

[For Immediate Release]



合生創展集團有限公司  
HOPSON DEVELOPMENT HOLDINGS LIMITED

## Hopson Announces 2023 Annual Results

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***Underlying Profit Increase Significantly by 114%  
Capital Structure is Continuously Stable and Optimized***

### Financial Highlights

*(For the year ended 31 December 2023)*

- Turnover was HK\$34,292 million
- Gross profit was HK\$9,496 million and a gross profit margin was 28%
- Profit attributable to equity holders was HK\$2,922 million
- Underlying profit was HK\$2,314 million
- Basic and diluted earnings per share was HK\$0.77 per share
- Total interest-bearing debt was down by 10% compared to the level at 31 December, 2022

(27 March 2024 — 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 2023 (the “Year”).

In 2023, in the face of the difficulties in the industry, Hopson has been committing to long-term benefits and adhering to a prudent approach by implementing a business strategy of “steady development” which integrates innovation thinking with technological empowerment to shape multi-dimensional core competitiveness with parallel development of the five segments, namely, the real estate segment, the commercial segment, the Hooplife segment, the investments segment and the infrastructure segment. The Group has overcome the test of the industry cycle and is continuously and steadily moving forward. Having always been guided by a “medium-to-high-end boutique development strategy”, the Group continues to refine its products, rejuvenate its brands and enhance its services, which integrates high-quality products and premium brand services with innovative marketing, and has successfully demonstrated its vigorous corporate vitality. This, coupled with the Group’s abundant and quality core land resources, has helped the Group make solid strides towards high-quality development. In addition, the Group has been adhering to its responsibility and commitment amid the market downturn by actively keeping its credibility of “guaranteeing delivery, quality and people’s livelihood”, which has enabled the Group to gain the confidence of various parties such as home buyers, financial institutions and the governments. Meanwhile, the Group has been able to manage its liabilities well with a low gearing ratio and sufficient cash flows, which further strengthens the market’s recognition of its reputation and sound operation, enables the Group to maintain its comparative advantage in a highly competitive industry and lays a solid foundation for its sustainable development in the future.

During the Year, the Group's turnover was HK\$34,292 million. Gross profit amounted to HK\$9,496 million with a gross profit margin of 28.0%. Profit attributable to equity holders was HK\$2,922 million. Excluding the effect of the net of tax gain from investment property revaluation of HK\$2,047 million, the net of tax gain from disposal of subsidiaries and joint ventures of HK\$1 million and gain on disposal of derivative financial instruments of HK\$3 million, adding back the net of tax from donations of HK\$20 million, withholding tax on dividend income from subsidiaries of HK\$233 million, provision for impairment of investment in an associate of HK\$160 million and provision for impairment of properties under development for sale and completed properties for sale of HK\$1,030 million, the underlying profit amounted to HK\$2,314 million, representing an increase of HK\$1,233 million, or 114.1%, as compared to last year. Basic and diluted earnings per share was HK\$0.77 per share. The board of directors (the "Board") did not recommend any payment of final dividend for the year ended 31 December 2023.

During the Year, the Group recorded total contracted sales of approximately RMB32,583 million and delivered a total GFA of 1.45 million sq.m. The major projects delivered include Beijing Jinmao Palace Phase II (北京金茂府II期) and MAHA Beijing (縵合北京) in Northern China, Hesong Lanting (合頌蘭亭) and The Town of Hangzhou Bay (合生杭州灣國際新城) in Eastern China, and Hopson Hushan Guoji Villa (合生湖山國際) in Southern China.

The Group has abundant high-quality landbank in core regions. As at 31 December 2023, the Group had a landbank of 27.62 million sq.m., enabling the Group make solid strides towards high-quality development.

During the year, the Group has effectively managed its interest-bearing debt structure and its capital structure continued to improve. As at 31 December 2023, the Group's total liabilities were HK\$187,709 million, representing a decrease of 6% as compared to 31 December 2022. The decrease in total liabilities was mainly attributable to the decrease in borrowings. The total interest-bearing debt decreased to HK\$86,855 million, down by 10% from that as at 31 December 2022. In particular, corporate bonds accounted for only 4% of the Group's total interest-bearing liabilities, and the Group did not have any outstanding credit bonds which were corporate bonds or medium-term notes on the onshore market.

Looking ahead to 2024, with a series of the economy-stabilising policies and measures adopted by the Chinese government significantly taking effect, it is expected that the Chinese economic growth will be set to normalise with a gradual recovery. For the real estate industry which is a pillar industry of the national economy, it is clearly evident that the central government is determined to stabilise the real estate market. The focus of the work for the real estate market in 2024 has been the continuous prevention of risks, the accelerated construction of the "Three Major Projects" and the accelerated development of a new real estate growth model according to the Central Economic Work Conference held in December 2023. The continuous relaxation of policies and the introduction of relief measures will bring many favourable factors to the real estate market. It is expected that the market confidence and expectations can be rebuilt to promote the steady development of the real estate market.

In the face of new opportunities and challenges, the Group will closely follow the changes of the new growth model in the market, continue to adhere to a prudent and steady development style, and continuously promote a diversified business strategy that emphasizes both investment and operation, so as to continue to improve its profitability on the basis of financial security. As a high-quality lifestyle service operator of the whole industry chain, the Group will also continue to strengthen its products and brand power to help upgrade the city and living life with its superior products and services, adhere to its brand philosophy of “enjoying high-quality lifestyle”, commit to long-term benefits to lead the industry in realizing sustainable high-quality development, and create long-term value for its shareholders.

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