

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.



LION ROCK GROUP LIMITED

獅子山集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1127)



LEFT FIELD PRINTING GROUP LIMITED

澳獅環球集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1540)

CONNECTED TRANSACTION

DISPOSAL OF A\$2M CONVERTIBLE NOTE

The Lion Rock Board and the Left Field Board are pleased to announce that, after trading hours of the Stock Exchange on 19 September 2022, OPUS (an indirectly non-wholly owned subsidiary of Lion Rock and a wholly-owned subsidiary of Left Field), disposed of the A\$2m Convertible Note at a consideration of A\$2.00 million (equivalent to approximately HK\$10.50 million) to Mr. Lau.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, Mr. Lau is deemed to be interested in approximately 44.8% of the issued shares of Lion Rock and approximately 64.7% of Left Field. Mr. Lau is an executive director and substantial shareholder of Lion Rock and Left Field. Therefore, Mr. Lau is a connected person of Lion Rock and Left Field, respectively. The Disposal constitutes a connected transaction for both Lion Rock and Left Field under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the Disposal are more than 0.1% but less than 5% for both Lion Rock and Left Field, the Disposal is subject to the reporting and announcement requirements but is exempt from circular and independent shareholders' approval requirement of Lion Rock and Left Field under Chapter 14A of the Listing Rules.

THE DISPOSAL

Reference is made to the (i) announcements jointly issued by Lion Rock and Left Field dated 1 April 2022 and 8 April 2022 respectively in respect of the loans granted by OPUS to Ovato; (ii) the joint announcement dated 24 May 2022 in respect of the acquisition of the book printing business and subscription of the Convertible Note; and (iii) the inside information announcements dated 21 July 2022 and 10 September 2022 in respect of, among other things, the appointment of voluntary administrators by Ovato and settlement arrangement of the Outstanding Loans, respectively (altogether, the “**Announcements**”). Unless otherwise defined, capitalised terms used in this joint announcement shall have the same meanings as defined in the Announcements.

The Lion Rock Board and the Left Field Board are pleased to announce that, after trading hours of the Stock Exchange on 19 September 2022, OPUS (an indirectly non-wholly owned subsidiary of Lion Rock and a wholly-owned subsidiary of Left Field), disposed of the A\$2m Convertible Note at a consideration of A\$2.00 million (equivalent to approximately HK\$10.50 million) (the “**Consideration**”) to Mr. Lau Chuk Kin (“**Mr. Lau**”), an executive director and substantial shareholder of Lion Rock and Left Field (the “**Disposal**”).

The Consideration was determined after arm’s length negotiations and with reference to the principal value and subscription price of A\$2.00 million (equivalent to approximately HK\$10.50 million). Mr. Lau settled the Consideration by cash.

Immediately before the Disposal, OPUS was the registered holder of the Convertible Note with principal value of A\$2.50 million (equivalent to approximately HK\$13.13 million). Principal terms of the Convertible Note are set out in the Announcements. Ovato has agreed the split of the Convertible Note into two convertible notes: one convertible note with principal value of A\$2.00 million (equivalent to approximately HK\$10.50 million) (the “**A\$2m Convertible Note**”); and the other convertible note with principal value of A\$0.50 million (equivalent to approximately HK\$2.63 million) (the “**A\$0.5m Convertible Note**”). Ovato also approved the transfer of the A\$2m Convertible Note by OPUS to Mr. Lau.

After the Disposal, OPUS is the registered holder of the A\$0.5m Convertible Note.

FINANCIAL EFFECTS OF THE DISPOSAL AND THE PROPOSED USE OF PROCEEDS

Based on the carrying value of the A\$2m Convertible Note in the unaudited consolidated accounts of the Lion Rock Group and the Left Field Group as at 30 June 2022 which amounted to A\$1.90 million (equivalent to approximately HK\$9.98 million) and the Consideration, the Lion Rock Group and the Left Field Group expect that there will be a gain of A\$ 0.10 million (equivalent to approximately HK\$0.53 million) incurred from the Disposal. The actual financial effect in connection with the Disposal will be assessed after completion of the Disposal and is subject to review and final audit by the auditors of the Lion Rock Group and the Left Field Group.

