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PREMIUM LAND LIMITED

(上海策略置地有限公司)*

(Incorporated in Bermuda with limited liability)
(Stock code: 164)

ANNOUNCEMENT AND RESUMPTION OF TRADING

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Directors are pleased to announce that on 1 March 2006, Bestluck entered into the legally binding Heads of Agreement in relation to the acquisition of the Target Company which, among other matters, indirectly holds 25% of the registered capital of the JV Company. The JV Company holds interests in the Property.

Pursuant to the Heads of Agreement, the consideration for the Acquisition shall be not less than HK\$110,000,000 but not more than HK\$140,000,000, the exact amount and payment of which shall be determined by the parties to the Heads of Agreement upon further negotiations. The parties to the Heads of Agreement shall enter into a formal sale and purchase agreement within seven days from the date of the Heads of Agreement. Based on the information provided by the Vendor, the Acquisition might constitute at least a major transaction of the Company under the Listing Rules.

The Acquisition is still subject to the signing of a formal sale and purchase agreement. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.

At the request of the Company, the trading in Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 2 March 2006, pending the publication of this announcement. Application has been made by the Company for the resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 6 March 2006.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The directors (the "Directors") of Premium Land Limited (the "Company"), which together with its subsidiaries, the "Group" are pleased to announce that on 1 March 2006, Bestluck Management Limited ("Bestluck", and a wholly-owned subsidiary of the Company) entered into a legally binding heads of agreement (the "Heads of Agreement") in relation to the acquisition (the "Acquisition") of the entire issued share capital of Jet Winner International Investments Limited (the "Target Company") which indirectly holds 25% of the registered capital of a sino-foreign equity joint venture (the "JV Company") established in the People's Republic of China (the "PRC"). The JV Company holds interests in 天津大泛華國際商務中心 (Tianjin Pan China International Business Centre) located at No. 931 Yingkou Road, Tanggu District, Tianjin, PRC (the "Property").

The counter-party (the "Counter-party") to the Heads of Agreement and its ultimate beneficial owner are, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, third parties independent of the Group and connected persons (as defined in the Listing Rules) of the Group.

The Heads of Agreement is legally binding, but the Acquisition is still subject to the signing of a formal sale and purchase agreement by Bestluck and the Counter-party. Pursuant to the Heads of Agreement, parties thereto shall enter into the formal sale and purchase agreement within seven days from the date of the Heads of Agreement. The Heads of Agreement shall expire upon 8 March 2006 or the execution of the formal sale and purchase agreement of the Acquisition, whichever is earlier.

Pursuant to the Heads of Agreement, the consideration for the Acquisition shall be not less than HK\$110,000,000 but not more than HK\$140,000,000, the exact amount and payment of which shall be determined by the parties to the Heads of Agreement upon further negotiations.

Pursuant to the Heads of Agreement, it is intended that completion of the Acquisition shall be conditional on:

- (1) Bestluck having completed its due diligence of the Target Company, its subsidiaries and the JV Company (including without limitation, review of business, legal, financial, commercial and taxation aspects), the results of which are, in the absolute opinion of Bestluck, satisfactory and acceptable to Bestluck in all respects;
- (2) Bestluck having obtained a written legal opinion issued by a lawyer (acceptable to Bestluck) qualified to practise PRC laws (which form and contents are satisfactory and acceptable to Bestluck at its absolute discretion) in relation to, among other matters, the operation and establishment of the JV Company;
- (3) all warranties given by the Counter-party in the formal sale and purchase agreement remaining true and accurate;
- (4) the shareholders of the Company having passed an ordinary resolution at the special general meeting of the Company approving the transactions contemplated under the formal sale and purchase agreement of the Acquisition;
- (5) Bestluck having received a valuation report issued by a firm of professional valuers acceptable to Bestluck in relation to the Property showing the value of the Property to be not less than RMB500,000,000 (approximately HK\$485,400,000); and
- (6) all necessary consents, permits and approval (whether governmental, regulatory or otherwise) as may be required in respect of the formal sale and purchase agreement and the transactions contemplated thereunder having been obtained by Bestluck.

The Counter-party has undertaken to conduct exclusive negotiations with Bestluck in relation to the Acquisition and not to undertake negotiations of the same with any other parties from the date of the Heads of Agreement until the completion of the Acquisition or the expiration of the Heads of Agreement, whichever is later.

Based on the information provided by the Vendor, the Acquisition might constitute at least a major transaction of the Company under the Listing Rules.

The Acquisition is still subject to the signing of a formal sale and purchase agreement. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.

At the request of the Company, the trading in shares of the Company (the "Shares") on the Stock Exchange was suspended with effect from 9:30 a.m. on 2 March 2006, pending the publication of this announcement. Application has been made by the Company for the resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 6 March 2006.

As at the date of this announcement, the Board consists of Mr. Dong Bo, Frederic and Mr. Gao Feng (both being executive Directors), and Mr. Wong Hoi Kuen, Edmund, Mr. Pang Haiou and Mr. Zuo Guang (all being independent non-executive Directors).

By order of the Board of
Premium Land Limited
Dong Bo
Director

Hong Kong, 3 March 2006

For the purpose of this announcement, the conversion rate of RMB shall be HK\$1.00 = RMB1.03

* for identification purpose only

"Please also refer to the published version of this announcement in The Standard."