

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 advisers.

If you have sold or transferred all your shares in SPG Land (Holdings) Limited, you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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 disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of this circular.

This circular is for information purposes only and does not constitute an offer or invitation to subscribe for or purchase any securities, nor is it calculated to invite any such offer or invitation.



DISCLOSEABLE TRANSACTION

A letter from the Chairman of SPG Land (Holdings) Limited is set out on pages 4 to 10 of this circular.

CONTENTS

	<i>Page</i>
1. DEFINITIONS	1
2. LETTER FROM THE CHAIRMAN	4
A. INTRODUCTION	4
B. THE TRANSACTION	5
C. TOTAL FINANCIAL COMMITMENT	9
D. REASONS FOR THE TRANSACTION	9
E. DISCLOSEABLE TRANSACTION	10
F. EFFECT OF TRANSACTION ON THE EARNINGS, ASSETS, AND LIABILITIES OF THE GROUP	10
G. FURTHER INFORMATION	10
H. DIRECTORS	10
3. APPENDIX — GENERAL INFORMATION	11

DEFINITIONS

In this circular, unless the context requires otherwise, the following terms have the corresponding definitions listed below:

“Agreement”	the equity transfer agreement dated 4 January 2008 and entered into among Shanghai Oriental, Shanghai Newgench, Mr. Zhou and Shanghai Cambridge
“Assigned Indebtedness”	the indebtedness of RMB63,000,000 (equivalent to approximately HK\$64,948,000) (subject to Independent Audit) after the execution of the Agreement) due and owing by Shanghai Newgench to Hainan Jianqiao
“Bondholders”	holders of the US Dollar Settled Zero Coupon Convertible Bonds due 2012 announced by the Company on 20 April 2007
“Company”	SPG Land (Holdings) Limited, a company incorporated in Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Completion”	Completion of the sale and purchase of the entire equity interest in Hainan Jianqiao as contemplated under the Agreement
“Consideration”	the sum of RMB405,150,000 (equivalent to approximately HK\$417,680,000) (subject to adjustment), being the consideration payable by the Group under the Agreement
“Deposit”	a deposit of RMB40,000,000 paid by Hainan Minsheng under the Framework Agreement
“Directors”	the directors of the Company
“Due Diligence”	the due diligence exercise carried out on Hainan Jianqiao and the Rongyu Project pursuant to the Framework Agreement
“Framework Agreement”	the equity transfer framework agreement dated 13 December 2007 and entered into among Shanghai Newgench, Hainan Minsheng and Harvest Leaf
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“Hainan Jianqiao”	海南建橋置業有限公司 (Hainan Jianqiao Real Estate Co., Ltd.), a company established in the PRC and is wholly owned by Shanghai Newgench

DEFINITIONS

“Hainan Jianqiao Net Assets Value”	the net assets value of Hainan Jianqiao as at 31 December 2007 as determined under the Independent Audit
“Hainan Minsheng”	海南民生置業股份有限公司 (Hainan Minsheng Real Estate Corporation), a company established in the PRC
“Harvest Leaf”	Harvest Leaf Investments Limited, a company incorporated in Hong Kong and is wholly-owned by the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indebtedness Assignment Agreement”	the indebtedness assignment agreement to be entered into between Shanghai Oriental and Shanghai Newgench for the assignment of the Assigned Indebtedness
“Independent Audit”	an audit of the books and accounts of Hainan Jianqiao to be carried out by an independent audit firm engaged by Shanghai Oriental under the Agreement after the execution of the Agreement
“Land”	various pieces of land located at the north of Haijing Road, Bai Sha Men, Haikou, Hainan Province, PRC
“Latest Practicable Date”	30 January 2008
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Zhou”	周星增 (Zhou Xing Zeng), who is interested in 39% of the entire equity interest of Shanghai Newgench as at the date of this Circular
“Optionholders”	holders of the options granted under the Pre-IPO share Option Scheme and the Share Option Scheme
“Project Transfer Agreement”	the agreement dated 13 December 2007 and entered into among Hainan Minsheng, Harvest Leaf and Shanghai Cambridge
“PRC” or “China”	the People’s Republic of China
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by the Company on 19 September 2006
“Rongyu Project”	the property development project undertaken by Hainan Jianqiao on the Land
“Sale Interest”	the entire equity interest in Hainan Jianqiao

