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MIDLAND IC&I LIMITED

美聯工商舖有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8090)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTIES

The Company wishes to announce that on 1 November 2007, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into a Letter of Offer with the Vendor, an Independent Third Party, to acquire the Properties at the total purchase price of HK\$32,774,355. The Purchase Price was determined after arm's length negotiation and was based on normal commercial terms.

The transactions contemplated under the Letter of Offer constitute a discloseable transaction of the Company under the GEM Listing Rules. A circular containing details of the Letter of Offer, Provisional Sale and Purchase Agreement and the Acquisition will be despatched to the Shareholders as soon as possible.

The Company wishes to announce that on 1 November 2007, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into a legally-binding Letter of Offer with the Vendor, an Independent Third Party, to acquire the Properties at the Purchase Price of HK\$32,774,355.

LETTER OF OFFER

Date : 1 November 2007

Parties : (a) Purchaser : Teamway Group Limited, an indirect wholly-owned subsidiary of the Company

(b) Vendor : Sun Top Development Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties

Properties : (1) the Premises and (2) the Carpark

* For identification purpose only

Size of the Premises : 10,377 square feet

Nature of the Premises: Industrial use

Consideration

The Purchase Price was agreed after arm's length negotiation between the Vendor and the Purchaser by reference to the market price and shall be payable in cash as follows:

- (i) HK\$1,638,717.75, being 5% of the Purchase Price, has been paid upon signing of the Letter of Offer;
- (ii) HK\$1,638,717.75, being 5% of the Purchase Price, upon signing of the Provisional Sale and Purchase Agreement;
- (iii) HK\$1,638,717.75, being 5% of the Purchase Price, upon signing of the Formal Agreement; and
- (iv) The balance on Completion.

The Directors believe that the Purchase Price is fair and reasonable and in the interests to the Company and the Shareholders as a whole.

Terms

Pursuant to the Letter of Offer, the Vendor will sell and the Purchaser will purchase the Properties upon the terms contained therein. The Vendor and the Purchaser will enter into the Provisional Sale and Purchase Agreement on or before 15 November 2007 and the Formal Agreement not earlier than 1 April 2008 but not later than 30 June 2008. The construction of the building where the Properties is to be situated will complete in the year 2009. The Completion shall take place within 14 days of the Purchaser being notified in writing by the Vendor's solicitors that the occupation permit has been issued and the Vendor is in a position validly to assign the Properties to the Purchaser.

REASONS FOR THE ACQUISITION

The Group has expertise and experience in the industrial and commercial property market in Hong Kong. In light of the strong local economic growth, it is expected that industrial and commercial buildings is one of the sectors that would offer attractive returns for investors. The Directors consider that the Acquisition is a good investment opportunity for the Group and believe that it will benefit from the potential capital gains in terms of the appreciation in value of the Properties while expanding the investment portfolio of the Group to include property investment in Hong Kong. With an aim to maintain an optimum level of the Group's investment portfolio and depending on the prevailing market condition, the Company intends to hold the Properties as a long-term investment.

The Directors consider the terms of the Acquisition are fair and reasonable and the Acquisition is made in the best interest of the Group. The Acquisition will be funded by internal resources and banking financing, the proportion between them will be fixed as and when the Completion takes place in year 2009.

BUSINESS OF THE COMPANY

The Company is an investment holding company and the principal activities of its subsidiaries are provision of industrial and commercial (office and shops) property agency services in Hong Kong.

GENERAL

The transactions contemplated under the Letter of Offer constitute a discloseable transaction of the Company under the GEM Listing Rules. A circular containing details of the Letter of Offer, Provisional Sale and Purchase Agreement and the Acquisition will be despatched to the Shareholders as soon as possible.

DEFINITIONS

“Acquisition”	the acquisition of the Properties pursuant to the Letter of Offer;
“associates”	has the meaning ascribed thereto in the GEM Listing Rules;
“Board”	the board of Directors of the Company;
“Carpark”	the car-parking space no. P4 to be located on the 1st Floor, Nos. 37–39 Wing Hong Street and 70–72 King Lam Street, Cheung Sha Wan, Kowloon, Hong Kong;
“Company”	Midland IC&I Limited, a company incorporated in the Cayman Islands with limited liability with its shares listed on the GEM of the Stock Exchange;
“Completion”	the completion of the sale and purchase of the Properties;
“Directors”	the directors of the Company;
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Properties;
“GEM”	the Growth Enterprise Market operated by the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange;
“Group”	the Company and its subsidiaries;
“Independent Third Party”	an independent third party not connected with any of the Directors, chief executives, substantial shareholders or management shareholders of the Company or any of its subsidiaries or their respective associates;

“Letter of Offer”	the legally-binding letter of offer dated 1 November 2007 entered into between the Vendor and the Purchaser relating to the sale and purchase of the Properties;
“Premises”	the premises to be situated at 21st Floor, Nos. 37–39 Wing Hong Street and 70–72 King Lam Street, Cheung Sha Wan, Kowloon, Hong Kong;
“Properties”	the Premises and the Carpark;
“Provisional Sale and Purchase Agreement”	the provisional sale and purchase agreement to be entered into between the Vendor and the Purchase in relation to the sale and purchase of the Properties;
“Purchase Price”	the total purchase price of HK\$32,774,355 for the Properties;
“Purchaser”	Teamway Group Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly owned subsidiary of the Company;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Vendor”	Sun Top Development Limited, the principal business of which is property development.

By order of the Board
Midland IC&I Limited
Yuen Wing Kwan, Annie
Company Secretary

Hong Kong, 5 November 2007

As at the date of this announcement, the Board of the Company comprises seven directors, namely Mr. Wong Tsz Wa, Pierre, Ms. Ip Kit Yee, Kitty and Ms. Wong Ching Yi, Angela as executive Directors, Mr. Tsang Link Carl, Brian as non-executive Director, and Mr. Koo Fook Sun, Louis, Mr. Sha Pau, Eric and Mr. Ying Wing Cheung, William as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, include particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief that:- (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.midlandici.com.hk.