It is estimated that the net proceeds from the Disposal would be approximately A\$2.00 million (equivalent to approximately HK\$10.50 million) (before expenses). The Lion Rock Group and the Left Field Group intend to use the net proceeds from the Disposal as general working capital of the Lion Rock Group and the Left Field Group.

INFORMATION ABOUT THE PARTIES

The Lion Rock Group is principally engaged in the publishing and provision of printing services to international book publishers, trade, professional and educational publishing conglomerates and print media companies. Lion Rock (through its wholly-owned subsidiary) is interested in approximately 59.4% of the issued share capital of Left Field.

Left Field is an investment holding company and the principal business activities of the Left Field Group are the provision of printing solutions and services in Australia.

OPUS is an indirect non-wholly owned subsidiary of Lion Rock and a directly wholly-owned subsidiary of Left Field.

Mr. Lau is an executive director and substantial shareholder of Lion Rock and Left Field.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Ovato is currently under administration. In addition to the A\$0.5m Convertible Note, OPUS has (i) granted the Loans to Ovato with the outstanding principal and accrued interests of approximately A\$1.73 million (equivalent to approximately HK\$9.08 million) and (ii) paid to Ovato the fees payable under the HP Equipment Rental Agreements in advance as a lump sum payment for the remaining term of each such agreement A\$2.86 million (equivalent to approximately HK\$15.02 million) as at the date of this joint announcement. The Disposal enables the Lion Rock Group and Left Field Group to reduce their credit exposure in Ovato.

The Lion Rock Directors and Left Field Directors (including the independent non-executive directors of Lion Rock and Left Field, but excluding Mr. Lau) are of the view that the Consideration is reasonable and it is the appropriate timing to reduce the credit exposure of the Lion Rock Group and the Left Field Group in Ovato. The Lion Rock Directors and Left Field Directors (including the independent non-executive directors of Lion Rock and Left Field, but excluding Mr. Lau) consider that the terms of the Disposal are fair and reasonable and the Disposal is on normal commercial terms or better and in the interest of the Lion Rock Group and Left Field Group and the Lion Rock Shareholders and Left Field Shareholders as a whole.

Since Mr. Lau has a material interest in the Disposal, he therefore has abstained from voting on the board resolutions of the Lion Rock and Left Field approving the Disposal.

LISTING RULES IMPLICATIONS

As at the date of this joint announcement, Mr. Lau is deemed to be interested in approximately 44.8% of the issued shares of Lion Rock and approximately 64.7% of Left Field. Mr. Lau is an executive director and substantial shareholder of Lion Rock and Left Field. Therefore, Mr. Lau is a connected person of Lion Rock and Left Field, respectively. The Disposal constitutes a connected transaction for both Lion Rock and Left Field under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the Disposal are more than 0.1% but less than 5% for both Lion Rock and Left Field, the Disposal is subject to the reporting and announcement requirements but is exempt from circular and independent shareholders' approval requirement of Lion Rock and Left Field under Chapter 14A of the Listing Rules.

By Order of the board of directors
Lion Rock Group Limited
Yeung Ka Sing
Chairman

By Order of the board of directors
Left Field Printing Group Limited
Richard Francis Celarc
Chairman

Hong Kong, 19 September 2022

For the purpose of illustration only and unless otherwise stated, conversion of A\$ to HK\$ in this joint announcement is based on the exchange rate of A\$1.00 to HK\$5.25. Such conversion should not be construed as a representation that any amounts have been, could have been, or may be exchanged at this or any other rate or at all.

As at the date of this joint announcement, the Lion Rock Board comprises Mr. Lau Chuk Kin, Ms. Lam Mei Lan and Mr. Chu Chun Wan as executive directors; Mr. Li Hoi David and Mr. Guo Junsheng as non-executive directors; and Mr. Yeung Ka Sing, Prof. Lee Hau Leung and Dr. Ng Lai Man, Carmen as independent non-executive directors.

As at the date of this joint announcement, the Left Field Board comprises Mr. Richard Francis Celarc, Mr. Lau Chuk Kin and Ms. Tang Tsz Ying as executive directors; Mr. Paul Antony Young as non-executive director; and Mr. David Ho, Mr. Tsui King Chung David and Mr. Lai Wing Hong Joseph as independent non-executive directors.

** For identification purpose only*