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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)

DISCLOSEABLE TRANSACTION AND RESUMPTION OF TRADING

SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 28 September 2007, the Vendor and the Purchaser, a wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Shares for a total consideration of RMB 2,000,000 (equivalent to approximately HK\$2,068,500). The consideration will be satisfied in cash on Completion.

The principal asset of the Target Company is the 90% shareholding interest in 北京巨鼎源房地產開發有限公司 (“Beijing Ju Din Yuen Property Development Company Limited” in English for translation purpose) whereas the principal asset of Beijing Ju Din Yuen is the entire shareholding interest in 北京友聯房地產開發有限公司 (“Beijing Yo Luan Property Development Company Limited” in English for translation purpose).

Beijing Yo Luan is principally engaged in property development in the PRC. Beijing Yo Luan entered into a letter of intent with 北京市土地整理儲備中心懷柔區分中心 (Beijing Huai Ro District Land Reserve Centre) and an agreement with 北京市懷柔區懷柔鎮楊家園村村民委員會 (Village Committee of Yang Jia Yuen Village, Huai Ro Town, Huai Ro District, Beijing, the PRC) respectively, pursuant to which the Village Committee will provide the Land situated at 北京市懷柔區懷柔鎮楊家園村 (Yang Jia Yuen Village, Huai Ro Town,

** For Identification Purpose Only

Huai Ro District, Beijing, the PRC) with a site area of approximately 51,240 sqm and a proposed gross floor area of approximately 63,000 sqm (subject to final approval from the relevant government department), and Beijing Yo Luan will be responsible for the redevelopment of the Land (including relocation of the village residents on the Land) into a residential area with the compatibility of commercial services together with all the ancillary facilities and the provision of completed properties on the Land with a gross floor area of 31,000 sqm (out of the total gross floor area of approximately 63,000 sqm) for the village residents on the Land, with the remaining gross floor area of approximately 32,000 sqm for commercial and residential purposes subject to acquisition of the full land use rights in respect of the Land. The development of the Land is at the early stage. It is anticipated that building and construction on the Land will commence in 2008 and complete in 2009.

The Acquisition constitutes a discloseable transaction on the part of the Company under the Chapter 14 of Listing Rules. A circular containing, amongst other things, details of the Acquisition and general information about the Group will be despatched to the Shareholders within 21 days after the publication of this announcement.

LETTER OF INTENT

Reference is also made to the Company's announcement dated 3 September 2007 in relation to the letter of intent regarding a proposed acquisition of a group of companies holding properties for commercial use and car park slots, and a land parcel in Yubei, Chongqing, the PRC. The Company and the vendors agreed to extend the exclusivity period up to 19 October 2007 during which the Company and the vendors will endeavour to finalise the terms and conditions of the formal agreement for such proposed acquisition.

A formal announcement will be made by the Company as and when appropriate in compliance with the Listing Rules.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been suspended from 9:30 a.m. on 2 October 2007 pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 3 October 2007.

INTRODUCTION

The Board announces that the Purchaser, a wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor on 28 September 2007 in relation to the Acquisition for an aggregate consideration of RMB2,000,000 (equivalent to approximately HK\$2,068,500).

THE SALE AND PURCHASE AGREEMENT

Date: 28 September 2007

Parties:

Vendor: 聶鵬飛 (“Nie Peng Fei” in English for translation purpose), who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

Purchaser: Sun Spread Group Limited, a wholly owned subsidiary of the Company

Assets to be acquired

Pursuant to the Sale and Purchase Agreement, the Purchaser conditionally agreed to acquire and the Vendor conditionally agreed to sell the Sale Shares which constitute the entire issued share capital of the Target Company, namely 北京德邦富策劃諮詢有限公司 (“Beijing De Bang Fu Strategic Consultancy Company Limited” in English for translation purpose).

The principal asset of the Target Company is the 90% shareholding interest in 北京巨鼎源房地產開發有限公司 (“Beijing Ju Din Yuen Property Development Company Limited” in English for translation purpose) whereas the principal asset of Beijing Ju Din Yuen is the entire shareholding interest in 北京友聯房地產開發有限公司 (“Beijing Yo Luan Property Development Company Limited” in English for translation purpose). Other than the holding of such principal assets, the Target Company has no other principal activities.

