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## **C&D Property Management Group Co., Ltd**

**建發物業管理集團有限公司**

*(Incorporated in the British Virgin Islands with limited liability)*

**(Stock Code: 2156)**

### **SCRIP DIVIDEND SCHEME IN RELATION TO THE 2022 FINAL DIVIDEND**

#### **CALCULATION OF THE AVERAGE CLOSING PRICE AND BASIS OF ALLOTMENT**

Reference is made to the circular of the Company dated 9 June 2023 regarding the Scrip Dividend Scheme in relation to the 2022 Final Dividend (the “**Circular**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

As stated in the Circular, on 30 March 2023, the Board announced the audited annual results of the Group for the year ended 31 December 2022 and declared the payment of the 2022 Final Dividend which is payable to the Shareholders whose names were recorded on the Register of Members at the close of business on the Record Date in cash with a scrip dividend option to the Eligible Shareholders. The Scrip Dividend Scheme was approved by the Shareholders at the annual general meeting of the Company held on 30 May 2023.

For the purpose of calculating the number of Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme, the price of a Scrip Share will be HK\$3.48 per Share (rounded up to two decimal places), which is the Average Closing Price of one existing Share as quoted on the Stock Exchange for the five consecutive trading days from Friday, 2 June 2023 to Thursday, 8 June 2023 (both days inclusive), less a 10% discount, such percentage was determined to facilitate Shareholders’ reinvestment of their dividends into Shares. Accordingly, an Eligible Shareholder electing for Scrip Shares in respect of the 2022 Final Dividend will receive such number of Scrip Shares as calculated below:

$$\begin{array}{rcl} \text{Number of Scrip Shares to} & & \text{2022 Final Dividend per Share} \\ \text{be received (rounded down} & & \text{(i.e. HK\$0.1)} \\ \text{to the nearest whole number)} & = & \hline & & \text{Average Closing Price} \\ & & \text{(i.e. HK\$3.86)} \\ & & \text{(rounded up to two} & \text{x 90\%} \\ & & \text{decimal places)} \end{array}$$

Number of Shares held on the Record Date for which election for Scrip Shares is made      x

At the time the said price of a Scrip Share was determined, the Company had no information that was not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the Scrip Shares if the information were publicly available.

Based on 1,343,311,106 Shares in issue as at the close of business on the Record Date, if no election for the Scrip Shares is received, the total cash dividend payable by the Company will be approximately HK\$134,331,110.6. If all Eligible Shareholders elect to receive their entitlements to the 2022 Final Dividend in form of Scrip Shares, the maximum number of Scrip Shares to be issued will be 38,600,893 Shares, representing approximately 2.87% of the Shares in issue as at the close of business on the Record Date and approximately 2.79% of the then issued share capital of the Company as enlarged by the issue of the Scrip Shares.

As at the date of this announcement, the Company has no outstanding share options, warrants, securities which are convertible into Shares issued by the Company as at the close of business on the Record Date.

Eligible Shareholders should note that the Scrip Shares may give rise to notification requirements under Part XV of the SFO. Eligible Shareholders who are in any doubt as to how these provisions may affect them as a result of the issue of the Scrip Shares or as to their taxation position are recommended to consult their own professional advisers.

Based on the Register of Members as at the Record Date, there was one Overseas Shareholder with registered address in the BVI holding 266,846,361 Shares, representing approximately 19.86% of the Shares in issue. Save as the above, there was no other Eligible Shareholder whose registered address is outside Hong Kong.

As stated in the Circular, based on the advice of the legal advisers in the BVI, no Scrip Shares may be offered to any person in the BVI for purchase or subscription except under circumstances that will result in compliance with the rules concerning offering of such securities in the BVI and with the laws of the BVI. Accordingly, the Scrip Dividend Scheme does not constitute and shall not be construed as an offer to the public in the BVI, for the purpose of Part II of the Securities and Investment Business Act 2010, to purchase or subscribe for the Scrip Shares. The Scrip Shares shall not be received for the account or benefit of any person who is a resident of, or who is domiciled in, the BVI, other than a BVI business company incorporated in the BVI and which only has a nominal link to the BVI by virtue of its incorporation, nor by a custodian, nominee or trustee of any such person. Accordingly, the Board is of the view that it is expedient to include the Overseas Shareholder having registered address in the BVI in the Scrip Dividend Scheme.

As at the date of 7 June 2023 and to the best of the knowledge, information and belief of the Directors, an aggregate of 11,522,000 Shares, representing approximately 0.86% of the Shares in issue, were held through the ChinaClear as nominee under the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect as the PRC Southbound Trading Investors.

As stated in the Circular, pursuant to the Frequently Asked Questions Series 29 issued by the Stock Exchange on 17 November 2014 and updated on 4 November 2016 and 13 July 2018 on the interpretation of the Listing Rules, investors from the PRC who are PRC Southbound Trading Investors can participate in the Scrip Dividend Scheme through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to elect to receive the Scrip Shares in respect of all or part of his/her/its holding of Shares in accordance with the relevant laws and regulations.

The PRC Southbound Trading Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participants) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions with such intermediary in relation to the election to receive the Scrip Shares.

Application will be made to the Stock Exchange for listing of, and permission to deal in, the Scrip Shares. It is expected that the cheques for cash dividends and/or the definitive certificates for the Scrip Shares (in case the Eligible Shareholders have elected to receive part or all of their 2022 Final Dividend in the form of Scrip Shares) will be posted to the respective Shareholders at their own risk on Friday, 7 July 2023. Dealings in the Scrip Shares on the Stock Exchange are expected to commence on Monday, 10 July 2023, subject to the proper receipt of the definitive certificates for the Scrip Shares by the relevant Eligible Shareholders. All share certificates for the Scrip Shares are non-renounceable.

For and on behalf of  
**C&D Property Management Group Co., Ltd**  
**Lin Weiguo**  
*Chairman and Non-executive Director*

Hong Kong, 8 June 2023

*As at the date of this announcement, the executive Directors are Ms. Qiao Haixia (Chief Executive Officer) and Mr. Huang Danghui; the non-executive Directors are Mr. Lin Weiguo (Chairman) and Mr. Xu Yixuan; and the independent non-executive Directors are Mr. Lee Cheuk Yin Dannis, Mr. Li Kwok Tai James and Mr. Wu Yat Wai.*