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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

**If you have sold or transferred** all your shares in **Hopson Development Holdings Limited** (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



**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>*

**PROPOSALS FOR**  
**(1) RE-ELECTION OF RETIRING DIRECTORS**  
**AND**  
**(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**  
**AND**  
**(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**  
**AND**  
**(4) PROPOSED BONUS ISSUE OF SHARES**

The letter from the board of directors of the Company is set out on pages 6 to 18 of this circular. The notice convening the annual general meeting (the “AGM”) of the shareholders of the Company (the “Shareholders”) to be 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. is set out on pages 22 to 27 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the AGM or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you wish and in such event, the form of proxy shall be deemed to be revoked.

\* *for identification purposes only*

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## DEFINITIONS

*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“2022 Annual Report”	the 2022 annual report of the Company
“AGM”	the annual general meeting of the Company to be 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 or a duly authorised committee of the board of Directors
“Bonus Issue”	the proposed 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 Issue Announcement”	the announcement of the Company dated 4 April 2023 relating to the Bonus Issue
“Bonus Share(s)”	new Shares(s) to be allotted and issued by the Company by way of Bonus Issue on the terms set out in this circular
“Bye-laws”	the bye-laws of the Company (as amended from time to time)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Hopson Development Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on the main board operated by the Stock Exchange
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) from time to time of the Company
“Group”	the Company and its subsidiaries from time to time
“HKSCC”	Hong Kong Securities Clearing Company Limited

## DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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
“Ju Rong”	Ju Rong Investment Holdings Limited 聚融投資控股有限公司, a limited company incorporated in Hong Kong
“Latest Practicable Date”	28 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“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
“PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Record Date”	Friday, 7 July 2023, being the record date by reference to which entitlements to the Bonus Shares will be determined
“RMB”	Renminbi, the lawful currency of PRC
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company (or of such other nominal amount as comprising the ordinary share capital of the Company as shall result from a sub-division or a consolidation of the share capital of the Company from time to time)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

## DEFINITIONS

“substantial Shareholder(s)” has the meaning ascribed to it under the Listing Rules

“Takeovers Code” the Hong Kong Code on Takeovers and Mergers

“%” per cent

## EXPECTED TIMETABLE

The expected timetable<sup>Notes</sup> of the events relating to the Bonus Issue is set out below:

<b>Event</b>	<b>2023</b> <i>(Hong Kong time)</i>
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
 <b>The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “Letter from the Board — (5) BONUS ISSUE — Conditions of the Bonus Issue” in this circular</b>	
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

## EXPECTED TIMETABLE

*Notes:* All times in this circular 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.

As it is anticipated that the Company will have to allocate existing resources and manpower in July 2023 for the preparation of interim results and interim report in respect of the six months ending 30 June 2023, in order to allow sufficient time for making arrangements for the Bonus Issue, including but not limited to, determining Shareholders’ entitlements to the Bonus Issue and preparing and despatching certificates for the Bonus Shares to the eligible Shareholders, there is a time interval of four weeks between (i) the first day of dealing in Shares entitlements to the Bonus Issue (i.e. 30 June 2023) and (ii) the day for despatching the certificates for Bonus Shares (i.e. 28 July 2023).



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**HOPSON DEVELOPMENT HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 754)**

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

*Executive Directors:*

CHU Kut Yung (*Chairman*)

ZHANG Fan (*Co-president*)

AU Wai Kin

XIE Bao Xin

BAO Wenge

*Principal Office:*

Unit 4903–10

49/F., The Center

99 Queen's Road Central

Central

Hong Kong

*Independent Non-executive Directors:*

TAN Leng Cheng, Aaron

CHING Yu Lung

IP Wai Lun, William

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

5 May 2023

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
(1) RE-ELECTION OF RETIRING DIRECTORS  
AND  
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES  
AND  
(3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL  
AND  
(4) PROPOSED BONUS ISSUE OF SHARES**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM involving (1) the re-election of retiring Directors; (2) the grant to the Directors general mandates to allot, issue and deal with additional Shares and to repurchase Shares, and the extension of the general mandate to allot, issue and deal with new Shares by the addition thereto of any Shares repurchased by the Company; (3) the Increase in Authorised Share Capital; and (4) the Bonus Issue.

