

# MANAGEMENT CHAT ROOM



For **Mr. Vincent H.S. LO**  
*Chairman & Chief Executive Officer*

**Q: How will strategic partnerships help your business to grow?**

**A:** We forge strategic partnerships to bring in experience and know-how in addition to financial resources. This demonstrates the flexibility of our business model. By forming strategic partnerships, Shui On Land is able to share development risks, accelerate the development programme and investment returns, release capital and resources for more projects, and leverage the complementary expertise of our partners. These relationships with architects, developers, contractors, consultants and other investors can be replicated in our other projects in the same city or elsewhere, if and when such relationships prove to be beneficial and are working well, thereby enhancing our operational efficiency.

Our partners can also be local and provincial governments, with whom we make detailed analyses of the cities we invest in and we create a master plan for our development to help unleash the cities' ultimate value. For example, the Company works closely with the Yangpu District Government to develop a city-core project Knowledge and Innovation Community (KIC). We aim to transform Yangpu from an industrial and manufacturing district to a leading knowledge and innovation hub fostering technological innovation and entrepreneurship. KIC will be a multi-function community for people to "live-work-play" based on our unique design concept. We are now partnering with the municipal governments of Yunnan to complement their concerted efforts to promote and upgrade the tourism sector in four cities, namely Kunming, Lijiang, Dali and Shangri-La, by developing upscale tourism and lifestyle community resorts.



Mr. Vincent H.S. LO



Mr. William T. ADDISON



Mr. Louis H.W. WONG



Mr. Aloysius T.S. LEE

For **Mr. William T. ADDISON**  
Managing Director &  
Chief Financial Officer

**Q: In addition to achieving financial targets, what other business objectives does Shui On Land have?**

**A:** Strengthening our corporate governance framework. We believe that corporate governance will protect and drive forward our sustainable growth. Shui On Land's highly experienced management team operates in accordance with international industry best practices and strong corporate governance standards. In 2004, we established an Audit Committee and a Remuneration Committee to assist the Board in its work and to ensure these functions are the subject of rigorous, independent review. Since our listing in October 2006, Shui On Land's commitment to corporate governance has been demonstrated by including a majority of independent non-executive directors (INEDs) on the Board, and having more INEDs than the number required by Hong Kong Listing Rules. In 2007, the Hong Kong Chamber of Listed Companies awarded Shui On Land the Hong Kong Corporate Governance Excellence Award 2007.

**Q: How will you protect and build your corporate governance framework and strategies in future?**

**A:** Enhancing corporate governance is not simply a matter of applying and complying with the Code on Corporate Governance practices of the Hong Kong Stock Exchange but about promoting and developing an ethical and healthy corporate culture among our stakeholders. We will continue to review and, where appropriate, improve our current practices on the basis of our experience, regulatory changes and developments.

For **Mr. Louis H.W. WONG**  
Managing Director –  
Project Management

**Q: What are the challenges of building property projects that address environmental and preservation concerns?**

**A:** We have eight projects situated in locations we have chosen for their geographical and functional ability to provide unique value for the city's development and sustainable growth. Several of these projects have special environmental and historical characteristics that have been built into the master plan. We thereby ensure that our developments create a unique environment that is harmoniously integrating historical elements and a new culture and ambience which is derived from the old one. We also make sure that the property projects are built on sustainable and environmental protection principles.

**Q: How have these concepts been implemented in recent projects?**

**A:** Foshan possesses a rich history of over 1,300 years. The centrepiece of Foshan's cultural heritage is Zumiao, an immaculately preserved 900 years old Buddhist temple, which serves as the heart of the city. The master plan for our city-core development at Foshan Lingnan Tiandi includes office, retail, hotel, cultural facilities and residential complexes in an integrated community, as well as the Zumiao temple.

In a similar case, the proposed master plan for our Kunming development includes Dagan Park, a site with great historical significance, and incorporates sustainable development concepts and sensitivity to the surrounding environment.

For **Mr. Aloysius T.S. LEE**  
Managing Director – Commercial

**Q: What is your strategy to sustain high growth in commercial property development?**

**A:** Strategically, we ride on the premium brand name and property management expertise of Shui On Land and our business partners to attract renowned retail brands and global corporations to rent our shopping malls and office buildings, respectively. We are confident that the demand for commercial properties will continue to grow rapidly.

**Q: What new commercial projects will be launched in 2008?**

**A:** Commercial properties form an integral part of our new projects. Shui On Land jointly develops Dalian Tiandi • Software Hub with Shui On Construction and Materials Limited and Yida Group. The project will cater for the international software and business process outsourcing industries. Shui On Land has also been awarded the development and land use rights of Zumiao Donghua Lane in Foshan City, Guangdong. In Yunnan, we have signed a framework agreement with the provincial government and will work closely with the municipal governments of Kunming, Lijiang, Shangri-La and Dali to develop further tourism oriented projects.