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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)

FURTHER DELAY IN DESPATCH OF CIRCULAR AND EXTENSION OF LONG STOP DATE

VERY SUBSTANTIAL ACQUISITION RELATING TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF BEST WIN PROPERTIES LTD. AND ASSIGNMENT OF LOAN

The Directors wish to announce that the despatch of the Circular will be further delayed. As additional time is required for the due establishment and registration of the WFOE and completion of the transfer of the property rights certificate (房地產權証) of the Properties to WFOE. Consequently, more time is required by the Company's reporting accountants to prepare the financial information of Best Win Group, for the purpose of inclusion in the Circular. Under such circumstances, the despatch of the Circular has to be delayed.

The Company has applied to the Stock Exchange for a waiver from strict compliance with the requirements under Rule 14.38 of the Listing Rules as to further postponement of the despatch date of the Circular to on or before 29 June 2007.

In view of the above delay, the Vendor and the Purchaser have entered into a supplemental agreement on 7 March 2007 to extend the date for fulfilling or waiving the conditions under the Agreement to 31 July 2007 (or such later date as the Vendor and the Purchaser may determine in writing).

The board of directors (the "Board") of Premium Land Limited (the "Company") refers to the announcements of the Company dated (a) 21 December 2006 in relation to, inter alia, a very substantial acquisition involving a proposed acquisition of the entire issued share capital of Best Win and the entire shareholders' loan due from Best Win; and (b) 15 January 2007 regarding the postponement of the despatch of circular from 12 January 2007 to 7 March 2007 (the "Announcements"). Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Announcements.

DELAY IN DESPATCH OF CIRCULAR

Pursuant to Rule 14.38 of the Listing Rules, a circular of the Company (the "Circular") is required to be despatched to the shareholders of the Company within 21 days after publication of the Announcement, being on or before 12 January 2007. On 15 January 2007, the Company announced that the date for despatch of the Circular was postponed to on or before 7 March 2007.

The delay in the establishment of WFOE has arisen due to some unforeseen complications in the application process. Whilst it was originally contemplated in the Announcements that the establishment and registration of WFOE would be completed on or before 9 February 2007, the Directors understand from the Vendor that preparation of the relevant documents for making the application is more complicated than originally expected. Under such circumstances, additional time is required to prepare the documents for the purpose of making the application. In conjunction with the Chinese New Year's holiday in the PRC, the preparation and finalization of the relevant documents for the purpose of making an application has taken much longer than expected. Furthermore, according to the relevant governmental authority in Shanghai Municipal, additional time is also required for the completion of the establishment and registration of WFOE.

According to the current progress, the Directors expect that the Vendor will make an application to the relevant governmental authority in Shanghai Municipal on the establishment of WFOE in one or two weeks' time. The Directors have also made consultation with and were represented by the PRC legal advisers that it may take approximately 108 days to complete the transfer of the property rights certificate (房地產權証) of the Properties to WFOE (the "Property Rights Transfer").

In view of such unforeseen delay in the due establishment and registration of WFOE and completion of the Property Rights Transfer, the Directors have been in discussions with the reporting accountants of the Company as to the possibility of issuing the audited financial information of Best Win Group for inclusion in the Circular prior to the due establishment and registration of WFOE and completion of the Property Rights Transfer.

Regarding the audited financial information of Best Win Group, since Best Win Group would consist of no substantial assets prior to the establishment of WFOE and completion of the Property Rights Transfer, the inclusion of the audited accounts of Best Win Group into the Circular on such basis will provide little meaningful information to the shareholders of the Company. Furthermore, the Directors have been represented that prior to the completion of the Property Rights Transfer, the reporting accountants of the Company will not be in a position to issue the audited financial information of Best Win Group on the basis that the Properties are registered under the name of WFOE.

Having considered the above, the Board currently expects that the Circular will be despatched to the Company's shareholders on or before 29 June 2007. In this connection, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.38 of the Listing Rules to postpone the despatch date of the Circular to on or before 29 June 2007.

EXTENSION OF LONG STOP DATE

Pursuant to the Agreement, the conditions under the Agreement shall be fulfilled or waived prior to 31 March 2007 (or such later date as the Purchaser and the Vendor may determine in writing). Due to the delay as mentioned above, the Vendor and the Purchaser have entered into a supplemental agreement on 7 March 2007 to extend the date for fulfilling or waiving the conditions under the Agreement to 31 July 2007 (or such later date as the Purchaser and the Vendor may determine in writing).

By order of the Board of
Premium Land Limited
Ma Kwok Hung, Warren
Director

Hong Kong, 7 March 2007

As at the date of this announcement, the members of the Board of Directors comprise Mr. Ma Kwok Hung, Warren, Mr. Gao Feng and Mr. Ho Chi Ho (Executive Directors); Mr. Wong Hoi Kuen, Edmund, Mr. Pang Haiou, Mr. Zuo Guang, Mr. Chan Chi Yuen and Mr. Chow Siu Ngor (Independent Non-executive Directors).

* For identification purposes only