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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)**

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

### **Joint Placing Agents**



**UBS** Investment  
Bank

**Deutsche Bank**



On 3 June 2009, after trading hours, the Joint Placing Agents and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Joint Placing Agents on a fully underwritten basis, 120,000,000 Placing Shares to not fewer than six Placees at a price of HK\$13.30 per Placing Share.

The 120,000,000 Placing Shares under the Placing represents (i) approximately 8.15% of the existing issued share capital of the Company of 1,472,368,346 Shares as at the date of this announcement; and (ii) approximately 7.54% of the Company's issued share capital of 1,592,368,346 Shares as enlarged by the Placing Shares.

On the assumption that all Placing Shares are fully placed, the gross proceeds arising from the Placing will be approximately HK\$1,596.0 million and the net proceeds arising from the Placing will amount to approximately HK\$1,579.9 million which is intended to be used for general working capital of the Group. The net proceeds raised per Placing Share upon the completion of the Placing will be approximately HK\$13.17 per Placing Share.

Completion of the Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares.

**Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **THE PLACING AGREEMENT**

**Date:** 3 June 2009, after trading hours

**Issuer:** The Company

**Joint Placing Agents:** The Joint Placing Agents

The Joint Placing Agents have conditionally agreed to place 120,000,000 Placing Shares on a fully underwritten basis. The Directors are of the view that the placing commission payable to the Joint Placing Agents pursuant to the Placing Agreement is at normal market rate, and therefore it is fair and reasonable.

### **Placees**

The Joint Placing Agents agreed to place the Placing Shares, on a fully underwritten basis, to no less than six Placees whom and whose ultimate beneficial owners are, so far as the Joint Placing Agents are aware, independent professional, institutional or other investor(s) who are not Connected Persons of the Company as at the date of the Placing Agreement.

### **Placing Shares**

The 120,000,000 Placing Shares under the Placing represents (i) approximately 8.15% of the existing issued share capital of the Company of 1,472,368,346 Shares as at the date of this announcement; and (ii) approximately 7.54% of the Company's issued share capital of 1,592,368,346 Shares as enlarged by the Placing Shares.

### **Ranking of Placing Shares**

Save and except that the Placing Shares will be allotted and issued ex-dividend in respect of the final dividend of HK\$0.105 per Share for the financial year ended 31 December 2008, to be declared by the Company at the annual general meeting of the Company to be held on 16 June 2009, the Placing Shares will, upon issue, rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

The register of members of the Company will be closed from Thursday, 11 June 2009 to Tuesday, 16 June 2009, both days inclusive, during which no transfer of shares will be registered.

## **Placing Price**

The Placing Price of HK\$13.30 represents (i) a discount of approximately 8.02% to the closing price of HK\$14.46 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a premium of approximately 4.64% to the average closing prices of HK\$12.71 per Share for the last 5 consecutive trading days up to and including the Last Trading Day; and (iii) a premium of approximately 14.66% to the average closing prices of HK\$11.60 per Share for the last 10 consecutive trading days up to and including the Last Trading Day. After deduction of relevant expenses of Placing, the net placing price per Placing Share is HK\$13.17.

The Placing Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Joint Placing Agents. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions and the Placing is in the interests of the Company and the Shareholders as a whole.

## **General Mandate**

The Placing Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the issued share capital of the Company as at the date of the AGM, (i.e. 294,473,669 Shares representing 20% of 1,472,368,346 Shares in issue as at the date of the AGM). Up to the date of this announcement, no Shares have been issued under the General Mandate. The Placing is not subject to Shareholders' approval.

## **Conditions of the Placing**

Completion of the Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares to be issued.

## **Termination**

The Placing Agreement contains provisions granting the Joint Placing Agents the right to terminate their placing obligations by notice to the Company at any time prior to completion of the Placing on the occurrence of certain events including but not limited to force majeure, any material adverse change in the management, business and financial condition of the Company or its subsidiaries taken as a whole, any material disruption in securities settlement, payment or clearance services, or any event which would have rendered the representations and warranties in the Placing Agreement untrue or inaccurate in any material respect.

If the Joint Placing Agents exercise such right to so terminate the Placing Agreement, the Placing will not proceed.

## **Undertakings by the Company**

The Company undertakes to the Joint Placing Agents that for a period from the date of the Placing Agreement up to 90 days after the Closing Date, neither the Company nor any other member of the Group may, among other things, sell, transfer, dispose, allot or issue or offer to sell, transfer, dispose, allot or issue or grant any option, right or warrant to subscribe any Shares or any interests in Shares or any securities convertible into or exchangeable for any Shares or interest in Shares, save and except pursuant to the terms of any employee share option scheme of the Company or the exercise of any outstanding subscription rights for or convertible securities into Shares, without first having obtained the written consent of the Joint Placing Agents.