\* *for identification purposes only*



## LETTER FROM THE BOARD

### (1) RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 87(1) of the Bye-laws, Mr. Xie Bao Xin, Mr. Bao Wenge and Mr. Ip Wai Lun, William will retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

#### **Recommendations of the Nomination Committee**

In accordance with the terms of reference of the nomination committee of the Company (the “**Nomination Committee**”), the Nomination Committee has:

- (a) reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of each of the retiring Directors, namely Mr. Xie Bao Xin, Mr. Bao Wenge and Mr. Ip Wai Lun, William with reference to the nomination principles and criteria set out in the Company’s board diversity policy and director nomination policy and the Company’s corporate strategy; and
- (b) assessed the independence of the independent non-executive Director to be re-elected, being Mr. Ip Wai Lun, William.

The Nomination Committee is of the opinion that:

- (a) the performance of each of Mr. Xie Bao Xin, Mr. Bao Wenge and Mr. Ip Wai Lun, William were satisfactory; and
- (b) based on the information available to the Nomination Committee and having taken into account the independence confirmation given by Mr. Ip Wai Lun, William, the Nomination Committee was satisfied that Mr. Ip (i) met the criteria set out in rule 3.13 of the Listing Rules; and (ii) was a person of integrity and independent in character and judgment, and the Nomination Committee considered Mr. Ip as independent to the Company; (iii) can continue to bring independent judgment and fresh perspectives to the Board as demonstrated by his commitment and contribution during his service, which has helped the Company to achieve its corporate goals and objectives; and (iv) Mr. Ip’s extensive expertise in corporate and investment banking would help promote the Board effectiveness and enhance the Board’s balance of skills, experience and diversity of ideas on issues relating to the Group’s strategies, policies and performance.

Accordingly, the Nomination Committee has recommended to the Board on re-election of Mr. Xie Bao Xin and Mr. Bao Wenge as executive Directors; and Mr. Ip Wai Lun, William as an independent non-executive Director.

## LETTER FROM THE BOARD

The qualifications, previous experience and major appointments of all the Directors who stand for re-election at the AGM are set out in the “Directors’ Profile” section contained in the 2022 Annual Report which has been sent to the Shareholders. Other biographical details of each of the said Directors, as required to be disclosed pursuant to rule 13.51(2) of the Listing Rules, are set out below for the Shareholders’ consideration.

**(a) Mr. Xie Bao Xin (aged 42)**

Mr. Xie joined the Group in July 2002 and was appointed to the Board on 11 July 2013. He is currently an executive Director and the chief financial officer of the Company. He is also a director of certain subsidiaries of the Company and a member of each of the option shares committee and the finance committee of the Company.

Mr. Xie was the General Manager of Finance and Investment Management Centre of the Group and the members of the Group established in the Guangzhou District. Mr. Xie did not hold any directorship in any other listed companies in the last three years, and does not have any relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders.

Mr. Xie has a service contract with the Company for a term of three years commencing from 11 July 2013, which was renewed for a further term of three years commencing from 11 July 2022. Mr. Xie is subject to retirement by rotation and re-election in accordance with the Bye-laws. Pursuant to Mr. Xie’s service contract, he is entitled to an annual remuneration of HK\$1,495,000 (including housing and business subsidies).

As at the Latest Practicable Date, Mr. Xie did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

**(b) Mr. Bao Wenge (aged 46)**

Mr. Bao joined the Group in 2000 and was appointed to the Board on 18 November 2014. He is an executive Director and a director of certain subsidiaries of the Company. He is also the vice president of the Group and a member of the option shares committee of the Company. Mr. Bao did not hold any directorship in any other listed companies in the last three years, and does not have any relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders.

Mr. Bao has a service contract with the Company for a term of three years commencing from 18 November 2014, which was renewed for a further term of three years commencing from 18 November 2020. Mr. Bao is subject to retirement by rotation and re-election in accordance with the Bye-laws. Pursuant to Mr. Bao’s service contract, he is entitled to an annual remuneration of HK\$1,543,000 (including housing and business subsidies).

