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SHANGHAI MING YUAN HOLDINGS LIMITED

上海銘源控股有限公司*

(formerly known as Sing Tao Holdings Limited)

(incorporated in Bermuda with limited liability)

LETTER OF INTENT RELATING TO POSSIBLE DISCLOSEABLE TRANSACTION

The directors of the Company are pleased to announce that on 22 November 2002, Fun Area, an indirect wholly-owned subsidiary of the Company entered into the Letter Of Intent with the Vendor pursuant to which Fun Area has in principle agreed to purchase and the Vendor has in principle agreed to sell the entire equity interest in Giant Power, a private company incorporated in the British Virgin Islands with limited liability.

The Vendor is an independent third party not connected with the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates as defined under the Listing Rules.

As the Consideration exceeds 15% of the Company's net tangible asset as at 23 August 2002, this being the relevant date on which such calculation is made, the Acquisition may constitute a discloseable transaction for the Company.

The Acquisition may or may not proceed. Holders of shares in the Company and the investing public should exercise caution when dealing in the securities of the Company.

Further announcement will be made by the Company immediately after signing of a formal sale and purchase agreement which is expected to be on or before 22 January 2003 or when the Letter Of Intent lapses.

Trading in shares of the Company was suspended at the request of the Company with effect from 9:30 a.m. on 25 November 2002 and the Company has applied for resumption of trading in shares of the Company with effect from 9:30 a.m. on 26 November 2002.

LETTER OF INTENT DATED 22 NOVEMBER 2002

Parties

Vendor: Mr. Lee Kuan Teik (the "Vendor")

Purchaser: Fun Area Limited ("Fun Area"), an indirect wholly-owned subsidiary of Shanghai Ming Yuan Holdings Limited (the "Company")

Guarantor of the Vendor: Taiwan Heng King International Corporation (台灣漢中皇股份有限公司, “Taiwan Heng King”), a private company incorporated in Taiwan to guarantee all the obligations and liabilities of the Vendor in relation to the Letter Of Intent and the Supplemental Letter as defined below and is an independent third party not connected with the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

Pursuant to a legally-binding letter of intent (the “Letter Of Intent”) entered into between Fun Area and the Vendor on 22 November 2002, Fun Area has in principle agreed to purchase and the Vendor has in principle agreed to sell the entire equity interest in Giant Power International Limited (“Giant Power”), a private company incorporated in the British Virgin Islands with limited liability (the “Acquisition”).

As the total consideration for the Acquisition of approximately HK\$40,000,000 (the “Consideration”) exceeds 15% of the Company’s net tangible asset as at 23 August 2002, this being the relevant date on which such calculation is made, the Acquisition may constitute a discloseable transaction to the Company.

Conditions

The obligations of the parties under the Letter Of Intent are subject to, inter alia, the completion of the restructuring of Giant Power (the “Restructuring”) which will include, among other things, (i) the transfer of the shareholding of Shanghai Heng King International Real Estate Management Company Limited (上海漢中皇國際物業管理有限公司, “Shanghai Heng King”), presently a sino-foreign cooperative joint venture in Shanghai principally engaging in properties investment business which is currently owned by Taiwan Heng King, from Taiwan Heng King to Giant Power, and (ii) the approvals obtained from relevant regulatory authorities in the People’s Republic of China regarding application of Shanghai Heng King relating to its transformation from a sino-foreign cooperative joint venture to a 100 per cent. foreign-owned enterprise. Upon completion of the Restructuring, which is expected to be on or before 22 January 2003, Giant Power will hold the entire issued share capital of Shanghai Heng King and will become the sole beneficial owner of Heng King International Commercial Tower (漢中皇國際商務大廈, “Heng King Tower”) in Shanghai, which currently being the only asset of Shanghai Heng King. Shanghai Heng King will become the only asset of Grant Power immediately upon completion of the Restructuring.

A formal sale and purchase agreement will be immediately entered into between the relevant parties upon immediate completion of the Restructuring which is expected to be on or before 22 January 2003. When a formal sale and purchase agreement is entered into between the Company and the Vendor, and the Acquisition materializes, the Company will become the ultimate beneficial owner of Heng King Tower.

