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MEGA REGAL LIMITED

(Incorporated in the BVI with limited liability)

**LIFESTYLE PROPERTIES
DEVELOPMENT LIMITED**
利福地產發展有限公司

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

(Stock Code: 2183)

JOINT ANNOUNCEMENT

- (1) CLOSE OF UNCONDITIONAL MANDATORY CASH GENERAL OFFER
BY OPTIMA CAPITAL LIMITED ON BEHALF OF
MEGA REGAL LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
LIFESTYLE PROPERTIES DEVELOPMENT LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY MEGA REGAL LIMITED
AND PARTIES ACTING IN CONCERT WITH IT);**
- (2) RESIGNATION OF DIRECTORS;**
- (3) CHANGE OF CHAIRMAN OF THE BOARD;**
- (4) APPOINTMENT OF CHIEF EXECUTIVE OFFICER;**
- (5) CHANGE IN COMPOSITION OF THE BOARD COMMITTEES;**
- (6) CHANGE OF COMPANY SECRETARY,
AUTHORISED REPRESENTATIVE AND
AGENT FOR THE SERVICE OF PROCESS
IN HONG KONG**

Financial adviser to Mega Regal Limited



CLOSE OF THE OFFER AND LEVEL OF ACCEPTANCES

The Offeror and the Company jointly announce that the Offer was closed at 4:00 p.m. on Wednesday, 31 May 2017 and was not revised or extended.

As at 4:00 p.m. on Wednesday, 31 May 2017, being the latest time for acceptance of the Offer, valid acceptances of the Offer have been received in respect of 92,911,552 Offer Shares, representing approximately 22.17% of the entire issued share capital of the Company as at the date of this joint announcement.

PUBLIC FLOAT OF THE COMPANY

Upon the close of the Offer and subject to the due registration by the Registrar of the transfer of 92,911,552 Offer Shares tendered for acceptance under the Offer, 76,591,248 Shares, representing approximately 18.27% of the entire issued share capital of the Company as at the date of this joint announcement, are held by the public (within the meanings of the Listing Rules). Accordingly, as at the date of this joint announcement, the minimum public float requirement of 25.0% under Rule 8.08(1) (a) of the Listing Rules is not satisfied. The Company has made an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1) (a) of the Listing Rules. The Offeror and the Directors will take appropriate steps to restore the required minimum public float as early as practicable. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

SETTLEMENT OF THE OFFER

Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptance of the Offer) payable for the Offer Shares tendered under the Offer has been/will be despatched to the accepting Independent Shareholder(s) by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of the duly completed acceptance of the Offer and the relevant documents of title of the Offer Shares in respect of such acceptance to render such acceptance complete and valid and in accordance with the Takeovers Code. The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer is Friday, 9 June 2017.

RESIGNATION OF DIRECTORS

The Board announces that, with effect immediately from the close of the Offer on 31 May 2017:

- (i) Ms. Chan Siu Chun, Candy has resigned as an executive Director;
- (ii) Mr. Lau Kam Sen has resigned as an executive Director;
- (iii) Mr. Lau Luen Hung, Thomas has resigned as a non-executive Director, and ceased to be the chairman of the Nomination Committee;

- (iv) Mr. Wong Man Hoi has resigned as a non-executive Director, and ceased to be a member of the Nomination Committee;
- (v) Mr. Lam Siu Lun, Simon has resigned as an independent non-executive Director, and ceased to be the chairman of each of the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee;
- (vi) Mr. Robert Charles Nicholson has resigned as an independent non-executive Director, and ceased to be a member of each of the Audit Committee, Remuneration Committee, and Nomination Committee; and
- (vii) Mr. Wong Kun Kau has resigned as an independent non-executive Director and ceased to be a member of each of the Audit Committee, Remuneration Committee, and Nomination Committee.

CHANGE OF CHAIRMAN OF THE BOARD

The Board announces that, with effect from 31 May 2017, Mr. Lau Luen Hung, Thomas has resigned as the chairman of the Board and Mr. Lin Rongbin has been appointed as the chairman of the Board.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board is also pleased to announce that, with effect from 31 May 2017, Ms. Cheng Xuan, an executive Director, has been appointed as the Chief Executive Officer of the Company.

CHANGE IN COMPOSITION OF THE BOARD COMMITTEES

The Board announces that the following Directors have been appointed to the respective roles in the Board committees set out below, with effect immediately from the close of the Offer on 31 May 2017:

Audit Committee:	Remuneration Committee:	Nomination Committee:
Mr. Yuan Chun (<i>chairman</i>)	Mr. Pan Dexiang (<i>chairman</i>)	Mr. Lin Rongbin (<i>chairman</i>)
Mr. Pan Dexiang	Ms. Cheng Xuan	Mr. Pan Dexiang
Mr. Zhong Bin	Mr. Zhong Bin	Mr. Yuan Chun

CHANGE OF COMPANY SECRETARY, AUTHORISED REPRESENTATIVE AND AGENT FOR THE SERVICE OF PROCESS IN HONG KONG

The Board announces that, with effect from 31 May 2017, Mr. Poon Fuk Chuen has resigned as the company secretary, the authorised representative and the Agent of the Company and Mr. Young Ho Kee, Bernard has been appointed as the company secretary, the authorised representative and the Agent of the Company.

