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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)

Website: <http://www.irasia.com/listco/hk/hopson>

**PROPOSED ISSUE OF U.S. DOLLAR DENOMINATED
SENIOR NOTES DUE 2018**

NEW ISSUE

The Company proposes to conduct an international offering of the New Notes. The terms of the New Notes, including their principal amount, coupon and tenor, have yet to be finalised.

The New Notes will be guaranteed by certain wholly-owned subsidiaries of the Company organized outside the PRC. The New Notes will be secured by a pledge of the capital stock in certain guarantors and certain of the Company's subsidiaries organized outside the PRC on a first priority basis. The collateral for the New Notes will be shared equally and ratably among holders of (1) the New Notes, (2) the 2016 Notes and (3) certain future permitted indebtedness. The New Notes will rank at least equally with the Company's unsecured indebtedness. The New Notes will be junior to the Company's other secured indebtedness as to the assets over which security is given for such other indebtedness, and effectively subordinated to all liabilities of the Company's subsidiaries that do not guarantee the New Notes.

The Directors believe that the New Issue will be beneficial to the Company since it will allow the Company to obtain long-term financing from international investors and to improve its capital structure. The Company intends to apply the net proceeds from the New Issue to refinance existing debt, to finance the cost of construction or improvement of projects and for general corporate purposes.

Completion of the New Issue is subject to market conditions and investor interest. UBS and ICBC (Asia) as the joint bookrunners and lead managers are managing the New Issue.

A Preliminary Offering Memorandum in respect of the New Issue has been prepared for distribution to certain institutional investors. The Company is offering the New Notes only to non-U.S. persons outside of the United States in reliance on Regulation S under the Securities Act. The New Notes have not been and will not be registered under the Securities Act or the securities laws of any other place. None of the New Notes will be offered to the public in Hong Kong and none of the New Notes will be offered to any connected person of the Company.

GENERAL

As no binding agreement in relation to the New Issue has been entered into as at the date of this announcement, the New Issue may or may not materialize. Further, as the Preliminary Offering Memorandum is subject to completion and amendment, the information in this announcement is subject to final completion. Accordingly, shareholders of the Company, holders of the 2016 Notes and potential investors are advised to exercise caution when dealing in the Shares or the 2016 Notes.

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Approval in-principle has been received for the listing of the New Notes on the SGX-ST. Admission of the New Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company or the New Notes. No listing of the New Notes has been sought in Hong Kong.

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RECENT DEVELOPMENTS

In November 2005, the Company issued US\$350 million aggregate principal amount of 8.125% Senior Notes due 2012 (the “**2012 Notes**”). As of 30 June 2012, the Company had a total of US\$350 million principal amount of the 2012 Notes outstanding. In September 2012, the Company repurchased an aggregate principal amount of US\$5 million of the 2012 Notes. The Company fully repaid the remaining principal amount of the outstanding 2012 Notes and accrued and unpaid interest up to the maturity date on 9 November 2012.

During the second half of 2012, the Group has achieved an increase in the contracted sales, compared with the corresponding period in 2011 and the first half of 2012. In addition, the Group acquired four parcels of land located in Huizhou, Guangdong province with an aggregate site area of 160,583 sq.m. and a total construction area of approximately 421,947 sq.m. for a total consideration of RMB295.4 million during the second half of 2012.

GENERAL

The Company will make a further announcement if and when the exact terms of the New Issue have been finalized. **As no binding agreement in relation to the New Issue has been entered into as at the date of this announcement, the New Issue may or may not materialize. Further, as the Preliminary Offering Memorandum is subject to completion and amendment, the information in this announcement is subject to final completion. Accordingly, shareholders of the Company, holders of the 2016 Notes and potential investors are advised to exercise caution when dealing in the Shares or the 2016 Notes.**

DEFINITIONS

“2016 Notes”	US\$300,000,000 11.75% Senior Notes due 2016 issued by the Company
“Board”	board of Directors
“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
“connected person(s)”	has the meaning ascribed to such term under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange

“ICBC (Asia)”	Industrial and Commercial Bank of China (Asia) Limited
“Preliminary Offering Memorandum”	the preliminary offering memorandum in connection with the issue and offering of the New Notes
“New Issue”	an international offering of the New Notes by the Company
“New Notes”	US\$ denominated senior notes due 2018 to be issued by the Company
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“UBS”	UBS AG, Hong Kong Branch
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

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

Hong Kong, 8 January 2013

As at the date of this announcement, the Board comprises nine directors. The executive directors are Mr. Chu Mang Yee (Chairman), Mr. Zhang Yi, Mr. Xiang Bin, Mr. Au Wai Kin, Mr. Liao Ruo Qing and Ms. Chu Kut Yung; and the independent non-executive directors are Mr. Lee Tsung Hei, David, Mr. Wong Shing Kay, Oliver and Mr. Tan Leng Cheng, Aaron.

** For identification purposes only*