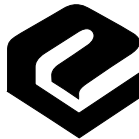

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, 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 to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or 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)

**DISCLOSEABLE TRANSACTION
IN RESPECT OF THE ACQUISITION OF
ENTIRE EQUITY INTEREST
IN COMPANIES WHICH HELD PROPERTIES AND
A LAND PARCEL IN CHONGQING, THE PRC**

8 January 2008

** for identification purposes only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:–

“Acquisitions”	Acquisition I and Acquisition II
“Acquisition I”	the acquisition of Sunrise pursuant to the Acquisition Agreement I
“Acquisition II”	the acquisition of Feng Hong Ji pursuant to the Acquisition Agreement II
“Acquisition Agreement I”	the agreement dated 14 December 2007 entered into between the Sunrise Vendors, Unique Gold and the Company in relation to the Acquisition I
“Acquisition Agreement II”	the agreement dated 14 December 2007 entered into between the Feng Hong Ji Vendors, Unique Gold and the Company in relation to the Acquisition II
“Board”	the board of Directors
“Company”	Premium Land Limited (Stock code: 164), a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Feng Hong Ji”	重慶鳳弘吉實業有限責任公司 (Chongqing Feng Hong Ji Enterprise Company Limited)*, a company established in the PRC
“Feng Hong Ji Vendors”	Zhang Xue Ping (張雪萍) and Zhang Xue Mei (張雪梅), the vendors to the Acquisition Agreement II
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Third Party”	a third party independent of the Company and connected persons of the Company
“Land”	a land parcel of approximately 7,000 sqm in Phase III located at Yubei District, Chongqing, PRC
“Latest Practicable Date”	4 January 2008, being the latest practicable date prior to the printing of this circular of the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Phase I”	Phase I of Town of Phoenix
“Phase II”	Phase II of Town of Phoenix
“Phase III”	Phase III of Town of Phoenix
“PRC”	The People’s Republic of China
“Properties”	properties in Phase I and Phase II with a gross floor area of approximately 9,700 sqm mainly for commercial use and car park lots located at Yubei District, Chongqing, PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sunrise”	重慶旭日房地產開發有限公司 (Chongqing Sunrise Property Development Company Limited)*, a company established in the PRC
“Sunrise Vendors”	Zhuang Xu (莊旭) and Tang Mao (唐茂), the vendors to the Acquisition Agreement I

DEFINITIONS

“Town of Phoenix”	Town of Phoenix (旭日•鳳凰城), comprising Phase I and Phase II and Phase III in Yubei District, Chongqing, PRC
“Unique Gold”	Unique Gold Investments Limited, a wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.
“sqm”	square metre

* *the English translations of Chinese names or words in this circular, 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 circular, unless otherwise specified, conversion of RMB into HK\$ is based on the approximate exchange rate of HK\$1.00 to RMB0.95. The exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been or could have been or may be exchanged at this or any other rates at all.

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. Ma Kwok Hung, Warren

Mr. Ho Chi Ho

Non-executive Director:

Mr. Chow Siu Ngor

Independent non-executive Directors:

Mr. Wong Hoi Kuen, Edmund

Mr. Chan Chi Yuen

Mr. Tsang Kwong Chiu, Kevin

Registered Office:

Clarendon House

Church Street

Hamilton HM11

Bermuda

Principal Place of Business

in Hong Kong:

Unit 3411, 34/F.

COSCO Tower

Grand Millennium Plaza

183 Queen's Road Central

Hong Kong

8 January 2008

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION IN RESPECT OF THE ACQUISITION OF ENTIRE EQUITY INTEREST IN COMPANIES WHICH HELD PROPERTIES AND A LAND PARCEL IN CHONGQING, THE PRC

INTRODUCTION

On 18 December 2007, the Board announced that on 14 December 2007, Unique Gold, a wholly owned subsidiary of the Company, respectively entered into (i) the Acquisition Agreement I for acquiring the entire equity interest in Sunrise from Sunrise Vendors at a cash consideration of RMB45 million (equivalent to approximately HK\$47.37 million); and (ii) the Acquisition Agreement

** for identification purposes only

LETTER FROM THE BOARD

II for acquiring the entire equity interest in Feng Hong Ji from Feng Hong Ji Vendors at a cash consideration of RMB25 million (equivalent to approximately HK\$26.32 million). The purpose of this circular is to provide you with further details of the Acquisitions and general information about the Group.

ACQUISITION AGREEMENT I

- Date** : 14 December 2007
- Vendors** : Sunrise Vendors, namely Zhuang Xu (莊旭) and Tang Mao (唐茂)
- Purchaser** : Unique Gold, a wholly owned subsidiary of the Company
- Guarantor** : the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Sunrise Vendors is Independent Third Party.

