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Frasers

PROPERTY GROUP

Frasers Property (China) Limited

星獅地產(中國)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 00535)

CONTINUING CONNECTED TRANSACTIONS

On 4 April 2005, the Company announced that Vision Huaqing and THSP had entered into the Property Management Contract on 1 April 2005 whereby Vision Huaqing appointed THSP as the property manager to provide property management services for the Building during the period from 1 April 2005 to 14 September 2006 at a fee calculated at 8% of the total monthly management fees received from the tenants of the Building.

The Directors now further wish to announce that on 12 April 2006, Vision (Shenzhen), a 95% owned subsidiary of the Company, and Beijing Huaqing entered into the Cooperation Agreement whereby Vision (Shenzhen) has agreed to appoint Beijing Huaqing as the consultant to provide coordination and liaison services for a Proposed Business Park Project in Shenzhen during the period from 15 April 2006 to 14 October 2006 at a consideration of RMB200,000 (about HK\$193,000).

Vision Huaqing and Vision (Shenzhen) are 60% and 95% owned by the Company respectively. Both THSP and Beijing Huaqing are 80% beneficially owned by TSP, which is a 40% substantial shareholder of Vision Huaqing. Accordingly, THSP and Beijing Huaqing are connected persons of the Company under the Listing Rules.

Pursuant to Rule 14A.25 of the Listing Rules, the Property Management Contract and the Cooperation Agreement should be aggregated and treated as if they were one transaction for the purpose of Chapter 14A of the Listing Rules.

As the Continuing Connected Transactions, on an annual aggregated basis, do not exceed 2.5% of each of the applicable percentage ratios under the Listing Rules, no independent Shareholders' approval will be required.

The Directors consider that the entering into the Cooperation Agreement is in the interests of the Company and the Shareholders as a whole. The Directors also consider that the terms of the Cooperation Agreement are on normal commercial terms and fair and reasonable so far as the Company and the independent Shareholders are concerned.

On 4 April 2005, the Company announced that Vision Huaqing and THSP had entered into the Property Management Contract on 1 April 2005 whereby Vision Huaqing appointed THSP as the property manager to provide property management services for the Building during the period from 1 April 2005 to 14 September 2006 at a fee calculated at 8% of the total monthly management fees received from the tenants of the Building.

THE COOPERATION AGREEMENT DATED 12 APRIL 2006

1. Parties

Vision (Shenzhen)
Beijing Huaqing

2. Term

For the period from 15 April 2006 to 14 October 2006

3. Service subscribed

Beijing Huaqing is to provide coordination and liaison services with the relevant local government authorities for the Proposed Business Park Project in Shenzhen.

4. Consideration

The Consideration is RMB200,000 (about HK\$193,000), of which payment shall be made based on the percentage of work completed by Beijing Huaqing and such fee will be funded from internal sources.

The Consideration was arrived at after arm's length negotiation with due consideration to the consultants' experience with similar projects within the PRC.

REASONS FOR ENTERING INTO THE COOPERATION AGREEMENT

The Group is principally engaged in property investment, development and management including business parks. Vision (Shenzhen), a 95% owned subsidiary of the Company, is principally engaged in the development and management of the VSBP. Beijing Huaqing, a 80% owned subsidiary of TSP, is principally engaged in the provision of consultancy services for business parks in the PRC.

The Directors consider that the entering into the Cooperation Agreement is in the interests of the Company and the Shareholders as a whole as the Cooperation Agreement will enable the Group to leverage on the expertise of Beijing Huaqing in coordinating and liaising with the relevant PRC local authorities for the Proposed Business Park Project in Shenzhen. The Directors also consider that the terms of the Cooperation Agreement are on normal commercial terms and fair and reasonable so far as the Company and the independent Shareholders are concerned.

ANNUAL CAPS

According to the announcement on 4 April 2005, the Directors have set the annual cap fee payable by Vision Huaqing to THSP under the Property Management Contract to be RMB1.2 million for the Company's financial year ending 31 December 2006. As the Company's financial year end date has been changed to 30 September 2006, the annual cap fee under the Property Management Contract for the years ending 30 September 2006 and 30 September 2007 should therefore be adjusted to RMB900,000 and RMB300,000 respectively. As for determining the annual cap fee under the Cooperation Agreement, the Directors have taken into consideration the extent of the coordination and liaison work rendered by Beijing Huaqing. Since the Cooperation Agreement covers the period from 15 April 2006 to 14 October 2006, the annual cap fee under this Agreement for the years ended 30 September 2006 and 30 September 2007 should therefore be approximately RMB190,000 and RMB17,000 respectively. Accordingly, the Directors propose to set the annual caps for the aggregated consideration pursuant to the Property Management Contract and the Cooperation Agreement at about RMB1,090,000 (about HK\$1,052,000) and RMB317,000 (about HK\$306,000) for the Company's financial years ending 30 September 2006 and 30 September 2007 respectively. The Directors consider such annual caps fair and reasonable so far as the Company and the independent Shareholders are concerned.

