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TAI SANG LAND DEVELOPMENT LIMITED

大生地產發展有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 89)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF AN INVESTMENT PROPERTY**

On 19 September 2007, the Seller and the Buyer entered into the Provisional Agreement pursuant to which the Seller has agreed to sell the Property to the Buyer at the consideration of HK\$68,000,000.

As the applicable percentage ratio for the Disposal calculated pursuant to Rule 14.07(4) exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing details of the Disposal will be despatched to the Shareholders as soon as practicable.

THE PROVISIONAL AGREEMENT

1. Date

19 September 2007

2. Parties

Seller : Chi Ho Investment Company Limited, a wholly-owned subsidiary of the Company

Buyer : Hong Shing Investment Company Limited. To the best knowledge, information and belief of the directors of the Company having made all reasonable enquiry, as at the date of this announcement, the Buyer and its ultimate beneficial owners are independent of the Company and its connected persons as defined under the Listing Rules.

3. Assets to be disposed of

The Seller has pursuant to the Provisional Agreement agreed to sell the Property to the Buyer. The Property is located at No.18 Tso Wo Road, Tso Wo Hang, Sai Kung, New Territories, Hong Kong and comprises a newly developed residential property, the occupation permit of which was issued on 4 May 2007. As at the date of this announcement, no rental agreement in respect of the Property has been entered into. The Property is originally intended to be held by the Seller for investment purpose and its fair value as at 19 July 2007 as contained in the valuation report issued by an independent valuer is HK\$36,000,000. The valuation is done on an open market basis.

4. Consideration

The consideration for the Property shall be HK\$68,000,000 and shall be or has been (as the case may be) paid by the Buyer to the Seller in the following manner:

- (a) the sum of HK\$3,400,000 (the “**Initial Deposit**”) had been paid upon the signing of the Provisional Agreement;
- (b) a further sum of HK\$3,400,000 (the “**Further Deposit**”, together with the Initial Deposit collectively referred to as the “**Deposits**”) to be paid on or before 8 October 2007; and
- (c) the balance of the consideration in the sum of HK\$61,200,000 (the “**Balance**”) to be paid on or before 5 December 2007.

The consideration of HK\$68,000,000 was an offer made by the Purchaser and accepted by the Seller.

5. Completion

According to the Provisional Agreement, the formal sale and purchase agreement in respect of the Property is to be signed by the Buyer on or before 8 October 2007 and completion of the sale and purchase of the Property is to take place on or before 5 December 2007.

If the Purchaser fails to sign the formal sale and purchase agreement within the stipulated period and/or make payment of the Further Deposit or any further payments or the Balance in accordance with the payment terms set out above or to complete the purchase of the Property in accordance with the terms of the Provisional Agreement, the Seller shall be entitled either to exercise its right to enforce specific performance of the Provisional Agreement, or to rescind the Provisional Agreement and resell the Property to other party and the Seller shall forfeit all the amount of the Initial Deposit and the Further Deposit (if any) already paid by the Purchaser, (but without prejudice to the Seller’s right to claim against the Purchaser for damages over and above the Deposits so forfeited) as well as to claim the Purchaser for legal costs incurred.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Property is originally intended to be held as an investment property for rental income by the Seller. However, given the Board is of the view that the consideration offered by the Purchaser, being 89% over the valuation of the Property, is attractive, the Board considers the terms of the Disposal are fair and reasonable and is made in the interests of the Shareholders as a whole.

The completion of the sale and purchase of the Property is expected to result in an estimated gain of approximately HK\$32 million to the Group.

USE OF PROCEEDS

The net proceeds from the Disposal is estimated to be approximately HK\$67.8 million and is intended to be used for the repayment of the construction costs and loans used for the development of the Property and for the Group's general working capital.

GENERAL

The principal activities of the Company are investment holding and property investment. The activities of the Company's principal subsidiary companies include property rental, property development, finance, estate management and agency, investment holding, motor vehicle rental, property trading and management service.

So far as the directors of the Company are aware, the principal activities of the Purchaser are investment and general trading.

As at the date of this announcement, members of the Board comprised eleven directors, of which Mr. Ma Ching Wai, William, Mr. Ma Ching Hang, Patrick, Mr. Ma Ching Kuen, Alfred, Ms. Ma Ching Sau, Amy, Ms. Ma Ching Man, Katy, Ms. Ma Ching Keung, Ruth and Mr. Ma Ching Yeung, Philip are executive directors, Mr. Cheung Wing Yui, Edward is a non-executive director, and Mr. Chau Kwok Fun, Kevin, Mr. Tan Soo Kiu and Mr. Wong Hing Kwok, William are independent non-executive directors.

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DEFINITIONS

“Board”	the board of directors of the Company
“Buyer”	Hong Shing Investment Company Limited
“Company”	Tai Sang Land Development Limited
“Disposal”	the disposal of the Property pursuant to the Provisional Agreement
“Group”	the Company and its subsidiary companies
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Property”	the residential property situated at House A3 (also known as M7) of Floral Villas, No.18 Tso Wo Road, Tso Wo Hang, Sai Kung, New Territories, Hong Kong
“Provisional Agreement”	the conditional provisional agreement dated 19 September 2007 between the Seller and the Buyer in relation to the sale and purchase of the Property
“Seller”	Chi Ho Investment Company Limited, a wholly-owned subsidiary of the Company
“Shareholders”	the shareholders of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board
TAI SANG LAND DEVELOPMENT LIMITED
Ma Ching Man, Katy
Company Secretary

Hong Kong, 19 September 2007