Assets to be acquired

Pursuant to the Acquisition Agreement I, Unique Gold conditionally agreed to acquire and Sunrise Vendors conditionally agreed to sell the entire equity interest in Sunrise, which was owned as to 51% by Zhuang Xu (莊旭) and 49% by Tang Mao (唐茂). The principal assets of Sunrise are the Properties. Details of the Properties has been set out under the section headed "Information on the Sunrise, Feng Hong Ji and Town of Phoenix" below.

Consideration

The total consideration for the Acquisition I is RMB45 million (equivalent to approximately HK\$47.37 million) in cash payable within 3 business days upon fulfillment of all conditions to the Acquisition Agreement I. The Sunrise Vendors are required to repay all the outstanding liabilities of Sunrise which amount to approximately RMB42.85 million.

The consideration for the Acquisition I was determined after arm's length negotiation between the parties to the Acquisition Agreement I with reference to, among others, the prospect of the project of Town of Phoenix having taken into account, among others, the likely asset appreciation as a result of the fast growing economy of Chongqing which is one of the main developing cities with high population density and the main door to the western PRC. The cash consideration will be financed by internal resources of the Group and banking facilities.

LETTER FROM THE BOARD

Conditions

Completion of the Acquisition Agreement I is conditional upon the fulfillment of the following conditions:

- (a) Sunrise Vendors having provided Unique Gold with a complete list of the total liabilities of Sunrise which shall be acknowledged by Unique Gold;
- (b) the Company having acquired all the necessary approvals in accordance with the Listing Rules in connection with the Acquisition Agreement I; and
- (c) the obtaining of relevant approvals from the relevant PRC government departments for the Acquisition Agreement I.

In the event that the above conditions are not fulfilled or waived within 6 months from the date of the Acquisition Agreement I or such other later date as may be agreed between Unique Gold and Sunrise Vendors, the Acquisition Agreement I shall forthwith be of no further effect. As at the Latest Practicable Date, conditions (a) and (b) have been fulfilled.

ACQUISITION AGREEMENT II

Date : 14 December 2007

Vendors : Feng Hong Ji Vendors, namely Zhang Xue Ping (張雪萍) and Zhang Xue Mei (張雪梅)

Purchaser : Unique Gold, a wholly owned subsidiary of the Company

Guarantor : the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Feng Hong Ji Vendors is Independent Third Party.

Assets to be acquired

Pursuant to the Acquisition Agreement II, Unique Gold conditionally agreed to acquire and Feng Hong Ji Vendors conditionally agreed to sell the entire equity interest in Feng Hong Ji, which was owned as to 90% by Zhang Xue Ping (張雪萍) and 10% by Zhang Xue Mei (張雪梅). The principal asset of Feng Hong Ji is the Land. Details of the Land has been set out under the section headed "Information on Sunrise, Feng Hong Ji and Town of Phoenix" below.

LETTER FROM THE BOARD

Consideration

The total consideration for the Acquisition II is RMB25 million (equivalent to approximately HK\$26.32 million) in cash payable within 3 business days upon fulfillment of all the conditions to the Acquisition Agreement II. The consideration for the Acquisition II was determined after arm's length negotiation between the parties to the Acquisition Agreement II with reference to, among others, the prospect of the project of Town of Phoenix having taken into account, among others, the likely asset appreciation as a result of the fast growing economy of Chongqing which is one of the main developing cities with high population density and the main door to the western PRC. The cash consideration will be financed by internal resources of the Group and banking facilities.

Conditions

Completion of the Acquisition Agreement II is conditional upon the fulfillment of the following conditions:

- (a) the Company having acquired all the necessary approvals in accordance with the Listing Rules in connection with the Acquisition Agreement II; and
- (b) the obtaining of relevant approvals from the relevant PRC government departments for the Acquisition Agreement II.

In the event that the above conditions are not fulfilled or waived within 6 months from the date of the Acquisition Agreement II or such other later date as may be agreed between Unique Gold and the Feng Hong Ji Vendors, the Acquisition Agreement II shall forthwith be of no further effect. As at the Latest Practicable Date, condition (a) has been fulfilled.

INFORMATION ON SUNRISE, FENG HONG JI AND TOWN OF PHOENIX

Information on Sunrise

Sunrise is an investment holding company incorporated in the PRC with limited liability, and is owned as to 51% by Zhuang Xu (莊旭) and 49% by Tang Mao (唐茂). The principal assets of Sunrise are the Properties.

Sunrise has recorded audited net loss before and after tax of (i) approximately RMB1.18 million and RMB1.33 million respectively for the year ended 31 December 2005; (ii) approximately RMB2.21 million and RMB2.26 million respectively for the year ended 31 December 2006; and (iii) approximately RMB2.54 million for the eight months ended 31 August 2007. The audited net liabilities of Sunrise was approximately RMB4.5 million as at 31 August 2007.

