POLY DEVELOPMENT HOLDINGS LIMITED
保興發展控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1141)

PLACING OF EXISTING SHARES
TOP-UP SUBSCRIPTION OF NEW SHARES

Placing Agent

CHUNG NAM SECURITIES LIMITED

On 14 May 2009, the Vendor entered into the Placing Agreement and the Top-Up Subscription Agreement with the Placing Agent and the Company respectively. Pursuant to the Placing Agreement, the Vendor agreed to place, through the Placing Agent an aggregate of 99,120,000 existing Shares, on a fully underwritten basis, to not less than six Placees, at a price of HK$0.102 per Share. Pursuant to the Top-Up Subscription Agreement, the Vendor conditionally agreed to subscribe for an aggregate of 99,120,000 new Shares at a price of HK$0.102 per Share.

The Placing Shares (or the Top-Up Subscription Shares) of 99,120,000 Shares represent approximately 7.10% of the Company's existing issued share capital and approximately 6.63% of its issued share capital as enlarged by the Top-Up Subscription.

The Placing Price (or the Top-Up Subscription Price) of HK$0.102 represents (i) a discount of approximately 4.67% to the closing price of the Shares of HK$0.107 quoted on the Stock Exchange on 14 May 2009; (ii) a discount of approximately 7.78% to the average closing price of the Shares of HK$0.1106 quoted on the Stock Exchange for the last five consecutive trading days immediately prior to 14 May 2009; and (iii) a premium of approximately 0.99% to the average closing price of the Shares of HK$0.101 quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to 14 May 2009.

* *For identification only*

The gross proceeds from the Top-Up Subscription will be approximately HK$10.11 million and net proceeds from the Top-Up Subscription of approximately HK$9.63 million will be used as general working capital of the Group.

The Placing is unconditional. The Top-Up Subscription is conditional, among other things, (1) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Top-Up Subscription Shares; (2) completion of the Placing; and (3) if required, the Bermuda Monetary Authority granting or agreeing to grant permission to allot, issue and subsequent transfer of the Top-Up Subscription Shares pursuant to the Top-Up Subscription.

PLACING AGREEMENT DATED 14 MAY 2009

Parties Involved:

The Placing Agent and the Vendor.

Placing Agent and Placees:

Chung Nam Securities Limited is the Placing Agent. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

The Placees, being independent individual, corporation and/or institutional investors, who and whose ultimate beneficial owners will be third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

The Placing is on a fully underwritten basis. The Placing Shares will be placed to not less than six Placees. It is expected that none of the Placees will become substantial shareholder of the Company immediately after the Placing.

Number of Placing Shares:

The Placing Shares (or the Top-Up Subscription Shares) of 99,120,000 Shares represent approximately 7.10% of the Company's existing issued share capital and approximately 6.63% of its issued share capital as enlarged by the Top-Up Subscription.

Placing Price:

The Placing Price (or the Top-Up Subscription Price) of HK$0.102 represents (i) a discount of approximately 4.67% to the closing price of the Shares of HK$0.107 quoted on the Stock Exchange on 14 May 2009; (ii) a discount of approximately 7.78% to the average closing price of the Shares of HK$0.1106 quoted on the Stock Exchange for the last five consecutive trading days immediately prior to 14 May 2009; and (iii) a premium of approximately 0.99% to the average closing price of the Shares of HK$0.101 quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to 14 May 2009.

The net placing price for the Placing is approximately HK$0.0972 per Share.

The Placing Price was negotiated on arm's length basis between the Company and the Placing Agent. The Directors consider that the Placing Price is fair and reasonable based on current market conditions and in the interest of the Company and the Shareholders as a whole.

Placing Commission payable to the Placing Agent:

The Placing Agent will receive a placing commission calculated as 2.5% of the amount equal to the Placing Price multiplied by the number of the Placing Shares.

Condition of the Placing:

The Placing is unconditional.

Completion:

Completion of the Placing shall take place on or before 5:00 p.m. on the second Business Day after the first Business Day of trading in the Shares after the date of the Placing Agreement or such other date and time as may be agreed between the Vendor and the Placing Agent.

THE TOP-UP SUBSCRIPTION AGREEMENT DATED 14 MAY 2009

Parties Involved:

The Company and the Vendor.

The Top-Up Subscription Price:

The Top-Up Subscription Price is HK$0.102 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 Share:

The number of Top-Up Subscription Shares is equivalent to the number of Placing Shares, being 99,120,000 Shares.

Ranking of Top-Up Subscription Shares:

The Top-Up Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the existing issued Shares.

Conditions of the Top-Up Subscription:

The Top-Up Subscription is conditional upon:

1. the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, all of the Top-Up Subscription Shares;

2. completion of the Placing; and

3. if required, the Bermuda Monetary Authority granting or agreeing to grant permission to allot, issue and subsequent transfer of the Top-Up Subscription Shares pursuant to the Top-Up Subscription.

The Top-Up Subscription Agreement does not provide either party the rights to waive the above conditions. However, to the best knowledge of the Directors, the approval from the Bermuda Monetary Authority as referred in condition (3) above is not required.

