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**APPLIED DEVELOPMENT HOLDINGS LIMITED**

**實力建業集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 519)**

**DISCLOSEABLE TRANSACTION  
DISPOSALS OF SHARES IN REDSUN PROPERTIES**

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During the period from 9 August 2021 to 31 March 2022, Dragon Bell conducted the Prior Disposals through a series of on-market transactions to sell in aggregate 4,890,000 Redsun Properties Shares at the price ranging from HK\$2.01 to HK\$2.74 per Redsun Properties Share for an aggregate gross sale proceeds of approximately HK\$12,498,000 (exclusive of transaction costs).

After completion of the Prior Disposals on 31 March 2022, on the same day, Dragon Bell further instructed its broker to conduct the Current Disposal. The Current Disposal was completed on 6 April 2022 and 148,000 Redsun Properties Shares were sold through a series of on-market transactions at the price ranging from HK\$2.60 to HK\$2.83 per Redsun Properties Share for an aggregate gross sale proceeds of approximately HK\$398,000 (exclusive of transaction costs).

**LISTING RULES IMPLICATIONS**

As the Prior Disposals and the Current Disposal both involve the disposal of Redsun Properties Shares, which form a series of transactions conducted within a 12-month period, the Current Disposal is required to be aggregated with the Prior Disposals for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposals, is more than 5% but less than 25%, the Disposals, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements but exempted from the shareholders' approval requirement thereunder.

Reference is made to (i) the announcement of the Company dated 28 June 2018 in relation to the subscription of the Redsun Properties Shares by Dragon Bell; (ii) the announcement of the Company dated 26 July 2019 in relation to the disposal of 18,500,000 Redsun Properties Shares by Dragon Bell; (iii) the announcement and the circular of the Company dated 15 August 2019 and 9 September 2019, respectively, in relation to the disposal of 37,000,000 Redsun Properties Shares by Dragon Bell; (iv) the announcement of the Company dated 10 October 2019 in relation to the completion of the disposal of 37,000,000 Redsun Properties Shares by Dragon Bell; (v) the announcement of the Company dated 8 January 2020 in relation to the disposal of 13,000,000 Redsun Properties Shares by Dragon Bell; (vi) the announcement of the Company dated 4 March 2020 in relation to the disposal of 30,000,000 Redsun Properties Shares by Dragon Bell; and (vii) the announcement of the Company dated 11 March 2020 in relation to the disposal of 20,000,000 Redsun Properties Shares by Dragon Bell.

## **THE DISPOSALS**

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### **Assets to be disposed of:**

The Sale Shares, comprising an aggregate of 5,038,000 Redsun Properties Shares, represent approximately 0.15% of the current total issued share capital of Redsun Properties (based on the total issued shares of 3,338,635,000 as at 31 March 2022 as disclosed in the monthly return of Redsun Properties dated 6 April 2022).

Immediately prior to the Disposals, the Group held 12,084,000 Redsun Properties Shares, representing approximately 0.36% of the then total issued share capital of Redsun Properties. Immediately following the Disposals, the Group holds 7,046,000 Redsun Properties Shares, representing approximately 0.21% of the current total issued share capital of Redsun Properties.

The aggregate gross sale proceeds of the Disposals are approximately HK\$12,896,000 (exclusive of transaction costs), which is receivable in cash on settlement and the sale prices were determined with reference to the prevailing market prices of Redsun Properties Shares.

## INFORMATION OF REDSUN PROPERTIES

Redsun Properties, together with its subsidiaries, are principally engaged in property development, commercial property investment and operations and hotel operations.

The following financial information is extracted from the annual results announcement of Redsun Properties for the year ended 31 December 2021:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2021</b>	<b>2020</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Audited)</b>	<b>(Audited)</b>
Revenue	<b>26,666,979</b>	20,158,701
Profit before tax	<b>3,124,812</b>	3,159,337
Profit for the year	<b>1,865,651</b>	1,854,940
	<b>As at 31 December</b>	
	<b>2021</b>	<b>2020</b>
	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
	<b>(Audited)</b>	<b>(Audited)</b>
Total assets	<b>132,748,834</b>	119,045,170
Net assets	<b>31,745,855</b>	27,403,584

## INFORMATION OF DRAGON BELL

Dragon Bell is an investment holding company incorporated under the laws of the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company.

## INFORMATION OF THE COUNTERPARTY

As the Disposals were conducted through the sales in the open market, the Company is not aware of the identities of the purchasers. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no connected person of the Company has acquired the Sale Shares.

## **REASONS FOR AND BENEFITS OF THE DISPOSALS**

The Group is principally engaged in resort and property development, property investment and investment holding. The purpose of the Disposals is to allow the Group to partially realise the investment in the Redsun Properties Shares.

The proceeds of approximately HK\$12,498,000 from the Prior Disposals were used as the operating capital and applied for other investment opportunities of the Group. The proceeds of approximately HK\$398,000 from the Current Disposal will be used for the same purposes.

The Group had been entitled to approximately HK\$1,894,000 dividend income from Redsun Properties with respect to the Sale Shares during the period from the date of subscription of the Sale Shares to the date of this announcement.

It is estimated that the Group will record a loss of approximately HK\$102,000 in relation to the disposals of Sale Shares, which is calculated with reference to the gross proceeds of such disposals less the fair value of the relevant Sale Shares as at 30 June 2021. The exact amount of loss to be recorded in the consolidated financial statements of the Group for the year ending 30 June 2022 is subject to audit. The historical subscription cost of each Sale Share is HK\$2.28.

Considering the historical subscription costs of the Sale Shares and the recent market conditions, the Directors are of the view that the Disposals were on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the Prior Disposals and the Current Disposal both involve the disposal of Redsun Properties Shares, which form a series of transactions conducted within a 12-month period, the Current Disposal is required to be aggregated with the Prior Disposals for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposals, is more than 5% but less than 25%, the Disposals, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements but exempted from the shareholders' approval requirement thereunder.

## DEFINITIONS

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

“Board”	the board of Directors;
“Company”	Applied Development Holdings Limited 實力建業集團有限公司*, a company incorporated under the laws of Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 519);
“Current Disposal”	The disposal of 148,000 Redsun Properties Shares by Dragon Bell from 31 March 2022 to 6 April 2022;
“Director(s)”	the director(s) of the Company;
“Disposals”	the Prior Disposals and the Current Disposal;
“Dragon Bell”	Dragon Bell Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Prior Disposals”	The disposals of an aggregate of 4,890,000 Redsun Properties Shares by Dragon Bell from 9 August 2021 to 31 March 2022;

“Redsun Properties”	Redsun Properties Group Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1996);
“Redsun Properties Share(s)”	the shares in the share capital of Redsun Properties with a nominal value of HK\$0.01 each;
“RMB”	Renminbi, the lawful currency of the People’s Republic of China;
“Sale Shares”	an aggregate of 5,038,000 Redsun Properties Shares sold by Dragon Bell through open market pursuant to the Disposals;
“Shareholder”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	Per cent.

By Order of the Board  
**Applied Development Holdings Limited**  
**Wu Zhanming**  
*Chairman, Acting Chief Executive Officer and Executive Director*

Hong Kong, 6 April 2022

*As at the date of this announcement, the Executive Director is Mr. Wu Zhanming (Chairman and Acting Chief Executive Officer); the Non-executive Directors are Mr. Wu Tao and Mr. Yao Wei Rong; and the Independent Non-executive Directors are Mr. Yu Tat Chi, Michael and Mr. Chiu Kit Man, Calvin.*

\* *For identification purposes only*

*In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text thereof.*