## LETTER FROM THE BOARD

As at the Latest Practicable Date, Mr. Bao did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

**(c) Mr. Ip Wai Lun, William (aged 66)**

Mr. Ip was appointed to the Board as an independent non-executive Director on 6 May 2021. He is also a member of each of the audit committee, remuneration committee, connected transactions/related party transactions committee of the Company and the Nomination Committee. Mr. Ip currently serves as an independent non-executive director of Kantone Holdings Limited (看通集團有限公司) (which is listed on the Stock Exchange with stock code: 1059). Save as disclosed, Mr. Ip did not hold any directorship in any other listed companies in the last three years.

Mr. Ip does not have any relationship with any other Directors, senior management or substantial Shareholders or controlling Shareholders or hold any other position with the Company or any member of the Group.

Mr. Ip has entered into a letter of appointment with the Company in respect of his appointment as an independent non-executive Director commencing from 6 May 2021 which can be terminated by either party giving the other not less than three months' prior notice. Mr. Ip's directorship with the Company is subject to retirement by rotation and re-election in accordance with the Bye-laws. Subject to review by the Board from time to time, Mr. Ip is entitled to an annual Director's fee of HK\$370,000.

As at the Latest Practicable Date, Mr. Ip did not have any interest (within the meaning of Part XV of the SFO) in the securities of the Company.

**(d) General**

- (i) The emoluments of all Directors are determined with reference to the Directors' duties and responsibilities, the Company's performance, as well as remuneration benchmark in the industry and prevailing market conditions.
- (ii) Save for the information set out in this section and in the 2022 Annual Report, there is no other matter that needs to be brought to the attention of the Shareholders or other information that should be disclosed under rule 13.51(2) of the Listing Rules.

## LETTER FROM THE BOARD

### (2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the general mandates granted to the Directors to allot, issue, and deal with and repurchase Shares respectively pursuant to resolutions passed by the Shareholders at the Company's annual general meeting held on 10 June 2022 will lapse at the conclusion of the AGM, resolutions will be proposed at the AGM to renew the grant of these general mandates. The relevant resolutions, in summary, are:

- an ordinary resolution to grant to the Directors a general and unconditional mandate to allot, issue, and deal with additional securities of the Company (including, *inter alia*, offers, agreements, options, warrants or similar rights in respect thereof) not exceeding 20% of the number of the Company's issued shares as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "**Issue Mandate**"). On the basis of 2,873,136,797 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, exercise in full of the Issue Mandate could result in up to 574,627,359 Shares being issued by the Company;
- an ordinary resolution to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the number of the Company's issued shares as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the "**Share Repurchase Mandate**"); and
- conditional on the passing of the resolutions to grant the Issue Mandate and the Share Repurchase Mandate, an ordinary resolution to authorise the Directors to exercise the powers of the Company to allot, issue, and deal with additional securities under the Issue Mandate by adding those Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

The explanatory statement providing the requisite information regarding the Share Repurchase Mandate as required to be sent to Shareholders under the Listing Rules is set out in Appendix I to this circular.

### (3) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The existing authorised share capital of the Company is HK\$300,000,000 divided into 3,000,000,000 Shares of par value of HK\$0.1 each, of which 2,873,136,797 Shares are in issue and 126,863,203 Shares are authorised but unissued as at the Latest Practicable Date.

## LETTER FROM THE BOARD

In order to facilitate the Bonus Issue, accommodate the growth of the Group and to provide the Company with greater flexibility to raise funds in the future, the Board proposed the Increase in Authorised Share Capital. The Board believes the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole.

Upon the Increase in Authorised Share Capital becoming effective and assuming no Shares are issued or repurchased from the Latest Practicable Date up to the date of the AGM, the authorised share capital of the Company will become HK\$600,000,000 divided into 6,000,000,000 Shares of par value of HK\$0.1 each, with 2,873,136,797 Shares in issue and 3,126,863,203 Shares that are authorised but unissued. The new Shares authorised to be allotted and issued by the Company shall rank *pari passu* with the existing Shares upon issue.

