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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>

PROPOSED BONUS ISSUE OF SHARES

BONUS ISSUE

Reference is made to the announcement of the Company dated 30 March 2023 relating to the annual results of the Company for the year ended 31 December 2022. The Board is pleased to announce that it has resolved to make the Bonus Issue on the basis of two Bonus Shares for every ten existing Shares held by the Shareholders whose names appear on the register of members of the Company on the Record Date (i.e. Friday, 7 July 2023), upon the fulfillment of the conditions set out in the paragraph headed “Conditions of the Bonus Issue” in this announcement.

Basis of the Bonus Issue

Subject to the conditions set out under the paragraph headed “Conditions of the Bonus Issue” below having been fulfilled, the Bonus Shares will be issued and credited as fully paid at par on the basis of two Bonus Shares for every ten existing Shares held by the Shareholders whose names appear on the register of members of the Company on the Record Date.

On the basis of 2,873,136,797 Shares in issue as at the date of this announcement, and assuming that there is no change to the number of issued Shares on or before the Record Date, it is anticipated that a total of 574,627,359 Bonus Shares will be allotted and issued under the Bonus Issue. The Bonus Shares may be allotted in odd lot (i.e. less than a board lot of 100 Shares). Immediately upon the completion of the Bonus Issue, there will be a total of 3,447,764,156 Shares in the enlarged issued share capital of the Company. The Bonus Shares will be credited as fully paid at par by way of capitalisation of an amount of HK\$57,462,735.90 standing to the credit of the share premium account of the Company pursuant to the Bonus Issue. To facilitate the Bonus Issue, approval will be sought from the Shareholders at the AGM for the Increase in Authorised Share Capital.

Status of the Bonus Shares

The Bonus Shares, upon issue and subject to the Bye-laws and the laws of Bermuda, will rank *pari passu* in all respects with the then existing Shares in issue on the date on which the Bonus Shares are allotted and issued, including the entitlement of receiving future dividends and other distributions the record date for which falls on or after the date of allotment and issue of those Bonus Shares.

Fraction of Bonus Shares

The total number of Bonus Shares to be issued to any Shareholders will be rounded down to a whole number, if there are any fractional entitlements of the Bonus Shares. Such fractional entitlements arising from the Bonus Issue (if any) will not be issued to the Shareholders, but will be aggregated and, if possible, sold and the proceeds shall be retained for the benefit of the Company in such manner and on such terms as the Directors may think fit.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the AGM for approving the Increase in Authorised Share Capital;
- (ii) the passing of an ordinary resolution by the Shareholders at the AGM for approving the Bonus Issue;
- (iii) the Listing Committee granting the listing of, and permission to deal in the Bonus Shares; and
- (iv) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of Bermuda and the Bye-laws of the Company to effect the Bonus Issue.

Closure of register of members

For the purpose of determining the Shareholders' entitlements to the Bonus Issue, the register of members of the Company will be closed from Tuesday, 4 July 2023 to Friday, 7 July 2023 (both days inclusive), during which period no transfer of Shares will be registered.

In order to qualify for the entitlements to the Bonus Issue, all transfers of Shares should be lodged for registration with Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 3 July 2023.

Listing, dealings and share certificates for the Bonus Shares

Application will be made to the Listing Committee for the listing of, and permission to deal in the Bonus Shares. The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange.

It is expected that the share certificates for the Bonus Shares will be posted by ordinary post on or before Friday, 28 July 2023, after all the conditions of the Bonus Issue have been fulfilled, at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date.

Subject to the fulfillment of all the conditions of the Bonus Issue, dealings in the Bonus Shares on the Stock Exchange are expected to commence on Monday, 31 July 2023.

Overseas Shareholders

As at the date of this announcement, none of the Shareholders as recorded on the register of members of the Company has an address which is outside Hong Kong.

Should there be any Overseas Shareholders on the Record Date, the Company will make enquiry pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange. Based on the results of such enquiry, the Board will consider whether to exclude such Overseas Shareholders from the Bonus Issue and it may only exclude such Overseas Shareholders on the basis that, having made such enquiry, it would be necessary or expedient to do so. If any such Overseas Shareholder is excluded, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Overseas Shareholders to be sold in the market as soon as practicable after dealings commence. Any net proceeds of such sale for each Overseas Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant Overseas Shareholders, by post at his/her/its own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

Reasons for the Bonus Issue

The Group remains cautiously optimistic about the prospects of the real estate and property development markets in the PRC. In light of the current market conditions, the Board considers that it would be prudent to preserve cash for the Group to implement its upcoming business development and plans and launch new projects, which are expected to bring positive returns to the Shareholders. After careful and thorough consideration, the Board did not recommend the payment of a final dividend for the year ended 31 December 2022. Nonetheless, with a view to recognising continual support of the Shareholders, the Board has resolved to make the Bonus Issue to enable the Shareholders to enjoy a pro-rata increase in the number of Shares being held in the Company without incurring any costs.