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

General Mandate:

The Top-Up Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the Company's annual general meeting held on 28 August 2008. Under this general mandate, the Directors are allowed to allot and issue up to 249,142,924 Shares. As at the date of this announcement, 150,000,000 Shares have been issued and allotted under such general mandate and therefore, the Company is allowed to issue a maximum of 99,142,924 Shares under such general mandate. The Top-Up Subscription Shares will utilize 99.98% of the said 99,142,924 Shares that are allowed to be allotted and issued under such general mandate.

Completion:

Under the Listing Rules, the Top-Up Subscription must be completed within 14 days from the date of the Placing Agreement, that is, on or before 27 May 2009.

In the event that the conditions to the Top-Up Subscription Agreement are not fulfilled by 27 May 2009, the Company and the Vendor may elect, subject to compliance with all requirements in relation to connected transactions under the Listing Rules, 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 TOP UP SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in supply and procurement business, provision of finance and securities investment.

The gross proceeds from the Top-Up Subscription will be approximately HK$10.11 million and the net proceeds from the Top-Up Subscription (after deducting the placing commission for the Placing and other expenses) of approximately HK$9.63 million will be used as general working capital by the Group.

The Directors have considered different types of fund raising arrangement such as rights issue and open offer and the Directors consider that the Placing and the Top-Up Subscription are the most efficient way in terms of cost and time involved for the Company. In the meantime, the Company can take this opportunity to broaden the capital base and shareholders base of the Company.

The Placing and Top-Up Subscription are not subject to Shareholders' approval.

FUND RAISING ACTIVITY DURING THE PAST 12 MONTHS

Apart from the fund raising activity mentioned below, the Company has not carried out other fund raising activities during the 12 months immediately preceding the date of this announcement.

Date of announcement	**Fund raising activity**	**Net proceeds raised** *HK$*	**Intended use of proceeds**	**Actual use of proceeds**
26 February 2009	Placing and top up subscription	10.85 million	To be used for general working capital	Used as intended

SHAREHOLDING STRUCTURE

	Immediately before completion of the Placing		**Immediately after completion of the Placing but before the Top-Up Subscription**		**After completion of the Placing and the Top-Up Subscription**	
	Shares	*%*	*Shares*	*%*	*Shares*	*%*
Global Wealthy Limited *(Note)*	358,966,714	25.72	259,846,714	18.62	358,966,714	24.01
The Placees	–	–	99,120,000	7.10	99,120,000	6.63
Public	1,036,747,909	74.28	1,036,747,909	74.28	1,036,747,909	69.36
Total	1,395,714,623	100.00	1,395,714,623	100.00	1,494,834,623	100.00

Note:

Global Wealthy Limited, a company incorporated in the British Virgin Islands with limited liability, is a wholly owned subsidiary of Excelsior Kingdom Limited, which in turn is wholly owned by Mr. Suen Cho Hung, Paul. Mr. Suen Cho Hung, Paul is an executive Director and the Chairman of the Company.

DEFINITIONS

In the announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“associate(s)”	has the meaning ascribed in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday) on which banks generally open for business in Hong Kong
“Company”	Poly Development Holdings Limited, a company incorporated in Bermuda whose Shares are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placees”	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 Agreement
“Placing”	placing of 99,120,000 existing Shares beneficially owned by the Vendor at the Placing Price pursuant to the Placing Agreement
“Placing Agent”	Chung Nam Securities Limited, a deemed licensed corporation within the meaning of the SFO
“Placing Agreement”	the placing agreement entered into between the Placing Agent and the Vendor dated 14 May 2009 in respect of the Placing
“Placing Price”	HK$0.102 per Share
“Placing Shares”	99,120,000 existing Shares to be placed under the Placing

"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shareholder(s)"	holder(s) of the Shares
"Share(s)"	the ordinary share of HK$0.01 each in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Top-Up Subscription"	the subscription of 99,120,000 new Shares by the Vendor pursuant to the terms of the Top-Up Subscription Agreement
"Top-Up Subscription Agreement"	the subscription agreement entered into between the Vendor and the Company dated 14 May 2009 in relation to the Top-Up Subscription
"Top-Up Subscription Price"	HK$0.102 per Share
"Top-Up Subscription Shares"	a total of 99,120,000 new Shares to be subscribed by the Vendor pursuant to the Top-Up Subscription Agreement
"Vendor"	Global Wealthy Limited, a company incorporated in the British Virgin Islands with limited liability and is beneficially owned by Mr. Suen Cho Hung, Paul, an executive Director and the Chairman of the Company
"HK$"	Hong Kong dollars
"%"	per cent.

By order of the Board
Lo Ming Chi, Charles
Deputy Chairman and Chief Executive Officer

Hong Kong, 14 May 2009

As at the date of this announcement, the Board comprises Mr. Suen Cho Hung, Paul (Chairman), Mr. Lo Ming Chi, Charles (Deputy Chairman and Chief Executive Officer) and Mr. Sue Ka Lok as Executive Directors and Mr. Wong Kwok Tai, Mr. Weng Yixiang, Mr. Lu Xinsheng and Mr. Xiong Wei as Independent Non-executive Directors.