INTRODUCTION

References are made to the announcements dated 19 April 2017, 10 May 2017 and 19 May 2017, and the composite offer and response document dated 10 May 2017 (the “**Composite Document**”) jointly issued by Mega Regal Limited (the “**Offeror**”) and Lifestyle Properties Development Limited (the “**Company**”) in respect of, among other things, the Offer, and the announcement of the Company dated 11 May 2017 (the “**Announcement**”) in respect of, among other things, the appointment of Directors. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

CLOSE OF THE OFFER AND LEVEL OF ACCEPTANCES

The Offeror and the Company jointly announce that the Offer was closed at 4:00 p.m. on Wednesday, 31 May 2017. The Offer has not been revised or extended by the Offeror.

As at 4:00 p.m. on Wednesday, 31 May 2017, being the latest time for acceptance of the Offer, valid acceptances of the Offer have been received in respect of 92,911,552 Offer Shares, representing approximately 22.17% of the issued entire share capital of the Company as at the date of this joint announcement.

PUBLIC FLOAT OF THE COMPANY AND INTEREST OF THE OFFEROR

Immediately after Completion but prior to the commencement of the Offer Period (being 19 April 2017), the Offeror and parties acting in concert with it held, controlled or directed a total of 249,611,200 Shares, representing approximately 59.56% of the total issued share capital of the Company as at the date of this joint announcement.

Upon the close of the Offer, taking into account the valid acceptances in respect of 92,911,552 Offer Shares under the Offer, the Offeror and parties acting in concert with it are interested in an aggregate of 342,522,752 Shares, representing approximately 81.73% of the total issued share capital of the Company as at the date of this joint announcement.

Save as disclosed above, the Offeror and parties acting in concert with it did not acquire or agree to acquire any Shares or rights over Shares during the Offer Period. None of the Offeror nor any party acting in concert with it had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takesovers Code) of the Company during the Offer Period.

Upon the close of the Offer and subject to the due registration by the Registrar of the transfer of the 92,911,552 Offer Shares tendered for acceptance under the Offer, 76,591,248 Shares, representing approximately 18.27% of the entire issued share capital of the Company as at the date of this joint announcement, are held by the public (within the meanings of the Listing Rules). Accordingly, as at the date of this joint announcement, the minimum public float requirement of 25.0% under Rule 8.08(1) (a) of the Listing Rules is not satisfied. The Company has made an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1) (a) of the Listing Rules. The Offeror and the Directors will take appropriate steps to restore the required minimum public float as early as practicable. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

SETTLEMENT OF THE OFFER

Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty in respect of acceptance of the Offer) payable for the Offer Shares tendered under the Offer has been/will be despatched to the accepting Shareholder(s) by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of the duly completed acceptance of the Offer and the relevant documents of title of the Offer Shares in respect of such acceptance to render such acceptance complete and valid and in accordance with the Takeovers Code.

The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer is Friday, 9 June 2017.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately prior to the commencement of the Offer; and (ii) immediately upon the close of the Offer:

	Immediately prior to the commencement of the Offer		Immediately upon the close of the Offer	
	Number of Shares	%	Number of Shares	%
The Offeror and parties acting in concert with it and presumed parties acting in concert with it (including the Investor) (Note 1)	249,611,200	59.56	342,522,752	81.73
Springboard (Note 2)	62,740,675	14.97	41,784,975	9.97
Ms. Chan Siu Chun, Candy (Note 3)	500	0.00012	500	0.00012
Magic Achieve Limited (Note 4)	1,610,000	0.38	—	—
Other Public Shareholders	<u>105,151,625</u>	<u>25.09</u>	<u>34,805,773</u>	<u>8.30</u>
Total	<u>419,114,000</u>	<u>100.00</u>	<u>419,114,000</u>	<u>100.00</u>

Notes:

1. The Investor is presumed to be acting in concert with the Offeror under class (9) of the definition of acting in concert under the Takeovers Code.
2. Springboard is wholly owned by Mr. Lau Luen Hung, Thomas, who is also the ultimate beneficial owner interested directly or indirectly in approximately 51.69% of the issued share capital of the Vendor. Mr. Lau was a non-executive Director, whose resignation took effect immediately from the close of the Offer on 31 May 2017. As such, Springboard is no longer a core connected person of the Company and is considered as a public shareholder as from the close of the Offer on 31 May 2017.
3. Ms. Chan Siu Chan, Candy was an executive Director, whose resignation took effect immediately from the close of the Offer on 31 May 2017. As such, Ms. Chan is no longer a core connected person of the Company and is considered as a public shareholder as from the close of the Offer on 31 May 2017.
4. Magic Achieve Limited is wholly owned by Mr. Lau Kam Sen, who was an executive Director, whose resignation took effect immediately from the close of the Offer on 31 May 2017.

