,962,000) will be satisfied in the following manner:

- (a) as to RMB18,000,000 (equivalent to approximately HK\$16,981,000) payable by Ample Century in cash to the Vendor or to parties as it may direct;
- (b) as to the balance of RMB18,000,000 (equivalent to approximately HK\$16,981,000) by Ample Century procuring the transfer of the Company's indirect 91% interest in the registered capital Shanghai Hotel Management Company to the Vendor or to parties as it may direct.

As stated in the Letter from the Board, Shanghai Hotel Management Company is a sino-foreign equity joint venture established in the PRC in December 2002 and its registered capital of RMB20,000,000 (equivalent to approximately HK\$18,868,000) was fully paid up in March 2003. The Group had made a capital contribution of RMB18,200,000 (equivalent to approximately HK\$17,170,000) in March 2003 in proportion of its 91% interest in the registered capital of Shanghai Hotel Management Company. The Board does not anticipate any material gain or loss attributable to the transfer of such 91% interest in Shanghai Hotel Management Company as part of the consideration under the Share Purchase. As confirmed by the Directors, Shanghai Hotel Management Company has not yet commenced any business operations. Upon Completion, the Company will not hold any interests in the registered capital of Shanghai Hotel Management Company.

The arrangement of satisfying RMB18,000,000 (equivalent to approximately HK\$16,981,000) of the consideration by Ample Century procuring the transfer of the Company's indirect 91% interest in the registered capital of Shanghai Hotel Management Company allows the Group to carry out the Share Purchase without exerting excessive pressure on its cashflows.

The balance of RMB18,000,000 (equivalent to approximately HK\$16,981,000) of the consideration will be payable by Ample Century in cash to the Vendor or parties it may direct. As at 31 December 2003, the audited bank balances and cash of the Group amounted to approximately HK\$98.8 million. In addition, the Directors have confirmed that the cash consideration in the amount of RMB18,000,000 (equivalent to approximately HK\$16,981,000) will be funded by the Group's internal resources.

Based on the above, we are of the view that the payment terms of the Share Purchase Agreement has no material adverse impact to the cashflow position of the Group.

LETTER FROM SHKIL

Financial effects

Earnings

The Group's net profit for the year ended 31 December 2003 were approximately HK\$34,089,000. Upon completion of the Share Purchase, the Group's shareholdings in Shanghai Zendai Land will increase from 65% to 80%. An additional 15% interest in Shanghai Zendai Land's net profit will be taken into account by the Group due to the Share Purchase.

The Directors advised that the amount of goodwill ("Goodwill") arising from the Share Purchase is estimated to be approximately HK\$6.6 million (based on the net assets of Shanghai Zendai Land as at 31 December 2003 of HK\$182,304,520 per the unaudited consolidated balance sheet prepared by management in accordance with Hong Kong GAAP). We understand that the Goodwill is to be amortized over a period of five years under the Company's accounting policy. Approximately HK\$1.3 million will be charged to the profit and loss account of the Group on an annual basis after completion of the Share Purchase.

Given the prospects for the property market in Shanghai, the Board is of the view that demand for high-end properties are promising and the Board also considers that the Share Purchase will further enhance the Group's profit generating ability in addition to the strengthening of its status as one of the leading property developer in Shanghai. We consider such enhancement of the Group's profit generating ability to be in the interest of the Company and the Shareholders as a whole.

Net tangibles assets

As at 31 December 2003, the audited net assets and net tangible assets of the Group amounted to approximately HK\$171,934,000 and HK\$235,730,000 respectively. Upon completion of the Share Purchase, net tangible assets of the Group will decrease by HK\$6.6 million (representing approximately 2.8% of the net tangible assets as at 31 December 2003) due to the Goodwill arising from the Share Purchase.

Based on the above, we consider that the reduction to the Group's net tangible assets due to the Share Purchase is not material.

Funding of the consideration

As at 31 December 2003, the Group has bank balance and cash of approximately HK\$98.8 million. As stated in the Letter from the Board, the cash consideration in the amount of RMB18,000,000 (equivalent to approximately HK\$16,981,000) will be funded by the Group's internal resources. As the consideration is payable in cash and no issue of Shares is involved, the Share Purchase will have no dilutive effect on the Shareholders' shareholdings in the Company.

