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合 生 創 展 集 團 有 限 公 司*

HOPSON DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00754)

**Proposed issue and listing of
RMB denominated USD settled Zero Coupon Convertible Bonds due 2010
Convertible into Ordinary Shares of Hopson Development Holdings Limited
and
Resumption of Trading**

Sole Bookrunner

CREDIT SUISSE



The Board is pleased to announce that on 18 January 2007 the Company entered into the Subscription Agreement with Credit Suisse, pursuant to which Credit Suisse agreed to subscribe and pay for the Firm Bonds to be issued by the Company in an initial aggregate principal amount of RMB1,555,000,000. In addition, the Company has granted to Credit Suisse an option to require the Company to issue the Optional Bonds up to a further aggregate principal amount of RMB275,400,000, exercisable on one or more occasions, in whole or in part, at any time up to and including the thirtieth day after the Closing Date. The option has been exercised in full on 18 January 2007. Accordingly the aggregate principal amount of Bonds to be issued on the Closing Date will be RMB1,830,400,000.

The initial conversion price is HK\$30.08 per Share with a fixed exchange rate of HK\$1.00 = RMB0.9958, which represents (i) a premium of approximately 36.7% to the closing price of the Shares at the end of the morning session on 18 January 2007 of HK\$22.00, (ii) a premium of 49.1% to the 5-day average closing price of the Shares over the 5 Trading Days up to and including 17 January 2007 of HK\$20.168 and (iii) a premium of 52.1% to the 10-day average closing price of the Shares over the 10 Trading Days up to and including 17 January 2007 of HK\$19.772. Assuming full conversion of the Firm Bonds at the initial conversion price of HK\$30.08 per Share, the Firm Bonds will be convertible into 51,913,515 Shares (subject to adjustment), representing approximately 4.0% of the issued share capital of the Company as at the date of this announcement and approximately 3.9% of the enlarged issued share capital of the Company. If the Option is exercised in full and assuming full conversion of the Optional Bonds, an additional 9,194,200 Shares will be issued. As the option has been exercised in full, the number of the Shares issuable upon the full conversion of the Bonds at the initial conversion price is 61,107,715 Shares.

The estimated net proceeds of the Bond Issue, after deduction of commission, legal fees and administrative expenses, will be approximately US\$224,000,000. The proceeds are currently intended to be used by the Company as to approximately RMB1,450,000,000 to finance the acquisition of land relating to the Shanghai Pudong Project, the Beijing Desheng Project and the Guangzhou Ziyun Villa Project and the remaining portion for general working capital purposes.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. Please refer to the paragraph headed “SUBSCRIPTION AGREEMENT” below for further information.

As the Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

The Conversion Shares will be issued and allotted by the Company pursuant to the general mandate granted to the Directors at the annual general meeting held on 15 June 2006. Other than the Equity Subscription pursuant to which the Company issued 60,000,000 new Shares to Sounda Properties (representing 4.9% of issued share capital of the Company as at the date of the annual general meeting on 15 June 2006), there has been no other issue of Shares under the general mandate granted.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. The Company intends to make an application for the listing of the Bonds on the Stock Exchange by way of selectively marketed securities.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 2:30 p.m. on 18 January 2007 pending the release of this announcement. The Company has applied for the resumption of trading in its Shares with effect from 9:30 a.m. on 19 January 2007.

SUBSCRIPTION AGREEMENT

Date: 18 January 2007

Parties: The Company
Credit Suisse

Subject to the fulfilment of the conditions set out below under the section headed “Conditions Precedent of the Subscription Agreement”, Credit Suisse has agreed to subscribe and pay for the Firm Bonds with an initial aggregate principal amount of RMB1,555,000,000. In addition, the Company has granted to Credit Suisse an option to require the Company to issue the Optional Bonds up to a further aggregate principal amount of RMB275,400,000, exercisable on one or more occasions, in whole or in part, at any time up to and including the thirtieth day after the Closing Date. The option has been exercised in full on 18 January 2007. Accordingly the aggregate principal amount of Bonds to be issued on the Closing Date will be RMB1,830,400,000.