Beijing Yo Luan is principally engaged in property development in the PRC. Beijing Yo Luan entered into a letter of intent with 北京市土地整理儲備中心懷柔區分中心 (Beijing Huai Ro District Land Reserve Centre) and an agreement with 北京市懷柔區懷柔鎮楊家園村村民委員會 (Village Committee of Yang Jia Yuen Village, Huai Ro Town, Huai Ro District, Beijing, the PRC) respectively, pursuant to which the Village Committee will provide the Land situated at 北京市懷柔區懷柔鎮楊家園村 (Yang Jia Yuen Village, Huai Ro Town, Huai Ro District, Beijing, the PRC) with a site area of approximately 51,240 sqm and a proposed gross floor area of approximately 63,000 sqm (subject to final approval from the

relevant government department), and Beijing Yo Luan will be responsible for the redevelopment of the Land (including relocation of the village residents on the Land) into a residential area with the compatibility of commercial services together with all the ancillary facilities and the provision of completed properties on the Land with a gross floor area of 31,000 sqm (out of the total gross floor area of approximately 63,000 sqm) for the original village residents on the Land, with the remaining gross floor area of approximately 32,000 sqm for commercial and residential purposes subject to acquisition of the full land use rights in respect of the Land. The development of the Land is at the early stage. It is anticipated that building and construction on the Land will commence in 2008 and complete in 2009.

The Target Company was only established on 20 July 2007 in Beijing in the PRC and therefore had no revenue nor gross profits generated up to the date of this announcement. Based on the unaudited consolidated management accounts of the Target Group as at 31 August 2007 provided by the Vendor, the Target Group has made a loss of approximately RMB100,000.

Consideration

The total consideration for the Acquisition is RMB2,000,000 (equivalent to approximately HK\$2,068,500) which was determined after arm's length negotiations between the parties to the Sale and Purchase Agreement with reference to, amongst other things, the unaudited consolidated net assets of the Target Group of approximately RMB201,000 as at 31 August 2007. The consideration will be satisfied in cash at the Completion Date.

It is proposed that the total consideration of the Acquisition will be financed by the Company's internal resources.

Conditions precedent

Completion of the Sale and Purchase Agreement is conditional upon the fulfillment of the following conditions:

- (a) the Purchaser being fully satisfied (in its sole and absolute discretion) with the results of the due diligence exercises on the assets, liabilities, operations and business of the Target Group to be carried out by the Company and/or its representatives;
- (b) issue of a PRC legal opinion (in form and substance satisfactory to the Purchaser), by a PRC legal counsel designated by the Purchaser in relation to the transactions contemplated under the Sale and Purchase Agreement;
- (c) the Vendor and the Purchaser having obtained all the necessary approvals and consents

from their respective boards and shareholders; and

- (d) the adoption of a new articles of association of the Target Company to register it into a wholly foreign owned enterprise;
- (e) The Target Company having obtained all the necessary approvals and consents from the relevant PRC authorities regarding the change of the Target Company from a limited liability company to a wholly foreign owned enterprise; and
- (f) there being no matter, fact or circumstances which constitutes or is likely to constitute any breach of the provisions or warranties given by the Vendor as set out in the Sale and Purchase Agreement.

Completion

Completion shall take place on the first business day after all conditions as set out in the paragraph headed “Conditions precedent” above have been fulfilled or waived (except for (d) and (e)) or such other date as the Purchaser and the Vendor may agree in writing.

If any of the conditions has not been satisfied (or waived) at or before 12:00 noon on 31 January 2008 or such other date as may be agreed by the Purchaser, the Sale and Purchase Agreement shall cease or terminate, none of the parties to the Sale and Purchase Agreement shall have any obligations save for any antecedent breaches of the Sale and Purchase Agreement.

REASONS FOR THE ACQUISITION

The Group is principally engaged in securities trading and investments, property development and sales, trading of building materials and provision of renovation services and property rental.

As set out in the 2007 annual report of the Company, the Group has been actively identifying potential property investment and development opportunities in major cities in the PRC. The Directors are of the view that the Acquisition will provide a good opportunity for the Group to further expand its business in Beijing, the capital of the PRC, and will enhance the Group’s property investment and development projects portfolio in the PRC in the long run.