DEFINITIONS

“Shanghai Newgench”	上海新建橋企業集團有限公司 (Shanghai Newgench Enterprise Group Co., Ltd.), a company established in the PRC
“Shanghai Cambridge”	上海康橋半島（集團）有限公司 (Shanghai Cambridge (Group) Co., Ltd.) a company incorporated in the PRC and is indirectly owned by the Company as to approximately 98.24% and by an independent third party as to approximately 1.76%
“Shanghai Oriental”	上海東方康橋房地產發展有限公司 (Shanghai Oriental Cambridge Property Development Co., Ltd.), a company incorporated in the PRC and is indirectly wholly-owned by the Company
“Shareholders”	shareholders of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 19 September 2006
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Supplemental Framework Agreement”	the agreement dated 4 January 2008 and entered into among Shanghai Newgench, Hainan Minsheng, Harvest Leaf and Shanghai Oriental
“Supplemental Project Transfer Agreement”	the agreement dated 4 January 2008 and entered into among Hainan Minsheng, Harvest Leaf and Shanghai Oriental
“Transaction”	the transactions contemplated under the Agreement
“Undisclosed Liabilities”	the liabilities of Hainan Jianqiao that are undisclosed by Shanghai Newgench to the Group under the Agreement and which exceed RMB500,000 in aggregate as determined under the Independent Audit
“HK\$”	Hong Kong dollars
“RMB”	Renminbi
“%”	per cent.

For illustrative purpose of this circular, RMB0.97 = HK\$1.00

LETTER FROM THE CHAIRMAN



SPG LAND

盛高置地

SPG LAND (HOLDINGS) LIMITED

盛高置地（控股）有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 337)

Executive Directors:

WANG Weixian (*Chairman*)

TSE Sai Tung, Stones (*Group Managing Director
and Chief Executive Officer*)

LAI Kin, Jerome (*Chief Financial Officer*)

WANG Xuling

TAM Lai Ling (*Deputy Managing Director
and Head of Corporate Finance*)

Independent Non-executive Directors

CHEONG Ying Chew, Henry

FONG Wo, Felix, *JP*

JIANG Simon X.

KWAN Kai Cheong

Principal Office:

Room 5711

57th Floor, The Center
99 Queen's Road Central
Hong Kong

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111
Cayman Islands

5 February 2008

*To the Shareholders and,
for information only, the Optionholders and the Bondholders*

Dear Sir and Madam,

DISCLOSEABLE TRANSACTION

A. INTRODUCTION

It was announced on 16 January 2008 that the Group entered into the Agreement with, *inter alia*, Shanghai Newgench pursuant to which the Group conditionally agreed to acquire the Sale Interest from Shanghai Newgench.

LETTER FROM THE CHAIRMAN

B. THE TRANSACTION

1. Background

On 13 December 2007, Shanghai Newgench, as the seller, Hainan Minsheng and Harvest Leaf, as the purchasers, entered into the Framework Agreement which sets out, among other things, the framework of the sale and purchase of the Sale Interest from Shanghai Newgench to Hainan Minsheng and Harvest Leaf. Pursuant to the Framework Agreement, among other things, (i) Hainan Minsheng and Harvest Leaf shall carry out the Due Diligence, (ii) Hainan Minsheng and Harvest Leaf shall be entitled to terminate the Framework Agreement by written notice upon dissatisfaction of the results of the Due Diligence, and (iii) upon completion of the Due Diligence to the satisfaction of Hainan Minsheng and Harvest Leaf, Shanghai Newgench, Hainan Minsheng and Harvest Leaf shall enter into a definitive equity transfer agreement to set out the final terms and conditions of the sale and purchase of the entire issued share capital of Hainan Jianqiao. Pursuant to the Framework Agreement, Hainan Minsheng paid the Deposit to Shanghai Newgench for the purchase of the Sale Interest by Hainan Minsheng and Harvest Leaf.

On 4 January 2008, Shanghai Newgench, Hainan Minsheng, Harvest Leaf and Shanghai Oriental entered into the Supplemental Framework Agreement to amend certain terms of the Framework Agreement. Pursuant to the Supplemental Framework Agreement, among other things, Hainan Minsheng and Harvest Leaf agreed to transfer their respective interests under the Framework Agreement to Shanghai Oriental.