LETTER FROM SHKIL

RECOMMENDATION

Having considered the above principal factors and reasons and the terms of the Share Purchase Agreement, we consider the terms of the Share Purchase Agreement to be fair and reasonable so far as the Independent Shareholders are concerned and are in the interest of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee and the Independent Shareholders that the Independent Shareholders should vote in favour of the resolution to be proposed at the First SGM to approve the Share Purchase Agreement.

Yours faithfully,

For and on behalf of

SUN HUNG KAI INTERNATIONAL LIMITED

Eric Shum

Director

The following is the text of a letter from Sallmanns (Far East) Limited, an independent property valuer, in connection with their opinion of the value of the property interest as at 30 April 2004.

**Sallmanns**

Corporate Valuation and Consultancy
www.sallmanns.com



22nd Floor, Siu On Centre
188 Lockhart Road
Wanchai
Hong Kong
Tel: (852) 2169 6000
Fax: (852) 2528 5079

12 June, 2004

The Board of Directors
Shanghai Century Holdings Limited
Unit 6108
The Center
99 Queen's Road Central
Hong Kong

Dear Sirs,

In accordance with your instructions to value the property interest of Shanghai Zendai Real Estate Company Limited (referred to as the "Company") and its subsidiaries (hereinafter together referred to as the "Group") in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the property interest as at 30 April 2004 (the "date of valuation").

Our valuation of the property interest represents the open market value which we would define as intended to mean "an opinion of the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:

- (a) a willing seller;
- (b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the properties and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
- (c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;

- (d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- (e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion.”

We have valued the property interest by direct comparison approach assuming sale of the property interest in its existing state with the benefit of immediate vacant possession and by making reference to comparable sale transactions as available in the relevant market.

Our valuation has been made on the assumption that the seller sells the property interest on the open market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the value of the property interest.

We have assumed that transferable land use rights in respect of the property interest for its respective specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully settled. We have assumed that the Group has an enforceable title to the property interest and has free and uninterrupted rights to use, occupy or assign the property interest for the whole of the respective unexpired terms as granted.

We have also assumed that all consents, approvals and licenses from the relevant government authorities for the development of the property have been granted without onerous conditions or undue delay, which might affect its value.

No allowance has been made in our report for any charges, mortgages or amounts owing on any of the property interest valued nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interest is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.

In valuing the property interest, we have complied with all the requirements contained in Practice Note 12 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the Hong Kong Guidance Notes on the Valuation of Property Assets (2nd Edition) published by the Hong Kong Institute of Surveyors in March 2000.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, letting, and all other relevant matters.

We have been shown copies of various title documents including Real Estate Title Certificate and official plans relating to the property interest and have made relevant enquiries where possible. Due to the nature of the land registration system in the PRC, we have not

examined the original documents to verify the existing title to the property interest in the PRC or any material encumbrances that might be attached to the property interest. We have relied on the advice given by the Company concerning the validity of the Group's title to the property interest in the PRC.

We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the property interest but have assumed that the site areas shown on the documents and official site plans handed to us are correct. Based on our experience of valuation of similar property interests in the PRC, we consider the assumptions so made to be reasonable. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the property interest. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the property interest is free of rot, infestation or any other structural defects. No tests were carried out on any of the services.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuations are summarised below and the valuation certificate is attached.

Yours faithfully,
for and on behalf of
Sallmanns (Far East) Limited
Paul L. Brown
B.Sc. FRICS FHKIS
Director

Note: Paul L. Brown is a Chartered Surveyor who has 21 years' experience in the valuation of properties in the PRC and 24 years of property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.

SUMMARY OF VALUE

Property interest owned and held for investment by the Group in the PRC

No.	Property	Open market value in existing state as at 30 April 2004 RMB
1	Portion of Phase III South Zone, Phase III North Zone and Phase IV Zheng Da Jia Yuan 7, 8 and 9 Qiu of 39 Square Puxing Street Pudong New District Shanghai The PRC	873,440,000
Total:		873,440,000

