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林達控股有限公司

LAMTEX HOLDINGS LTD.

STOCK CODE 股份代號1041

(Incorporated in Bermuda with limited liability)
(Provisional Liquidators Appointed)
(For Restructuring Purposes Only)
(Stock Code: 1041)

INSIDE INFORMATION -

UPDATE ON ALLEGED MISAPPROPRIATION OF GUIYANG HOTEL

This announcement is made by Lamtex Holdings Limited pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcement of the Company dated 4 December 2020 (the “**Announcement**”) in relation to the report of alleged misappropriation of Guiyang Hotel. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

The board (the “**Board**”) of directors (the “**Directors**”) of Lamtex Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that on 30 December 2020, the PRC lawyer accompanied with Mr. Ni Xian, the currently appointed (under procedures) legal representative of 貴陽隆芯商業諮詢管理有限公司 (Guiyang Longxin Business Consulting Management Co., Ltd.) (“**Guiyang Longxin**”), went to Guanshanhu District Bureau of the Public Security Bureau of Guiyang City (“**Guanshanhu Branch**”) to report the case of illegal occupation of Mr. Li Daxiao (“**Mr. Li**”).

The Company wholly holds 100% equity of Achieve Prime Limited (“**Achieve Prime**”). Achieve Prime wholly holds 100% equity of Guiyang Longxin, which is a wholly-owned PRC subsidiary of the Company. Guiyang Longxin originally held 100% equity of 貴陽鼎天投資諮詢有限公司 (Guiyang Dingtian Investment Consulting Co., Ltd.) (“**Guiyang Dingtian**”) and 貴陽市登喜路旅業有限公司 (Guiyang Dengxilu Tourism Co., Ltd.) (“**Guiyang Dengxilu**”), and Guiyang Dingtian held Guiyang Dengxilu Hotel (Zhongtian Exhibition City Store) (“**Guiyang Hotel**”) and operated by Guiyang Dengxilu. Guiyang Dingtian, Guiyang Dengxilu and Guiyang Hotel were

all core assets of Guiyang Longxin.

The basic situation of the illegal occupation of Guiyang Longxin's core assets is as follows:-

1. Guiyang Dengxilu was transferred at low prices

On 20 July 2020, Guiyang Longxin did not notify Achieve Prime and the Company through any means without the consent of Achieve Prime, and signed the "Equity Transfer Agreement" with the natural person Li Quanyuan to hold the 100% equity of Guiyang Dengxilu was transferred to natural person Li Quanyuan at a price of RMB 1 which was significantly lower than the normal value of Guiyang Dengxilu. On the same day, the shareholder, legal representative and executive director of Guiyang Dengxilu were all changed to Li Quanyuan. According to industrial and commercial information, Li Quanyuan's residence is located at No. 17, Shangtiangen Village, Fangtang, Wangfu Town, Dianbai County, Guangdong Province. Li Quanyuan and Li Daxiao are obviously related to each other. The transfer was actually Li Daxiao illegally occupying Guiyang Dengxilu in the name of his relative.

2. Guiyang Dingtian (and Guiyang Hotel) were transferred without compensation

On 22 June 2020, Guiyang Longxin did not have the consent of Achieve Prime nor notified Achieve Prime and the Company through any means, and introduced Jiangsu Kaichuang Supply Chain Co., Ltd. ("**Jiangsu Kaichuang**") through capital increase and share expansion, now renamed Jiangsu Huaminghui Supply Chain Co., Ltd.) becoming the new shareholder of Guiyang Dingtian. The registered capital of Guiyang Dingtian was changed from RMB1 million to RMB2.5 million. The capital increase was contributed by shareholder, Jiangsu Kaichuang, in currency. After the capital increase and shareholder change, Guiyang Dingtian's equity status is as follows: shareholder, Guiyang Longxin, investment of RMB1 million, with a capital contribution ratio of 40%, and shareholder, Jiangsu Kaichuang, capital contribution of RMB1.5 million, with a capital contribution ratio of 60%. Jiangsu Kaichuang only subscribed for capital contribution, but did not actually contribute capital.

On 4 September 2020, Jiangsu Kaichuang and Maoming Fuyuan Agriculture Development Co., Ltd. ("**Maoming Fuyuan Agriculture**") signed an "Equity Transfer Agreement" to transfer 60% of its holdings in Guiyang Dingtian to Maoming Fuyuan Agriculture for Guiyang Dingtian equity. The agreement did not stipulate that Maoming Fuyuan Agriculture shall pay any equity transfer payment to Jiangsu Kaichuang. According to industrial and commercial information, the 100% shareholder and legal representative of Maoming Fuyuan Agriculture is Li Daan. The company's registered address is No. 37 Shalang Road, Wangfu Town, Dianbai District, Maoming City, and is located in Dianbai District, Maoming City, where Li Daxiao's household registration is located at Fangtang Village, Wangfu Town. Li Daxiao and Li Daan are obviously related.

On the same day, Guiyang Longxin and Guiyang Dengxilu signed the "Equity Transfer Agreement" to transfer 40% of Guiyang Dingtian's equity held by it to Guiyang Dengxilu. At that time, Guiyang Dengxilu had been changed to Li Quanyuan's 100% shareholding. The agreement also did not stipulate Guiyang Dengxilu. Any equity transfer payment shall be paid to Guiyang Longxin. Since then, Guiyang Longxin no longer held any equity in Guiyang

Dingtian, and Guiyang Longxin no longer held Guiyang Hotel.

On 3 November 2020, after Li Daxiao completed the above equity transfer and completely emptied the assets of Guiyang Longxin, Li Daxiao resigned as the legal representative and executive director of Guiyang Longxin. The legal representative and executive director of Guiyang Longxin were changed to Liu Qifa, who is also from Dianbai County, Guangdong Province.

So far, as the legal representative and director of Guiyang Longxin, Li Daxiao has not notified or reported Achieve Prime and the Company in any way, knowing that Guiyang Dingtian, Guiyang Dengxilu and Guiyang Hotel are the core assets of Guiyang Longxin. Using the convenience of the position, the core assets of Guiyang Longxin's recent estimated value of approximately RMB 50 million were occupied for free. The transfer to Li Daan and Li Quanyuan, who are close to their relatives, in a disguised way, or nearly free of charge, has seriously exceeded the conviction standard stipulated by the law and is a major criminal offence.

In summary, Guiyang Longxin's core assets (Guiyang Dingtian, Guiyang Dengxilu and Guiyang Hotel) were illegally seized.

On 26 January 2021, Guiyang Longxin received a notice from the Guanshanhu District Bureau and officially opened the case. The Company will discuss with the PRC lawyer further to take necessary and appropriate remedial measures.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 3 August 2020 and will remain suspended until further notice.

The Company will keep the public informed by making further announcement as and when appropriate.

By the order of the Board
Lamtex Holdings Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes Only)
Yiu Sin Yi
Company Secretary

Hong Kong, 27 January 2021

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Ni Xian and Mr. Lin Tong; two Non-Executive Directors, namely Mr. Huang Bin and Ms. Zang Yanxia; and three Independent Non-Executive Directors, namely Mr. Li Changhui, Mr. Fung Kim Shun and Dr. Wen Yanfeng.