On 4 January 2008, Hainan Minsheng, Harvest Leaf and Shanghai Oriental entered into the Supplemental Project Transfer Agreement to amend certain terms of the Project Transfer Agreement dated 13 December 2007. Pursuant to the Supplemental Project Transfer Agreement, among other things, Hainan Minsheng agreed to transfer its interest under the Framework Agreement to Shanghai Oriental at a consideration RMB17,900,000 and Shanghai Oriental agreed to reimburse Hainan Minsheng with the Deposit within 3 days upon execution of the Agreement and to pay the said consideration of RMB17,900,000 to Hainan Minsheng before 30 June 2008.

Both the Framework Agreement and the Project Transfer Agreement are not legally binding in nature as (i) the Group was entitled to terminate the Framework Agreement and the Project Transfer Agreement upon dissatisfaction of the results of the Due Diligence and (ii) the parties were entitled to negotiate the final terms and conditions of the sale and purchase of the Sale Interest and enter into the Agreement which shall supersede the Framework Agreement.

On 4 January 2008, the Group entered into the Agreement with, *inter alia*, Shanghai Newgench pursuant to which the Group conditionally agreed to acquire the Sale interest from Shanghai Newgench. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Hainan Minsheng, Shanghai Newgench and their respective ultimate beneficial owners of Shanghai Newgench are third parties independent of the Company and connected persons of the Company.

LETTER FROM THE CHAIRMAN

Hainan Jianqiao is engaged in property development and is currently interested in one property development project, namely the Rongyu Project. Hainan Jianqiao is the owner of the land use right in respect of the Land with an aggregate area of approximately 292,435.43 square meters (equivalent to approximately 438 mu). The Rongyu Project consists of three phases, phases I and II will comprise of residential buildings and phase III will comprise of hotel developments. Hainan Jianqiao has commenced construction of residential properties on the Land and has commenced pre-sale of phase I of the Rongyu Project (containing residential land with an area of approximately 110,209.84 square meters). Pre-sales of phase II (containing residential land with the area of approximately 135,404.99 square meters) and phase III of the Rongyu Project (containing hotel land with the area of approximately 46,820.6 square meters) have not yet commenced.

According to the State-Owned Land Use Right Grant Contract dated 21 May 2003, the plot ratio of the Rongyu Project shall be no more than 0.6.

2. Principal terms of the Agreement

Date:	4 January 2008
Parties:	Shanghai Oriental as the purchaser; Shanghai Newgench as the seller; Mr. Zhou as the seller's guarantor; and Shanghai Cambridge as the purchaser's guarantor.
Interests to be Acquired:	Subject to the satisfaction of the conditions precedent specified in the Agreement, Shanghai Newgench agreed to sell and Shanghai Oriental agreed to purchase the Sale Interest.
Consideration:	RMB405,150,000 (equivalent to approximately HK\$417,680,000) (subject to downward adjustment).
Adjustment to Consideration:	Immediately following the execution of the Agreement, an independent audit firm shall be engaged by Shanghai Oriental to carry out the Independent Audit. Following such determination, the Consideration shall be adjusted downward as follows: RMB405,150,000 less (i) Undisclosed Liabilities and (ii) the difference between the Hainan Jianqiao Net Assets Value and RMB82,500,000 (equivalent to approximately HK\$85,052,000) if the Hainan Jianqiao Net Assets Value is less than RMB82,500,000.

LETTER FROM THE CHAIRMAN

Conditions
Precedent: The Agreement is conditional upon fulfillment of the conditions precedent specified in the Agreement, including but not limited to the following:

- (a) the approval of Shanghai Foreign Investment Commission in respect of the sale and purchase of the entire issued share capital of Hainan Jianqiao and the registration of Shanghai Administration of Industry and Commerce (if applicable);
- (b) the approvals and registrations of the relevant governmental authorities in respect of Hainan Jianqiao's business operation (if necessary);
- (c) the approval from the relevant governmental authority in respect of the change of the legal representative, directors, supervisors and general manager of Hainan Jianqiao and the completion of the registration thereof; and
- (d) Hainan Jianqiao having obtained the consents to the sale and purchase of the entire issued share capital of Hainan Jianqiao from the respective lending banks of certain bank loans.

