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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>

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION**

The Directors are pleased to announce that on 30 July 2009, the Group made a successful bid for the land use right of the Lands at the Land Transfer Price.

On 24 September 2009, the Group entered into the Investment Agreement with CiXi Management Committee for the Group's investment and development in respect of the Lands. Pursuant to the Investment Agreement, the Group entered into 34 Land Transfer Agreements with CiXi Land Bureau. It is expected that the Group and CiXi Land Bureau will enter into the remaining 2 Land Transfer Agreements on or before 31 December 2009.

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 Investment Agreement and the Land Transfer Agreements 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 30 July 2009, the Group tendered a bid of RMB1,365,220,000 (equivalent to approximately HK\$1,551,386,364) for the land use right in respect of the Lands through a public bidding process organized and held by CiXi Exchange Centre, as agent of CiXi Land Bureau.

On 30 July 2009, CiXi Exchange Centre and CiXi Land Bureau issued the Bid Confirmation to the Group, confirming that the Group has won the bid for the land use right of the Lands at the Land Transfer Price. The Lands in respect of which the land use right is to be granted, consist of 36 pieces of lands situated in the north-west part of Hangzhou Bay New District, CiXi, Ningbo, the PRC, with an aggregate site area of approximately 1,530,593 square metres and are permitted for residential, commercial and hotel purposes.

On 24 September 2009, the Group entered into the Investment Agreement with CiXi Management Committee for the Group's investment and development in respect of the Lands. Pursuant to the Investment Agreement, the Group is required to enter into a Land Transfer Agreement with CiXi Land Bureau in respect of each piece of the Lands for the transfer of the land use right thereof to the Group. On 24 September 2009 the Group entered into 34 Land Transfer Agreements with CiXi Land Bureau. It is expected that the Group and CiXi Land Bureau will enter into the remaining 2 Land Transfer Agreements on or before 31 December 2009.

CiXi Exchange Centre is an agent of CiXi Land Bureau, a government entity, responsible for organizing and monitoring the public bidding for the land use right in respect of the Lands. CiXi Management Committee, a government entity, is responsible for managing the economic development and investment-related matters of CiXi. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, CiXi Land Bureau, CiXi Exchange Centre, CiXi Management Committee and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

2. Principal terms of the Investment Agreement

Date: 24 September 2009

Parties: (i) Shanghai Hopson; and
(ii) CiXi Management Committee.

Responsibilities of
Shanghai Hopson:

Shanghai Hopson shall establish and register the Project Company in CiXi within 2 months after the issue of the Bid Confirmation (i.e. on or before 30 September 2009) and cause it to enter into the Land Transfer Agreements with CiXi Land Bureau for each piece of the Lands and to operate the project to be developed on the Lands.

Shanghai Hopson shall also pay the Land Transfer Price of RMB1,365,220,000 (equivalent to approximately HK\$1,551,386,364) by 5 instalments as follows:

Instalment No.	Time for payment	Instalment Amount RMB
1	On or before 31 December 2009	371,920,000
2	On or before 15 June 2010	227,940,000
3	On or before 15 September 2010	264,200,000
4	On or before 15 December 2010	223,980,000
5	On or before 15 March 2011	277,180,000

The sum of RMB136,522,000 being the earnest money deposited on 28 July 2009 by Shanghai Hopson with CiXi Exchange Centre for the bidding of the land use right in respect of the Lands will be applied towards part payment of the first instalment mentioned above.

Responsibilities of
CiXi Management
Committee:

CiXi Management Committee will deliver such part(s) of the Lands in correspondence with the amount of the Land Transfer Price paid by Shanghai Hopson as set forth above and issue or cause to be issued the land use right certificates therefor to the Project Company.

3. Principal terms of the Land Transfer Agreements

Date: 24 September 2009

Parties: (i) The Project Company; and
(ii) CiXi Land Bureau.

Rights to be Acquired: CiXi Land Bureau agrees to transfer to the Project Company the land use right of the Lands.

Term: The transfer of the land use right of the Lands is for a term of 40 years, for those designated for commercial and hotel purposes, and 70 years for those designated for residential purpose, all commencing from the date of delivery of physical possession of the Lands. The Project Company may apply to CiXi Land Bureau for the renewal of the land use right at least 1 year prior to the expiry of the terms thereof.

4. Land Transfer Price

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

The Land Transfer Price was determined based upon the base price of RMB1,365,220,000 for the transfer of land use right in respect of the Lands fixed by CiXi Land Bureau in the Notice and tendered by Shanghai Hopson in the public bidding process.

