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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 IN SHARES

On 7 March 2006, the Purchaser entered into the Sale and Purchase Agreement with the Vendor in relation to the Acquisition (being the acquisition of a company which has an indirect 25% interest in a joint venture company established in the PRC, which in turn owns a piece of land in the PRC) at an aggregate consideration of HK\$120,000,000. The Acquisition, if proceeded, would have constituted a major transaction of the Company pursuant to the Listing Rules. However, due to the unsatisfactory due diligence review conducted by the Group, the Purchaser and the Vendor terminated the Acquisition upon execution of the Deed on 4 April 2006.

At the request of the Company, the trading in Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 8 March 2006, pending the release of an announcement in relation to a major transaction of the Company. The transaction was subsequently terminated on 4 April 2006. 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 11 April 2006.

On 7 March 2006, Bestluck Management Limited (the "**Purchaser**"), a wholly-owned subsidiary of the Premium Land Limited (the "**Company**", which together with its subsidiaries, the "**Group**"), entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") with Fit Time Management Limited (the "**Vendor**") in relation to the acquisition (the "**Acquisition**") of a company which has an indirect 25% interest in a joint venture company established in the People's Republic of China (the "**PRC**"), which in turn owns a piece of land in the PRC at an aggregate consideration of HK\$120,000,000 (the "**Consideration**"). The Acquisition, if proceeded, would have constituted a major transaction of the Company pursuant to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). While the Sale and Purchase Agreement was signed on 7 March 2006, the Company has thereafter taken a long period of time collating the relevant information in relation to, among others, the target company, the subject property and the financial information and accordingly no announcement could be published by the Company in relation to the Acquisition immediately after the execution of the Sale and Purchase Agreement.

Subsequent to the execution of the Sale and Purchase Agreement on 7 March 2006, the Group commenced its due diligence review on the target company and the relevant subject property. In particular, the Group sent its representatives to the PRC for inspection and verification of original documents in relation thereto. However, the Group was not satisfied with the completeness of the documents and information provided in relation thereto. Accordingly, the Purchaser and the Vendor terminated the Acquisition and executed a deed of termination (the "**Deed**") on 4 April 2006. Although the Group was informed by the Vendor that the Deed was executed late in the evening on 4 April 2006, due to the public holiday on 5 April 2006 as well as communication equipment failure on the part of the Vendor, the Group did not receive a copy or the original of the Deed until late on 7 April 2006. The Vendor 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 and not connected persons of the Group. None of the Consideration had been paid by the Group prior to the execution of the Deed. Upon execution of the Deed, neither party thereto shall have any claim against each other.

At the request of the Company, the trading in shares (the "**Shares**") of the Company on the Stock Exchange was suspended with effect from 9:30 a.m. on 8 March 2006, pending the release of an announcement in relation to a major transaction of the Company. The transaction was subsequently terminated on 4 April 2006. 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 11 April 2006.

By order of the board of directors

Premium Land Limited

Dong Bo, Frederic

Director

Hong Kong, 10 April 2006

As at the date of this announcement, the board of the Company consists of Mr. Dong Bo, Frederic and Mr. Gao Feng (both being executive directors), and Mr. Wong Hoi Kuen, Edmund, Mr. Pang Haiou, Mr. Zuo Guang, Mr. Henry Tooze and Mr. Fung Po Chuen (all being independent non-executive directors).

* for identification purpose only

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