VALUATION CERTIFICATE

Property interest owned and held for investment by the Group in the PRC

Property	Description and tenure	Particulars of occupancy	Open market value in existing state as at 30 April 2004 RMB																										
1. Portion of Phase III South Zone, Phase III North Zone and Phase IV Zheng Da Jia Yuan 7, 8 and 9 Qiu of 39 Square Puxing Street Pudong New District Shanghai The PRC	The subject property is a large scale residential development known as Zheng Da Jia Yuan. The property comprises 3 parcels of land (referred to as Land Parcel Nos. 1, 2 and 3) with a total site area of approximately 300,175 sq.m. The property comprises the remaining portion of Phase III South Zone and Phase III North Zone with approximate gross floor area as follows: <table><tr><td>Portion</td><td>GFA</td></tr><tr><td></td><td><i>sq.m.</i></td></tr><tr><td colspan="2"><i>Phase III South Zone</i></td></tr><tr><td>Residential (held under pre-sale contracts)</td><td>132,287.66</td></tr><tr><td>Residential (unsold)</td><td>18,578.94</td></tr><tr><td>Commercial</td><td>1,411.20</td></tr><tr><td>School</td><td>10,344.2</td></tr><tr><td>Car park</td><td>7,243.00</td></tr><tr><td>Total</td><td>169,865</td></tr><tr><td colspan="2"><i>Phase III North Zone</i></td></tr><tr><td>Residential</td><td>125,395.00</td></tr><tr><td>Car park and vehicle terminus</td><td>13,246.00</td></tr><tr><td></td><td>138,641.00</td></tr></table> Phase III South Zone of the property is scheduled for completion in October 2004 and the Phase III North Zone is scheduled for completion in the 3rd quarter of 2005. Phase IV is currently a vacant site and is scheduled to be developed into a residential development with a planned total gross floor area of approximately 53,773 sq.m. The land use rights of Land Parcel Nos. 1 and 2 were granted for a common term of 70 years from 16 May 2002 to 15 May 2072.	Portion	GFA		<i>sq.m.</i>	<i>Phase III South Zone</i>		Residential (held under pre-sale contracts)	132,287.66	Residential (unsold)	18,578.94	Commercial	1,411.20	School	10,344.2	Car park	7,243.00	Total	169,865	<i>Phase III North Zone</i>		Residential	125,395.00	Car park and vehicle terminus	13,246.00		138,641.00	As advised by the Group, the particulars of occupancy of the property are set out below: For the portion of Phase III South Zone, 1,145 residential units are held under pre-sale contracts whilst the remaining 113 units and the commercial portion are ready for sale. Phase III North Zone is currently under construction. Phase IV of the development is currently a vacant site.	873,440,000
Portion	GFA																												
	<i>sq.m.</i>																												
<i>Phase III South Zone</i>																													
Residential (held under pre-sale contracts)	132,287.66																												
Residential (unsold)	18,578.94																												
Commercial	1,411.20																												
School	10,344.2																												
Car park	7,243.00																												
Total	169,865																												
<i>Phase III North Zone</i>																													
Residential	125,395.00																												
Car park and vehicle terminus	13,246.00																												
	138,641.00																												

Notes:

1. Pursuant to a Construction Land Use and Planning Permission Certificate, Hu Pu Di (02) No. 106 issued by Shanghai Pudong New District Planning and Management Bureau (上海市浦東新區規劃管理局) on 25 November 2002, the development is permitted to be developed by Shanghai Zendai Real Estate Company Limited (上海証大置業有限公司), a sino-foreign equity joint venture established in the PRC with limited liability, which is beneficially owned as to 65% by Ample Century (a wholly owned subsidiary of the Company) and 35% by Shanghai Zendai Investment prior to the Completion.
2. Pursuant to 2 Construction Works Planning Permission Certificates, Hu Pu Jian (03) No. 110 and Hu Pu Jian (04) No. 019, both issued by Shanghai Pudong New District Planning and Management Bureau on 28 April 2003 and 10 February 2004 respectively, the development is permitted to be constructed by Shanghai Zendai Real Estate Company Limited.
3. Pursuant to 3 Construction Works Commencement Permission Certificates Nos. 022T0097D02 and 0202PD0097D05, both issued by Shanghai Pudong District Construction Bureau (上海市浦東新區建設局) on 23 May 2003 and 18 February 2004 respectively, the construction works were permitted to commence.
4. Pursuant to a State-owned Land Use Rights Transfer Contract entered into between 上海市浦東土地發展(控股)公司 and Shanghai Zendai Real Estate Company Limited on 12 April 2000, the former has agreed to transfer the land use rights of the property (Land Parcel No.3) with a site area of approximately 86,343 sq.m. at a premium of RMB13,990,000 for residential purposes.
5. Pursuant to 2 Real Estate Title Certificates, Hu Fang Di Pu Zi (2003) Di Nos. 0118687 and 011868, both issued by Shanghai Housing and Land Resources Bureau (上海市房屋土地資源管理局) on 18 February 2003, two parcels of land with site areas approximately 101,482 sq.m. and 112,350 sq.m. are held by Shanghai Zendai Real Estate Company Limited.
6. In the course of our valuation, we have taken into account the total consideration of the units being held under pre-sale contracts and the balance of the construction cost to be paid. As advised by the Group, some 1,145 residential units of Phase III South Zone are currently held under pre-sale contracts with a total consideration of RMB630,940,000 and the balance of the construction cost to be paid for Phase III South Zone is about RMB70,840,000. Therefore the title to these units still lies with the Group until the sale transfers are completed.
7. We have prepared our valuation on the following assumptions:
 - (i) Shanghai Zendai Land is in possession of a proper legal title to the property and is entitled to transfer the property with the residual term of its land use rights at no extra land premium or other onerous payment payable to the government;
 - (ii) All land premium and other costs of ancillary utility services have been settled in full;
 - (iii) The design and construction of the property are in compliance with the local planning regulations and have been approved by the relevant government authorities; and
 - (iv) The property may be disposed of freely to both local and overseas purchasers.
8. We have been provided with a legal opinion to the property interest by the Company's PRC legal adviser, which contains, *inter alia*, that Shanghai Zendai Real Estate Company Limited legally owns the land use rights and the building ownership title of the property.
9. In the course of the valuation, we have not taken into consideration any tax liability. As advised by the Group, the property is subject to the business tax of 5% and stamp duty of 0.05% on the transacted price when the property is transferred.

RESPONSIBILITY STATEMENT

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

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES AND OPTIONS

As at the Latest Practicable Date, the interests and short positions 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 are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provision of SFO); or which are required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Name of Director	Number of Ordinary Shares	Capacity and Nature of Interest	Approximate Percentage of Issued Share Capital
Mr. Dai Zhikang	2,519,080,000	Corporate Interest (Note)	54.40%

Note: All of these interests represent long positions. Mr. Dai Zhikang is the beneficial owner of the entire issued share capital of Giant Glory, and is therefore deemed to be interested in the 2,519,080,000 Shares held by Giant Glory pursuant to the SFO.

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

Save as disclosed in the section headed “Service contract” below, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group since 31 December, 2003, being the date of the Company’s latest published audited accounts and which was significant in relation to the business of the Group.

Save as disclosed herein, none of the Directors nor experts named under the section headed “Experts” is interested, directly or indirectly, in any assets which had since 31 December, 2003 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the person (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 was:

Name	Number of Shares	Approximate Percentage of Issued Share Capital
Giant Glory	2,519,080,000	54.40%
Mr. Dai Zhikang	2,519,080,000 (<i>Note 1</i>)	54.40%
Honour Great Holdings Limited	464,355,000	10.03%
Ms. Liu Lijuan (劉麗娟)	464,355,000 (<i>Note 2</i>)	10.03%
Genuine Assets Limited	300,000,000	6.48%
Ms. Huang Jin (黃瑾)	300,000,000 (<i>Note 3</i>)	6.48%

Notes:

1. This represents the deemed interest of Mr. Dai Zhikang as referred to in the note under the section headed “Directors’ Interests or Short Positions in Shares and Options” above.
2. Ms. Liu Lijuan is the beneficial owner of the entire issued share capital of Honour Great Holdings Limited and therefore is deemed to be interested in the 464,355,000 Shares held by Honour Great Holdings Limited pursuant to the SFO.
3. Ms. Huang Jin is the beneficial owner of the entire issued share capital of Genuine Assets Limited and therefore is deemed to be interested in the 300,000,000 Shares held by Genuine Assets Limited pursuant to the SFO.

4. Save as disclosed herein, no other person was recorded in the register kept pursuant to Section 336 of the SFO as having, directly or indirectly, an interest of 5% or more of the issued share capital of the Company as at the Latest Practicable Date.

All the interests stated above represent long positions. As at the Latest Practicable Date, no short positions were recorded in the register kept by the Company under Section 336 of the SFO.

Save as disclosed herein, the Directors and the chief executive of the Company are not aware of any person (other than a Director or the chief executive of the Company or a member of the Group) 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 members of the Group or had any options in respect of such capital as at the Latest Practicable Date.

