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News Release

SC Global Undertakes Maiden Development of 2,000-Unit Residential-cum-Retail Project in China in a 60:40 JV with Malaysia's Lion Group

Singapore, 28 November 2006 – SGX-listed SC Global Developments Ltd (“SC Global” or “the Group”) announces today that it will undertake its maiden development of a 2,000-unit residential-cum-retail project in Shenyang, the capital city of the Liaoning Province in the People’s Republic of China, in a 60:40 joint venture with a unit of The Lion Group of Malaysia.

The corporate entity for the joint venture is a Singapore-incorporated company, Kairong Developments (S) Pte Ltd (“Kairong Developments”), which in turn owns Kairong Developments (Shenyang) Co., Ltd (“Kairong Shenyang”).

Kairong Shenyang has entered into an agreement with local authorities to purchase two adjoining land parcels located in the Tiexi District within Shenyang City for a total consideration of approximately Rmb246 million (approximately S\$48.4 million) and will undertake property development on these land parcels.

With a potential aggregate gross floor area of up to 2.3 million square feet, these two projects will yield approximately 2,000 homes and retail areas totaling some 340,000 square feet (comparable in size to Centrepont, Singapore) when completed within the next two to three years. The first sale launch for the residential units is expected in May 2007.

The projects are located near the Shenyang Economic and Technological Development Zone and within walking distance to the planned Shenyang Metro subway line. The completed development will be located next to a new Olympic-grade sports stadium presently under construction. The stadium is a designated venue for the soccer matches of the 2008 Beijing Olympic Games and will also be home to the Liaoning Provincial Soccer team.

Mr Simon Cheong, Chairman and CEO of SC Global Developments, said: *“This is SC Global’s first foray into the Chinese property market. We have strategically selected Shenyang for our first project as it is a key second-tier gateway city which we believe presents tremendous growth potential. We are delighted that the well-established Lion Group of Malaysia has joined us as our valued partner. Their many years of retail and operational experience in China will be a great benefit to the success of the project.”*

Tan Sri William Cheng, Group Chairman and CEO of The Lion Group, said: *“Our Group has full confidence in the potential of the Project given its strategic location and growth opportunities. We are pleased to establish a strategic partnership with SC Global with its track record in growing its property development in Singapore and Australia.”*

On SC Global’s strategy for China, Mr Cheong said, *“Our business plans for China will be driven by a two-pronged branding strategy which would allow us to better meet the specific needs and lifestyles of each respective segment which each brand will cater:*

- *Large scale housing developments catering towards the mid-tier segment will be carried out through our new “Kairong” brand. The rapidly-growing middle income class in China will fuel an increasing demand for good quality, large scale housing developments. Kairong aims to be a leading developer that caters to this expanding middle income market in second-tier gateway cities, where lower entry costs and promising economic growth present reduced investment risks and attractive potential returns.*
- *For high-end luxury residential developments in first-tier gateway cities such as Shanghai and Beijing, these would come directly under the SC Global brand which is known in Singapore for prestigious and luxurious residences.”*

Mr Cheong added, *“While we continue to focus on our core business in high-end residential developments in Singapore, our business initiative in Shenyang is in line with a long-term strategy to participate in the rapidly developing China market and expand our regional footprint.”*

About the Joint Venture

SCGD (China) Pte Ltd (“SCGD China”), an indirect wholly-owned subsidiary of SGX-listed SC Global Developments Ltd and Viroy Management Services Sdn Bhd (“Viroy Management”), a wholly owned subsidiary of Lion Diversified Holdings Berhad which is a member of The Lion Group of Malaysia, will jointly undertake the property development in Shenyang, China.

SCGD China and Viroy Management will own 60% and 40%, respectively, of a Singapore incorporated company, Kairong Developments (S) Pte Ltd (“Kairong Developments”). Kairong Developments in turn is the holding company of Kairong Developments (Shenyang) Co., Ltd (凯荣置业(沈阳)有限公司), a wholly foreign-owned enterprise incorporated in China with a total registered equity capital of US\$20 million or approximately Rmb160 million.

About Shenyang

Shenyang is the capital city of the Liaoning Province, a key industrial center in the highly industrialized region of Northeastern China and the eighth largest GDP among all the provinces and municipalities in China. With a strategic and favorable location, Shenyang is the most important commercial, financial, logistics and transportation centre in Northeast China.

Shenyang is the largest central city of the China northeastern region and is the fourth largest city in China. It covers an area of 12,980 sq km and comprises one city, nine districts and three counties under its jurisdiction. Known as "the home of machinery", Shenyang is the nation's base for heavy industry in machinery equipment manufacturing.

Shenyang has a population of approximately 7.0 million of which 5.0 million reside in the city centre.

About The Lion Group

The Lion Group is a diversified business conglomerate based in Malaysia with operations in several East Asian countries as well as in USA and Mexico. The Group has 13 public listed companies with 7 in Malaysia, 2 each in Singapore and Indonesia, and 1 each in China and Hong Kong.

The Group's business activities encompass steel, motor, tyre, computers, pulp and paper, plantation, retail, trading and community development.

The Group's Property Division has undertaken numerous large-scale projects, which include shopping malls, office towers, hotels, housing estates, serviced apartments, golf resorts, industrial parks and private medical centers.

In China, the Lion Group has investments in the retail, automotive and tyre businesses. Its retail operations are through its chain of Parkson department stores with approximately 38 stores in 26 major cities across China, 29 in Malaysia and 1 in Vietnam.

About SC Global Developments Ltd

SC Global Developments is listed on the main board of the Singapore Exchange. The Group is a niche developer of up-market residences of rare and exquisite design quality, with an emphasis on refinement and a contemporary definition of the premium lifestyle.

The Group embraces a philosophy of delivering the promise of “The Ultimate Living” experience with all its projects. Completed developments include the elegant and refined *The Ladyhill*, *The Boulevard Residence* with its definitive luxury, the hip and contemporary *The Lincoln Modern* and the unique, trendsetting *Thr3e Thre3 Robin* which features a unique open kitchen as the heart of every home.

SC Global’s next iconic developments at Cairnhill Circle and Paterson Hill are expected to be launched in 2007. The Group has a landbank of over 800,000 square feet of developable gross floor area in the prime Orchard Road corridor.

SC Global also holds a substantial interest of approximately 42.4% in ASX-listed AVJennings Limited, which is one of Australia’s leading housing and land developers.

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