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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)

CHANGE IN USE OF PROCEEDS FROM THE PLACING

This announcement is made by Enterprise Development Holdings Limited (the "**Company**", together with its subsidiaries collectively referred to as the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Reference is made to the announcements of the Company dated 30 April 2024, 21 May 2024, 22 May 2024 and 13 June 2024 relating to the placing of 40,810,000 shares of the Company under general mandate (the "**Announcements**"). Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meaning as those defined in the Announcements.

USE OF PROCEEDS FROM THE PLACING

As disclosed in the Announcements, the net proceeds from the Placing amounted to approximately HK$84.347 million (equivalent to RMB78.193 million) shall be applied (i) as to 70% (i.e. approximately HK$59.042 million, equivalent to RMB54.734 million) for investment in new business when opportunity arise, including, but not limited to, investment in artificial intelligence data center comprising its construction, equipment and operation etc., and/or development and operation of smart city construction; and (ii) the remaining 30% (i.e. approximately HK$25.305 million, equivalent to RMB23.459 million) as general working capital for the Group including staff cost, professional fees, rental payments and other general administrative and operating expenses.

As at the date of this announcement, the Company has utilised approximately RMB23.459 million (equivalent to HK$25.305 million) for general working capital of the Group, among which approximately RMB2.658 million (equivalent to HK$2.867 million) is for professional fee, approximately RMB2.420 million (equivalent to HK$2.610 million) is for rental expenses, approximately RMB14.044 million (equivalent to HK$15.149 million) is for staff costs and the remaining RMB4.337 million (equivalent to HK$4.679 million) is for general administrative expenses.

CHANGE IN USE OF PROCEEDS

As at the date of this announcement, the remaining unutilised net proceeds from the Placing (the "**Unutilised Net Proceeds**") amounted to approximately RMB54.734 million (equivalent to HK$59.042 million).

The Company originally planned to use the proceeds to invest in artificial intelligence data center projects. Due to the increasing market uncertainties and adjustments in the partners' demands, after several rounds of negotiations and careful evaluations, the investment project unfortunately failed to make substantial progress. After considering the current working capital needs of the Company and its subsidiaries, and in light of the excellent performance and strong development momentum of the current artificial intelligence server market, the Board has resolved to re-plan the remaining Unutilised Net Proceeds originally planned for investment in the artificial intelligence data center project (i.e. approximately RMB54.734 million, equivalent to HK$59.042 million) to continue to deepen and expand the software licensing sales business, artificial intelligence server product sales business and other related product businesses, mainly for the purchase of artificial intelligence servers for sales purposes. The Unutilised Net Proceeds are expected to be utilised on or before 31 December 2025.

Set out below is the utilisation of net proceeds from Placing up to the date of this announcement and the proposed change in use of the Unutilised Net Proceeds:

Use of Proceeds	**Proposed use of proceeds as disclosed in the Announcements** *RMB million*	**Proceeds utilised up to the date of this announcement** *RMB million*	**Unutilised amount up to the date of this announcement** *RMB million*	**Revised allocation of the Unutilised Net Proceeds** *RMB million*
General working capital of the Group	23.459	23.459	-	-
Investment in artificial intelligence data center	54.734	-	54.734	-
Continuous development and expansion of sale of software license, hardware products and other products business, especially for the purchase of artificial intelligence servers for sales purposes	-	-	-	54.734
Total :	78.193	23.459	54.734	54.734

REASON FOR AND BENEFITS FOR CHANGE IN USE OF PROCEEDS

The Company has taken into account the Group's recent business development when assessing the use of the Unutilised Net Proceeds. Focusing on software licensing sales, artificial intelligence server product sales and the development of related product businesses, especially the sales of artificial intelligence server products, can bring significant advantages to the Company. This business can not only expand the market scale, but can also enhance the Company's competitiveness in related fields. In the long run, it will also promote technological innovation and resource integration, laying a more solid foundation for the Group's technological development.

The Board considered that the change in use of the Unutilised Net Proceeds will not have any material adverse impact on the operations of the Group and is in the best interests of the Company and its shareholders as a whole.

If there are any further adjustments on the use of the Unutilised Net Proceeds, the Company will make further announcement as and when appropriate.

By Order of the Board
Enterprise Development Holdings Limited
Yu Hui
Executive Director and Chief Executive Officer

Hong Kong, 22 May 2025

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