The Bonds will be offered and sold to not less than six persons whose ordinary business involves buying, selling or investing in securities outside the United States in reliance upon Regulation S of the US Securities Act. None of the Bonds will be offered to the public in Hong Kong nor will they be placed to any connected persons (as defined in the Listing Rules) of the Company.

The subscribers are independent parties and are not connected persons (as defined in the Listing Rules) of the Company.

Undertaking

The Company has, among other things, undertaken with Credit Suisse that neither it, nor any of its subsidiaries or other affiliates over which it exercises management or voting control, nor any person acting on its or their behalf, will, for a period of 60 days after the Closing Date, without the prior written consent of Credit Suisse (a) issue, offer, sell, contract to sell, or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase, any interest in any Shares or securities of the same class as the Bonds or the Shares or any securities convertible into, exchangeable for, or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing save for Shares issued pursuant to the conversion provisions of the Bonds and such options granted by the Company pursuant to any publicly disclosed employee share option scheme of the Company.

Conditions Precedent of the Subscription Agreement

Completion of the Subscription Agreement is conditional upon, among other things:

- (i) the execution of a trust deed constituting the Bonds and a paying and conversion agency agreement by all respective parties, each in a form satisfactory to Credit Suisse;
- (ii) the Stock Exchange granting approval to the listing of, and permission to deal in, the Bonds and the Shares to be issued upon conversion of the Bonds;
- (iii) the delivery to Credit Suisse of legal opinions from Bermuda, British Virgin Islands, Samoa, Hong Kong and English counsels, each in a form satisfactory to Credit Suisse; and
- (iv) the delivery to Credit Suisse of auditors' comfort letters (on the financial information of the Company included in the listing document), each in the form agreed by Credit Suisse as of the date of the Subscription Agreement.

If any of the conditions precedent is not satisfied on or prior to the Closing Date, the parties shall be released and discharged from their respective obligations under the Subscription Agreement in the manner set out therein.

Termination

Credit Suisse may, by notice to the Company given at any time prior to payment of the net subscription monies for the Bonds to the Company, terminate the Subscription Agreement in any of the following circumstances:

- (i) if there shall have come to the notice of Credit Suisse any material breach of, or any event rendering untrue or incorrect in any material respect, any of the warranties and representations set out in the Subscription Agreement or any failure to perform any of the Company's material undertakings or agreements set out in the Subscription Agreement;
- (ii) if any of the conditions precedents has not been satisfied or waived by Credit Suisse on or before the Closing Date;

- (iii) if there shall have occurred, in the sole judgment of Credit Suisse, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Company, on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls;
- (iv) if there shall have occurred a general moratorium on commercial banking activities in Hong Kong, the United States, the United Kingdom or the PRC imposed by any Hong Kong, New York State, United States Federal, United Kingdom or PRC authority; or
- (v) if there shall have occurred, in the sole judgment of Credit Suisse, an outbreak or escalation of hostilities or act of terrorism,

which, in the case of sub-paragraphs (iii), (iv) and (v) above, would in Credit Suisse's view be likely to prejudice materially the success of the offering and distribution of the Bonds or dealings in the Bonds in the secondary market.

Subject to the foregoing, completion of the subscription and issue of the Firm Bonds and Optional Bonds shall take place on the Closing Date.

PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds, which will be constituted by the Trust Deed, are summarised as follows:

Issuer

Hopson Development Holdings Limited, a company incorporated with limited liability in Bermuda, the shares of which are listed on the Stock Exchange.

Principal Amount

The aggregate principal amount of the Firm Bonds will be RMB1,555,000,000. The Company has granted to Credit Suisse an option to require the Company to issue the Optional Bonds up to a further aggregate principal amount of RMB275,400,000, exercisable on one or more occasions, in whole or in part, at any time up to and including the thirtieth day after the Closing Date. The option has been exercised in full on 18 January 2007. Accordingly the aggregate principal amount of Bonds to be issued on the Closing Date will be RMB1,830,400,000. The Bonds will be denominated in RMB100,000 each.

Issue Price

100% of the principal amount of the Bonds.

