

[For Immediate Release]



合生創展集團有限公司

HOPSON DEVELOPMENT HOLDINGS LIMITED

## Hopson Announces 2024 Interim Results

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### **Demonstrated a Proactive Approach to Adapt Changes Successfully Achieved Transition and Propelled its Continued Pursuit of High-quality Development**

#### **Financial Highlights**

*(For the six months ended 30 June 2024)*

- Turnover was HK\$13,809 million
- Gross profit was HK\$3,761 million with gross profit margin at 27.2%
- Profit attributable to equity holders was HK\$1,073 million
- Underlying profit was HK\$936 million
- Basic and diluted earnings per share were HK\$0.283 per share

(30 August 2024 — Hong Kong) **Hopson Development Holdings Limited** (which together with its subsidiaries, is referred to as the “Group”; stock code: 00754) has announced its unaudited interim results for the six months ended 30 June 2024 (the “Period”).

During the first half of 2024, the real estate industry is currently experiencing a period of unprecedented transformation and challenges, presenting both obstacles and opportunities for businesses within the sector. Within a dynamic industry marked by constant challenges, the Group, as a comprehensive provider of high-quality living experiences encompassing the entire value chain, has demonstrated a proactive approach to adapting to changes and paying constant attention to evolving times and the needs of its customers. Leveraging its forward-looking vision, deep industry expertise, and diversified strategic approach, the Group has successfully transitioned from a “product manufacturer” to a “lifestyle leader,” propelling its continued pursuit of high-quality development. Simultaneously, the Group has taken the initiative to enhance its management structure by establishing a dual-engine development model for light and heavy asset management, encompassing the entire industry chain. This strategic move aims to continuously improve operational efficiency and achieve the overarching goal of high-quality development. The Group remains steadfast in its commitment to “ensuring delivery, quality, and people’s well-being”, and employs a comprehensive “4-in-1” quality control system to enhance its quality capabilities across multiple dimensions. Furthermore, the Group maintains a prudent financial management strategy, utilizing diversified financing channels to secure ample cash flow and robust financial indicators. The accumulation of high-quality land resources also provides a solid foundation for the Group’s long-term growth.

During the Period, the Group's turnover was HK\$13,809 million. Gross profit amounted to HK\$3,761 million and gross profit margin was 27.2%. Profit attributable to equity holders was HK\$1,073 million. During the Period, excluding the effect of the net of tax gain from investment property revaluation of HK\$215 million, plus the net amount for net of tax donation of HK\$14 million and provision for impairment of properties under development for sale and completed properties for sale of HK\$64 million, the underlying profit amounted to HK\$936 million. Basic and diluted earnings per share were HK\$0.283. The board of directors (the "Board") does not recommend the payment of any interim dividend for the six months ended 30 June 2024.

During the Period, the Group recorded total contracted sales of RMB8,850 million and delivered finished properties with a total gross floor area of 438,051 sq.m. The overall average selling price in respect of delivered and completed properties was RMB20,119 per sq.m., which increased by 9% as compared with that for the same period of last year. The major projects delivered included Hopson MIYĀ (合生me悅), The Town of Hangzhou Bay (合生杭州灣國際新城), MAHĀ Beijing (縵合北京) and Hopson Yunshan Regal (合生雲山帝景).

The Group has an abundant, high-quality land bank in tier-1 cities. As at 30 June 2024, the Group had a landbank of 27.18 million sq.m., in which 73% of the land bank earmarked for property development and 95% of the land bank reserved for the commercial property business were concentrated in tier-1 cities, laying a solid foundation for the Group's sustained profitability in the future.

During the Period, the Group has effectively managed its interest-bearing debt structure and its capital structure continued to improve. As of 30 June 2024, the Group's total liabilities were HK\$186,940 million, representing a decrease of 0.4% compared with that as at 31 December 2023, and the total interest-bearing debt increased 2% to HK\$88,833 million. Net gearing ratio was 66.7%, a decrease of 4.1 percentage points as compared with as at 31 December 2023.

The successful convening of the Third Plenary Session of the 20th CPC Central Committee in the latter half of the year will usher in a new phase of comprehensive reform. Macroeconomic policy will continue to play a stabilizing role, with the real estate industry, a pillar of the national economy, included within the scope of this round of reforms. This will involve the construction of a new model of scientific development, stimulating internal market dynamics, and ultimately achieving the overarching goal of inventory reduction and market stabilization. As the effects of policy support gradually materialize, the real estate market is projected to reach a bottoming-out phase in the second half of the year, paving the way for a moderate recovery.

The Group will continue to adhere to prudent and steady business practices, promote diversified business strategies, prioritize the enhancement of core competencies, and actively strengthen profitability while ensuring financial security. Recognizing the growing significance of market assets in contemporary corporate operations, the Group is dedicated to the ongoing refinement and enhancement of its operational standards. This commitment is reflected in its focus on layout planning, brand resource accumulation, market reputation recognition, and the development of a diversified talent structure. Simultaneously, the Group will also stay attuned to market trends and actively seek opportunities presented by national policy implementation and urban development initiatives. Building upon its brand strength and operational expertise cultivated over the past three decades, the Group will relentlessly pursue an innovative approach to real estate development, driven by a dedication to

creating ideal living experiences for the public and generating long-term value for its shareholders.

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For further information, please contact:

**iPR Ogilvy**

Callis Lau / Emily Chiu / Romy Hong

Tel: 2136 6952 / 3920 7659 / 3920 7650

Email: [hopson@iprogilvy.com](mailto:hopson@iprogilvy.com)