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CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

DISCLOSURE PURSUANT TO RULE 14.36 OF THE LISTING RULES

Financial Adviser to China Haidian Holdings Limited



Quam Capital Limited

The Directors announce that the S&P Agreements relating to the acquisition of the 15% interest in Beijing Haidian by the Company lapsed on 28 July 2007. This announcement is made pursuant to Rule 14.36 of the Listing Rules.

References are made to the announcements dated 3 December 2004, 1 March 2005, 10 April 2006, 26 June 2006, 1 November 2006, 28 March 2007 and the circular dated 25 April 2005 issued by the Company in relation to the acquisition of (i) an aggregate of a 15% interest in Beijing Haidian by the Company from the Vendors; and (ii) a 6% interest in Beijing Haidian by Jing Guan, a then wholly-owned subsidiary of the Company, from Commercial Facility. The Company wishes to announce that the S&P Agreements relating to the acquisition of the 15% interest in Beijing Haidian lapsed on 28 July 2007. This announcement is made pursuant to Rule 14.36 of the Listing Rules.

The approval of the transfer of shareholding interests of Beijing Haidian by 北京市商務局 (the Commerce Department of Beijing) on or before 28 July 2007 is, among other things, a condition of the S&P Agreements.

The Company and the Vendors had not obtained the approval from 北京市商務局 (the Commerce Department of Beijing) by 28 July 2007. The application for the approval of the transfer of shareholding interests of Beijing Haidian was submitted to 北京市商務局 (the Commerce Department of Beijing) on 21 June 2006. The Directors understand that the PRC regulatory authorities prefer purchasers of companies that involve in 一級開發項目 (first stage land development projects) to be the PRC companies instead of foreign companies. The prolonged delay in obtaining the approval from 北京市商務局 (the Commerce Department of Beijing) is attributed to the fact that the Company is a foreign company. Given the circumstances, the Directors believe that it is unlikely for the Company to obtain the approval. The Company and the Vendors, therefore, mutually agreed not to further extend the long stop date of the S&P Agreements.

The S&P Agreements lapsed on 28 July 2007. The Vendors shall fully refund the consideration of HK\$27 million in aggregate (without interest) to the Company as soon as practicable. Save for the refund, none of the parties to the S&P Agreements will have any claim of any nature or liabilities against any of the parties under the S&P Agreements. The Directors are of the view that termination of the S&P Agreements does not have any material adverse financial impact on the Company.

The Company's entire interest in Jing Guan was disposed of in May 2007. Therefore, Jing Guan is no longer a subsidiary of the Company. Please refer to the Company's announcements dated 27 July 2006, 3 August 2006 and circular dated 30 August 2006 for details.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

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| “Acquisition” | acquisition of an aggregate of a 15% interest in Beijing Haidian by the Company from the Vendors |
| “Beijing Haidian” | 北京海澱科技園建設股份有限公司 (Beijing Haidian Science Park Development Co., Ltd.), a company established in the PRC |
| “Beijing Haikai” | 北京海開房地產集團公司 (Beijing Haikai Real Estate Group Company), a company established in the PRC |
| “Board” | board of Directors |
| “Commercial Facility” | 北京市海澱區商業設施建設經營公司 (Commercial Facility Construction and Managing Company of Haidian District of Beijing), a company established in the PRC |
| “Company” | China Haidian Holdings Limited 中國海澱集團有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange |
| “Directors” | directors of the Company |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Jing Guan” | 北京京冠房地產開發有限公司 (Beijing Jing Guan Property Development Company Limited), a company established in the PRC |
| “Listing Rules” | Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People's Republic of China |

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| “S&P Agreements” | two original sale and purchase agreements dated 29 November 2004 entered into between the following parties: (a) the Company, as the purchaser, and Beijing Haikai, as the vendor; and (b) the Company, as the purchaser, and Commercial Facility, as the vendor, in relation to the Acquisition as supplemented by respective supplemental agreements dated 1 December 2004, 28 February 2005, 25 June 2005, 26 June 2006, 28 October 2006 and 27 March 2007 |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Vendors” | Beijing Haikai and Commercial Facility |
| “%” | per cent |

As at the date of this announcement, the Board comprises Mr. Hon Kwok Lung, Mr. Wang Shaolan, Mr. Shang Jian Guang, Mr. Shi Tao and Mr. Lam Toi Man as the executive Directors, Ms. Sit Lai Hei as the non-executive Director, and Mr. Fung Tze Wa, Dr. Kwong Chun Wai, Michael and Mr. Li Qiang as the independent non-executive Directors.

By order of the Board of
China Haidian Holdings Limited
Hon Kwok Lung
Chairman

Hong Kong, 30 July 2007