

**CENTRALAND LIMITED**  
(Incorporated in Bermuda)

**RESPONSE TO SGX QUERIES ON FULL YEAR FINANCIAL STATEMENT AND DIVIDEND  
ANNOUNCEMENT RELEASED ON 27 FEBRUARY 2009**

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The Board of Directors of CentraLand Limited (the "Company") wishes to announce the following response to queries raised by Singapore Exchange Securities Trading Limited ("SGX-ST") in its email on 4 March 2009 ("SGX Query") on the announcement of the full year financial statement announcement for the year ended 31 December 2008.

SGX query:

**(a) On page 15 of the results announcement, the Company has stated that "Deposits paid increased by about RMB675.5 million in total, which was mainly due to payments made during the current year for acquisition of two potential sites to be developed into commercial centres. These are earnest payment for Tianrong Fashion City, and a refundable deposit for a site which the group is currently conducting a suitability study for acquisition". Please provide the following information:**

**(i) What does "earnest payment" mean and whether the "earnest payment" for Tianrong Fashion City is refundable?**

Company's response to SGX query:

For large land acquisitions in China, using an agent (the Agent) who has the professional expertise to complete such acquisitions is considered the most prudent manner of transaction. This is because it will minimise the exposure of the buyer to unforeseen liabilities before the completion of the acquisition.

CentraLand (the Group) has intentions to acquire Tianrong Fashion City (the Acquisition). With regards to page 15 of our FY2008 results announcement, the "earnest payment" refers to a payment which is fully refundable, placed into an account jointly controlled by the Group and the Agent for the completion of the Acquisition.

The Group deems it in its best interest to use an agent for the Acquisition to sift out and limit the Group's exposure to unforeseen liabilities, if any, before recognising the property in the Group's books upon completion of the Acquisition.

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In the event that the Acquisition is not completed on behalf of the Group, for whatever reasons, the earnest payment is fully refundable to the Group with no encumbrances.

The Group expects the Acquisition to be completed within the next 3 to 6 months (barring any unforeseen circumstances).

**(ii) To whom are the “earnest payment” and “refundable deposit” made to and whether the “earnest payment” and “refundable deposit” are placed in escrow.**

Company’s response to SGX query:

The “earnest payment” is placed into an account jointly controlled by the Group and the Agent who has the professional expertise to complete the acquisition of Tianrong Fashion City. (Refer to answer (i) above)

The Group also has intentions to acquire a separate commercial site (Commercial Site). The “refundable deposit” is made directly to the seller of the Commercial Site. This refundable deposit gives the group exclusive rights to acquire the Commercial Site pending suitability studies and due diligence. Should the Group find the site unsuitable, this deposit will be refunded to the Group in full with no encumbrances.

**(iii) Breakdown on major items contributing to the increase in “Deposits paid”.**

Company’s response to SGX query:

The earnest payment, amounting to RMB560 million for Tianrong Fashion City, form the bulk of “Deposits Paid”. (Refer to answer (i) above)

The refundable deposit amounting to RMB120 million is made for the Commercial Site (Refer to answer (ii) above).

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- (iv) ***Further information on the “acquisition of the two potential sites to be developed into commercial centres” as well as the “suitability study for acquisition”.***

Company’s response to SGX query:

Acquisition of Tianrong Fashion City has been addressed over the past year in 1Q, 2Q and 3Q results announcements. Detailed information on the Acquisition was shared with shareholders from when we announced the signing of a MOU with the sellers in 1Q08. The Group will release more details on its development plans later at an appropriate time when they are available.

For the yet-to-be announced acquisition of a Commercial Site, the Group is currently in the process of conducting suitability study for its acquisition. This would involve looking at the financial viability of the site and compatibility with the Group’s corporate strategy in developing commercial centres for the thriving wholesale industry in Zhengzhou City. The suitability study would also involve due diligence on the Commercial Site. The Group will release more details when there is development pending the suitability study.

*The initial public offering of the Company was sponsored by Boulton Capital Asia Pte. Limited (the ‘Issue Manager’). The Issue Manager assumes no responsibility for the contents of this announcement.*

Submitted by Yan Tao, Executive Director and CEO on 6 March 2009 to the Singapore Exchange Securities Trading Limited.