The proposed Increase in Authorised Share Capital is subject to the approval by the Shareholders by way of an ordinary resolution at the AGM. As at the Latest Practicable Date, save for the Bonus Issue, the Company does not have any other present intention to issue Shares from any part of the Increase in Authorised Share Capital and may or may not further issue Shares in the future depending on market conditions and the financial needs of the Company.

#### **(4) BONUS ISSUE**

Reference is made to the Bonus Issue Announcement where the Board announced that it had 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 fulfilment of the conditions set out in the paragraph headed “Conditions of the Bonus Issue” in this circular.

Given that the Bonus Issue will be effected by way of capitalisation of the share premium account of the Company, the Board will seek approval from the Shareholders for the Bonus Issue at the AGM in accordance with the Bye-laws and applicable laws and regulations of Bermuda. Therefore, a resolution will be proposed at the AGM for approving the Bonus Issue, including the allotment and issue of the Bonus Shares under the Bonus Issue. As the Bonus Shares will be issued on a pro-rata basis of two Bonus Shares for every ten existing Shares (apart from the fractional entitlements of the Bonus Shares (if any)), pursuant to Rule 13.36(2)(a) of the Listing Rules, the Bonus Shares will not be allotted and issued under the Issue Mandate (if the ordinary resolution to grant to the Directors the Issue Mandate is approved by the Shareholders).

## LETTER FROM THE BOARD

Further details of the Bonus Issue are set forth below:

### **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 Latest Practicable Date, 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. 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 represent approximately 20% of the number of the Shares in issue as at the Latest Practicable Date and approximately 16.7% of the enlarged issued share capital of the Company immediately upon completion of the Bonus Issue. 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. The Bonus Issue is non-renounceable.

### **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.

## LETTER FROM THE BOARD

### **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 and odd lots**

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. The Bonus Shares may be allotted in odd lot (i.e. less than a board lot of 100 Shares). The Company will not put in place special dealing arrangements to facilitate the trading or disposal of the Bonus Shares that may be issued in odd lots as a result of the Bonus Issue. Having taken into account that (i) the scale of the Bonus Issue is not very significant as the number of the Bonus Shares to be issued represents approximately 20% of the number of the Shares in issue as at the Latest Practicable Date, and (ii) the Company's existing board lot size of 100 Shares and the number of Shares that may be issued in odd lots as a result of the Bonus Issue are expected to be insignificant, the Board considers that it is in the interests of the Company and its Shareholders as a whole not to provide odd lot matching arrangements as the overall administration costs and expenses to be incurred by the Company in connection with the Bonus Issue will be increased inevitably if such arrangements are to be made, which may not be commensurable to the size of 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**

The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Company issued (i) 7.00% guaranteed senior notes due 2024 in an aggregate principal amount of US\$300 million (the "7.00% Notes"); and (ii) 6.80% guaranteed senior

## LETTER FROM THE BOARD

notes due 2023 in an aggregate principal amount of US\$200 million (the “**Original 6.80% Notes**”). The Company further issued additional 6.80% guaranteed senior notes in an aggregate principal amount of US\$37.5 million, which were consolidated and formed a single series and ranked *pari passu* with the Original 6.80% Notes (collectively, the “**6.80% Notes**”). The 7.00% Notes and the 6.80% Notes are listed on the Singapore Exchange Securities Trading Limited. As at the Latest Practicable Date, the 7.00% Notes in the aggregate principal amount of US\$300 million and the 6.80% Notes in the aggregate principal amount of US\$237.5 million remained outstanding.

As at the Latest Practicable Date, the Company did not have any outstanding options, warrants or other similar securities which are convertible into Shares prior to the Record Date.

Application has been made to the Listing Committee for the listing of, and permission to deal in the Bonus Shares. 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. Subject to the granting of the listing of and permission to deal in the Bonus Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as may be determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

It is expected that the share certificates for the Bonus Shares (which are not renounceable) 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. Dealings in the Bonus Shares will be subject to payment of stamp duty in Hong Kong.