RESIGNATION OF DIRECTORS

The Board announces that, with effect immediately from the close of the Offer on 31 May 2017:

- (i) Ms. Chan Siu Chun, Candy has resigned as an executive Director;
- (ii) Mr. Lau Kam Sen has resigned as an executive Director;
- (iii) Mr. Lau Luen Hung, Thomas has resigned as a non-executive Director, and ceased to be the chairman of the nomination committee of the Company (the “**Nomination Committee**”);
- (iv) Mr. Wong Man Hoi has resigned as a non-executive Director, and ceased to be a member of the Nomination Committee;
- (v) Mr. Lam Siu Lun, Simon has resigned as an independent non-executive Director, and ceased to be the chairman of each of the audit committee (the “**Audit Committee**”) and the remuneration committee (the “**Remuneration Committee**”) of the Company, and a member of the Nomination Committee;
- (vi) Mr. Robert Charles Nicholson has resigned as an independent non-executive Director, and ceased to be a member of each of the Audit Committee, the Remuneration Committee, and the Nomination Committee; and
- (vii) Mr. Wong Kun Kau has resigned as an independent non-executive Director and ceased to be a member of each of the Audit Committee, the Remuneration Committee, and the Nomination Committee.

Each of the resigned Directors has confirmed that he/she has no disagreement with the Board and there is no other matter that needs to be brought to the attention of the Shareholders or the Stock Exchange in respect of his/her resignation.

The Board would like to take this opportunity to express its appreciation to Ms. Chan Siu Chun, Candy, Mr. Lau Kam Sen, Mr. Lau Luen Hung, Thomas, Mr. Wong Man Hoi, Mr. Lam Siu Lun, Simon, Mr. Robert Charles Nicholson and Mr. Wong Kun Kau for their invaluable contributions to the Group during their tenure of services.

CHANGE OF CHAIRMAN OF THE BOARD

The Board announces that, with effect from 31 May 2017, Mr. Lau Luen Hung, Thomas has resigned as the chairman of the Board and Mr. Lin Rongbin has been appointed as the chairman of the Board.

The Board would like to take this opportunity to express its appreciation for the efforts of Mr. Lau and his valuable contributions to the Company during his tenure of office.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board announces that, with effect from 31 May 2017, Ms. Cheng Xuan, an executive Director, has been appointed as the Chief Executive Officer of the Company. The biography of Ms. Cheng has been set out in the Announcement.

CHANGE IN COMPOSITION OF THE BOARD COMMITTEES

The Board announces that the following Directors, whose biographies were set out in the Announcement, have been appointed to the respective roles in the Board committees as below, with effect immediately from the close of the Offer on 31 May 2017:

Audit Committee:

Mr. Yuan Chun (*chairman*)
Mr. Pan Dexiang
Mr. Zhong Bin

Remuneration Committee:

Mr. Pan Dexiang (*chairman*)
Ms. Cheng Xuan
Mr. Zhong Bin

Nomination Committee:

Mr. Lin Rongbin (*chairman*)
Mr. Pan Dexiang
Mr. Yuan Chun

CHANGE OF COMPANY SECRETARY, AUTHORISED REPRESENTATIVE AND AGENT FOR THE SERVICE OF PROCESS IN HONG KONG

The Board announces that, with effect from 31 May 2017, Mr. Poon Fuk Chuen (“**Mr. Poon**”) has resigned as the company secretary, the authorised representative and the agent for the service of process in Hong Kong (the “**Agent**”) of the Company. Mr. Poon has confirmed that he has no disagreement with the Board and that there is no other matter in relation to his resignation that needs to be brought to the attention of the Shareholders. The Board would like to take this opportunity to express its sincere appreciation to Mr. Poon for his contribution to the Company in the past.

The Board further announces that Mr. Young Ho Kee, Bernard (“**Mr. Young**”) has been appointed as the company secretary, the authorised representative and the Agent of the Company with effect from 31 May 2017. Mr. Young’s biography is set forth below:

Mr. Young, aged 35, is an assistant vice president of SW Corporate Services Group Limited and is responsible for assisting listed companies in professional company secretarial work. Mr. Young is an associate member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom and holds a Bachelor’s degree in Accountancy from the Hong Kong Polytechnic University. He has over 10 years of experience in company secretarial management and compliance.

The Board would like to take this opportunity to welcome Mr. Young for his new appointments.

By order of the sole director
MEGA REGAL LIMITED
Lin Rongbin
Sole Director

By order of the Board
**LIFESTYLE PROPERTIES
DEVELOPMENT LIMITED**
Young Ho Kee, Bernard
Company Secretary

Hong Kong, 31 May 2017

As at the date of this joint announcement, the sole director of the Offeror is Mr. Lin Rongbin.

Mr. Lin accepts full responsibility for the accuracy of the information contained in this joint announcement, and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises two executive Directors, namely Mr. Lin Rongbin and Ms. Cheng Xuan; two non-executive Directors, namely Mr. Xiao Zhong and Mr. Xu Jianwen; and three independent non-executive Directors, namely Mr. Pan Dexiang, Mr. Yuan Chun and Mr. Zhong Bin.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than any information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinion expressed in this joint announcement (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.