MATERIAL CHANGE

The Directors are not aware of any material adverse change in the financial or trading position or contingent liabilities of the Group since 31 December, 2003, being the date to which the latest published audited financial statements of the Company were made up.

LITIGATION

So far as the Directors are aware, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

SERVICE CONTRACT

As at the Latest Practicable Date, there is no service contract between any Directors or proposed Directors and members of the Group which does not expire or is not determinable by the employer within one year without payment of compensation other than statutory compensation.

COMPETING INTEREST

Pursuant to Rule 8.10 of the Listing Rules, the Company discloses that during the year and up to the Latest Practicable Date, each of Mr. Dai Zhikang, Mr. Zhu Nansong and Mr. Zhang Wei, executive Directors, held directorships in Shanghai Zendai Investment, and/or its subsidiaries, which are also engaged in property development and related business.

Save as disclosed above, none of the Directors and his/her associates is interested directly or indirectly in a business, apart from his/her interest in the Company, which competes or is likely to compete with the business of the Group.

EXPERTS

The following are the qualifications of the professional advisers whose opinions or advice are contained in this circular:

SHKIL	A deemed licensed corporation to carry out types 1, 4, 6 and 9 regulated activities under the SFO
Sallmanns	Professional property surveyors and valuers

None of SHKIL and Sallmanns has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

CONSENT

SHKIL and Sallmanns have given and have not withdrawn their respective written consent to the issue of this circular with the inclusion of their respective letters and/or reports and/or references to their names, as the case may be, in the form and context in which they respectively appear.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the head office and principal place of business in Hong Kong of the Company at Unit 6108, The Center, 99 Queen's Road Central, Hong Kong, up to and including 28 June, 2004:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the Share Purchase Agreement;
- (c) the letter from the Independent Board Committee, the text of which is set out on pages 13 to 14 of this circular;
- (d) the letter from SHKIL to the Independent Board Committee dated 12 June, 2004, the text of which is set out on pages 15 to 21 of this circular;
- (e) the valuation certificate and report dated 12 June, 2004 from Sallmanns, the texts of which is set out in Appendix I to this circular; and
- (f) the written consent of SHKIL and Sallmanns as referred to under the section headed "Experts" above.

MISCELLANEOUS

- (a) The secretary of the Company is Mr. Tso Shiu Kei Vincent, a solicitor of the High Court of the Hong Kong Special Administrative Region.
- (b) The registered office of the Company is at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and its head office and principal place of business in Hong Kong is at Unit 6108, The Center, 99 Queen's Road Central, Hong Kong.
- (c) The share registrar and transfer office of the Company in Hong Kong is Secretaries Limited at Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- (d) The English text of this circular and the forms of proxy shall prevail over the Chinese text.

NOTICE OF FIRST SGM



SHANGHAI CENTURY HOLDINGS LIMITED

上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

NOTICE IS HEREBY GIVEN that the Special General Meeting of Shanghai Century Holdings Limited (“Company”) will be held at Unit 6108, 61/F, The Center, 99 Queen’s Road Central, Hong Kong on Monday, 28 June, 2004 at 10:00 a.m. (or an adjournment thereof) for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution:

As Ordinary Resolution of the Company:

“**THAT** the agreement dated 15 May, 2004 (the “Share Purchase Agreement”) and entered into between Ample Century Limited (“Ample Century”), a wholly owned subsidiary of the Company as purchaser and 上海証大投資發展有限公司 (Shanghai Zendai Investment Development Company Limited) as vendor for the acquisition of a further 15% interest in the registered capital of 上海証大置業有限公司 (Shanghai Zendai Real Estate Company Limited) by Ample Century, a copy of which has been produced to the meeting marked “A” and has been signed by the Chairman of the meeting for the purpose of identification, be and are hereby confirmed, ratified and approved; and any one director of the Company be and is hereby authorized on behalf of the Company:

- (a) to sign, seal, execute, perfect and deliver all such documents and do all such deeds, acts, matters and things as he may in his discretion consider necessary or desirable for the purpose of or in connection with the implementation of and giving effect to the Share Purchase Agreement and the transactions contemplated therein;
- (b) to complete the transactions contemplated in the Share Purchase Agreement with such changes as such director of the Company may consider necessary, desirable and expedient; and

NOTICE OF FIRST SGM

- (c) to affix, and witness the affixing of, the Common Seal of the Company to the Share Purchase Agreement and all such other documents where required for and on behalf of the Company as he in his absolute discretion deems fit in connection with the transactions contemplated therein.”

