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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

The Board announces that on 30 September 2009, the Vendor has received a letter from the Purchaser requesting further extension of time for payment of the Remaining Consideration together with the Compensation to a date falling on or before 31 October 2009 as further additional time was required for the Purchaser to arrange for the payment of the Remaining Consideration. The Board also advises that pursuant to the Sale and Purchase Agreement, it was expected that the Completion would take place within 3 months after the date of the Sale and Purchase Agreement, i.e. 17 October 2009, and the Purchaser has not fulfilled its payment obligations under the Sale and Purchase Agreement and has not settled the respective payments as scheduled under its previous postponement requests. Therefore, the Vendor has, through its PRC lawyers, served a notice of demand to the Purchaser on 30 September 2009 to demand for payment of the Remaining Consideration together with the Compensation by 31 October 2009.

Shareholders and investors are reminded to exercise cautions when dealing in the shares of the Company.

Reference is made to the announcements of the Company dated 20 July 2009, 23 July 2009, 31 July 2009, 25 August 2009 and 5 September 2009 (collectively, the “Announcements”) in relation to, inter alia, a discloseable transaction of the Company involving the disposal of the Sale Shares and the Sale Loan. Terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

Pursuant to the Sale and Purchase Agreement, the Consideration is RMB25,000,000 (equivalent to approximately HK\$28,345,000) payable by the Purchaser in two tranches. The first tranche of payment amounting to RMB2,500,000 (equivalent to approximately HK\$2,835,000) (the “Deposit”) has been received by the Vendor. The remaining balance of the Consideration of RMB22,500,000 (equivalent to approximately HK\$25,510,000) (the “Remaining Consideration”) was payable by the Purchaser to the Vendor on or before 31 July 2009 pursuant to the Sale and Purchase Agreement. As additional time was required by the Purchaser to arrange for the relevant payment, the Purchaser made requests on 31 July 2009,

25 August 2009 and 5 September 2009 that the time for payment of the Remaining Consideration by the Purchaser to the Vendor be extended to a date falling on or before 30 September 2009 and the Purchaser further undertook to pay to the Vendor a compensation equivalent to 0.1% of the Remaining Consideration per day after 25 August 2009 (the “Compensation”), where all the other terms and conditions in the Sale and Purchase Agreement remain unchanged.

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The Disposal may or may not be completed. The Directors consider that the delay in payment by the Purchaser for the Remaining Consideration or possible non-completion of the Disposal will not have any material adverse impact on the trading and financial position of the Group. **Shareholders and investors are reminded to exercise cautions when dealing in the shares of the Company.**

Further announcement(s) will be made if and when appropriate in accordance with the Listing Rules.

By order of the Board
PREMIUM LAND LIMITED
Ho Chi Ho
Executive Director

Hong Kong, 30 September 2009

As at the date of this announcement, the executive director of the Company is Mr. Ho Chi Ho; the non-executive directors of the Company are Mr. Ma Kwok Hung, Warren and Mr. Chow Siu Ngor; and the independent non-executive directors of the Company are Mr. Wong Hoi Kuen, Edmund, Mr. Chan Chi Yuen and Mr. Hung Hing Man.

** For identification purposes only*