### **Overseas Shareholders**

As at the Latest Practicable Date, 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 Shareholder(s) 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, on account either of the legal restriction under the laws of the relevant



## LETTER FROM THE BOARD

place or any requirement of the relevant regulatory body or stock exchange. If any such Overseas Shareholder is excluded, arrangements will be made for the Bonus Shares which would otherwise have been issued to those Overseas Shareholders to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of such sale for each of those Overseas Shareholders, 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. Overseas Shareholders (if any) should consult their professional advisers as to whether they are permitted to receive the Bonus Shares under the Bonus Issue and the taxation consequences of their decision. It is the responsibility of the Shareholders who wish to receive the Bonus Shares under the Bonus Issue to comply with the laws of the relevant jurisdiction(s) to which they are subject. Overseas Shareholders (if any) receiving a copy of this circular concerning the Bonus Issue may not treat the same as an invitation to participate in the Bonus Issue unless such invitation could lawfully be made to him/her/it without having to comply with any registration and/or other legal requirements in the relevant territory.

### **Reasons for Bonus Issue**

The Group remains cautiously optimistic about the prospects of the real estate and property development markets in the PRC. The Board considers that it would be prudent to preserve cash and strengthen liquidity position for the Group's upcoming business development and plans under the current market conditions. 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.

In determining the ratio of the Bonus Issue on the basis of two Bonus Shares for every ten existing Shares, the Board has considered (i) the number of Bonus Shares that the Company can issue in the event that the Increase in Authorised Share Capital is approved by the Shareholders at the AGM and having taken into account the number of issued Shares as at the Latest Practicable Date (i.e. 2,873,136,797 Shares in issue); (ii) the existing board lot size of 100 Shares which is a whole integral number of the ratio of two Bonus Shares for every ten existing Shares, with a view to minimising the creation of odd lots and aggregation of fractional Shares as a result of the Bonus Issue; and (iii) the amount to be capitalised out of

## LETTER FROM THE BOARD

the share premium account of the Company as a result of the Bonus Issue (i.e. approximately HK\$57,462,735.90) and having taken into account the share premium of the Company in the amount of approximately HK\$15,253,007,000 as at 31 December 2022. The Company has considered alternative methods, such as share subdivision and change in board lot size, to achieve the intended effect of the Bonus Issue. However, these alternative methods, when compared to the Bonus Issue, involve more administrative procedures, such as arrangements for parallel trading and exchanging new share certificates for existing share certificates. In particular, while share subdivision may achieve similar purposes of increasing the number of Shares in issue, enhancing the liquidity of the Shares and providing more flexibility to the Shareholders in managing their investment portfolios, having considered the relatively simpler administrative procedures involved and hence less expenses likely to be incurred by the Company in the Bonus Issue, the Board is of the view that the Bonus Issue is a better and more efficient means than share subdivision in achieving the said intended purposes. Also, the Company has no intention to further change the board lot size on this occasion in view of the change made in 2021. Having considered the above, the Board is of the view that the Bonus Issue is the most appropriate in the circumstances and is in the interests of the Company and the Shareholders as a whole.

The Company has been, on an on-going basis, exploring various means to raise funds in order to meet the Group's capital needs for its business operations and development. However, as at the Latest Practicable Date, the Company did not have any definite plan to conduct equity fundraisings in the next twelve months.

## LETTER FROM THE BOARD

### Impact of the Bonus Issue on the share capital of the Company

The following table illustrates (i) the existing shareholding structure of the Company as at the Latest Practicable Date; and (ii) the shareholding structure of the Company immediately upon the completion of the Bonus Issue, on the assumption that there will be no other change to the share capital of the Company on or before the Record Date.

