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澳門祥泰地產集團有限公司*
MACAU PRIME PROPERTIES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 199)

**TOP-UP PLACING
AND
RESUMPTION OF TRADING**



HANNY HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 275)

DISCLOSEABLE TRANSACTION

Placing Agent



KINGSTON SECURITIES LIMITED

THE TOP-UP PLACING

On 18 May 2007, the Vendor (being the substantial Shareholder), the Placing Agent and the Company entered into the Placing and Subscription Agreement pursuant to which the Vendor agreed to place, through the Placing Agent, an aggregate of 300,000,000 existing Shares, on a fully underwritten basis, to not fewer than six Placees who and whose ultimate beneficial owners will be third parties independent of and not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules) at a price of HK\$0.56 per Placing Share. Pursuant to the Placing and Subscription Agreement, the Vendor conditionally agreed to subscribe for an aggregate of 300,000,000 Top-Up Subscription Shares at a price of HK\$0.56 per Top-Up Subscription Share.

The Placing Price (or the Top-Up Subscription Price) of HK\$0.56 represents (i) a discount of approximately 8.2% to the closing price of HK\$0.61 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a premium of approximately 9.8% over the average closing price per Share of approximately HK\$0.51 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and (iii) a premium of approximately 15.7% over the average closing price per Share of HK\$0.484 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

* For identification purpose only

The 300,000,000 Placing Shares (or the Top-Up Subscription Shares) represent (i) approximately 12.70% of the existing issued share capital of the Company of 2,361,851,200 Shares as at the date of this announcement; and (ii) approximately 11.27% of the issued share capital of the Company of 2,661,851,200 Shares as enlarged by the Top-Up Subscription.

The Top-Up Subscription is conditional upon (i) the Stock Exchange granting listing of and permission to deal in the Top-Up Subscription Shares; (ii) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement; and (iii) the Bermuda Monetary Authority approving or agreeing to the allotment and issue of the Top-Up Subscription Shares (if necessary).

The gross proceeds from the Top-Up Subscription will be approximately HK\$168 million. The net proceeds of approximately HK\$162 million from the Top-Up Subscription is intended to be used for the general working capital.

General

As the Vendor is an indirect wholly-owned subsidiary of Hanny, the Placing and the Top-Up Subscription constitute a discloseable transaction for Hanny under the Listing Rules. A circular containing, among other things, further details of the Placing and the Top-Up Subscription contemplated under the Placing and Subscription Agreement will be despatched to the Hanny Shareholders in accordance with the Listing Rules.

Having considered (i) the terms and conditions of the Placing and Subscription Agreement and (ii) the financial effect to Hanny upon completion of the Placing and the Top-Up Subscription, the directors of Hanny are of the view that the Placing and the Top-Up Subscription are not of the price sensitive nature.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 2:30 p.m. on 18 May 2007 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 21 May 2007.

THE PLACING AND SUBSCRIPTION AGREEMENT

Date

18 May 2007

Parties to the Placing and Subscription Agreement

The Vendor, the Placing Agent and the Company

THE PLACING

Placing Agent

The Placing Agent will receive a placing commission of 2.5% on the gross proceeds of the Placing, which was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the market rate. The Placing Agent and its ultimate beneficial owners are third parties independent of and not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules).

Placees

The Placing Agent agreed to place the Placing Shares on a fully underwritten basis, to not fewer than six Placees who and whose ultimate beneficial owners will be third parties independent of and not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules). Immediately after completion of the Placing, none of the Placees will become a substantial Shareholder (as defined in the Listing Rules).

Placing Price

The Placing Price (or the Top-Up Subscription Price) of HK\$0.56 represents (i) a discount of approximately 8.2% to the closing price of HK\$0.61 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a premium of approximately 9.8% over the average closing price per Share of approximately HK\$0.51 as

quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and (iii) a premium of approximately 15.7% over the average closing price per Share of HK\$0.484 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

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 Placing Agent on 18 May 2007. Having considered the strong capital market sentiment, the Directors (including the independent non-executive Directors) consider that the terms of the Placing, including the placing commission, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placing Shares

The 300,000,000 Placing Shares represent (i) approximately 12.70% of the existing issued share capital of the Company of 2,361,851,200 Shares as at the date of this announcement; and (ii) approximately 11.27% of the issued share capital of the Company of 2,661,851,200 Shares as enlarged by the Top-Up Subscription.