GENERAL

Vision Huaqing and Vision (Shenzhen) are 60% and 95% owned by the Company respectively. Both THSP and Beijing Huaqing are 80% beneficially owned by TSP, which is a 40% substantial shareholder of Vision Huaqing. Accordingly, THSP and Beijing Huaqing are connected person of the Company under the Listing Rules.

Pursuant to Rule 14A.25 of the Listing Rules, the Property Management Contract and the Cooperation Agreement should be aggregated and treated as if they were one transaction for the purpose of Chapter 14A of the Listing Rules.

As the Continuing Connected Transactions, on an annual aggregated basis, do not exceed 2.5% of each of the applicable percentage ratios under the Listing Rules, no independent Shareholders' approval will be required.

Details of the Continuing Connected Transactions will be disclosed in the Company's next published annual report and accounts.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise :

“Beijing Huaqing”	Beijing Huaqing S.D. Real Estate Consulting Co., Ltd., a company incorporated under the laws of the PRC and is 80% beneficially owned by TSP, which is a 40% substantial shareholder of Vision Huaqing and thus a connected person of the Company under the Listing Rules
“Board”	the Board of Directors
“Building”	Vision International Centre, with a gross floor area of 32,846 square metres, is located at Tsinghua Science Park, No.1 Zhongguancun East Road, Haidan District, Beijing, the PRC

“Company”	Frasers Property (China) Limited, formerly known as Vision Century Corporation Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Consideration”	the fee payable by Vision (Shenzhen) to Beijing Huaqing pursuant to the Cooperation Agreement
“Continuing Connected Transactions”	continuing connected transactions, being the Property Management Contract and Cooperation Agreement
“Cooperation Agreement”	The cooperation agreement dated 12 April 2006 entered into between Vision (Shenzhen) and Beijing Huaqing in relation to the liaison and coordination services for the Proposed Business Park Project in Shenzhen for the period from 15 April 2006 to 14 October 2006
“Directors”	the directors (including non-executive and independent non-executive directors) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Proposed Business Park Project in Shenzhen”	the development site of about 250,000 sqm in Shenzhen
“Property Management Contract”	the property management contract dated 1 April 2005 entered into between Vision Huaqing and THSP in relation to the provision of property management services by THSP for the Building for the period from 1 April 2005 to 14 September 2006
“RMB”	Renminbi, the lawful currency of PRC
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“THSP”	THSP Property Management Corp., a company incorporated under the laws of the PRC and is 80% beneficially owned by TSP, which is a 40% substantial shareholder of Vision Huaqing, and thus a connected person of the Company under the Listing Rules
“TSP”	Tsinghua Science Park Co., Ltd., a limited liability company established under the laws of PRC

“Vision Huaqing”	Vision Huaqing (Beijing) Development Co., Ltd., a limited liability company established under the laws of PRC which is owned as to 60% by the Company and as to 40% by TSP
“Vision (Shenzhen)”	Vision (Shenzhen) Business Park Co., Ltd., a limited liability company established under the laws of PRC which is owned as to 95% by the Company and as to 5% by an independent third party which is not a connected person of the Company under the Listing Rules
“VSBP”	Vision (Shenzhen) Business Park
“%”	per cent.

Note: For the purpose of illustration only, the translation of RMB into HK\$ is based on the exchange rate of HK\$1.00 to RMB1.036. Such translation should not be considered as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

By Order of the Board
Frasers Property (China) Limited
Ang Ah Lay
Executive Director and Chief Executive Officer

Hong Kong, 24 April 2006

As at the date hereof, the Board comprises one executive director, namely Mr. Ang Ah Lay; four non-executive directors, namely Dr. Han Cheng Fong (whose alternate is Mr. Hui Choon Kit), Ms. Chong Siak Ching (whose alternate is Mr. Goh Kok Huat), Mr. Goh Yong Chian, Patrick and Ms. Wang Poey Foon, Angela; and three independent non-executive directors, namely Mr. Alan Howard Smith, J.P., Mr. Kwong Che Keung, Gordon and Mr. Hui Chiu Chung, J.P.

** For identification purpose only*

“Please also refer to the published version of this announcement in The Standard”