## **Completion of the Placing**

Completion of the Placing will take place within two Business Days after the fulfillment of the conditions as set out in the Placing Agreement by not later than 11 June 2009 or such other date to be agreed in writing between the Company and the Joint Placing Agents.

**Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Board considers that the Placing represents a good opportunity to broaden the Shareholders base and to raise capital for the Company for its future business developments. The Directors consider that the Placing is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

On the assumption that all Placing Shares are fully placed, the gross proceeds arising from the Placing will be approximately HK\$1,596.0 million and the net proceeds arising from the Placing will amount to approximately HK\$1,579.9 million which is intended to be used for general working capital of the Group.

The net proceeds raised per Placing Share upon the completion of the Placing will be approximately HK\$13.17 per Placing Share.

## EFFECTS ON SHAREHOLDING STRUCTURE

The existing and enlarged shareholding structure of the Company immediately before and after the completion of the Placing is set out below:

	As at the date of this announcement		Immediately after completion of the Placing assuming all Placing Shares are fully placed, allotted and issued	
	No. of Shares	Approx. percentage	No. of Shares	Approx. percentage
Sounda Properties Limited ( <i>Note</i> )	915,542,346	62.18%	915,542,346	57.50%
<b>Public</b>				
Placees	—	0.00%	120,000,000	7.54%
Other public shareholders	<u>556,826,000</u>	<u>37.82%</u>	<u>556,826,000</u>	<u>34.96%</u>
	<u>1,472,368,346</u>	<u>100%</u>	<u>1,592,368,346</u>	<u>100%</u>

*Note:* Sounda Properties Limited is owned by Mr. Chu Mang Yee, a Director

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months immediately before the date of this announcement.

## GENERAL

The Group is principally engaged in property development and property investment in various cities in the PRC including Guangzhou, Beijing, Shanghai and Tianjin.

## TERMS USED IN THIS ANNOUNCEMENT

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein.

“AGM”	the annual general meeting of the Company held on 16 June 2008
“Board”	board of Directors
“Business Day”	any day (not being a Saturday, Sunday and public or statutory holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours

“Closing Date”	two Business Days after the date on which the conditions of the Placing Agreement are fulfilled but in any event no later 11 June 2009, or such other date as the Company and the Joint Placing Agents may agree in writing
“Company”	Hopson Development Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Connected Person(s)”	has the meaning given to that term in the Listing Rules
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch, which is deemed to be licenced for Type 1 regulated activity (dealing in securities), Type 4 regulated activity (advising on securities) and Type 6 regulated activity (advising on corporate finance) under the SFO and a licenced bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
“Directors”	directors of the Company
“General Mandate”	the general mandate to allot, issue and deal with Shares granted to the Director by resolution of the Shareholders passed at the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Joint Placing Agents”	UBS and Deutsche Bank
“Last Trading Day”	3 June 2009, being the last trading day for the Shares before the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional or other investor procured by the Joint Placing Agents to subscribe for any Placing Shares pursuant to the obligations under the Placing Agreement
“Placing”	the placing of 120,000,000 Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agreement”	the conditional placing agreement dated 3 June 2009 entered into between the Company and the Joint Placing Agents in relation to the Placing

“Placing Period”	the period commencing upon the execution of the Placing Agreement and terminating at 4:00 p.m. (Hong Kong time) on the Closing Date (or such later time and date as the Company and the Joint Placing Agents may agree in writing)
“Placing Price”	HK\$13.30 per Placing Share
“Placing Shares(s)”	an aggregate of 120,000,000 new Shares to be allotted and issued and placed through Joint Placing Agents pursuant to the terms and conditions of the Placing Agreement
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong, as the same may be amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“UBS”	UBS AG, acting through its division, UBS Investment Bank, a registered institution under the SFO for Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 4 June 2009

*As at the date of this announcement, the Board is composed of nine directors. The executive directors are Mr. Chu Mang Yee (Chairman), Mr. Xiang Bin, Mr. Chen Chang Ying, Mr. Au Wai Kin, Mr. Xue Hu and Ms. Zhao Mingfeng; and the independent non-executive directors are Mr. Yuen Pak Yiu, Philip, Mr. Lee Tsung Hei, David and Mr. Wong Shing Kay, Oliver.*

*\* for identification purposes only*