If the conditions precedent under sub-paragraphs (a), (b) and (c) above shall remain unfulfilled on 31 March 2008:

- (i) Shanghai Oriental shall be entitled to assign its rights and obligation, under the Agreement, in whole or in part, to a third party nominated by it within 90 days after 31 March 2008; or
- (ii) if Shanghai Oriental shall fail to nominate such third party within the said period of 90 days, either Shanghai Oriental or Shanghai Newgench shall be entitled to terminate the Agreement by serving written notice on the other party. In such event, Shanghai Newgench shall return all sum paid by Shanghai Oriental under the Agreement without interest.

If the condition precedent under sub-paragraph (d) above shall remain unfulfilled on 31 March 2008, Shanghai Oriental shall be entitled to terminate this Agreement by serving written notice on Shanghai Newgench. In such event, Shanghai Newgench shall return to Shanghai Oriental all sum paid by Shanghai Oriental under the Agreement without interest.

Completion: The Completion shall take place upon satisfaction of the conditions precedent as specified in the Agreement.

LETTER FROM THE CHAIRMAN

Upon the Completion, Hainan Jianqiao will be wholly-owned by Shanghai Oriental.

Guarantee: Mr. Zhou agreed to irrevocably guarantee the due performance of Shanghai Newgench under the Agreement.

Shanghai Cambridge agreed to irrevocably guarantee the due performance of Shanghai Oriental under the Agreement.

Assignment of Assigned Loan: Within 3 days upon the Completion, Shanghai Oriental and Shanghai Newgench shall enter into the Indebtedness Assignment Agreement for the assignment of the Assigned Loan.

3. Payment

The Consideration shall be payable in installments as follows:

- (a) First Instalment:
 - (i) the Deposit of RMB40,000,000 (equivalent to approximately HK\$41,237,000) paid by Hainan Minsheng to Shanghai Newgench under the Framework Agreement shall be treated as payment by Shanghai Oriental to Shanghai Newgench;
 - (ii) the sum of RMB100,000,000 (equivalent to approximately HK\$103,093,000) (subject to the Independent Audit) shall be made within 7 working days after the execution of the Agreement;
- (b) Second Instalment: the sum of RMB63,000,000 (equivalent to approximately HK\$64,948,000) shall be deemed to have been made in the form of assignment of the Assigned Indebtedness under the Indebtedness Assignment Agreement which shall be entered into between Shanghai Oriental and Shanghai Newgench within 3 working days after the execution of the Agreement;
- (c) Third Instalment: the sum of RMB40,000,000 (equivalent to approximately HK\$41,237,000) shall be made within 10 working days upon the Completion; and
- (d) Fourth Instalment: the remainder of the Consideration (as adjusted) shall be made before 30 June 2008.

LETTER FROM THE CHAIRMAN

C. TOTAL FINANCIAL COMMITMENT

The total maximum financial commitment payable by the Group for the acquisition of the Sale Interest will be RMB423,050,000 (equivalent to approximately HK\$436,134,000), being the aggregate of (i) the sum of RMB17,900,000 payable to Hainan Minsheng under the Supplemental Project Transfer Agreement and (ii) the Consideration of RMB405,150,000 (subject to downward adjustment) payable to Shanghai Newgench under the Agreement. The Consideration was determined after arm's length negotiations and with reference to the fair market value of the Rongyu Project as at 31 December 2007 as determined by an independent valuer. The said sum of RMB17,900,000 payable to Hainan Minsheng under the Supplemental Project Transfer Agreement was determined after negotiations on an arm's length basis between the Group and Hainan Minsheng and based on approximately RMB40,800 per mu of the Land. Having considered the fair market value of the Rongyu Project and the growing potential in the property market in Hainan province, the Directors consider it beneficial to the Group to have the opportunity to acquire the entire issued share capital in Hainan Jianqiao. The Directors consider a total sum of RMB423,050,000 (after taking into account the said sum of RMB17,900,000 payable to Hainan Minsheng) for the acquisition of the Sale Interest fair and reasonable and in the interest of the Group. The payment of the said total financial commitment will be funded by the Group's internal resources. The pre-development expenses incurred by Hainan Jianqiao during the two financial years immediately preceding the Transaction were treated as "deferred expenses" in Hainan Jianqiao's balance sheet, the same will be amortised as "expenses" in Hainan Jianqiao's profit and loss account when Hainan Jianqiao generates revenue.

