

CHANGE OF CONTROLLING SHAREHOLDER

Pursuant to a sale and purchase agreement dated 3 May 2002 (the "Sale and Purchase Agreement"), and as amended by a supplemental agreement dated 6 June 2002, both entered into between Investor Investment imGO Limited, Sherbourne Limited, Ericsson Holding International B.V., Trumpington Limited and Global Town Limited ("Global Town") (name subsequently changed to New Nongkai Global Investments Limited), Global Town agreed to acquire an aggregate of 1,769,371,225 shares of the Company (the "Shares"), representing 57.98% of the issued share capital of the Company (the "Acquisition"). Completion of the Sale and Purchase Agreement took place on 13 June 2002 and details of the Acquisition were set out in the press announcement of the Company dated 3 May 2002.

Following completion of the Sale and Purchase Agreement, there was an unconditional cash offer (the "Share Offer") made by BOCI Asia Limited on behalf of Global Town to acquire all the issued shares of the Company other than those already owned by Global Town and parties acting in concert with it at the offer price of HK\$0.82 per Share. Simultaneously, an unconditional offer was made to all those holders of outstanding options in the Company (the "Options"), which carried the right to subscribe for Shares of the Company at the subscription price of HK\$0.75 per Share, for the surrender to the Company by the holders of the Options of all of their existing rights in respect of their Options in consideration of HK\$0.07 per Option (the "Option Offer") (the Share Offer and the Option Offer are collectively the "Offers").

Upon closing of the Share Offer on 11 July 2002, Global Town received valid acceptances in respect of 824,680,092 Shares under the Share Offer, which made Global Town and parties acting in concert with it interested in 2,655,080,092 Shares, representing approximately 87.01% of the issued share capital of the Company as at the closing date. Upon closing of the Option Offer on 11 July 2002, Global Town also received acceptances under the Option Offer in respect of all outstanding Options, which have since been cancelled and extinguished. Details of the Offers were set out in the Offer Document dated 20 June 2002.

CHANGE OF COMPANY NAME

On 26 August 2002, the name of the Company was changed from "imGO Limited" to "Shanghai Land Holdings Limited", reflecting that the Company intends to focus on property development and investment in Shanghai.

REVIEW OF ACTIVITIES

As the global business conditions and major venture capital markets continued to remain harsh and unfavourable in 2002, the Group has been conservative in valuing its investment portfolio. Portfolio companies have been written down where their progress has not achieved certain performance milestones determined at the time of investment or their future performance is difficult to predict. However, the Group is now protected from further declines in value pursuant to a put option which gives the Group the right to dispose of the technology investments portfolio at the current book value.

Wireless Technology Investments

China Greens Limited develops and implements network security solutions, services and products. The products of China Greens Limited include firewalls, intrusion detection software, and remote scanners. The service offering ranges from security assessment and network scan to remote monitoring and emergency responses.

InfoTalk is a leading provider of multi-lingual conversational speech understanding technology, which includes speech recognition, text to speech, speaker authentication, and integrated speech platforms and solutions. InfoTalk's award-winning technology enhances quality and efficiency in everyday lives with commercial deployments throughout Asia.

iSilk is a company with key intellectual property in cross-lingual knowledge management software, which employs natural language processing and information retrieval technologies, for cost effective and efficient information searches.

IP Infusion is a leading provider of intelligent network software for enhanced IP services. IP Infusion's advanced control plane software enables equipment vendors, service providers, and telecommunications and enterprise companies to rapidly build and provision a broad range of value-added IP services around IP Infusion's core routing and switching software technology.

NESS Display Corporation Limited designs and manufactures flat panel displays based on Organic Light-Emitting Diode Displays (OLED) technologies. Its innovative technology and products are intended for devices that require bright, clear, and energy efficient displays, such as mobile phones, handheld game consoles, and PDAs.

REVIEW OF ACTIVITIES (continued)**Real Estate Investments**

Pursuant to a resolution passed at an extraordinary general meeting held on 17 November 2001, the Company exercised its rights under the put option agreements entered into with Guoco Group Limited ("Guoco") whereby the Company was conferred rights to require Guoco to purchase all of the Company's interests in the three properties-owning subsidiaries – Supreme Goal Investments Limited, W.C.H. Limited and Wanchai Property Investment Limited. These companies respectively owned the following properties:

- (a) The Center: 12th and 15th floors of The Center, a prestigious "grade A" office development situated at 99 Queen's Road Central, Hong Kong.
- (b) Wu Chung House: 33rd to 35th floors of Wu Chung House, an office tower situated at 213 Queen's Road East, Wanchai, Hong Kong.
- (c) Overseas Trust Bank Building: 17th to 19th, 22nd, 24th to 27th floors, penthouse and 6 car parking spaces on the 2nd floor of Overseas Trust Bank Building, an office building situated at 160 Gloucester Road, Wanchai, Hong Kong.

The transfer of interests was completed on 21 November 2001 and a total sum of HK\$606,745,000 was received from the transaction.

Financial Position

The Group's cash holdings increased further to HK\$2,242,554,000 at the end of the financial year after HK\$606,745,000 proceeds was received from exercise of the put options to dispose of the three properties-owning subsidiaries to Guoco in November 2001.

Outlook

The Directors consider that there is tremendous growth potential in the PRC property market and intends that the Group will re-engage itself in property development and investment, particularly in Shanghai. Following the PRC's entry into the World Trade Organization, it is expected that a large number of foreign companies will set up their offices in the PRC, particularly in Shanghai, which will bolster the demand for both residential and commercial properties. In addition, sustained growth of household income in Shanghai, mortgage rate cuts, and the increased push for housing reform by the government is also likely to boost demand in the residential property market.

Employee and Remuneration Policy

As at 30 June 2002, the Group employed nine staff. We believe that the management team is critical to the success of the investment programme that the Group has chosen. The Group remunerates its employees based on their performance and experience in the context of prevailing industry practice.