Shareholder	As at the Latest Practicable Date		Immediately upon completion of the Bonus Issue	
	No. of Shares	% of the issued Shares	No. of Shares	% of the issued Shares
Sounda Properties Limited <sup>(1)</sup>	1,544,444,229	53.75%	1,853,333,074	53.75%
Farrich Investments Limited <sup>(2)</sup>	526,073,256	18.31%	631,287,907	18.31%
Yield Plentiful Incorporated <sup>(3)</sup>	45,919,500	1.60%	55,103,400	1.60%
Ms. Chu Kut Yung <sup>(4)</sup>	6,673,634	0.23%	8,008,360	0.23%
Public Shareholders	<u>750,026,178</u>	<u>26.11%</u>	<u>900,031,415</u>	<u>26.11%</u>
<b>Total</b>	<u><u>2,873,136,797</u></u>	<u><u>100%</u></u>	<u><u>3,447,764,156</u></u>	<u><u>100%</u></u>

Notes:

- (1) Sounda Properties Limited is wholly-owned by Mr. Chu Mang Yee, the father of Ms. Chu Kut Yung (“**Ms. Chu**”), an executive Director.
- (2) Farrich Investments Limited is wholly-owned by TheBest Investments Limited. TheBest Investments Limited is a wholly-owned subsidiary of Clear Build Investments Limited, which is in turn wholly-owned by Mr. Chu Yat Hong, a brother of Ms. Chu.
- (3) Yield Plentiful Incorporated is wholly-owned by Mr. Au Wai Kin, an executive Director.
- (4) As at the Latest Practicable Date, Ms. Chu is interested in 6,673,634 Shares, of which 1,331,000 Shares are held directly by Ms. Chu and 5,342,634 Shares are held by Ju Rong Investment Holdings Limited, which is wholly-owned by Ms. Chu.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, not less than 25% of the total issued Shares will be held by the public upon the completion of the Bonus Issue, which is in compliance with the public float requirement under Rule 8.08 of the Listing Rules.

### (5) AGM

The notice convening the AGM is set out in Appendix II to this circular. At the AGM, amongst others, ordinary resolutions will be proposed to approve the re-election of the retiring Directors, the granting of the Issue Mandate and the Share Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of any Shares repurchased under the Share Repurchase Mandate, the Increase in Authorised Share Capital and the Bonus Issue.

## LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (i.e. not later than Tuesday, 13 June 2023 at 10:30 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Pursuant to rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be considered, and, if thought fit, approved at the AGM will be voted by way of poll by the Shareholders.

### **(6) RECOMMENDATION**

The Directors consider that the proposed resolutions regarding the re-election of the retiring Directors, the granting of the Issue Mandate and the Share Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of any Shares repurchased under the Share Repurchase Mandate, the Increase in Authorised Share Capital and the Bonus Issue are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the proposed resolutions.

Yours faithfully,  
By order of the Board  
**CHU Kut Yung**  
*Chairman*

*This explanatory statement includes information required under rule 10.06(1)(b) of the Listing Rules to be given to Shareholders in connection with the proposed resolutions authorising the Share Repurchase Mandate.*

## **1. EXERCISE OF THE SHARE REPURCHASE MANDATE**

On the basis of 2,873,136,797 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, exercise in full of the Share Repurchase Mandate could result in up to 287,313,679 Shares being repurchased by the Company during the period from the passing of the resolution relating to the Share Repurchase Mandate up to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; and (iii) the revocation, variation or renewal of the Share Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders to seek a general authority from Shareholders to enable the Company to repurchase Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share.

The Directors are seeking the grant of general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

## **3. FUNDING OF REPURCHASES**

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association of the Company and the Bye-laws and the applicable laws of Bermuda. The Company is empowered under its Memorandum of Association to repurchase Shares and the same authority is given under section 42A of the Companies Act 1981 of Bermuda. The Bye-laws supplement the Company's Memorandum of Association by providing that this power is exercisable by the Directors upon such terms and subject to such conditions as they think fit. The funds permitted to be utilised in connection with a share repurchase may only be paid out of either the capital paid up on the relevant repurchased shares, or the funds of the Company that would otherwise be available for dividend or distribution, or the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on a share repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution, or out of the share premium account of the

Company. Such purchase may not be made if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

There might be an adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts as contained in the 2022 Annual Report) in the event that the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors would consider the Company's financial position at the relevant time in exercising the Share Repurchase Mandate and would not propose to exercise any repurchases to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels.