LETTER FROM THE BOARD

Information on Feng Hong Ji

Feng Hong Ji is an investment holding company incorporated in the PRC with limited liability, and is owned as to 90% by Zhang Xue Ping (張雪萍) and 10% by Zhang Xue Mei (張雪梅). The principal asset of Feng Hong Ji is the Land.

Feng Hong Ji has recorded audited net loss before and after tax of (i) approximately RMB0.03 million for the year ended 31 December 2005; (ii) approximately RMB0.84 million for the year ended 31 December 2006; and (iii) approximately RMB1.11 million for the eight months ended 31 August 2007. The audited net asset value of Feng Hong Ji was approximately RMB8.02 million as at 31 August 2007. The increase in net loss was due to the increase in administrative expense in Feng Hong Ji.

Information on Town of Phoenix

Town of Phoenix (in three phases) is a residential property development project in Yubei District, Chongqing, the PRC. It is located at a prime location in Yubei District with a distance of approximately 15 kilometres to the 重慶江北國際機場(Chongqing Jiangbei International Airport)** and approximately 6 kilometres to the Chongqing railway station. Town of Phoenix is also opposite to a rail transit station, which is expected to be in full operation in year 2010. Nearby Town of Phoenix, there are around 60 committee bureaus and municipal administration units. The project of Town of Phoenix developed by Sunrise, who is the beneficial owner of the Properties, and Feng Hong Ji, who is the beneficial owner of the Land, in Yubei District is in parallel with the overall policy of the local district government on improving the functionality of the city and promoting the city development.

Phase I and Phase II

Phase I and Phase II were developed into middle to high-class residential properties and all the residential apartments were sold. In year 2005, Town of Phoenix was awarded by 中華人民共和國建設部(Ministry of Construction of the People's Republic of China)* as 中國住宅創新奪標社區規劃示範樓盤 (Innovative Real Estate Development Project for Residential City Planning in China)*, 全國人居經典樓盤 (National Classic Residential Real Estate Development Project)*, and 重慶市十佳住宅小區 (Top Ten Residential Communities in Chongqing City)*.

Through Acquisition I, the Company will acquire the Properties, being the remaining commercial properties which are mainly shops in Town of Phoenix and car park lots with a gross floor area of approximately 9,700 sqm. As at the Latest Practicable Date, some of the Properties are being held for rental purpose. Based on the preliminary valuation carried out under direct comparison approach by the professional valuer, RHL Appraisal Ltd., a third party independent of the Company and its connected persons (as defined under the Listing Rules) appointed by the Company, the market value of the Properties is approximately RMB36.9 million as at 1 September 2007.

LETTER FROM THE BOARD

Phase III

Phase III is a land parcel of approximately 7,000 sqm, on which an above-ground gross floor area of approximately 35,000 sqm can be built for mainly residential purpose. The Land can be developed into residential properties with ancillary commercial shops, recreational facilities and car park lots.

Based on the preliminary valuation carried out under direct comparison approach by the professional valuer, RHL Appraisal Ltd., a third party independent of the Company and its connected persons (as defined under the Listing Rules) appointed by the Company, the market value of the Land is approximately RMB41.4 million as at 1 September 2007.

REASONS FOR THE ACQUISITIONS

The Group is mainly engaged in property development and sales, securities trading and investments, 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. In the second half of year 2007, the Group has already announced acquisition of property development projects in the capital, Beijing, the PRC. The Group will also continue to explore more business development opportunities in other fast growing cities in the PRC.

The Directors are of the view that Chongqing, as one of the main developing cities with high population density and the main door to the western PRC, is expected to have a continuous high growth in its economy in the coming years. According to 重慶市國土資源和房屋管理信息網 (the website of Land Resources and Housing Administration Bureau of Chongqing City)* (www.cqgtfw.gov.cn), it is expected that the property price in Chongqing will be increased by about not more than 10% for the year 2007. The Directors believe that the Acquisitions are in line with the long term business development of the Group in the property development and investment in the PRC and, if realised, will enable the Group to capitalise the benefits of the robust economic development in one of the fast growing cities in the PRC.

The Directors (including the independent non-executive Directors) consider that the terms of the Acquisitions are normal commercial terms and fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE ACQUISITIONS

As a result of the Acquisitions, the net asset of the Group will be decreased by approximately HK\$24.88 million. There is no material impact on the Group's earnings upon completion of the Acquisitions.

Upon completion of the Acquisitions, Sunrise and Feng Hong Ji will become a wholly-owned subsidiaries of the Company and their results will be consolidated into the results of the Group.