Hainan Jianqiao, which was established on 28 April 2003, has a registered capital of RMB115,000,000 (equivalent to approximately HK\$118,557,000) fully paid up by Shanghai Newgench. Based on the unaudited management accounts of Hainan Jianqiao, its net asset value as at 30 November 2007 was approximately RMB82,500,000 (equivalent to approximately HK\$85,052,000). As the construction of the Rongyu Project has not yet completed, Hainan Jianqiao has not yet generated any revenue. For each the two financial years immediately preceding the Transaction, Hainan Jianqiao did not have any profit or loss reported in its profits and loss account.

D. REASONS FOR TRANSACTION

As the Group is principally engaged in property and hotel development in various cities in the PRC including Shanghai, Kunming, Huangshan and Jiangsu, the Transaction is in the ordinary and usual course of business of the Group.

Haikou is the capital city of Hainan Province. The Rongyu Project is situated at the north of Haijing Road, Bai Sha Men, Haikou, Hainan Province. The Directors consider that there will be great development potential in the property market in Hainan Province and that it will be beneficial for the Group to expand its business operation to Haikou, the capital city of Hainan Province. The Directors also consider that the acquisition of the Rongyu Project will enrich the Group's landbank and will bring forth immense development potential and opportunity for the Group in Hainan Province.

Shanghai Newgench is principally engaged in industrial investment, asset management, domestic trading, real estate development and management.

LETTER FROM THE CHAIRMAN

Hainan Jianqiao is wholly-owned by Shanghai Newgench with a business scope of, among others, real estate development and hotel development.

E. DISCLOSEABLE TRANSACTION

Based on the relevant percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

As the Transaction constitutes a discloseable transaction for the Company pursuant to Rules 14.08, it is subject to the reporting and announcement requirements under the Listing Rules.

The Directors consider that the Transaction is in the ordinary and usual course of business of the Group and the terms of the Agreement have been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole are concerned.

F. EFFECT OF TRANSACTION ON THE EARNINGS, ASSETS, AND LIABILITIES OF THE GROUP

The unaudited consolidated total asset value of the Group was approximately RMB6,949 million as at 30 June 2007.

Upon Completion, the assets and liabilities of the Group will be increased. Moreover, it is expected that there will be a positive impact to the earnings of the Group in the medium to long run.

G. FURTHER INFORMATION

Your attention is drawn to the general information set out in the appendix to this circular.

H. DIRECTORS

As at the date hereof, the executive Directors comprise Mr. Wang Weixian, Mr. Tse Sai Tung, Mr. Lai Kin, Jerome, Ms. Wang Xuling and Mr. Tam Lai Ling and the independent non-executive Directors comprise Mr. Cheong Ying Chew, Henry, Mr. Fong Wo, Felix, *JP*, Mr. Jiang Simon X. and Mr. Kwan Kai Cheong.

By Order of the Board
Wang Weixian
Chairman

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

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

(1) Long position in Shares

Name	Type of shares	Number of Shares	Approximate percentage of Shares in issue
Mr. Wang Weixian	Interest of controlled corporation <i>(Note 1)</i>	728,811,689	70.25%
Mr. Tse Sai Tung, Stones	Interest of controlled corporation <i>(Note 2)</i>	11,249,873	1.08%
Ms. Wang Xuling	Interest of controlled corporation <i>(Note 3)</i>	10,000,438	0.96%

Notes:

1. Mr. Wang Weixian is deemed to be interested in an aggregate of 728,811,689 Shares which are held by SPG Investment Holdings Ltd., Brilliant Bright Investment Limited and Prestige Glory Enterprises Limited, respectively.
 - (a) 494,382,087 Shares are held by SPG Investment Holdings Ltd. which is in turn entirely beneficially owned by Mr. Wang Weixian.
 - (b) 126,612,535 Shares are held by Prestige Glory Enterprises Limited which is entirely beneficially owned by Mr. Wang Weixian.
 - (c) 107,817,067 Shares are held by Brilliant Bright Investment Limited which is a wholly-owned subsidiary of HSBC International Trustee Limited as trustee of a discretionary trust of which family members of Mr. Wang Weixian including Mr. Wang Weixian are discretionary objects.