US Dollar Settlement

All amounts due under, and all claims arising out of or pursuant to, the Bonds, the Guarantee and/or the Trust Deed from or against the Company and/or any Subsidiary Guarantor shall be payable and settled in US dollars only in accordance with the provisions of the terms and conditions of the Bonds and the Trust Deed.

Interest

Save for default interest at the rate of 5% per annum, the Bonds do not bear any interest.

Security

The Bonds will be secured equally and rateably on all existing collateral currently given for the benefit of the existing 2012 Notes (comprising shares of some of the subsidiaries of the Company).

Guarantees

The Bonds will be guaranteed by the Subsidiary Guarantors on a pari passu basis with the existing 2012 Notes.

Conversion Period

Bondholder(s) will have the right to convert their Bonds into Shares at any time during the period beginning on 14 March 2007 up to and including the close of business on 23 January 2010 or, if such Bond shall have been called for redemption before 2 February 2010, then up to the close of business on the date no later than seven business days prior to the date fixed for redemption thereof. No fractional Shares will be issued as a result of the conversion of the Bonds.

Conversion Price

The Bonds will be convertible into Shares at an initial Conversion Price of HK\$30.08 per Share with a fixed exchange rate of HK\$1 = RMB0.9958, which represents (i) a premium of approximately 36.7% to the closing price of the Shares at the end of the morning session on 18 January 2007 of HK\$22.00, (ii) a premium of 49.1% to the 5-day average closing price of the Shares over the 5 Trading Days up to and including 17 January 2007 of HK\$20.168 and (iii) a premium of 52.1% to the 10-day average closing price of the Shares over the 10 Trading Days up to and including 17 January 2007 of HK\$19.772. The initial Conversion Price was negotiated between the Company and Credit Suisse on an arm's length basis and by reference to the closing price of the Shares on the Stock Exchange at the end of the morning session on 18 January 2007.

The Conversion Price will be subject to adjustment for, among other things, subdivision or consolidation of Shares, bonus issues, rights issues, distributions and other dilutive events of similar nature which are common in convertible bonds of similar nature.

The Conversion Shares will be issued and allotted by the Company pursuant to the general mandate granted to the Directors at the annual general meeting held on 15 June 2006.

Maturity

Unless previously redeemed, purchased and cancelled or converted, the Company will redeem each Bond on the Maturity Date at an amount equal to the US Dollar Equivalent of its RMB principal amount multiplied by 104.59%.

Redemption at the Option of the Company

At any time after 2 February 2008 and prior to the Maturity Date, the Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders, the Trustee and the Principal Agent, redeem all or some only of the Bonds at a redemption price equal to the US Dollar Equivalent of their Early Redemption Amount on the redemption date, provided, however, that no such redemption may be made unless the closing price of the Shares translated into Renminbi at the prevailing RMB:HK\$ exchange rate applicable to the relevant Trading Day, for 20 out of 30 consecutive Trading Days where the last day of such 30-Trading Day period falling within five Trading Days prior to the date upon which notice of such redemption is given, was at least 120% of the Conversion Price then in effect translated into Renminbi at the fixed rate of exchange of HK\$1 = RMB0.9958.

The Company may redeem all and not some only of the Bonds at a redemption price equal to the US Dollar Equivalent of their Early Redemption Amount on the redemption date if at any time at least 90% in principal amount of the Bonds has already been converted, redeemed or purchased and cancelled.

Redemption for Taxation Reasons

At any time, the Company may redeem all and not some only of the Bonds at a redemption price equal to the US Dollar Equivalent of their Early Redemption Amount on the redemption date if (i) the Company satisfies the Trustee immediately prior to the giving of such notice that the Company has or will become obliged to pay any additional amounts in respect of any payment by the Company under or in respect of the Trust Deed or Bonds as a result of any change in, or amendment to, the laws or regulations of Bermuda, Hong Kong or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 18 January 2007 and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it.

Redemption for Delisting or Change of Control

Each Bondholder shall have the right, at such Bondholder's option, to require the Company to redeem all or some only of such Bondholder's Bonds at a redemption price equal to the US Dollar Equivalent of their Early Redemption Amount upon (i) the Shares ceasing to be listed or admitted to trading on the Stock Exchange or, if applicable, the Alternative Stock Exchange; or (ii) the occurrence of a Change of Control with respect to the Company.

