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## SHANGHAI ZENDAI PROPERTY LIMITED

上海証大房地產有限公司\*

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 755)**

### APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER AND DELAY IN DESPATCH OF CIRCULAR

Reference is made to the announcement of the Company dated 29 April 2008. The Board wishes to announce that Quam Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to the fairness and reasonableness of the Acquisition, the Financial Assistance and the Whitewash Waiver.

The Company has applied to the Executive and the Stock Exchange for a waiver from strict compliance with Rule 8.2 of the Takeovers Code and Rules 14.38 and 14A.49 of the Listing Rules for extending the despatch date of the Circular to a date no later than 10 June 2008.

Reference is made to the announcement (the “**Announcement**”) of the Company dated 29 April 2008 in relation to, among other things, the Acquisition, the Financial Assistance, the Whitewash Waiver and the increase in the authorised share capital of the Company. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

#### **Appointment of independent financial adviser**

The Board wishes to announce that Quam Capital Limited (“**Quam Capital**”) has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to the fairness and reasonableness of the Acquisition, the Financial Assistance and the Whitewash Waiver.

The appointment of Quam Capital as the independent financial adviser has been approved by the Independent Board Committee.

## **Delay in despatch of Circular**

Under Rule 8.2 of the Takeovers Code and Rules 14.38 and 14A.49 of the Listing Rules, the Circular containing, among other things, (i) further details of the Agreement, the Acquisition, the Financial Assistance, the Whitewash Waiver and the increase in authorised share capital of the Company; (ii) the property valuation reports on the Group as enlarged by the Acquisition; (iii) accountants' report of the Target Group; (iv) a letter of recommendation from the Independent Board Committee; (v) a letter of advice from Quam Capital to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition, the Financial Assistance and the Whitewash Waiver; and (vi) the notice of SGM is required to be despatched to the Shareholders on or before 20 May 2008, being 21 days from the date of Announcement.

Additional time is required for preparation for inclusion in the Circular the property valuation reports of the Group as enlarged by the Acquisition and the letter of advice from Quam Capital to the Independent Board Committee and the Independent Shareholders in relation to the Acquisition, the Financial Assistance and the Whitewash Waiver. Accordingly, the Directors consider that the despatch of the Circular will have to be delayed and an application has been made by the Company to the Executive and the Stock Exchange for extension of the deadline for despatch of the Circular to a date falling on or before 10 June 2008.

By order of the Board  
**Shanghai Zendai Property Limited**  
**Dai Zhikang**  
*Chairman*

Hong Kong, 19 May 2008

\* *For identification purpose only*

*As at the date of this announcement, the executive Directors are Mr. Dai Zhikang, Mr. Fang Bin, Mr. Zhang Wei, Mr. Lu Puling, Mr. Wang Xiangang, Mr. Ye Wenbin and Mr. Tang Jian. The independent non-executive Directors are Mr. Lo Mun Lam, Raymond, Mr. Lai Chik Fan and Dr. Tse Hiu Tung, Sheldon.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*