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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>

**DISCLOSEABLE TRANSACTION
ACQUISITION OF LAND LOCATED IN BEIJING, PRC**

ACQUISITION OF LAND IN BEIJING, PRC

On 26 January 2021, the Purchaser, a wholly-owned subsidiary of the Company, became the successful bidder for the land use rights in respect of the Land at the total consideration of RMB4.657 billion through the Bidding. The Group intends to develop the Land into residential buildings.

IMPLICATIONS UNDER THE HKLR

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the HKLR and is therefore subject to reporting and announcement requirements but is not required to be approved by the Shareholders.

1. INTRODUCTION

The Board hereby announces that on 26 January 2021, DCBBETDA informed the Purchaser that it had succeeded in bidding for the land use rights in respect of the Land. Set out below are the principal terms of the Acquisition and other relevant information.

2. THE ACQUISITION

Parties:	(i) DCBBETDA, as transferor (ii) the Purchaser, as successful bidder
Location of the Land:	Shanty Town, Nanjiao Farm, Jiugong Town, Daxing District, Beijing (北京大興區舊宮鎮南郊農場棚戶區)
Area:	A site area (建設用地面積) of 56,861 sq.m. and a gross floor area (建築控制規模面積) of 133,066 sq.m.
Term of land use rights:	70 years (as residential) 40 years (as commercial) 50 years (as office) commences from the date on which the relevant land use rights transfer agreement has been signed
Use of the Land:	Residential
Purchase Price:	RMB4.657 billion
Deposit paid:	RMB0.840 billion

3. FURTHER INFORMATION ON THE PURCHASE PRICE

The purchase price for the Acquisition is RMB4.657 billion payable in cash, which represents the bid price submitted by the Purchaser through the Bidding. The Purchaser has already paid a deposit of RMB0.840 billion. The balance of the Purchase Price namely, RMB3.817 billion shall be paid in the following manners:

- (a) approximately RMB0.340 billion within 15 business days upon signing of the relevant land use rights transfer agreement by the parties; and
- (b) approximately RMB3.477 billion within 35 calendar days upon signing of the relevant land use rights transfer agreement by the parties.

As at the Announcement Date, it is expected that the relevant land use rights transfer agreement will be signed on or about 9 February 2021. The Group intends to finance the Purchase Price by internal resources.

The Purchase Price was arrived at as a result of successful biddings of the Land by the Purchaser at the Bidding which was conducted in accordance with the relevant PRC laws and regulations. The Purchaser determined the bid price for the Land after taking into account, among other things (i) the base price of the Bidding set by DCBBETDA, being RMB4.2 billion; (ii) the current property market conditions of the areas adjacent to the Land; and (iii) the location and development potential of the Land. No independent valuation has been taken as reference for setting the bid price.

4. INFORMATION ON THE LAND AND THE DEVELOPMENT PROJECT

The Land comprises three parcels of lands located at Shanty Town, Nanjiao Farm, Jiugong Town, Daxing District, Beijing. The Group plans to develop the Land into residential buildings with an aggregate gross floor area of approximately 133,066 sq.m.. As at the Announcement Date, it is expected that the construction work will commence in or about June 2021 and the pre-sale will commence in or about August 2021.

5. INFORMATION ON THE PARTIES

The Company is an investment holding company. The Company's subsidiaries, associates and joint ventures principally engage in residential property development, commercial property investment, property management, infrastructure and equity investment businesses.

The Purchaser, a company which the Company indirectly owns 100% of its interests, was established in the PRC whose principal business is real estate development and property management.

DCBBETDA is a PRC governmental authority in its capacity as the owner of all the lands, mineral resources, forest and water of the Beijing Economic-Technological Development Area. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, DCBBETDA and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the HKLR).

6. REASONS FOR ENTERING INTO, AND BENEFITS OF, THE ACQUISITION

The Land is located in a prime location on the outer side of the South Fifth Ring (南五環外側) and is adjacent to the subway station and in close proximity to the largest wetland park in Beijing, the Nanhaizi Park. Demands for residential properties in this area and the nearby locations have been consistently high. The Company is of the view that the Land is of great potential for development as residential properties and that the Acquisition represents a good investment opportunity which will enrich the Group's landbank and property projects portfolio and bring forth commercial benefits to the Group.

Having taken into account the above reasons and benefits, the Directors (including all the independent non-executive Directors) consider that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

7. IMPLICATIONS UNDER HKLR

As the highest applicable percentage ratio as defined under Rule 14.07 of the HKLR for the Company in respect of the Acquisition is 5% or more but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the HKLR. The Acquisition is therefore subject to reporting and announcement requirements but is not required to be approved by the Shareholders.

8. DEFINITIONS

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

“Acquisition”	acquisition of the Land by the Group as disclosed in this announcement
“Announcement Date”	the date of this announcement, being 29 January 2021
“Bidding”	the public bidding process in relation to the Land held by DCBBETDA
“Board”	the board of Directors
“Company”	Hopson Development Holdings Limited, a company incorporated in Bermuda and whose shares are listed on the HKSX
“DCBBETDA”	The Development and Construction Bureau of Beijing Economic-Technological Development Area (北京經濟技術開發區開發建設局)
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“HKLR”	the Rules Governing the Listing of Securities on the HKSX
“HSX”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	Hong Kong Special Administrative Region
“Land”	collectively, plots DX05-0200-0037, 0038 and 6002, Shanty Town, Nanjiao Farm, Jiugong Town, Daxing District, Beijing (北京大興區舊宮鎮南郊農場棚戶區)
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes Taiwan, Hong Kong and the Macao Special Administrative Region

“Purchase Price”	the purchase price payable for the Acquisition, being RMB4.657 billion
“Purchaser”	Beijing Shenghong Chenyue Real Estate Development Limited* (北京盛宏辰悦房地產開發有限公司)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the shares of the Company
“sq.m.”	square metres

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

Hong Kong, 29 January 2021

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. Lee Tsung Hei, David, Mr. Tan Leng Cheng, Aaron and Mr. Ching Yu Lung.

* *For identification purpose only.*

For ease of reference, the names of the PRC established companies or entities (if any) and the PRC laws and regulations (if any) have generally been included in this announcement in both Chinese and English languages and in the event of inconsistency, the Chinese language shall prevail.