Ranking of Placing Shares

The Placing Shares rank *pari passu* among themselves and with Shares in issue as at the date of this announcement.

Condition of the Placing

The Placing is unconditional.

Completion

The Placing is expected to be completed on or before 28 May 2007.

THE TOP-UP SUBSCRIPTION

The Top-Up Subscription Price

The Top-Up Subscription Price is HK\$0.56 per Share. The Top-Up Subscription Price is the same to the Placing Price and was determined after arm's length negotiation between the Company and the Vendor with reference to the Placing Price of the Placing Shares.

Number of Top-Up Subscription Shares

The number of Top-Up Subscription Shares is equivalent to the number of Placing Shares, being 300,000,000, representing (i) approximately 12.70% of the existing issued share capital of the Company of 2,361,851,200 Shares as at the date of this announcement; and (ii) approximately 11.27% of the issued share capital of the Company of 2,661,851,200 Shares as enlarged by the Top-Up Subscription.

Ranking of Top-Up Subscription Shares

The Top-Up Subscription Shares, when issued and fully paid, will rank *pari passu* among themselves and with Shares in issue at the time of issue and allotment of the Top-Up Subscription Shares.

The Top-Up Subscription Shares

The Top-Up Subscription Shares will be issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM (i.e. 465,095,908 Shares). Up to the date of this announcement, no new Shares have been issued under the General Mandate.

Conditions of the Top-Up Subscription

The Top-Up Subscription is conditional upon:

- (i) the Stock Exchange granting listing of and permission to deal in the Top-Up Subscription Shares;
- (ii) completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement; and
- (iii) the Bermuda Monetary Authority approving or agreeing to the allotment and issue of the Top-Up Subscription Shares (if necessary).

Completion

Under Rule 14A.31(3)(d) of the Listing Rules, the Top-Up Subscription must be completed within 14 days from the date of the Placing and Subscription Agreement, that is, on or before 1 June 2007.

In the event that the conditions to the Top-Up Subscription under the Placing and Subscription Agreement are not fulfilled by 1 June 2007, the Company and the Vendor may elect, subject to compliance with all requirements in relation to connected transactions under the Listing Rules (including the Shareholders' approval), to postpone completion of the Top-Up Subscription to a later date to be agreed between the Company and the Vendor.

REASON FOR THE PLACING AND USE OF PROCEEDS

The Directors consider various ways of raising funds and consider that the Placing and Top-Up Subscription represents an opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider the Placing and Subscription Agreement are in the interest of the Company and the Shareholders as a whole.

The gross proceeds from the Top-Up Subscription will be approximately HK\$168 million. The net proceeds of approximately HK\$162 million from the Top-Up Subscription is intended to be used for general working capital of the Group. The net price raised per Share upon completion of the Top-Up Subscription will be approximately HK\$0.54 per Share. The estimated expense of approximately HK\$6 million in relation to the Placing, in particular the placing commission, legal fees and publication fees, will be borne by the Company.

The directors of Hanny expect that the completion of the Placing and Top-Up Subscription would not result in any financial effect to Hanny.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

On 14 June 2006 and 15 June 2006, the Company raised in aggregate approximately HK\$1,468 million, net of expenses, by issuing zero coupon convertible notes due 2011 for HK\$1,000 million (before expense) and placing of approximately 833.3 million Shares for approximately HK\$500 million (before expense). Set out below are details of the intended and actual use of the proceed:

Date of announcement	Description	Net proceeds	Intended use of net proceeds as announced	Actual use of proceeds
28 April 2006	Issue of convertible notes and placing of Shares	HK\$1,468 million	Expanding the property investment portfolio and financing existing property development projects	<p>HK\$593 million was paid to partially finance and increase the investment, through Orient Town Limited and Empresa De Fomento Industrial E Comercial Concórdia, S.A., in 14 parcels of land in Macau, details of which are disclosed in the circulars of the Company dated 29 May 2006 and 7 March 2007 respectively</p> <p>HK\$120 million was paid for the increase in the investment, through Donson (International) Development Limited, in property, golf resort and hotel business in the PRC, details of which are disclosed in the circular of the Company dated 5 February 2007</p> <p>HK\$27 million was paid to partially finance the acquisition of 44 residential units in Macau, details of which are disclosed in the circular of the Company dated 18 December 2006</p> <p>HK\$249 million was paid to partially finance the investment, through More Profit International Limited, in Grand Waldo Hotel complex in Macau, details of which are disclosed in the circular of the Company dated 7 December 2006</p>

HK\$378 million was paid as refundable earnest monies with a view to facilitating possible acquisitions of ownership and interest in certain properties and golf resorts in the PRC

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Shareholders	As at the date of this announcement		Upon completion of the Placing		Upon completion of the Placing and Top-Up Subscription	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
The Vendor (Note 1)	356,137,272	15.08	56,137,272	2.38	356,137,272	13.38
Lone Pine Capital LLC	258,332,000	10.94	258,332,000	10.94	258,332,000	9.70
Cheung Hon Kit (Note 2)	4,000,000	0.17	4,000,000	0.17	4,000,000	0.15
Kopola Investment Company Limited (Note 3)	55,080,000	2.33	55,080,000	2.33	55,080,000	2.07
Public:						
– Placing Shares to be placed to the Placees under the Placing	–	–	300,000,000	12.70	300,000,000	11.27
– Other public Shareholders	1,688,301,928	71.48	1,688,301,928	71.48	1,688,301,928	63.43
Sub-total	1,688,301,928	71.48	1,988,301,928	84.18	1,988,301,928	74.70
Total	2,361,851,200	100.00	2,361,851,200	100.00	2,661,851,200	100.00

Notes:

- The Vendor is a wholly-owned subsidiary of Hanny Magnetics (B.V.I.) Limited, which in turn is a wholly-owned subsidiary of Hanny.
- Mr. Cheung Hon Kit, an executive Director, is interested in 4,000,000 Shares as at the date of this announcement.
- Each of Mr. Ho Hau Chong, Norman, a non-executive Director, and his brother, Mr. Ho Hau Hay, Hamilton, owns 50% interest in Kopola Investment Company Limited which is beneficially interested in 55,080,000 Shares as at the date of this announcement.

The Company shall ensure that no less than 25% of the issued share capital of the Company will be held by the public at all times immediately after the Placing and Top-Up Subscription.

GENERAL

The Company is an investment holding company and its subsidiaries are principally engaged in property development and investment in Macau, the PRC and Hong Kong. The Group is also engaged in securities investment, golf resort and hotel operations.

Hanny is an investment holding company which is principally engaged in trading of securities, property investment and trading, holding of vessels for sand mining and other strategic investments including investments in (i) a subsidiary whose shares are listed on the Australian Securities Exchange and a subsidiary whose shares are traded on the OTC Bulletin Board in the United States of America; (ii) associated companies whose shares are listed on the Stock Exchange or the Singapore Exchange Limited; and (iii) long-term convertible notes issued by companies whose shares are listed on the Stock Exchange. As at the date of this announcement, the 15.08% shareholding interest in the Company is treated as an investment of Hanny.

The existing authorised share capital of the Company consists of 40,000,000,000 Shares out of which 2,361,851,200 Shares are issued and fully paid up. As at the date of this announcement, there are

- an outstanding of HK\$582.05 million zero coupon convertible notes due 2010 convertible into 1,322,840,906 new Shares upon exercise in full at the conversion price of HK\$0.44 per Share;
- an outstanding of approximately HK\$38.2 million zero coupon convertible notes due 2010 convertible into 86,826,977 new Shares upon exercise in full at the conversion price of HK\$0.44 per Share;
- an outstanding of 1% convertible notes due 2011 with principal amount of HK\$1,000 million convertible into 1,428,571,426 new Shares upon exercise in full at the conversion price of HK\$0.7 per Share; and
- outstanding share options attaching rights to subscribe for 31,300,000 Shares granted under the share option schemes of the Company.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Top-Up Subscription Shares.

