



瑞安集團
SHUI ON GROUP

Press Release

Shui On Group Forms Strategic Partnership with Yunnan Provincial Government *Jointly Develop Tourism and Property Markets for a Brighter Future in Yunnan Province*

[Hong Kong – September 23, 2007] The Yunnan Provincial Government and Shui On Group jointly announced that consensus has been reached on concerted efforts to develop the tourism industry with full amenities including property in Yunnan. This is Shui On's first collaboration with the provincial government. The first stage of the project will include development plans in the scenic areas of Kunming, Lijiang, Dali and Shangri-La.

The Delegations led by Mr. Qin Guangrong, Governor of Yunnan Province, and Mr. Vincent H.S. Lo, Chairman of Shui On Group, formally signed the Minutes of Discussion after the working meeting held in Kunming. Both parties are in complete accord that there is a vast prospect of developing high quality tourism industry and service with amenities including property in the Province. The Yunnan Provincial Government and Shui On Group will establish their respective special taskforces to spearhead the progress of collaboration. A formal strategic collaboration agreement is planned to be signed in early November 2007.

Welcoming Shui On Group's efforts to help develop Yunnan, Mr. Qin Guangrong was confident that Shui On Group would take the local industry to a higher plane, resulting in mutual benefits and a win-win situation for both sides through collaborated developments. "Shui On Group is an internationally renowned corporation with tremendous strengths, long-term strategic vision and substantial experience, excelling in facilitating tourism industries via property development, as well as in business management. Yunnan warmly welcomes Shui On Group to invest in the tourism industry with related amenities, which will drive the economic and social developments of Yunnan," said Mr. Qin.

Mr. Vincent H.S. Lo, Chairman of Shui On Group, was enthused by the strategic alliance with the Provincial Government. Mr. Lo said, "The vast number of ethnic groups and abundant tourism resources in Yunnan has made it a well-known tourism destination in the country. We are committed to acting in accordance with the new requirements of Yunnan's tourism as outlined in the 11th Five-Year Plan. We will work with the Provincial Government to make Yunnan a place where culture and tourism come together. Raising the sophistication of tourism in terms of quality, substance and offerings, developing leisure and holiday facilities, enhancing the ethnic experience and developing eco-tourism are all our goals. By 2010, we plan to make Yunnan an important international tourist destination in China and Asia."

The projects that Shui On Group will undertake in Yunnan include:

- (1) **Develop “Northern Caohai” area in Kunming:** This project aims at transforming Northern Caohai into an area of leisure, tourism, innovation, culture and living, making the location a multi-purpose “urban living room” of Kunming.
- (2) **Develop “Lashihai” area in Lijiang:** With safeguarding the natural habitat, migratory bird sanctuary and local ethnic culture as priorities, this project will turn the area into a high-end international leisure and holiday destination, amalgamating the attraction of local scenery, climate, ecology and cultures. The project will also create new employment opportunities, increase local residents’ income and raise living standards. All these objectives are in line with the country’s policy to develop a new socialist countryside and improve the local economy. The ultimate goal is to achieve ecological conservation and sustainable development.
- (3) **Develop Tourism Projects in Dali and Shangri-La:** Conduct holistic planning and architectural designs for every project, drawing on the culture and natural scenery of Dali and Shangri-La. By upgrading the cities to meet the standards and qualities of international high-end tourist destinations, Shui On offers the two destinations distinctive functional positioning, as well as superior, tailored planning and design solutions. Shui On aims to develop the cities into an internationally renowned vacation and eco-tourism belt. Each city will offer unique features that appeal to visitors from all over the world.
- (4) **Interact with Other Major Tourism Cities:** Shui On aspires to search for ideal destinations for an integrated tourism development, and encourage dialogues and collaborations among Kunming, Dali, Lijiang and Shangri-La. Shui On is confident in turning the Northwestern Yunnan area into an internationally renowned tourism belt, which is the same objective of the Government, incorporating modern lifestyle, cultural experiences with vacation and eco-tourism.

Shui On Group pledges to respect and preserve the interests of indigenous residents in local areas. Through training programs, Shui On Group will provide job opportunities to local residents. The company will also establish a New Village Development Fund to assist them in going through the economic transformation.

The Yunnan Province will offer generous assistance and support to Shui On Group in locating the destination for the project. It will also coordinate with various government departments and local authorities to facilitate the planning process.

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About Shui On Group

Founded in 1971, Shui On Group is a diversified group engaged in property development, construction and construction materials with interests in Hong Kong and the Chinese Mainland. The Group entered the Mainland market in 1985 and has become a leading property developer in the Chinese Mainland and the principal cement producer in Southwest China.

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