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CHINA DEVELOPMENT CORPORATION LIMITED

(Incorporated in Hong Kong with limited liability)

PROPOSED SUBSCRIPTION OF NEW SHARES, PROPOSED PLACING OF NEW SHARES AND APPLICATION FOR THE GRANTING OF THE WHITEWASH WAIVER

The Board is pleased to announce that the Placing Agreement was completed on 31st July, 2003 and a total of 298,000,000 new Shares have been placed by the Placing Agent pursuant to the Placing Agreement to seven independent Placees. Immediately after Placing Completion, the public float of the Shares has been increased from approximately 12.5% to approximately 30.0%. As such, the minimum 25% public float of the Shares as stipulated in Rule 8.08 of the Listing Rules has been restored on 31st July, 2003.

The Board also announces that Mr. Ng Wai Ming resigned as an executive Director on 31st July, 2003

Reference is made to the joint announcements of the Company and the Subscribers dated 20th May, 2003, 10th June, 2003, 30th June, 2003 and 21st July, 2003 respectively, the announcement of the Company dated 25th July, 2003 and the circular (the "Circular") of the Company dated 2nd July, 2003 in relation to the Subscription, the Placing and the Whitewash Waiver. Unless the context otherwise requires, terms used herein shall have the same respective meanings as defined in the Circular.

COMPLETION OF THE PLACING AGREEMENT

The Board is pleased to announce that all the conditions of the Placing Agreement have been fulfilled on 30th July, 2003. Pursuant to a supplemental agreement between the Company and the Placing Agent dated 30th July, 2003, it was agreed that the Placing Agreement would be completed on 31st July, 2003, instead of on the third business day after all the conditions of the Placing Agreement have been fulfilled. Accordingly, the Placing Agreement was completed on 31st July, 2003 and a total of 298,000,000 new Shares have been placed by the Placing Agent pursuant to the Placing Agreement to seven independent Placees.

On 29th July, 2003, the Stock Exchange granted a waiver to the Company from strict compliance with Rule 8.08 of the Listing Rules during the period from 25th July, 2003 to 24th August, 2003. Immediately after Placing Completion, the public float of the Shares has been increased from approximately 12.5% to approximately 30.0%. As such, the minimum 25% public float of the Shares as stipulated in Rule 8.08 of the Listing Rules has been restored on 31st July, 2003.

The shareholding structures of the Company immediately before and after Placing Completion are set out below:

Name	Shareholding immediately before Placing Completion		Shareholding immediately after Placing Completion	
	No. of Shares	%	No. of Shares	%
Non-public				
The Subscribers				
– Silver Rich Macau Development Limited	678,080,000	56.9	678,080,000	45.5
– Spring Wise Investments Ltd.	290,606,000	24.4	290,606,000	19.5
– Leader Assets Ltd.	74,514,000	6.2	74,514,000	5.0
Sub-total	1,043,200,000	87.5	1,043,200,000	70.0
Public				
Placees (<i>Note</i>)	–	–	298,000,000	20.0
Other public	149,064,233	12.5	149,064,233	10.0
Total	<u>1,192,264,233</u>	<u>100.0</u>	<u>1,490,264,233</u>	<u>100.0</u>

Note: Each of the Placees holds less than 10% of the entire issued share capital of the Company immediately after Placing Completion.

RESIGNATION OF DIRECTOR

The Board also announces that Mr. Ng Wai Ming resigned as an executive Director on 31st July, 2003.

By order of the Board
China Development Corporation Limited
Chiu Nam Ying, Agnes
Company secretary

Hong Kong, 31st July, 2003