IMPLICATIONS UNDER THE LISTING RULES

Sunrise Vendors and Feng Hong Ji Vendors are parties together engaged in the project of Town of Phoenix. Accordingly, Acquisition I and Acquisition II are taken into account in aggregate pursuant to Rule 14.22 of the Listing Rules and constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

ADDITIONAL INFORMATION

Your attention is also drawn to the information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of the Board
Premium Land Limited
HO, Chi Ho
Executive Director

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS BY DIRECTORS

As at the Latest Practicable Date, the following Director and chief executive of the Company were interested, or were deemed to be interested in the following long position in the Shares of the Company (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) adopted by the Company to be notified to the Company and the Stock Exchange:

Name of Director	Personal interests	Corporate interests	Total interests	Total interests	Interests in underlying shares	Total interests (including underlying shares) as % of issued share capital
				interests as % of the issued share capital		
Ho Chi Ho	–	–	–	–	5,100,000	0.95%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company were interested, or were deemed to be interested, in long or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS WITH NOTIFIABLE INTERESTS

So far as is known to the directors or chief executives of the Company, as at the Latest Practicable Date, the following persons (other than the Directors or chief executives of the Company) had an interest in the following long positions in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of Shareholder	Nature of Interests	Class of Shares	Number of Shares	Total interests as % of the issued share capital
Mega Market Assets Limited	Beneficial Owner	Ordinary	133,019,517	24.89%
Chan How Chung, Victor ("Mr. Chan")	Held by controlled corporation	Ordinary	133,019,517	24.89%

Note: Mega Market Assets Limited, which directly owns 133,019,517 Shares, is wholly owned by Mr. Chan. As at the Latest Practicable Date, Mr. Chan had a personal interest in 3,510,000 underlying Shares, representing 0.66% of the existing issued share capital of the Company.

Save as disclosed above, the Directors and the chief executive of the Company are not aware of any person who, as at the Latest Practicable Date, had an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

There is a service contract entered into between the Company and Mr. Ho Chi Ho ("Mr. Ho"), an executive Director. He is entitled to the salary package of HK\$78,000 per month, share options and discretionary bonus. This has been determined with reference to his duties and responsibilities with the Company, the Company's current emolument policy and the market conditions. There is no fixed service period for Mr. Ho's directorship in his service contract.

As at the Latest Practicable Date, save for the above, none of the Directors entered or proposed to enter into any service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

5. COMPETING INTERESTS OF DIRECTORS AND ASSOCIATES

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in, apart from the Group's businesses, any business which competes or is likely to compete, either directly or indirectly, with businesses of the Group.

6. LITIGATION

In July 2005, the Company was notified by the Hong Kong Companies Registry that an annual return of Gold United International industries Limited ("Gold United"), a non-wholly owned subsidiary of the Company, filed in May 2005 ("May Annual Return") contained information, including information relating to members and directors of Gold United, which are significantly different from the original annual return that was presented by the Group on 29 April 2005.

On 13 July 2005, the Company filed a Writ of Summons against four persons (the "Defendants") seeking, amongst others, declarations by the court to effect that Winsky Management Limited, a wholly owned subsidiary of the Company, is the beneficial owner of 51% of the issued share capital of Gold United. The Defendants were those persons who purportedly filed the false information with the Hong Kong Companies Registry and/or were identified as members and directors in the May Annual Return and other documents. Gold United is an investments holding company holding 80% direct interest in 杭州恆運交通開發有限公司 ("Hangzhou Hengyun Traffic Development Co., Ltd." in English for translation purpose) ("HZHY"), which is engaged in the operation of a highway in the PRC.

The Writ of Summons was amended on 1 February 2006 and re-amended on 10 October 2006.

As at the Latest Practicable Date, the legal action is still proceeding and there is no significant development. Save for the deconsolidation of the financial results of Gold United and HZHY for the purpose of the financial statements of the Group for the year ended 31 March 2007 as disclosed in the Company's annual report 2007, the Directors are not aware of other financial impact to the Company arising from such litigation in the current stage.

Save as above and the litigation of 北京建興房地產開發有限公司 (Beijing Jianxing Real Estate Development Co., Ltd.)* ("JXRE"), which will become a subsidiary of the Company upon completion of the acquisition as set out in the Company's announcement dated 6 November 2007, as disclosed in note 17 of the Accountants' Report on JXRE in Appendix III of the Company's circular dated 14 December 2007, as at the Latest Practicable Date, none of the members of the Group or any companies which will become a subsidiary of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. GENERAL

- (a) The company secretary and qualified accountant of the Company is Mr. Ma Kwok Hung, Warren. He is an associate member of The Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants.
- (b) The principal registrars of the Company is Butterfield Fund Services (Bermuda) Limited of Rosebank Centre, 11 Bermudiana Road, Pembroke, Bermuda and its branch registrars and transfer office in Hong Kong is Tricor Secretaries Limited of 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (c) The English text of this circular shall prevail over the Chinese text.