Although the price per Share on an ex-entitlement basis is expected to reduce proportionately and the Bonus Issue is not expected to increase the Shareholders' proportionate equity interests in the Company, the Bonus Issue will increase the number of Shares to be held by the Shareholders, which will afford them with more flexibility in managing their own investment portfolios. The Board believes that the Bonus Issue will not only enhance the liquidity of the Shares in the market and enlarge the capital base of the Company but also represent an appropriate and balanced way to respond to the support of the Shareholders throughout the years.

EXPECTED TIMETABLE

The expected timetable^{Note} for the Bonus Issue is set out below:

Event	2023 (Hong Kong time)
Latest time for lodging transfers of Shares to qualify for attendance and voting at the AGM.....	4:30 p.m. on Friday, 9 June
Book closure period for determining entitlements to attend and vote at the AGM (both days inclusive).....	Monday, 12 June to Thursday, 15 June
Latest time for lodging the proxy form for the AGM (not less than 48 hours before the time fixed for the AGM or any adjournment thereof)	10:30 a.m. on Tuesday, 13 June
Record date for determining entitlements to attend and vote at the AGM.....	Thursday, 15 June
Date and time of the AGM.....	10:30 a.m. on Thursday, 15 June
Announcement of the poll results of the AGM.....	Thursday, 15 June
The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “Conditions of the Bonus Issue” in this announcement	
Last day of dealing in Shares cum-entitlements to the Bonus Issue.....	Thursday, 29 June
First day of dealing in Shares ex-entitlements to the Bonus Issue.....	Friday, 30 June
Latest time for lodging transfers for entitlements to the Bonus Issue.....	4:30 p.m. on Monday, 3 July
Book closure period for determining entitlements to the Bonus Issue (both days inclusive).....	Tuesday, 4 July to Friday, 7 July
Record Date for determining entitlements to the Bonus Issue.....	Friday, 7 July
Register re-opens.....	Monday, 10 July
Despatch of the certificates for Bonus Shares.....	Friday, 28 July
First day of dealing in Bonus Shares.....	9:00 a.m. on Monday, 31 July

Note: All times in this announcement refer to Hong Kong times. Dates and deadlines specified above are indicative only and may be varied by the Company. If trading of Shares on the Stock Exchange is interrupted due to a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by super typhoons (as announced by the Government of Hong Kong) and/or a black rainstorm warning, the record date or book close date (thus the entitlement date) may need to be postponed. In such circumstance, the Company will publish an announcement on the revised timetable as soon as practicable.

GENERAL

The AGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Increase in Authorised Share Capital and the Bonus Issue. The Company will despatch a circular to the Shareholders as soon as possible to provide further information about the Bonus Issue and the notice convening the AGM.

The register of members of the Company will be closed from Monday, 12 June 2023 to Thursday, 15 June 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to determine the Shareholders’ entitlement to attend and vote at the AGM, all transfer of Shares accompanied by the relevant share certificates must be lodged with the Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 9 June 2023.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following capitalised terms shall have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at Unit 4903–10, 49/F., The Center, 99 Queen’s Road Central, Central, Hong Kong on Thursday, 15 June 2023 at 10:30 a.m. or any adjournment thereof
“Board”	the board of Directors
“Bonus Issue”	the issue of Bonus Shares to the Shareholders whose names appear on the register of members of the Company as at the close of business on the Record Date on the basis of two Bonus Shares for every ten existing Shares held by the Shareholders on the Record Date
“Bonus Share(s)”	new Share(s) to be allotted and issued by the Company by way of Bonus Issue on the terms set out in this announcement
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Company”	Hopson Development Holdings Limited, a company incorporated in Bermuda and whose shares are listed on the Stock Exchange

“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the proposed increase in the Company’s authorised share capital from HK\$300,000,000 divided into 3,000,000,000 Shares to HK\$600,000,000 divided into 6,000,000,000 Shares by creating an additional 3,000,000,000 unissued Shares
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong
“Record Date”	Friday, 7 July 2023, being the record date by reference to which entitlements to the Bonus Share will be determined
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholders”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 4 April 2023

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 purpose only*