



YANLORD LAND GROUP LIMITED

(Incorporated with limited liability in the Republic of Singapore)
(Registration Number: 200601911K)

NOTIFICATION ON CHANGES IN SUBSIDIARIES

The Board of Directors ("**Board**") of Yanlord Land Group Limited ("**Company**") and its group of companies, "**Group**") wishes to announce the following:-

(A) New Subsidiary

Zhuhai Yanlord Real Estate Development Co., Ltd ("**ZYRED**") has incorporated a wholly-owned subsidiary in the People's Republic of China, known as Zhuhai Yanlord Property Management Co Ltd ("**ZYPM**"). Details of ZYPM are as follows:-

- (i) Registered capital: RMB3,000,000
- (ii) Principal activity: Property management

ZYRED is a subsidiary of Yanlord Land Pte. Ltd. ("**YLPL**"), which is in turn a wholly-owned subsidiary of the Company.

(B) Increase in Shareholding in Subsidiary

YLPL's subsidiaries, Yanlord Investment (Nanjing) Co., Ltd and Suzhou Zhonghui Property Development Co., Ltd (collectively, "**Subsidiaries**"), have together acquired the remaining 27% of the registered capital of Nanjing Yanlord Property Management Co., Ltd ("**NYPM**"), for a total cash consideration of RMB800,000 ("**Acquisition**") from the minority registered holders of NYPM, which was arrived on a willing buyer, willing seller basis.

Following the Acquisition, the Company's interest in NYPM held through the Subsidiaries, has increased from 73% to 100%.

The net liability of NYPM at the time of the Acquisition was RMB6,142,155.

(C) Liquidation of Subsidiary

As set out in the Prospectus of the Company dated 15 June 2006, Nanjing Yanlord Real Estate Development Co., Ltd ("**NYRED**"), a wholly owned subsidiary of YLPL has been placed under voluntary liquidation. The voluntary liquidation process of NYRED has been completed.

The voluntary liquidation of NYRED does not have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2006.

On behalf of the Board

Zhong Sheng Jian
Chairman and Chief Executive Officer

2 October 2006

The initial public offering for the shares of the Company was joint lead managed by HL Bank and CLSA Merchant Bankers Limited (the "Managers"). The Managers assume no responsibility for the contents of this announcement.