Huai Ro District, Beijing, the PRC is a place with high population density and a famous tourists spot. It takes less than 40 minutes travelling from Huai Ro District to the downtown of Beijing. Recently, the property prices in Huai Ro District in the second-hand market generally range from RMB4,500 per sqm to RMB6,500 per sqm. Under the project, Beijing Yo Luan will be responsible for the redevelopment of the Land and the provision of

completed properties on the Land with a gross floor area of 31,000 sqm (out of the total gross floor area of approximately 63,000 sqm) for the original village residents on the Land, with the remaining gross floor area of approximately 32,000 sqm for commercial and residential purposes subject to acquisition of the full land use rights in respect of the Land. The land redevelopment project to be undertaken by the Target Group in Hua Ro District is in parallel with the overall policy of Huai Ro local government on improving the functionality of the city, promoting the city development and raising the living quality of residents. The Directors believe that such land redevelopment project will enable the Group to capitalise the benefits of the continuing robust economic development in Beijing.

The Directors consider that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing, amongst other things, details of the Acquisition and general information about the Group will be despatched to the Shareholders within 21 days after the publication of this announcement.

LETTER OF INTENT

Reference is also made to the Company's announcement dated 3 September 2007 in relation to the letter of intent regarding a proposed acquisition of a group of companies holding properties for commercial use and car park slots, and a land parcel in Yubei, Chongqing, the PRC. The Company and the vendors agreed to extend the exclusivity period up to 19 October 2007 during which the Company and the vendors will endeavour to finalise the terms and conditions of the formal agreement for such proposed acquisition.

A formal announcement will be made by the Company as and when appropriate in compliance with the Listing Rules.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been suspended from 9:30 a.m. on 2 October 2007 pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 3 October 2007.

DEFINITIONS

To this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings:-

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Sale and Purchase Agreement
“Beijing Ju Din Yuen”	北京巨鼎源房地產開發有限公司 (Beijing Ju Din Yuen Property Development Company Limited)*, a company established in the PRC which is owned as to 90% by the Target Company and as to 10% by a PRC resident who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is a third party independent of the Company and its connected persons (as defined in the Listing Rules)
“Beijing Yo Luan”	北京友聯房地產開發有限公司 (Beijing Yo Luan Property Development Company Limited)*, a company established in the PRC which is wholly owned by Beijing Ju Din Yuen
“Board”	the board of Directors
“Company”	Premium Land Limited, a company incorporated in Bermuda, with limited liability and the Shares of which are listed on the Stock Exchange
“Completion”	completion of the Sale and Purchase Agreement
“Completion Date”	the first business day after all conditions precedent have been fulfilled or such other date as the Purchaser and the Vendor may agree in writing
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Land”	the land situated in 北京市懷柔區懷柔鎮楊家園村 (Yang Jia Yuen Village, Huai Ro Town, Huai Ro District, Beijing, the PRC)*
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Purchaser”	Sun Spread Group Limited, a wholly-owned subsidiary of the Company, incorporated in Hong Kong
“Sale and Purchase Agreement”	the sale and purchase agreement dated 28 September 2007 and entered into between the Purchaser and Vendor in connection with the Acquisition
“Sale Shares”	the entire registered capital of the Target Company
“Shares”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	北京德邦富策劃諮詢有限公司 (Beijing De Bang Fu Strategic Consultancy Company Limited)* , a limited liability company established in the PRC
“Target Group”	the Target Company and its subsidiaries including Beijing Ju Din Yuen and Beijing Yo Luan
“Vendor”	聶鵬飛 (Nie Peng Fei)*, a PRC citizen and a third party independent of the Company and connected persons (as defined in the Listing Rules) of the Company

“Village Committee”	北京懷柔區楊家園村村民委員會 (Village Committee of Yang Jia Yuen Village, Huai Ro Town, Huai Ro District , Beijing, the PRC)*
“HK\$”	Hong Kong dollars
“RMB”	Renminbi, the lawful currency of the PRC
“sqm”	square meter
“%”	per cents

By order of the Board
Premium Land Limited
 HO, Chi Ho
Executive Director

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

** the English translations of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

For the purpose of this announcement, unless otherwise specified conversion of RMB into HK\$ is based on the approximate exchange rate of HK\$1.00 to RMB0.9669. The exchange rate is for illustration purpose only and do not constitute a representation that nay amounts have been or could have been or may be exchanged at this or any other rates at all.

Hong Kong, 2 October 2007