Listing

The Company intends to make an application for the listing of the Bonds on the Stock Exchange by way of selectively marketed securities. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Ranking and Voting Rights

The Bonds are senior obligations of the Company which rank at least pari passu with the unsecured and unsubordinated obligations of the Company and senior to any obligations which are expressed to be subordinated to the Bonds. Before conversion of the Bonds, holders of the Bonds do not have any voting right over the Shares. Each Share issued upon conversion of the Bonds will rank pari passu, and be entitled to the same voting right attached to, the Shares then in issue at the time of conversion.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF CONVERSION

Assuming full conversion of the Firm Bonds at the initial conversion price of HK\$30.08 per Share with a fixed exchange rate of HK\$1 = RMB0.9958, the Firm Bonds will be convertible into 51,913,515 Shares (subject to adjustment), representing approximately 4.0% of the issued share capital of the Company as at the date of this announcement and approximately 3.9% of the enlarged issued share capital of the Company. If the Option is exercised in full and assuming full conversion of the Optional Bonds, an additional 9,194,200 Shares will be issued. As the option has been exercised in full, the number of the Shares issuable upon the full conversion of Bonds at the initial conversion price is 61,107,715 Shares.

The following table summarises the effects on the shareholding structure of the Company as a result of the Bonds Issue:

Name of Shareholder	Existing (as at the date of this announcement)		Assuming the Firm Bonds are fully converted into Shares at the initial conversion price of HK\$30.08 per Share with a fixed exchange rate of HK\$1 = RMB0.9958		Assuming the Firm Bonds and Optional Bonds are fully converted into Shares at the initial conversion price of HK\$30.08 per Share with a fixed exchange rate of HK\$1 = RMB0.9958	
	No. of Shares	% of issued share capital of the Company (rounded upwards)	No. of Shares	% of enlarged issued share capital of the Company (rounded upwards)	No. of Shares	% of enlarged issued share capital of the Company (rounded upwards)
Sounda Properties Limited	686,400,000	53.4%	686,400,000	51.3%	686,400,000	51.0%
Public	598,700,000	46.6%	598,700,000	44.8%	598,700,000	44.5%
Bondholders	—	—	51,913,515	3.9%	61,107,715	4.5%
Total	<u>1,285,100,000</u>	<u>100%</u>	<u>1,337,013,515</u>	<u>100%</u>	<u>1,346,207,715</u>	<u>100%</u>

USE OF PROCEEDS

The estimated net proceeds of the Bonds Issue, after deduction of commission, legal fees and administrative expenses will be approximately US\$224,000,000. The proceeds are currently intended to be used by the Company as to approximately RMB1,450,000,000 to finance the acquisition of land relating to the Shanghai Pudong Project, the Beijing Desheng Project and the Guangzhou Ziyun Villa Project and the remaining portion for general working capital purposes.

REASONS FOR AND BENEFITS OF THE BONDS ISSUE

The Bonds Issue will raise immediate funds for the Company which can be used for financing its land acquisitions and for general working capital purposes. The conversion of the Bonds into the Conversion Shares will enlarge the shareholder capital base of the Company and the Directors consider that this will facilitate the development and expansion of the Company. Taking into account that the Conversion Price represents a premium to the closing price of the Shares as quoted on the Stock Exchange at the end of the morning session on 18 January 2007, notwithstanding the dilutive effect on the existing shareholders of the Company as a whole, the Directors are of the view that the terms and conditions of the Bonds are fair and reasonable and are in the interest of the Company and its shareholders as a whole.

