



HOPSON DEVELOPMENT HOLDINGS LIMITED

合生創展集團有限公司*

(Incorporated in Bermuda with limited liability)

AMENDMENTS TO TERMS OF DISCLOSEABLE AND CONNECTED TRANSACTIONS

Reference is made to the Announcement and the Circular in relation to the establishment between the Group and three connected persons of five sino-foreign co-operative joint ventures in the PRC for the development and construction of commodity (commercial and residential) property on various sites in Beijing and Guangzhou and a resort in Tianjin, the PRC.

The Beijing City Development Planning Committee, the Beijing Commission of Foreign Trade and Economic Cooperation and the Tianjin Commission of Foreign Trade and Economic Cooperation required the following amendments to the terms of the Beifang JV, the YuJing JV and the Tianjin JV:

Beifang JV

1. increase in total investment amount by approximately 27% from RMB 196 million to US\$ 30 million (approximately RMB 249 million or approximately HK\$ 234 million);
2. increase in registered share capital by approximately 27% from RMB 78.4 million to US\$ 12 million (approximately RMB 99.6 million or approximately HK\$ 93.6 million);

YuJing JV

3. increase in total investment amount by approximately 28% from RMB 194 million to US\$ 30 million (approximately RMB 249 million or approximately HK\$234 million);
4. increase in registered share capital by approximately 28% from RMB 77.6 million to US\$ 12 million (approximately RMB 99.6 million or approximately HK\$93.6 million); and

Tianjin JV

5. contributions to registered share capital to be made by five instalments within 30 months from the date of issue of the business licence of the Tianjin JV instead of six instalments within 36 months from the date of issue of the business licence of the Tianjin JV.

JS Cresvale International Limited, the independent financial adviser in relation to the transactions, has confirmed that they maintain their opinion as stated in the Circular as changed by the Amendments. The waiver from strict compliance with the requirement under Rule 14.26 of the Listing Rules for the Company to hold a general meeting to seek shareholders' approval in respect of the Agreements (other than the Cuijing Agreement) previously granted by the Stock Exchange has been extended to cover the Amendments. Details of the Amendments will be included in the Company's next published annual report and accounts.

Reference is made to the announcement of the Company dated 9 January 2002 (the "Announcement") and the circular of the Company dated 31 January 2002 (the "Circular") in relation to the establishment between the Group and three connected persons of five sino-foreign co-operative joint ventures in the PRC for the development and construction of commodity (commercial and residential) property on various sites in Beijing and Guangzhou and a resort in Tianjin, the PRC. Capitalised terms used in this announcement have the same meanings as those defined in the Circular.

The Beijing City Development Planning Committee and the Beijing Commission of Foreign Trade and Economic Cooperation required certain amendments to the joint venture agreements and articles of association in respect of the Beifang JV and the YuJing JV, and the Tianjin Commission of Foreign Trade and Economic Cooperation required certain minor amendments to the joint venture contract and articles of association of the Tianjin JV (collectively, the "Amendments"), which were beyond the control of the Company or the relevant joint venture partners, and without which the Beifang JV, the YuJing JV and the Tianjin JV would not have been approved. Shareholders of the Company are advised that previous disclosure made in the Announcement and the Circular are now amended as follows:

Beifang JV

1. increase in total investment amount by approximately 27% from RMB 196 million to US\$ 30 million (approximately RMB 249 million or approximately HK\$ 234 million);
2. increase in registered share capital by approximately 27% from RMB 78.4 million to US\$ 12 million (approximately RMB 99.6 million or approximately HK\$ 93.6 million);

YuJing JV

3. increase in total investment amount by approximately 28% from RMB 194 million to US\$ 30 million (approximately RMB 249 million or approximately HK\$234 million);
4. increase in registered share capital by approximately 28% from RMB 77.6 million to US\$ 12 million (approximately RMB 99.6 million or approximately HK\$93.6 million); and

Tianjin JV

5. contributions to registered share capital to be made by five instalments within 30 months from the date of issue of the business licence of the Tianjin JV instead of six instalments within 36 months from the date of issue of the business licence of the Tianjin JV.

Other amendments are minor and save as disclosed in 1. to 5. above, previous disclosure made in the Announcement and the Circular remains accurate. JS Cresvale International Limited, the independent financial adviser in relation to the transactions, has confirmed that they maintain their opinion as stated in the Circular as changed by the Amendments. The "Certificates of Approval for Establishment of Enterprises with Investment of Taiwan, Hongkong, Macao and Overseas Chinese in the People's Republic of China" for the Beifang JV, the YuJing JV and the Tianjin JV on the basis of the joint venture contracts and articles of association attached to the Agreements as amended by the Amendments were approved on 21 June 2002, 24 June 2002 and 24 May 2002 respectively.

The Agreements taken as a whole remain a discloseable transaction of the Company despite the Amendments. Each of the Beifang Agreement, the YuJing Agreement and the Tianjin Agreement and transactions contemplated thereby constituted a connected transaction of the Company as the proposed PRC partners to the Beifang JV, the YuJing JV and the Tianjin JV were controlled by and 84 per cent. directly and indirectly owned by GD Zhujiang, a substantial shareholder of certain subsidiaries of the Company. A waiver from strict compliance with the requirement under Rule 14.26 of the Listing Rules for the Company to hold a general meeting to seek shareholders' approval in respect of the Agreements (other than the Cuijing Agreement) was granted by the Stock Exchange on 11 January 2002 as no shareholders of the Company would have been required to abstain from voting should a general meeting be convened. An extension of the waiver to cover the Amendments was granted by the Stock Exchange on 20 August 2002. Details of the Amendments will be included in the Company's next published annual report and accounts.

For illustrative purposes of this announcement, RMB 106 = HK\$100, US\$1 = HK\$7.8 and US\$1 = RMB 8.3

By Order of the Board
Chu Mang Yee
Chairman

Please also refer to the published version of this announcement in The Standard and Hong Kong Economic Journal.