Consideration

The Consideration for the Acquisition has been agreed upon arms-length negotiation as approximately HK\$40,000,000 which has taken into account, among other things, the market value of Heng King Tower of approximately HK\$42,000,000 estimated based on the expertise of directors of the Company in Shanghai property market. The Company will appoint a property valuer to conduct and complete a valuation on Heng King Tower on or before 22 January 2003 (the “Valuation”). The directors of the Company will consider an adjustment on the Consideration if the market value of Heng King Tower under the Valuation is found to be different from the Consideration. Fun Area has paid to the Vendor a refundable deposit of HK\$4,000,000 upon signing of the Letter Of Intent. It is contemplated that the balance of the Consideration for the Acquisition of HK\$36,000,000 will be satisfied by issue of new shares of the Company of total market value of approximately HK\$36,000,000 (the “Proposed New Issue”). Issue price of each new

share of the Company and conditions in relation to the Proposed New Issue is preliminarily proposed to be arrived at with reference to market price of the existing issued share of the Company but precise terms of which are still under negotiation between the Vendor and the Company and at present, issue price of new shares have yet to be determined. The board of directors of the Company wishes to announce that no formal sale and purchase agreement has been reached at this stage.

The refundable deposit of HK\$4,000,000 (the “Deposit”) will be refunded in full to the Company if the Acquisition is not proceeded or performed due to, but not limited to, incompleteness of the Restructuring or upon lapse of the Letter Of Intent which is expected to be on or before 22 January 2003. The Deposit will not be refunded to the Company by the Vendor if Fun Area has not fulfilled all its obligations which include that Fun Area (i) shall obtain business registration and relevant approvals for operation in accordance to the laws of Hong Kong and that of the British Virgin Islands; and (ii) shall provide necessary resolutions of shareholders’ meeting (if any) and board resolutions for passing the Acquisition; and any approvals, permission, authorizations or any other documents from relevant government(s) or any other third party (if any) as required under the Acquisition, as set out in the Letter Of Intent. As agreed and stated in the Letter Of Intent, in case that the Vendor has fulfilled all its obligations as set out in the Letter Of Intent but refuses to enter into a formal sale and purchase agreement with the Company on or before 22 January 2003, a further HK\$4,000,000 will be payable to the Company by the Vendor as penalty payment (the “Penalty Payment”).

SUPPLEMENTAL LETTER TO THE LETTER OF INTENT

A supplemental letter to the Letter Of Intent was entered into between the Company, the Vendor and the Guarantor on 22 November 2002 (the “Supplemental Letter”). Under the Supplemental Letter, the Vendor warranted to the Company that upon completion of the Letter Of Intent, which is expected to be on or around 22 January 2003, no liability (contingent or otherwise) and corporate guarantees are outstanding or shall be outstanding in the accounts of Shanghai Heng King as at the date of signing of a formal sale and purchase agreement (the “Liability Repayment Warranty”). The Guarantor also warranted to the Company all the obligations and liabilities of the Vendor in relation to the Letter of Intent as well as the Liability Repayment Warranty as set out in the Supplemental Letter.

INFORMATION ON GIANT POWER

Giant Power is an investment holding company incorporated in the British Virgin Islands on 22 October 2002 with limited liability for the purpose of the Acquisition. As such, Giant Power has not prepared any audited or unaudited management account since its incorporation. Under the Letter Of Intent and the Supplemental Letter, the Guarantor warranted all the obligations and liabilities of the Vendor in relation to the Letter Of Intent, including but not limited to, the Deposit and the Penalty Payment as well as the Liability Repayment Warranty of Shanghai Heng King.

The Vendor is an independent third party not connected with the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined under the Listing Rules).

The Acquisition may or may not proceed. Holder of shares of the Company and the investing public should exercise caution when dealing in the securities of the Company.

Further announcement will be made by the Company immediately after the signing of a formal agreement between the parties on or before 22 January 2003 or when the Letter Of Intent lapses on 23 January 2003.

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By Order of the Board
Shanghai Ming Yuan Holdings Limited
上海銘源控股有限公司*
Henry Chien
Executive Director

Hong Kong, 25 November 2002

* *For identification purposes only*

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