

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

SUPPLEMENTAL ANNOUNCEMENT USE OF PROCEEDS FROM THE SUBSCRIPTIONS

Reference is made to the announcement of the Company dated 9 November 2021 relating to the issue of the Subscription Shares under general mandate (the “**Announcement**”). Unless otherwise defined, the capitalised terms used herein shall have the same meanings as defined in the Announcement.

USE OF PROCEEDS FROM THE SUBSCRIPTIONS

The Company wishes to provide further information relating to the intended use of proceeds from the Subscriptions.

As disclosed in the Announcement, the net proceeds from the Subscriptions is expected to be approximately HK\$15.64 million which shall be used for capital injection in Beijing Orient LegendMaker, an indirect non wholly-owned subsidiary of the Company. In respect of the HK\$15.64 million, the Company intends to use the net proceeds in the following manner:

- (a) approximately HK\$7.3 million shall be used for the research and development of the artificial intelligence related solutions software by Beijing Orient LegendMaker, of which (i) approximately 85% shall be applied as salaries and allowances for employment of engineers for the research and development project; (ii) approximately 5% on procurement of computers, equipment and the related hardwares; and (iii) approximately 10% on payment of service fees for the engagement of consultants and service providers relating to this project; and

- (b) approximately HK\$8.34 million shall be used for expansion of Group's existing business to promote a domestic-produced database software (the "**Relevant PRC Software**") to its end customers. The Company is an authorised distributor of the Relevant PRC Software and it subsequently on-sells the Relevant PRC Software to its end customers. Of the HK\$8.34 million, (i) approximately 95% of which shall be applied as staff costs for the employment of the engineers who shall provide on-site technical support services relating to its end customers whom subscribed for the Relevant PRC Software and (ii) approximately 5% on the procurement of the computer, equipment and the related hardwares.

The Company intends to self-develop its own artificial intelligence related solutions product which could facilitate management decisions and allocation of human resources within a company based on its available big data resources.

The Company as an authorised distributor has been providing imported and domestic-produced software to end customers and, upon request of the end customers, the Company assists engagement of engineers to provide end customers on-site maintenance, troubleshooting and ancillary technical support services relating to the relevant software. In respect of the application of proceeds from the Subscription relating to the expansion of business in connection with the Relevant PRC Software, the Company notices that certain state-owned enterprises and financial institutions have been switching from imported database software to domestic-produced database service providers. The Company expects that on a long-term basis, in line with the national policy of information technology self-sufficiency, there will be more PRC-based customers switching to the domestic brand when seeking for database software service providers. In light of the above, the Company believes that the proposed use of proceeds to promote the Relevant PRC Software shall increase its competitive advantage and facilitate the long-term business development of the Group.

The additional information as disclosed above does not affect any other information contained in the Announcement.

By Order of the Board
Enterprise Development Holdings Limited
Li Zhuoyang
Executive Director

Hong Kong, 29 November 2021

As at the date of this announcement, the Board comprises one executive Director, namely Ms. Li Zhuoyang, and two independent non-executive Directors, namely Mr. Cai Jinliang, and Mr. Chin Hon Siang.