



DAN FORM HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00271)

LIQUIDATION OF BEIJING DAN YAO PROPERTY COMPANY LIMITED, A MAJOR SUBSIDIARY

On 14th June 2007, the PRC Court granted approval for the Company's application for the liquidation of Dan Yao, a major subsidiary of the Company, which application was accepted on 10th March 2005.

Further to the announcement of the Company published on 29th March 2005, the Board wishes to announce that, following the PRC Court's acceptance of the Company's application for the liquidation of Dan Yao, a major subsidiary of the Company in the PRC, on 10th March 2005, the PRC Court granted approval for the liquidation of Dan Yao and assigned 北京市企業清算事務所有限公司 (Beijing Enterprise Liquidation Co., Ltd.) and 北京市煒衡律師事務所 (W & H Law Firm China) as the liquidators of Dan Yao on 14th June 2007. After the declaration of the liquidation of Dan Yao, the liquidators will carry out the Liquidation.

Dan Yao is a sino-foreign co-operative joint venture company established in the PRC whose registered capital is held as to 85% by the Company.

According to the audited accounts of Dan Yao as at 30th June 2005 (as audited by 中逸會計師事務所有限公司 (Zhong Yi Certified Public Accountants Co., Ltd.) which were prepared in accordance with PRC accounting principles and not adjusted according to the Hong Kong Generally Accepted Accounting Principles), the total assets of Dan Yao were RMB272,267,000 (approximately HK\$277,824,000) and the total liabilities were RMB277,283,000 (approximately HK\$282,942,000) and the capital deficiency were RMB5,016,000 (approximately HK\$5,118,000).

The current figures of the total assets and the total liabilities of Dan Yao have to be audited by an accountants firm after the declaration by the PRC Court of its approval for the Liquidation.

As the Company has made full provision for the Group's investment in and advances to Dan Yao in the audited accounts of the Group for the year ended 31st December 2003, the Board therefore considers that the Liquidation will not have any adverse financial impact on the Group.

DEFINITIONS

In this announcement, the following terms shall have the following meaning:

"Board"	the board of directors of the Company
"Company"	Dan Form Holdings Company Limited
"Dan Yao"	北京丹耀房地產有限公司 (Beijing Dan Yao Property Company Limited)
"Liquidation"	the liquidation of Dan Yao
"PRC"	the People's Republic of China
"PRC Court"	the Second Intermediate People's Court of Beijing Municipality
"HK\$"	Hong Kong dollar
"RMB"	Renminbi

By Order of the Board
Dai Xiaoming
Chairman and Chief Executive

Hong Kong, 15th June 2007

As at the date of this announcement, the Directors of the Company are: Mr. Dai Xiaoming (Chairman and Chief Executive), Mr. Kenneth Hiu King Kon (Deputy Chief Executive), Mr. Jesse Nai Chau Leung (Independent Non-Executive Director), Mr. Xiang Bing (Independent Non-Executive Director) and Mr. Edward Shen (Independent Non-Executive Director).

The exchange rate used in this announcement is: HK\$1 = RMB0.98

Please also refer to the published version of this announcement in The Standard.