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STYLAND HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 211)

ANNOUNCEMENT

In June 2003, Hainan Wanzhong (海南萬眾), through the court of Hainan, instructed Wuhan Dongseng (武漢東升) to retain the dividend of RMB19,270,000 to be distributed to Sheng Da (HK);

In October 2006, the court of Hainan dismissed the claims of Hainan Wanzhong (海南萬眾) and Wuhan Dongseng (武漢東升) has returned the dividend RMB17,000,000 to Sheng Da (HK). Wuhan Dongseng (武漢東升) declared to release the balance of RMB2,270,000 in December 2006.

In 23 November 2006, Sheng Da (HK) used the dividend RMB16,000,000 for settlement of bank loan.

In June 2003, Hainan Wanzhong Shiye Touzi Co., Ltd. (海南萬眾實業投資有限公司) (“Hainan Wanzhong (海南萬眾)”) alleged that Wuhan Shengda Fangdichan Kaifa Co., Ltd. (武漢盛達房地產開發有限公司) (“Shengda Fangdichan (盛達房地產)”) held shares in Sheng Da Investment Holding (Hong Kong) Limited (“Sheng Da (HK)”) and urged the court of Hainan to issue a Notice of Assistance in Execution (協助執行通知書) against Wuhan Dongseng Highway Building Development Co. Limited (“Wuhan Dongseng (武漢東升)”) to retain the dividend to be distributed to Sheng Da (HK) up to RMB19,270,000 (the “Lawsuit”).

The following table presents the shareholding of Sheng Da (HK):

| Name | No. of shares | Percentage |
|---------------------------------|---------------|------------|
| Kippton Limited (<i>Note</i>) | 104,082 | 51.00% |
| Ms. Wan Qinghua | 50,000 | 24.50% |
| Ms. Li Kaiyin | 21,633 | 10.60% |
| Mr. Huang Zhaohua | 18,816 | 9.22% |
| Styland Infrastructure Limited | 9,551 | 4.68% |

Note: Kippton Limited is a non-wholly owned subsidiary of Styland Infrastructure Limited which in turn a wholly-owned subsidiary of Styland Holdings Limited.

On acquisition, Styland Infrastructure Limited and Kippton Limited had gone over legal documents and located no record of Shengda Fangdichan (盛達房地產) in the Register of Shareholders of Sheng Da (HK).

Pursuant to a shareholders' resolution of Sheng Da (HK) passed in 2003 (reference no. of the shareholder resolution: HKSDSM2003002), three of the existing shareholders, Ms. Li Kaiyin (李繼賢女士), Ms. Wan Qinghua (萬慶華女士) and Mr. Huang Zhaohua (黃招華先生) of Sheng Da (HK) (“Li, Wan & Huang”), undertook that they would bear any liability and relevant expenses arising from the Lawsuit (the “Undertaking”). In March 2005, Sheng Da (HK) received a letter from Li, Wan & Huang denying bearing such liability and legal costs. Both Styland Infrastructure Limited and Kippton Limited reserve the right to take action against Li, Wan & Huang to recover all relevant debts.

In October 2006, Sheng Da (HK) received the judgment report ((2003) 海中法民三初字第18號) from the court of Hainan to state that Hainan Wanzhong (海南萬眾) has lost the Lawsuit and their claims against Sheng Da (HK) were dismissed.

Sheng Da (HK) had then approached Wuhan Dongseng (武漢東升) and taken back the dividend RMB17,000,000. On 23 November 2006, the dividend RMB16,000,000 was used for settlement of bank loan. Wuhan Dongseng (武漢東升) has declared to release the balance of RMB2,270,000 to Sheng Da (HK) in December 2006.

The shareholders' resolution of Sheng Da (HK) passed in 2003 is still in force. Sheng Da (HK) will not accept the withdrawal of the Undertaking by the Li, Wan & Huang unilaterally and legal action may be taken against Li, Wan & Huang to get back the relevant debts and expenses arising from the Lawsuit.

By Order of the Board
STYLAND HOLDINGS LIMITED
Zhang Yuyan
Director

Hong Kong, 28 November 2006

As at the date of this announcement, the board of the Company consists of five executive directors, Ms. Yeung Han Yi Yvonne, Ms. Chan Chi Mei Miranda, Mr. Cheung Hoo Win, Mr. Wu Ho Fai David, Ms. Zhang Yuyan and three independent non-executive directors, Mr. Lim Man San David, Mr. Yeung Shun Kee Edward and Mr. Chow Pat Kan.