FUND RAISINGS IN THE PAST 12 MONTHS

On 3 November 2006, the Board announced that on 3 November 2006, the Company, Sounda Properties and Credit Suisse entered into the Placing and Subscription Agreement pursuant to which (i) Credit Suisse agreed to place on a fully underwritten basis, 60,000,000 existing Shares at a price of HK\$16.60 per Share on behalf of Sounda Properties (the “**Equity Placing**”) and (ii) Sounda Properties agreed to subscribe for 60,000,000 new Shares at a price of HK\$16.60 per Share (the “**Equity Subscription**”). The net proceeds raised by the Company from the Equity Placing and the Equity Subscription were approximately HK\$980,000,000. The Equity Placing and the Equity Subscription were completed on 7 November 2006 and 17 November 2006, respectively. Consistent with the Company’s plan previously announced in its announcement for the Equity Placing and the Equity Subscription, the net proceeds from the Subscription have been utilised in full for general working capital purposes.

Save as disclosed above, the Company has not raised any funds on any issue of equity securities in the 12 months immediately preceding the date of this announcement.

GENERAL MANDATE

On 15 June 2006, the Company granted a general mandate to the Directors at its annual general meeting to allot and issue up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the annual general meeting. Other than the Equity Subscription pursuant to which the Company issued 60,000,000 new Shares to Sounda Properties (representing 4.9% of issued share capital of the Company as at the date of the annual general meeting on 15 June 2006), there has been no other issue of Shares under the general mandate granted. As at the date of this Announcement, the Company is entitled to issue up to 183,920,000 Shares pursuant to the unused portion of the general mandate.

GENERAL

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. Please refer to the paragraph headed “SUBSCRIPTION AGREEMENT” above for further information.

As the Subscription Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

The Company is an investment company. The principal activities of its subsidiaries are investment holding and investment in, and development of, real estate in the PRC.

To the best of the Directors’ knowledge, information and belief, Credit Suisse and the ultimate beneficial owner of Credit Suisse are third parties independent of the Company and are not connected persons (as defined in the Listing Rules) of the Company.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 2:30 p.m. on 18 January 2007 pending the release of this announcement. The Company has applied for the resumption of trading in its Shares with effect from 9:30 a.m. on 19 January 2007.

TERMS USED IN THIS ANNOUNCEMENT

2012 Notes	8 ¹ / ₈ % Senior Notes due 2012, issued by the Company on 9 November 2005 and 18 November 2005 and constituted by an indenture dated 9 November 2005 as supplemented on 14 November 2005 and 18 November 2005.
Alternative Stock Exchange	At any time, in the case of the Shares, if they are not at that time listed and traded on the Stock Exchange, such other internationally recognised stock exchange which is the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in.
Beijing Desheng Building Project	A property development project in Beijing located at De Wai Guan Xiang, Xicheng District, Beijing, with a gross floor area of 70,937 square meters and in which the Company has a 100% interest.
Board	The board of directors of the Company.
Bondholder(s)	Holder(s) of the Bonds from time to time.
Bonds	The Firm Bonds and the Optional Bonds.
Bonds Issue	The subscription and issue of the Bonds with an aggregate principal amount of RMB1,830,400,000 under the Subscription Agreement.
Change of Control	occurs when: <ul style="list-style-type: none">(i) any person or persons acting together acquires Control of the Company if such person or persons does not or do not have, and would not be deemed to have, Control of the Company on the Closing Date;(ii) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company's assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Company or the successor entity; or(iii) one or more persons (other than any person referred to in sub-paragraph (i) above) acquires the legal or beneficial ownership of all or substantially all of the Company's issued share capital.
Closing Date	The date (expected to be on or before 2 February 2007 or such other date as the Company and Credit Suisse may agree) on which the Bonds are issued.
Company	Hopson Development Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange.
Control	The acquisition or control of more than 50% of the voting rights of the issued share capital of the Company or the right to appoint and/or remove all or the majority of the members of the Company's board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.
Conversion Price	The price per Share at which the Bonds may be converted into Shares which will initially be HK\$30.08 with a fixed exchange rate of HK\$1 = RMB0.9958, and which will be adjusted from time to time in accordance with the terms and conditions of the Bonds.
Conversion Right	The right of a Bondholder to convert any Bond into Shares.
Conversion Shares	Shares to be allotted and issued by the Company upon conversion of the Bonds.