#### **4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

No Directors or (to the best of the knowledge of the Directors having made all reasonable enquiries) any their respective close associates have a present intention, in the event that the Share Repurchase Mandate is approved and exercised, to sell Shares to the Company. No core connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Share Repurchase Mandate is approved and exercised.

#### **5. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange to exercise the Share Repurchase Mandate in accordance with the Listing Rules and all applicable laws of Bermuda, the regulations set out in the Memorandum of Association of the Company and the Bye-laws.

#### **6. TAKEOVERS CODE CONSEQUENCES**

If as the result of a repurchase of Shares a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. A waiver of this provision would not normally be given except in extraordinary circumstances. As at the Latest Practicable Date, Mr. Chu Mang Yee (through his wholly-owned company, Sounda Properties Limited), his son, Mr. Chu Yat Hong (through his wholly-owned company, Farrich Investments Limited) and his daughter, Ms. Chu Kut Yung (in her own capacity and through her wholly-owned company, Ju Rong) held an aggregate of approximately 72.29% of the issued share capital of the Company; and Mr. Au Wai Kin (through his wholly-owned company, Yield Plentiful Incorporated) held approximately 1.60% of the issued share capital of the Company. In the event that the Directors exercise in full the Share Repurchase Mandate (if so approved), the aggregate interests of Mr. Chu

Mang Yee, Mr. Chu Yat Hong and Ms. Chu Kut Yung will be increased to approximately 80.33% and the interests of Mr. Au Wai Kin will be increased to approximately 1.78% of the then issued share capital of the Company. The Directors are not aware of any Shareholder, or group of Shareholders acting in concert, who will become obliged to make a mandatory offer as a result of repurchases of Shares.

Furthermore, the Directors have no intention to exercise the Share Repurchase Mandate to such extent as would cause the public float to fall below 25% or such other minimum percentage as prescribed by the Listing Rules from time to time.

## 7. SHARE REPURCHASES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

## 8. MARKET PRICES

During each of the previous twelve months up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Per Share	
	Highest (HK\$)	Lowest (HK\$)
<b>2022</b>		
April	14.21	11.57
May	13.29	9.85
June	10.98	9.34
July	10.89	8.64
August	10.53	8.62
September	10.00	7.47
October	8.35	5.38
November	9.86	5.23
December	10.00	7.14
<b>2023</b>		
January	10.38	7.48
February	9.63	7.90
March	8.39	6.85
April ( <i>up to the Latest Practicable Date</i> )	7.75	6.90



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>*

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the shareholders of Hopson Development Holdings Limited (the “**Company**”) will be 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. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2022.
2.
  - A. To re-elect Mr. Xie Bao Xin as an executive director of the Company (the “**Director**”).
  - B. To re-elect Mr. Bao Wenge as an executive Director.
  - C. To re-elect Mr. Ip Wai Lun, William as an independent non-executive Director.
  - D. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as auditor and to authorise the Board to fix its remuneration.
4. To consider and, if thought fit, pass with or without modifications, the following resolutions as **Ordinary Resolutions**:
  - 4.A. “**THAT**:
    - (a) subject to paragraph (c), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

\* for identification purposes only



- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to the shares of the Company issued as a result of a Rights Issue (as hereinafter defined) or pursuant to the exercise of options under the share option scheme or similar arrangement, or any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the Company's Bye-laws, shall not exceed 20 per cent. of the number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held; or
- (iii) revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company on the register on a fixed record date in proportion to their holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

4.B. **“THAT:**

- (a) subject to paragraph (b), the exercise by the Directors during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed

and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) the expression “Relevant Period” shall for the purposes of this resolution have the same meaning as assigned to it under ordinary resolution 4.A. (d) of this notice.”

4.C. “**THAT** conditional upon resolutions 4.A. and 4.B. above being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution 4.B. above shall be added to the number of shares that may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to resolution 4.A., provided that the amount of shares repurchased by the Company shall not exceed 10 per cent. of the number of issued shares of the Company as at the date of this resolution.”

