



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

INCORPORATION OF NEW SUBSIDIARY IN SHANGHAI

The Board of Directors ("Board") of Yanlord Land Group Limited ("Company") wishes to announce that Yanlord Land Pte. Ltd. ("YLPL") has incorporated a wholly-owned subsidiary in Shanghai, People's Republic of China, known as Yanlord Land Investment Management (Shanghai) Co. Ltd ("YLIMS"). Details of YLIMS are as follows:-

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|-------|----------------------|-----------------------|
| (i) | Registered capital : | US\$2,000,000 |
| (ii) | Paid-up capital : | US\$550,000 |
| (iii) | Principal activity : | Investment management |

YLPL is a wholly-owned subsidiary of the Company.

On behalf of the Board

Zhong Sheng Jian
Chairman and Chief Executive Officer

15 December 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.