

DISCLOSURE PURSUANT TO PARAGRAPHS 13.16 AND 13.22 OF THE LISTING RULES

As at 31st December, 2004, Sino Land Company Limited (“Sino Land”) was 51.62% owned subsidiary of the Company. On a consolidated basis, the Company also had a general disclosure obligation under paragraphs 13.16 and 13.22 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”) with respect to the advances to, and guarantees given for the benefits of its affiliated companies by the Company (through Sino Land and/or its subsidiaries). In accordance with paragraphs 13.16 and 13.22 of the Listing Rules, the Company discloses the following statement of indebtedness, capital commitments and contingent liabilities reported on by the affiliated companies of Sino Land and/or its subsidiaries as at the end of the most recent financial period.

	At 31st December, 2004 HK\$	At 30th June, 2004 HK\$
Sino Land’s share of total indebtedness of its affiliated companies:		
Bank loans	2,235,561,578	2,306,624,606
Other loans	206,400,000	231,000,000
	2,441,961,578	2,537,624,606
Advances from Sino Land and its subsidiaries	9,333,487,744	9,513,338,484
	11,775,449,322	12,050,963,090
Sino Land’s share of capital commitments of its affiliated companies:		
Authorised but not contracted for	–	–
Contracted but not provided for	242,083,192	358,494,315
	242,083,192	358,494,315
Sino Land’s share of contingent liabilities of its affiliated companies	–	–

Note: “Affiliated companies” mentioned above refers to associates of Sino Land.

COMPLIANCE COMMITTEE

A Compliance Committee, comprising the Legal and Company Secretary Director, the two Heads of the Legal and Company Secretarial Departments, the Director of Development Department, Chief Executive Officer (Hotel) (or his designated personnel), the Chief Financial Officer, head of Internal Audit Department, department heads and the Compliance Officer, was established on 30th August, 2004 to enhance the corporate governance of the Group. The Compliance Committee has dual reporting lines. A principal reporting line is to the Board through the Legal and Company Secretary Director, who will chair the Compliance Committee. A secondary reporting line is to the Audit Committee. The Compliance Committee has held its first meeting in February 2005.