5. Reasons for the Transaction

As 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.

The Lands are located in the north-west part of Hangzhou Bay New District, CiXi, Ningbo, the PRC, with an aggregate site area of approximately 1,530,593 square metres and are permitted for residential, commercial and hotel purposes.

CiXi is one of the most wealthiest cities within Zhejiang Province, the PRC and is a city full of development potential due to its strategic location — being in the middle of the economic golden triangle of Shanghai, Hangzhou, and Ningbo, and its large and rapidly growing population. When the construction of the southern bridge of Hangzhou Bay Bridge is complete, CiXi will be within two-hour travel distance from Shanghai, Hangzhou and Ningbo, and it will further strengthen CiXi's geographical advantage.

Hangzhou Bay New District is located in northern CiXi, adjacent to Hangzhou Bay Bridge. Although it is a relatively new development district of CiXi, when its development is complete, it is expected that it will become a modern eco-industrial city with a population of over 500,000 people, and will become the economic centre of north Ningbo. The opening of Hangzhou Bay Bridge and a number of highways may result in more industries migrating from Shanghai to Ningbo, which may further stimulate a transfer of population to Hangzhou Bay New District.

As the overall standard of living of CiXi is relatively high and due to the scarce land supply since 2004, there has been a shortage of supply in the property market in CiXi and the high-end real estate is highly sought after by the wealthy locals.

It is therefore expected that demand for commercial and high-end residential properties in Hangzhou Bay New District will expand gradually, and the prospect of the property market in the district is very optimistic.

For the above reasons, the Directors believe that the Lands have great development potential, the acquisition of the Lands will enrich the Group's landbank in the district and will bring forth development opportunity and commercial benefits to the Group.

6. 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.

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 Investment Agreement and the Land Transfer Agreements 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.

CiXi Exchange Centre is an agent of CiXi Land Bureau, a government entity, responsible for organizing and monitoring the public bidding for the land use right in respect of the Lands. CiXi Management Committee, a government entity, is responsible for managing the economic development and investment-related matters of CiXi. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, CiXi Land Bureau, CiXi Exchange Centre, CiXi Management Committee and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

B. DIRECTORS

As at the date hereof, the executive Directors comprise CHU Mang Yee (Chairman), XIANG Bin, CHEN Chang Ying, AU Wai Kin, XUE Hu, ZHAO Mingfeng and the independent non-executive Directors comprise YUEN Pak Yiu, Philip, LEE Tsung Hei, David and WONG Shing Kay, Oliver.

C. TERMS USED IN THIS ANNOUNCEMENT

“Bid Confirmation”	慈溪市國有建設用地使用權掛牌出讓成交確認書 (CiXi Municipal State-owned development land use right bid confirmation) in respect of the Lands dated 30 July 2009 and issued by CiXi Exchange Centre and CiXi Land Bureau
“CiXi Land Bureau”	慈溪市國土資源局 (CiXi State Land Resources Bureau)
“CiXi Exchange Centre”	慈溪市公共資源交易中心 (CiXi Gong Gong Zi Yuan Jiao Yi Zhong Xin)

“CiXi Management Committee”	慈溪市經濟開發區管理委員會 (CiXi Municipal Economic Development Zone Management Committee)
“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
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment Agreement”	投資協議 (investment agreement) dated 24 September 2009 and entered into between Shanghai Hopson and CiXi Management Committee
“Lands”	all those 36 pieces of lands situated in the north-west part of Hangzhou Bay New District, CiXi, Ningbo, the PRC
“Land Transfer Agreements”	those 36 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) in respect of the Lands, entered or to be entered into between the Project Company and CiXi Land Bureau
“Land Transfer Price”	RMB1,365,220,000 (equivalent to approximately HK\$1,551,386,364), being the price for the transfer of land use right in respect of the Lands payable under the Investment Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notice”	the notice issued by CiXi Land Bureau on 26 June 2009 for the sale of the land use right in respect of the Lands through public bidding
“PRC”	the People’s Republic of China
“Project Company”	寧波合生錦城房地產有限公司 (Ningbo Hopson Jin Cheng Property Co., Ltd.), the project company established and registered by the Group in CiXi pursuant to the terms of the Investment Agreement
“RMB”	Renminbi
“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 transactions contemplated under the Investment Agreement and the Land Transfer Agreements

For illustrative purpose of this announcement, RMB0.88 = HK\$1.

By Order of the Board
Chu Mang Yee
Chairman

Hong Kong, 24 September 2009

* *For identification purposes only*