

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in PREMIUM LAND LIMITED, you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

PROPOSED CHANGE OF AUDITORS
AND
NOTICE OF SPECIAL GENERAL MEETING

A notice convening a special general meeting of Premium Land Limited to be held at Regus, 2nd Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Tuesday, 27 June 2006 at 10:00 a.m. is set out on page 4 of this circular. A form of proxy for use at the special general meeting is also enclosed.

If you are not able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road Central, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not prevent shareholders from attending and voting at the meeting if they so wish.

* For identification purpose only

LETTER FROM THE BOARD



PREMIUM LAND LIMITED (上海策略置地有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 164)

Executive Directors:

Mr. Dong Bo, Frederic (*Chairman*)

Mr. Gao Feng

Independent non-executive Directors:

Mr. Wong Hoi Kuen, Edmund

Mr. Pang Haiou

Mr. Zuo Guang

Mr. Chan Chi Yuen

Mr. Chow Siu Ngor

Registered office:

Clarendon House

Church Street

Hamilton HM 11

Bermuda

Principal place of business

in Hong Kong:

Unit 2203, 22/F., Sino Plaza

255-257 Gloucester Road

Causeway Bay

Hong Kong

12 June 2006

To the Shareholders

Dear Sir or Madam,

CHANGE OF AUDITORS

I. BACKGROUND

The board of directors (the "Board") of Premium Land Limited (the "Company") announced on 8 June 2006 that Messrs. Deloitte Touche Tohmatsu ("Deloitte") have resigned as the auditors of the Company on 7 June 2006 as the Company and Deloitte could not reach a consensus on the audit fees for the financial year ended 31 March 2006. It was set out in the notice of resignation that Deloitte have taken into consideration the level of audit fees, their available internal resources in light of their current work flows and the fact that they encountered limitation in the evidence available to them during their audit of the consolidated financial statements of the Company for the year ended 31 March 2005, details of which were set out in the auditors' report dated 27 July 2005 included in the 2005 annual report of the Company, which Deloitte have qualified their audit opinion.

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LETTER FROM THE BOARD

Deloitte confirmed that there were no matters in addition to the abovementioned that need to be brought to the attention of the members or creditors of the Company. The Board also confirms there is no disagreement between the Company and Deloitte and there are no circumstances in respect of the change of auditors which should be brought to the attention of the shareholders of the Company. Deloitte have not yet commenced any audit work on the financial statements of the Company for the year ended 31 March 2006.

In accordance with the bye-laws (the "Bye-laws") of the Company, if the office of auditors becomes vacant by the resignation of the auditors, the directors of the Company (the "Directors") shall as soon as practicable convene a special general meeting to fill the vacancy.

The Directors propose to appoint Messrs. Ting Ho Kwan & Chan ("THKC") as auditors of the Company to fill the vacancy and to hold office until the conclusion of the next annual general meeting of the Company. The appointment of THKC is subject to the approval by the shareholders of ordinary shares of HK\$0.01 each of the Company (the "Shareholders") at the special general meeting of the Company to be convened. THKC have not yet commenced any audit work on the financial statements of the Company for the financial year ended 31 March 2006.

II. SPECIAL GENERAL MEETING

An ordinary resolution will be proposed at a special general meeting of the Company (the "Special General Meeting") to approve the change of auditors of the Company. None of the Shareholders are required to abstain from voting at the Special General Meeting.

The Special General Meeting is to be held at Regus, 2nd Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Tuesday, 27 June 2006 at 10:00 a.m.. The notice of Special General Meeting is set out on page 4 of this circular.

A form of proxy for use at the Special General Meeting is enclosed with this circular. If you intend to appoint a proxy to attend the Special General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Special General Meeting or adjourned meeting (as the case may be). Completion and return of the form of proxy will not prevent you from attending and voting at the Special General Meeting if you so wish.

III. RIGHT TO DEMAND A POLL

Shareholders have the right to demand a poll on the resolution proposed at the Special General Meeting.

LETTER FROM THE BOARD

Pursuant to the Bye-laws, a resolution put to the vote of a general meeting of the Company shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least three Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by a Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

IV. RECOMMENDATIONS

The Directors are of the opinion that the nomination and appointment of THKC as auditors of the Company is in the best interests of the Company and its shareholders as a whole and accordingly recommend you to vote in favour of the resolution to be proposed at the Special General Meeting.

Yours faithfully,
By Order of the Board
Dong Bo, Frederic
Director

NOTICE OF SPECIAL GENERAL MEETING



PREMIUM LAND LIMITED (上海策略置地有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 164)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting Premium Land Limited (“the Company”) will be held at Regus, 2nd Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Tuesday, 27 June 2006 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** Messrs. Ting Ho Kwan & Chan be and are hereby appointed as auditors of the Company to fill the casual vacancy following the resignation of Messrs. Deloitte Touche Tohmatsu and to hold office until the conclusion of the next annual general meeting of the Company at a fee to be fixed by the board of directors of the Company.”

By Order of the Board
Dong Bo, Frederic
Director

Hong Kong, 12 June 2006

As at the date of this notice, the executive directors of the Company are Mr. Dong Bo, Frederic and Mr. Gao Feng; and the independent non-executive directors of the Company are Mr. Wong Hoi Kuen, Edmund, Mr. Pang Haiou, Mr. Zuo Guang, Mr. Chan Chi Yuen and Mr. Chow Siu Ngor.

Notes:

1. A shareholder of the Company entitled to attend and vote at the special general meeting (or at any adjournment thereof) is entitled to appoint one or more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a certified true copy of that power of attorney or authority must be deposited at the Company’s branch share registrar in Hong Kong, Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or any adjourned meeting thereof) and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the meeting (or any adjourned meeting thereof) should they so wish.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of such shares.

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