



合生創展集團有限公司

HOPSON DEVELOPMENT HOLDINGS LIMITED

Hopson Announces 2021 Annual Results

***Synergistic Development of Diversified Segments
Meeting All “Three Red Lines” Requirements with Sound Financial Position***

Financial Highlights

(For the year ended 31 December 2021)

- Turnover was HK\$30,734 million.
- Profit attributable to equity holders was HK\$9,759 million, of which net of tax gain on investment property revaluation accounted for HK\$7,838 million.
- Underlying profit was HK\$4,756 million.
- Basic and diluted earnings per share was HK\$3.71 per share.
- Proposed final dividend per share is HK15 cents per share.
- Bonus issue of one new share for every ten existing shares.

(31 March 2022 — Hong Kong) **Hopson Development Holdings Limited** (“Hopson” or the “Company”, which together with its subsidiaries, is referred to as the “Group”; stock code: 00754) announced its audited annual results for the year ended 31 December 2021 (the “Year”).

In 2021, Hopson maintained a steady and prudent pace in responding to changes in the industry, and actively embraced technology empowerment as well as innovation and diversified development. The Group continued to build a comprehensive development path with five major business segments, namely property development, commerce, Hooplife, infrastructure and investment. The Group has successfully transformed itself into a technology-enabled and industry-driven integrated investment holding platform, maintaining a steady upward trend even in the midst of the downward environment of structural adjustment in the industry.

During the Year, the Group's turnover was HK\$30,734 million. Due to the losses recorded in the investments segment, the underlying profit dropped to approximately HK\$4,756 million. Basic earnings per share were HK\$3.71. The board of directors (the “Board”) recommended the payment of a final dividend of HK15 cents per share, which, together with the interim dividend of HK50 cents per share, will bring the total dividend for the Year to HK65 cents per share. In addition, the Board has proposed to allot bonus shares to shareholders of the Company at the distribution rate of one new share for every ten existing shares.

In the property development segment, revenue of HK\$22,625 million, gross profit of HK\$7,454 million and net profit of HK\$5,860 million were recorded during the Year. The Group recorded total contracted sales of approximately HK\$51,736 million in 2021, up 22% comparing to approximately HK\$42,576 million in 2020. Affected by the product structure of sales, the average contracted selling price increased from HK\$26,169 per sq.m. in 2020 to HK\$47,081 per sq.m. in 2021, up 80% year on year. The Group delivered a total GFA of 1.24 million sq.m. during the Year. The major projects delivered include The Town of Hangzhou Bay (合生杭州灣國際新城) in Shanghai, Hopson Hushan Guoji Villa (合生湖山國際) in Guangzhou and Hopson No. 8 Royal Park (合生霄雲路8號) in Beijing.

The Group has abundant high-quality landbank in tier-1 cities such as Beijing, Shanghai and Guangzhou. As at 31st December 2021, the Group had a landbank of 29.44 million sq.m., of which 22.17 million sq.m. was reserved for property development segment, which is sufficient to meet the Group's future development needs. Of the Group's landbank, approximately 16.68 million sq.m. of high-quality landbank was located in tier-1 cities, which will provide impetus for the Group's long-term development, accounting for 75% of the landbank in the property development segment.

Besides, the commerce segment reported revenue of HK\$4,834 million, gross profit of HK\$3,575 million and net profit of HK\$8,083 million. The Hooplife segment recorded revenue of HK\$4,476 million, gross profit of HK\$1,499 million and net profit of HK\$309 million. The infrastructure segment reported revenue of HK\$10,598 million, gross profit of HK\$3,418 million and net profit of HK\$1,387 million.

During the Year, the Group continued to maintain a sound financial position to ensure sufficient liquidity. As at 31 December 2021, the Group's cash and cash equivalents amounted to approximately HK\$30,045 million, representing an increase of 7.7% as compared to the end of 2020. The Group's liability-to-asset ratio excluding advance receipts, net debt-to-equity ratio and cash to short-term debt ratio were 63%, 70% and 1.05 times respectively, meeting all the requirements of the "Three Red Lines" policy.

The year 2022 coincides with the Group's 30th anniversary since its incorporation in Hong Kong, which marks a new beginning for the Group to inject upward vitality into the Company leveraging technology and innovation. With the strengths accumulated over the years and the boldness to make changes, the Group will move forward steadily through the cycle, and actively address new challenges and seize new opportunities. In the future, the Group's development strategy will always revolve around the combination of light and heavy, with emphasis on brand building, quality recognition and market coverage to gain recognition from the market capital. In 2022, the Group plans to equip itself, achieve various targets, seek opportunities to strengthen capital capacity, and actively pursue quality projects to further consolidate its strength. In terms of internal management, the Group is committed to developing business models and systems into applications and transforming them into management tools to enhance the management quality and efficiency through "platform + individual" approach. In the future, the Group will continue to strengthen its team building so as to excel in the market in the next stage of its transformation.

The Group will optimize its deployment in reliance on the multifaceted business formats of property development, commerce, Hooplife, infrastructure and investment, and actively utilise advanced technologies such as block chain, big data and artificial intelligence to empower the entire industry chain and attract upstream and downstream users to the industry platform, thereby contributing to the building of an industry ecosystem by the Group.

Actively embracing new technologies, accelerating the Company's technology transformation and informatization empowerment and expanding its business reach have all become the Group's core strengths in leading the industry, and a powerful tool for internal and external reformations and competitiveness enhancement. In the future, the Group will improve its management efficiency through technology and drive industrial restructuring with innovative thinking, providing adequate protection for the sustainable, long-term and quality growth of the Group, which will not only set a new trend in the industry development but also deliver substantial returns for shareholders in the long run.

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