By order of the Board of
SHANGHAI CENTURY HOLDINGS LIMITED
Dai Zhikang
Chairman

Hong Kong, 12 June, 2004

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal place of business in Hong Kong:

Unit 6108, The Center
99 Queen's Road Central
Hong Kong

Notes:

1. Any member entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar in Hong Kong, Secretaries Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the meeting or any adjournment(s) thereof.
3. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he was solely entitled thereto, but if more than one of such holders be present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. As at the date hereof, the executive Directors are Mr. Dai Zhikang, Mr. Huang Sudong, Mr. Zhu Nansong, Mr. Zhang Wei, Mr. Zhao Hangsheng and Mr. Tang Jian. The independent non-executive Directors are Mr. Lai Chik Fan and Mr. Lo Mun Lam, Raymand.

NOTICE OF SECOND SGM



SHANGHAI CENTURY HOLDINGS LIMITED

上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

NOTICE IS HEREBY GIVEN that the Special General Meeting of Shanghai Century Holdings Limited (“Company”) will be held at Unit 6108, 61/F, The Center, 99 Queen’s Road Central, Hong Kong on Monday, 5 July, 2004 at 10:00 a.m. (or an adjournment thereof) for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution:

As Special Resolution of the Company:

“**THAT** the name of the Company be changed to “Shanghai Zendai Property Limited” and the Chinese name of the Company be changed to “上海証大房地產有限公司” with immediate effect.”

By order of the Board of
SHANGHAI CENTURY HOLDINGS LIMITED

Dai Zhikang
Chairman

Hong Kong, 12 June, 2004

Registered office:

Canon’s Court
22 Victoria Street
Hamilton HM 12
Bermuda

Principal place of business in Hong Kong:

Unit 6108, The Center
99 Queen’s Road Central
Hong Kong

NOTICE OF SECOND SGM

Notes:

1. Any member entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar in Hong Kong, Secretaries Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the meeting or any adjournment(s) thereof.
3. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he was solely entitled thereto, but if more than one of such holders be present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. As at the date hereof, the executive Directors are Mr. Dai Zhikang, Mr. Huang Sudong, Mr. Zhu Nansong, Mr. Zhang Wei, Mr. Zhao Hangsheng and Mr. Tang Jian. The independent non-executive Directors are Mr. Lai Chik Fan and Mr. Lo Mun Lam, Raymand.



SHANGHAI CENTURY HOLDINGS LIMITED

上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

Proxy Form for use at the Special General Meeting to be held on Monday, 28 June, 2004

I/We⁽¹⁾ _____
of _____
being the registered holder(s) of⁽²⁾ _____ ordinary shares of
HK\$0.02 each in the share capital of Shanghai Century Holdings Limited (the “Company”), HEREBY APPOINT the
Chairman of the Meeting or⁽³⁾ _____
of _____
or failing him/her, as my/our proxy to act for me/us at the Special General Meeting (the “Meeting”) of the Company to
be held at Unit 6108, The Center, 99 Queen’s Road Central, Hong Kong on Monday, 28 June, 2004 at 10:00 a.m. (or at
any adjournment thereof) for the purposes of considering and, if thought fit, passing the ordinary resolution as set out
in the notice convening the Meeting to vote for me/us and in my/our name(s) and at the Meeting (or at any adjournment
thereof) in respect of the said resolution as indicated herebelow or, if no such indication is given, as my/our proxy
thinks fit.

	For ⁽⁵⁾	Against ⁽⁵⁾
Ordinary Resolution		

Dated this _____ day of _____ 2004 Signature: _____

Notes:

- Please insert your full name and address in BLOCK CAPITAL LETTERS in the space provided.
- Please insert the number of ordinary shares to which this proxy form relates in the space provided. If a number is inserted, this proxy form will be deemed to relate only to those shares. If no, this proxy form will be deemed to relate to all ordinary shares registered in your name (whether alone or jointly with others).
- If any proxy other than the Chairman of the Meeting is preferred, strike out the “the Chairman of the Meeting or” and insert the name and address of the proxy desired in BLOCK CAPITALS LETTERS in the space provided. The proxy need not be a shareholder of the Company. If a proxy is attending the Meeting on your behalf, such proxy shall produce his/her own identity paper.
- The full text of the above resolution appears in the notice of the Meeting dated 12 June, 2004.
- If you wish to vote for a resolution, place a tick “✓” in the column marked “For”. If you wish to vote against a resolution, place a tick “✓” in the column marked “Against”. If no indication is given, the proxy will vote or abstain at his/her discretion.
- Corporations must execute this proxy form under common seal or by an attorney or a duly authorized officer. If a legal representative is appointed to attend the Meeting, such legal representative shall produce his/her own identity paper and a certified true copy of the resolution of the board of directors or other governing body of the corporation appointing the legal representative.
- If this proxy form is signed by a person under a power of attorney or any other authority on your behalf, a notarially certified copy of that power of attorney or other authority must be deposited with the Company’s branch registrar in Hong Kong, Secretaries Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- In order to be valid, this proxy form together with any power of attorney or other authority under which it is signed must be lodged with the Company’s branch registrar in Hong Kong, Secretaries Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by not later than 48 hours before the time appointed for holding the Meeting.
- Completion and return of this proxy form shall not preclude you from attending and voting in person at the Meeting should you so wish.
- In the case of joint holders, the vote of the senior who tenders a vote, whether present in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.



SHANGHAI CENTURY HOLDINGS LIMITED

上海世紀控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 755)

Proxy Form for use at the Special General Meeting to be held on Monday, 5 July, 2004

I/We⁽¹⁾ _____
of _____
being the registered holder(s) of⁽²⁾ _____ ordinary shares of
HK\$0.02 each in the share capital of Shanghai Century Holdings Limited (the "Company"), HEREBY APPOINT the
Chairman of the Meeting or⁽³⁾ _____
of _____
or failing him/her, as my/our proxy to act for me/us at the Special General Meeting (the "Meeting") of the Company to
be held at Unit 6108, The Center, 99 Queen's Road Central, Hong Kong on Monday, 5 July, 2004 at 10:00 a.m. (or at
any adjournment thereof) for the purposes of considering and, if thought fit, passing the special resolution as set out in
the notice convening the Meeting to vote for me/us and in my/our name(s) and at the Meeting (or at any adjournment
thereof) in respect of the said resolution as indicated herebelow or, if no such indication is given, as my/our proxy
thinks fit.

	For ⁽⁵⁾	Against ⁽⁵⁾
Special Resolution		

Dated this _____ day of _____ 2004 Signature: _____

Notes:

- Please insert your full name and address in BLOCK CAPITAL LETTERS in the space provided.
- Please insert the number of ordinary shares to which this proxy form relates in the space provided. If a number is inserted, this proxy form will be deemed to relate only to those shares. If no, this proxy form will be deemed to relate to all ordinary shares registered in your name (whether alone or jointly with others).
- If any proxy other than the Chairman of the Meeting is preferred, strike out the "the Chairman of the Meeting or" and insert the name and address of the proxy desired in BLOCK CAPITALS LETTERS in the space provided. The proxy need not be a shareholder of the Company. If a proxy is attending the Meeting on your behalf, such proxy shall produce his/her own identity paper.
- The full text of these the above resolution appears in the notice of the Meeting dated 12 June, 2004.
- If you wish to vote for a resolution, place a tick "✓" in the column marked "For". If you wish to vote against a resolution, place a tick "✓" in the column marked "Against". If no indication is given, the proxy will vote or abstain at his/her discretion.
- Corporations must execute this proxy form under common seal or by an attorney or a duly authorized officer. If a legal representative is appointed to attend the Meeting, such legal representative shall produce his/her own identity paper and a certified true copy of the resolution of the board of directors or other governing body of the corporation appointing the legal representative.
- If this proxy form is signed by a person under a power of attorney or any other authority on your behalf, a notarially certified copy of that power of attorney or other authority must be deposited with the Company's branch registrar in Hong Kong, Secretaries Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong.
- In order to be valid, this proxy form together with any power of attorney or other authority under which it is signed must be lodged with the Company's branch registrar in Hong Kong, Secretaries Limited at Ground Floor, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong by not later than 48 hours before the time appointed for holding the Meeting.
- Completion and return of this proxy form shall not preclude you from attending and voting in person at the Meeting should you so wish.
- In the case of joint holders, the vote of the senior who tenders a vote, whether present in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s), and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.