Set out below is a summary of the audited consolidated results of the Group for the two financial years ended 31 March 2005 and 2006:

	For the year ended 31 March	
	2005	2006
	(Audited and restated)	(Audited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(Loss) before income tax	14,085	(70,435)
Net profit/(Loss) for the year	12,262	(73,092)

As at 30 September 2006, the unaudited consolidated net assets value of the Group attributable to the Shareholders amounted to approximately HK\$1,542 million.

As the Vendor is an indirect wholly-owned subsidiary of Hanny, the Placing and the Top-Up Subscription constitute a discloseable transaction for Hanny under the Listing Rules. A circular containing, among other things, further details of the Placing and the Top-Up Subscription contemplated under the Placing and Subscription Agreement will be despatched to the Hanny Shareholders in accordance with the Listing Rules.

Having considered (i) the terms and conditions of the Placing and Subscription Agreement and (ii) the financial effect to Hanny upon completion of the Placing and the Top-Up Subscription, the directors of Hanny are of the view that the Placing and the Top-Up Subscription are not of the price sensitive nature.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 2:30 p.m. on 18 May 2007 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 21 May 2007.

TERMS USED IN THIS ANNOUNCEMENT

“AGM”	the annual general meeting of the Company held on 8 September 2006
“Board”	the board of Directors
“Company”	Macau Prime Properties 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
“Director(s)”	director(s) of the board of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hanny”	Hanny Holdings Limited (Stock Code: 275), a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Hanny Shareholders”	holders of shares in Hanny
“Last Trading Date”	17 May 2007, being the last full trading day for the Shares before this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing and Subscription Agreement

“Placing”	the placing of 300,000,000 existing Shares beneficially owned by the Vendor pursuant to the terms of the Placing and Subscription Agreement
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activities (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing and Subscription Agreement”	the top-up placing and subscription agreement between the Vendor, the Company and the Placing Agent dated 18 May 2007 in relation to the Placing and Top-Up Subscription
“Placing Price”	HK\$0.56 per Placing Share
“Placing Share(s)”	an aggregate of 300,000,000 existing Shares beneficially owned by the Vendor and to be placed pursuant to the Placing and Subscription Agreement
“PRC”	The People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purpose of this announcement
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top-Up Subscription”	the subscription of 300,000,000 new Shares pursuant to the terms of the Placing and Subscription Agreement
“Top-Up Subscription Price”	HK\$0.56 per Top-Up Subscription Share
“Top-Up Subscription Share(s)”	a total of 300,000,000 new Shares to be subscribed for by the Vendor pursuant to the Placing and Subscription Agreement
“Vendor”	Loyal Concept Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Hanny
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

For and on behalf of the Board of
Macau Prime Properties Holdings Limited
Cheung Hon Kit
Chairman

For and on behalf of the board of
Hanny Holdings Limited
Dr. Chan Kwok Keung, Charles
Chairman

Hong Kong, 18 May 2007

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Fut Yan (*Managing Director*)
Mr. Wong Kam Cheong, Stanley (*Deputy Managing Director*)
Mr. Cheung Chi Kit
Mr. Lai Tsan Tung, David

Non-executive Directors:

Mr. Ho Hau Chong, Norman (*Deputy Chairman*)
Mr. Lo Lin Shing, Simon

Independent non-executive Directors:

Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva
Mr. Chui Sai Cheong

As at the date of this announcement, the directors of Hanny are as follows:

Executive directors:

Dr. Chan Kwok Keung, Charles (*Chairman*)

Dr. Yap, Allan (*Managing Director*)

Mr. Lui Siu Tsuen, Richard (*Deputy Managing Director*)

Independent non-executive directors:

Mr. Kwok Ka Lap, Alva

Mr. Wong King Lam, Joseph

Mr. Poon Kwok Hing, Albert

“Please also refer to the published version of this announcement in The Standard.”