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合 生 創 展 集 團 有 限 公 司*

HOPSON DEVELOPMENT HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 754)

Website: <http://www.irasia.com/listco/hk/hopson>

RESIGNATION OF AUDITOR

This announcement is made by Hopson Development Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

RESIGNATION OF AUDITOR

The board of directors of the Company (the “**Board**”) announces that, as the Company and PricewaterhouseCoopers (“**PwC**”) could not reach a consensus on the audit fee for the financial year ended 31 December 2021 (“**FY2021**”), PwC was informed on 20 January 2022 that the Board had resolved to request PwC to consider resigning as the auditor of the Company for FY2021. As PwC had not been able to plan and implement relevant audit procedures for the following material matters, PwC agreed to resign as the auditor of the Company with effect from 27 January 2022.

Set forth below is a summary of the matters mentioned by PwC in its resignation letter (the “**Resignation Letter**”) that need to be brought to the attention of the shareholders (the “**Shareholders**”) and creditors of the Company:

PwC discussed the following matters with the Company and requested the management to provide further information when commencing its audit process for FY2021. However, PwC has not obtained the requisite information for the following matters to date, and therefore, it could not plan and complete the necessary audit procedures for the time being. These matters include the accounting treatment of certain of the Group’s equity investments and property projects and the valuation of the Group’s investment properties, as well as the overall impact of these material matters on the Group’s financial statements and relevant disclosures.

The Board has reviewed the Resignation Letter and is of the view that:

1. given that the Company and PwC had yet to reach a consensus on the audit fee for FY2021, the Company considers it premature to provide further information and/or documents in relation to the above-mentioned equity investments, property projects and investment properties for the purpose of determining the accounting treatment and valuation in the audit for FY2021; and
2. the Company will resolve the abovementioned material matters in accordance with its accounting policies and applicable accounting standards and will appropriately reflect the relevant matters in the Group's financial statements for FY2021.

The Board expresses its gratitude to PwC for its professional services and support provided to the Company in the past years.

APPOINTMENT OF NEW AUDITOR

Pursuant to the bye-laws of the Company, if the office of auditor becomes vacant by the resignation of the auditor, the Board shall as soon as practicable convene a special general meeting to fill the vacancy.

The Company will make further announcement and convene the special general meeting in relation to the appointment of the new auditor as soon as practicable in accordance with the Company's bye-laws and the Listing Rules.

The Board and the audit committee of the Company confirm that save for the above-mentioned, there are no matters in respect of the change of auditor that need to be brought to the attention of the Shareholders and creditors of the Company.

By Order of the Board
Hopson Development Holdings Limited
Chu Kut Yung
Chairman

Hong Kong, 27 January 2022

As at the date of this announcement, the Board comprises eight directors. The executive directors are Ms. Chu Kut Yung (Chairman), Mr. Zhang Fan (Co-president), Mr. Au Wai Kin, Mr. Xie Bao Xin and Mr. Bao Wenge; and the independent non-executive directors are Mr. Tan Leng Cheng, Aaron, Mr. Ching Yu Lung and Mr. Ip Wai Lun, William.

* *For identification purposes only*