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**ENTERPRISE DEVELOPMENT HOLDINGS LIMITED**

**企展控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1808)**

**CAPITAL INCREASE IN  
BEIJING ORIENT LEGENDMAKER SOFTWARE  
DEVELOPMENT CO., LTD.**

On 4 November 2022, the Company entered into the Capital Increase Agreement with Beijing OLM and OLM, pursuant to which, the Company agreed to carry out Capital Increase in Beijing OLM with an investment amount of RMB12.85 million, representing approximately 10.46% of the equity in Beijing OLM following the completion of the Capital Increase.

Before the Capital Increase, Beijing OLM was wholly owned by OLM, a company 60% owned by the Company. Upon completion of the Capital Increase, the Company will directly hold approximately 10.46% interests in Beijing OLM and OLM will hold approximately 89.54% interests in Beijing OLM, such that the Company will hold approximately 53.72% beneficial equity in Beijing OLM through OLM. Together with the 10.46% directly held by the Company, the Company will hold an aggregate of approximately 64.18% interests in Beijing OLM.

In the Capital Increase, the Company's beneficial interest in Beijing OLM increased from 60% to 64.18%. As one or more applicable percentage ratios in respect of the Capital Increase are 5% or more and all of the ratios are less than 25%, the Capital Increase constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **CAPITAL INCREASE**

On 4 November 2022, the Company entered into the Capital Increase Agreement with Beijing OLM and OLM, pursuant to which, the Company agreed to carry out the Capital Increase in Beijing OLM with an investment amount of RMB12.85 million, representing approximately 10.46% of the equity in Beijing OLM following the completion of the Capital Increase.

## **CAPITAL INCREASE AGREEMENT**

Date: 4 November 2022

Parties: (i) The Company

(ii) Beijing OLM

(iii) OLM

OLM is a 60% indirect non-wholly owned subsidiary of the Company and the remaining 40% is held by Gauteng Focus Limited. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Gauteng Focus Limited is wholly owned by Rentian Technology Holdings Limited (in liquidation), which, in turn, is indirectly controlled by Mr. King Pak Fu, a substantial Shareholder interested in approximately 17.05% of the Shares.

Before the Capital Increase, Beijing OLM was wholly owned by OLM. Upon completion of the Capital Increase, the Company will directly hold approximately 10.46% interests in Beijing OLM and OLM will hold approximately 89.54% interests in Beijing OLM, such that the Company will hold approximately 53.72% beneficial equity in Beijing OLM through OLM. Together with the 10.46% directly held by the Company, the Company will hold an aggregate of approximately 64.18% interests in Beijing OLM.

Before the Capital Increase, the registered capital of Beijing OLM was RMB110 million, which was fully funded by OLM. Upon completion of the Capital Increase, the registered capital of Beijing OLM will be RMB122.85 million, of which RMB110 million is contributed by OLM and RMB12.85 million is contributed by the Company.

The contribution of RMB12.85 million by the Company is determined by considering factors such as the industry development needs of Beijing OLM in artificial intelligence and software databases and its capital requirements, and must be paid no later than 31 December 2023 and will be funded by the Company's internal resources.

## **REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE**

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of integrated business software solutions and trading of listed securities.

As set out in the Company's announcement dated 25 August 2022 in relation to, among other things, the reservation of RMB12.85 million by the Company for capital injection in Beijing OLM, which was intended to be used for (i) research and development in artificial intelligent solution software (the "**R&D Project**") developed for the purpose to upgrade the quality and efficiency of the software maintenance and other solution services provided by Beijing OLM via gathering maintenance records, big data and artificial intelligence analysis, to assist and enhance operation decision making; and (ii) expansion of the current solution services provided in conjunction with, and to complement the procurement of new domestic-produced database software in its database software business, including after-sales software customization services and maintenance services.

In consideration of the business development of Beijing OLM, the Directors consider that the terms of the Capital Increase Agreement are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

## GENERAL INFORMATION ABOUT THE PARTIES

### OLM

Oriental Legend Maker Technology Ltd. is a company incorporated in Hong Kong with limited liability and a 60% indirect non-wholly owned subsidiary of the Company, which is principally engaged in investment holding.

### Beijing OLM

Beijing Orient LegendMaker Software Development Co., Ltd. is a company incorporated in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company, which is principally engaged in the provision of integrated business software solutions.

The carrying amounts of net assets and total assets of Beijing OLM and its subsidiaries as extracted from its unaudited financial statements as at 30 June 2022 were approximately RMB125,647,000 and RMB191,880,000 respectively.

Set out below is certain financial information of Beijing OLM and its subsidiaries, which is extracted from the audited financial statements of Beijing OLM and its subsidiaries for the two financial years ended 31 December 2021 and 2020.

	<b>For the year ended 31 December 2020 (audited) (RMB'000)</b>	<b>For the year ended 31 December 2021 (audited) (RMB'000)</b>
Loss before tax	<b>12,735</b>	16,535
Loss after tax	<b>12,982</b>	16,501

## LISTING RULES IMPLICATIONS

In the Capital Increase, the Company's beneficial interest in Beijing OLM increased from 60% to 64.18%. As one or more applicable percentage ratios in respect of the Capital Increase are 5% or more and all of such ratios are less than 25%, the Capital Increase constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Beijing OLM”	Beijing Orient LegendMaker Software Development Co., Ltd. (北京東方龍馬軟件發展有限公司), a company incorporated in the PRC with limited liability, and an indirect non-wholly owned subsidiary of the Company
“Capital Increase”	the increase in capital by the Company in Beijing OLM under the Capital Increase Agreement with an investment amount of RMB12.85 million
“Capital Increase Agreement”	the capital increase agreement dated 4 November 2022 and entered into between the Company and Beijing OLM and OLM, pursuant to which, the Company agreed to carry out the Capital Increase in Beijing OLM
“Company”	Enterprise Development Holdings Limited (企展控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“OLM”	Oriental Legend Maker Technology Ltd. (東方龍馬科技有限公司), a company incorporated in Hong Kong with limited liability, and an indirect non-wholly owned subsidiary of the Company as at the date of this announcement
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board  
**Enterprise Development Holdings Limited**  
**Li Zhuoyang**  
*Executive Director*

Hong Kong, 4 November 2022

*As at the date of this announcement, the Board comprises one executive Director, namely Ms. Li Zhuoyang, and three independent non-executive Directors, namely Mr. Cai Jinliang, Mr. Chin Hon Siang and Mr. Chen Kwok Wang.*