5. To consider and, if thought fit, pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**THAT**:

- (a) the authorised share capital of the Company be increased from (i) HK\$300,000,000 divided into 3,000,000,000 shares of HK\$0.1 each to (ii) HK\$600,000,000 divided into 6,000,000,000 shares of HK\$0.1 each, by the creation of an additional 3,000,000,000 shares of HK\$0.1 each (in aggregate HK\$300,000,000) (the “**Increase in Authorised Share Capital**”), so that following the Increase in Authorised Share Capital, the authorised share capital of the Company shall become HK\$600,000,000 divided into 6,000,000,000 shares of HK\$0.1 each, and each such new share, upon issue and fully paid, shall rank *pari passu* in all respects with the existing issued shares and have the rights and privileges and be subject to the provisions contained in the memorandum of association and bye-laws of the Company; and

(b) any Director, secretary, assistant secretary and registered office provider of the Company be and is hereby authorised to do all such acts and things and execute all such documents as may be necessary, desirable or expedient for the purpose of, or in connection with the implementation of or giving effect to the Increase in Authorised Share Capital, including without limitation to make any relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in Bermuda and Hong Kong.”

6. To consider and, if thought fit, pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**“THAT:**

conditional upon (i) resolution 5 above being passed; (ii) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Bonus Shares (as hereinafter defined); and (iii) 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 (as hereinafter defined):

- (a) an amount standing to the credit of the share premium account of the Company as shall be required to be applied in paying up in full at par new shares of par value HK\$0.1 each in the capital of the Company, such shares, credited as fully paid at par, to be allotted, issued and distributed among shareholders of the Company whose names appear on the register of members of the Company on Friday, 7 July 2023 (the “**Record Date**”) on the basis of two (2) new shares (each a “**Bonus Share**”) for every ten (10) existing shares of the Company then held by a shareholder of the Company who is not a Non-Qualifying Shareholder (as hereinafter defined), be capitalised and applied in such manner and the Directors be and are hereby authorised to allot, issue and distribute such Bonus Shares;
- (b) in the case where the address of any holder of shares in the Company as shown on the register of members of the Company on the Record Date is outside Hong Kong (the “**Overseas Shareholders**”) and upon making relevant enquiries, the Directors consider the exclusion of such Overseas Shareholders is necessary or expedient on account of local legal or regulatory reasons, the Bonus Shares shall not be issued to such Overseas Shareholders (the “**Non-Qualifying Shareholders**”) but shall be aggregated and sold in the market as soon as practicable after dealings in the Bonus Shares commence, on the basis that any net proceeds of sale, after deduction of the related expenses, will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at their 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;

- (c) the Bonus Shares to be allotted, issued and distributed pursuant to paragraph (a) of this resolution shall be subject to the Bye-laws of the Company and the laws of Bermuda and shall 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;
- (d) no fractional Bonus Shares shall be allotted and issued to the shareholders of the Company and fractional entitlements 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; and
- (e) the Directors be and are hereby authorised, at their absolute discretion, to do all such acts and things as may be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including, but not limited to, determining the Non-Qualifying Shareholders and their entitlements thereof, the amount to be capitalised out of the share premium account of the Company and the number of Bonus Shares to be issued, allotted and distributed in the manner referred to in paragraph (a) of this resolution.”

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

Hong Kong, 5 May 2023

*Principal office:*

Unit 4903–10  
49/F., The Center  
99 Queen’s Road Central  
Central  
Hong Kong

*Notes:*

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and vote in his/her stead. Any such member who is a holder of two or more shares may appoint more than one proxy to attend and vote in his/her stead. A proxy need not be a member of the Company but must be present in person to represent the member.
2. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or other authority, must be deposited at the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the said meeting (i.e. not later than Tuesday, 13 June 2023 at 10:30 a.m. (Hong Kong time)) or adjourned meeting.

3. 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 effected. In order to determine the entitlement to attend and vote at the annual general meeting, all transfers of shares accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 9 June 2023.

The register of members of the Company will also be closed from Tuesday, 4 July 2023 to Friday, 7 July 2023 (both days inclusive) for the purpose of ascertaining shareholders' entitlement to the proposed bonus issue. In order to qualify for the proposed bonus issue, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 3 July 2023.

4. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.