Credit Suisse	Credit Suisse (Hong Kong) Limited, a licensed corporation under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), licensed to conduct Types 1 (dealing in securities), 4 (advising on securities) and 6 (advising on corporate finance).
Directors	The directors of the Company.
Early Redemption Amount	In relation to a Bond means, for each RMB100,000 principal amount of the Bonds, the amount which represents for the Bondholder a gross yield of 1.5% per annum calculated on a semi-annual basis.
Equity Placing	The placing by Credit Suisse of 60,000,000 existing Shares on behalf of Sounda Properties pursuant to the Placing and Subscription Agreement.
Equity Subscription	The subscription of 60,000,000 new Shares by Sounda Properties pursuant to the Placing and Subscription Agreement.
Firm Bonds	The USD Settled Zero Coupon Convertible Bonds due 2010 of an initial aggregate principal amount of RMB1,555,000,000.
Guangzhou Ziyun Villa Project	A property development project in Guangzhou located at Guangdong Zengcheng City, Xintang Town, Guangzhou, with a site area of 437,690 square meters and in which the Company has a 100% interest.
Group	The Company and its subsidiaries.
Guarantee	The guarantee to be provided by the Subsidiary Guarantors in respect of the Bonds.
HK\$ or Hong Kong dollars	Hong Kong dollars, the lawful currency of Hong Kong.
Hong Kong	The Hong Kong Special Administrative Region of the People's Republic of China.
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange.
Maturity Date	2 February 2010.
Option	An option granted by the Company to Credit Suisse to subscribe or procure subscribers for all or any of the Optional Bonds, exercisable on one or more occasions, in whole or in part, at any time up to and including the thirtieth day after the Closing Date.
Optional Bonds	The additional USD Settled Zero Coupon Convertible Bonds due 2010 with an aggregate principal amount of RMB275,400,000.
Placing and Subscription Agreement	A Placing and Subscription Agreement entered into between the Company, Sounda Properties and Credit Suisse on 3 November 2006 in connection with the Equity Placing and Equity Subscription.
PRC	People's Republic of China.
RMB	Renminbi, the lawful currency of the PRC.
Principal Agent	The Bank of New York.
Shanghai Pudong Project	A property development project in Shanghai located at Sites C-4-2 and C-5, Jinqiao-Zhangjiang District, New Pudong Area, Shanghai, with a gross floor area of 39,525 square meters and in which the Company has a 100% interest.
Share(s)	Ordinary shares of HK\$0.10 each in the share capital of the Company.
Shareholder(s)	Holder(s) of Shares.

Sounda Properties	Sounda Properties Limited, the controlling Shareholder of the Company holding 686,400,000 Shares in the Company, representing approximately 53.41% of the Company's issued share capital as at the date of this announcement.
Stock Exchange	The Stock Exchange of Hong Kong Limited.
Subscription Agreement	A conditional subscription agreement entered into between the Company and Credit Suisse on 18 January 2007 in connection with the issue by the Company of the Bonds.
Subsidiary Guarantors	Certain subsidiaries of the Company that will provide the Guarantee in respect of the Bonds.
Trading Day	A day on which the Stock Exchange is open for business.
Trust Deed	A trust deed to be entered into between the Company and the Trustee on or about the Closing Date.
Trustee	The Bank of New York.
United States or US	The United States of America, its territories and possessions, any State of the United States, and the District of Columbia.
US dollar or USD	United States dollars, the lawful currency of the United States.
US Dollar Equivalent	The Renminbi or Hong Kong dollar amount (as the case may be) payable under the Bonds, converted into US dollars using the spot rate on the day which is two business days before the due date of such amount.

By Order of the Board
Hopson Development Holdings Limited
Chu Mang Yee
Chairman

Hong Kong, 19 January 2007

As at the date of this announcement, the Board is composed of 11 Directors. The executive Directors are Mr. Chu Mang Yee (Chairman), Mr. Wu Jiesi (Chief Executive Officer), Mr. Xiang Bin, Mr. Tam Lai Ling, Mr. Au Wai Kin, Mr. Chen Chang Ying and Ms. Xiao Yan Xia; the non-executive Director is Mr. Steven Shafran and the independent non-executive Directors are Mr. Yuen Pak Yiu, Philip, Mr. Lee Tsung Hei, David and Mr. Wong Shing Kay, Oliver.

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