2. Mr. Tse Sai Tung, Stones is deemed to be interested in 11,249,873 Shares, which are held by Easternflair Investment Limited which is in turn entirely beneficially owned by Mr. Tse Sai Tung, Stones.
3. Ms. Wang Xuling is deemed to be interested in 10,000,438 Shares, which are held by Boom Rich Investments Limited which is in turn entirely beneficially owned by Ms. Wang Xuling.

(2) Long position in underlying Shares

Name	Type of shares	Number of Shares	Description of equity derivatives
Mr. Lai Kin, Jerome	Beneficial owner ^(Note 1)	7,500,000	Share option
Mr. Tam Lai Ling	Beneficial owner ^(Note 2)	10,000,000	Share option

Notes:

1. These shares options were granted under the Pre-IPO Share Option Scheme.
2. These shares options were granted under the Share Option Scheme.

Save as disclosed herein, none of the Directors, chief executives of the Company and their associates had any interests or short positions in any Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are deemed or taken to have under provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, to be notified to the Company and the Stock Exchange.

No contract, commitment or agreement of significance in relation to the Company's business, to which the Company or any of its subsidiaries was a party and in which any of the Directors had a material interest, either directly or indirectly, subsisted at the date of this circular.

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which, since 31 December 2006, the date to which the latest published audited financial statements of the Group were made up, have 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.

As at the Latest Practicable Date, save as disclosed in the notes to paragraph 3 below, none of the Directors was a director or employee of a company which had any interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as at the Latest Practicable Date.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to or can be ascertained after reasonable enquiry by the Director, the persons (not being 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 were as follows:

Name of shareholders	Type of interest	Number of shares	Approximate percentage of shareholding
SPG Investment Holdings Ltd.	Beneficial owner ^(Note 1)	494,382,087	47.65%
Brilliant Bright Investment Limited	Beneficial owner	107,817,067	10.39%
Prestige Glory Enterprises Limited	Beneficial owner ^(Note 1)	126,612,535	12.20%
HSBC International Trustee Limited	Trustee ^(Note 2)	107,817,067	10.39%

Notes:

1. Mr. Wang Weixian is a director of SPG Investment Holdings. Ltd. and Prestige Glory Enterprises Limited respectively.
2. These Shares are held by Brilliant Bright Investment Limited which is a wholly-owned subsidiary of HSBC International Trustee Limited as a trustee of a discretionary trust of which family members of Mr. Wang Weixian including himself are discretionary objects.

So far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, the following persons/entities (other than Directors or chief executive of the Company) were 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 member of the Group:

Name of subsidiaries	Name of shareholders	Approximate percentage of equity interest
上海思博教育發展有限公司 (Shanghai Sipo Education Development Co., Ltd.)	深圳市匯博投資發展有限公司 (Shenzhen Huibo Investment Development Co., Ltd.)	32.86%
上海麗水生態綠化工程有限公司 (Shanghai Lishui Greenary Ecology Engineering Co., Ltd.)	Qin Zongming	49%

Save as disclosed herein, there is no person known to the Directors, who, as at the Latest Practicable Date, 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 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. SERVICE AGREEMENTS

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

5. MATERIAL CHANGES

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2006, the date to which the latest published audited financial statements of the Group were made up.

6. JOINT SECRETARIES AND QUALIFIED ACCOUNTANT

The joint company secretaries of the Company are Ms. Lo Yee Har Susan, a director of the Corporate Services Department of Tricor Services Limited and a fellow member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries and Ms. Lee Mei Yi, a senior manager of Corporate Services Department of Tricor Services Limited and an associate member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries.

The qualified accountant of the Company is Mr. Lai Kin, Jerome, an associate member of Hong Kong Institute of Certified Public Accountants.

7. COMPETING BUSINESS

None of the Directors and his/her respective associates has an interest in a business apart from the Company's business which competes or is likely to compete, either directly or indirectly, with the Company's business.

8. LITIGATION

As at the latest Practicable Date, no member of the Group is engaged in any litigation or arbitration of material importance and no other litigation or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

9. GENERAL

- (a) The head office of the Company is situated at 46th Floor, Hong Kong New World Tower, 300 Huaihai Central Road, Shanghai, PRC. The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited which is situated at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong; and
- (b) The English text of this circular shall prevail over its Chinese text.