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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: 754)**

## **ANNOUNCEMENT**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF LAND IN PUDONG NEW DISTRICT, SHANGHAI**

The Directors are pleased to announce that on 8 September 2010, the Group, through Shanghai Hopson, its indirect wholly-owned subsidiary, made a successful bid for the land use right of the Land at the Land Transfer Price, and entered into the Land Transfer Agreement with Pudong Land Administration Bureau.

Based on the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Group and the terms of the Land Transfer Agreement have been agreed on an arm's length basis and on normal commercial terms which are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole.

## **A. THE TRANSACTION**

### **1. Background**

On 8 September 2010, Shanghai Hopson, an indirect wholly-owned subsidiary of the Company, succeeded in the bid for the land use right of the Land at the Land Transfer Price of RMB1,451,110,000 in the public bidding process held by the Shanghai Exchange Centre with Pudong Land Administration Bureau as the vendor, and entered into the Land Transfer Agreement with Pudong Land Administration Bureau in respect of the Land.

The Land is situated in the north-western end of Sanlin Ji Zhen, Pudong New District, Shanghai, the PRC, with a site area of approximately 40,900.9 square meters and is permitted for residential use.

## 2. Principal terms of the Land Transfer Agreement

Date: 8 September 2010

Parties: (i) Shanghai Hopson; and  
(ii) Pudong Land Administration Bureau. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Pudong Land Administration Bureau and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Rights to be Acquired: the land use right of the Land

Term: The transfer of the land use right of the Land is for a term of 70 years commencing from the date of delivery up of physical possession of the Land.

Land Transfer Price: The Land Transfer Price was determined after the public bidding process. The Land Transfer Price of RMB1,451,110,000 will be paid by 2 instalments:

- (a) a sum of RMB290,222,000 will be paid as deposit and part payment of the Land Transfer Price on or before 15 September 2010; and
- (b) the balance of RMB1,160,888,000 will be paid within 30 working days after the signing of the Land Transfer Agreement.

The Land Transfer Price will be funded by the Group's internal resources.

## 3. Reasons for the Transaction

The Group is principally engaged in property development and property investment in various cities in the PRC including Guangzhou, Beijing, Shanghai and Tianjin. The Transaction is in the ordinary and usual course of business of the Group.

Pudong Land Administration Bureau is a government entity responsible for, among others, town planning and land administration of the Pudong New District, Shanghai, the PRC.

The Land is located in the north-western end of Sanlin Ji Zhen, Pudong New District, Shanghai, nearby the bridge approach of the Lupu Bridge (盧浦大橋) and adjacent to the Expo 2010 Venue (上海世界博覽會園區). The east side of the Land is planned to have a green belt and a scenic waterway, which, if completed, will further enhance the landscape and scenery of the Land. The Land is conveniently served by the Shanghai Metro, the Dapulu Tunnel (打浦路隧道) and the Lupu Bridge (盧浦大橋), the traffic network and living amenities in the neighbourhood are comprehensive and well established.

The Directors believe that the Land is of good development potential, the acquisition of the Land will enrich the Group's landbank in the district and will bring forth business opportunities and economic benefits to the Group.

The Directors (including the independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Group and the terms of the Land Transfer Agreement have been agreed on an arm's length basis and on normal commercial terms which are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole.

#### **4. Discloseable Transaction**

Based on the relevant percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction of the Company under Rule 14.06(2) of the Listing Rules.

### **B. DIRECTORS**

As at the date hereof, the executive Directors comprise CHU Mang Yee (Chairman), XIANG Bin, AU Wai Kin, XUE Hu, ZHAO Mingfeng, LIAO Ruqing, and the independent non-executive Directors comprise LEE Tsung Hei, David, WONG Shing Kay, Oliver and TAN Leng Cheng, Aaron.

### **C. TERMS USED IN THIS ANNOUNCEMENT**

“Company”	Hopson Development Holdings Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land”	the piece of land identified as Lot A14-1 Sanlin Ji Zhen (三林集鎮 A14-1 地塊) with a site area of approximately 40,900.9 square meters situated at Sanlin Zhen, Pudong New District, Shanghai, the PRC (上海浦東新區三林鎮)
“Land Transfer Agreement”	國有建設用地使用權出讓合同 (Agreement for the transfer of the land use right of State-owned land) dated 8 September 2010 and made between Shanghai Hopson and Pudong Land Administration Bureau
“Land Transfer Price”	RMB1,451,110,000, being the price for the transfer of land use right in respect of the Land payable under the Land Transfer Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“PRC”	the People’s Republic of China
“Pudong Land Administration Bureau”	上海市浦東新區規劃和土地管理局 (The Planning and Land Administration Bureau of Pudong New District, Shanghai)
“RMB”	Renminbi
“Shanghai Exchange Centre”	上海市房地產交易中心 (Shanghai Real Estate Exchange Centre)
“Shanghai Hopson”	上海合生房地產開發有限公司 (Shanghai Hopson Property Development Co., Limited), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the transaction contemplated under the Land Transfer Agreement

By Order of the Board  
**Chu Mang Yee**  
*Chairman*

Hong Kong, 10 September 2010

\* *For identification purposes only*