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LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 191)



LAI SUN DEVELOPMENT

Lai Sun Development Company Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 488)

JOINT ANNOUNCEMENT MAJOR TRANSACTION

DISPOSAL OF A SUBSIDIARY

THE DISPOSAL

On 3 May 2024 (after trading hours), the Vendor (a wholly-owned subsidiary of LSD) and LSD entered into the Offer Letter with the Purchaser, pursuant to which the Purchaser has conditionally agreed to acquire the Sale Shares and take up the assignment of the Sale Loan, and the Vendor has agreed to sell the Sale Shares and LSD has agreed to assign the Sale Loan to the Purchaser at the Purchase Price (subject to Proforma NTAV Adjustments and Completion NTAV Adjustments). As at the date of this joint announcement, the Target Company is the sole legal and beneficial owner of the Property.

Upon Completion, the Target Company will cease to be a subsidiary of LSG and LSD, and the financial results of the Target Company will no longer be consolidated into the financial statements of the LSG Group and LSD Group.

LISTING RULES IMPLICATIONS

The Listing Rules implications to the Disposal and the transactions contemplated under the Offer Letter are summarised below:

LSG

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but all of them are less than 75%, the Disposal and the transactions contemplated under the Offer Letter constitute a major transaction for LSG and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Disposal will be subject to the approval by LSG Shareholders at the GM by way of poll. The GM will be held by LSG for the LSG Shareholders to consider, and if thought fit, pass the resolutions to approve the Disposal and the transactions contemplated under the Offer Letter.

To the best knowledge, information and belief of the LSG Directors, as at the date of this joint announcement, after having made all reasonable enquiries, no LSG Shareholders or any of their respective associates have any material interest in the Disposal and the transactions contemplated under the Offer Letter. As such, no LSG Shareholders is required to abstain from voting on the resolution approving the Disposal and the transactions contemplated under the Offer Letter at the GM.

Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, a circular containing, among other things, further information in relation to the Disposal will be despatched to the LSG Shareholders on or before 24 June 2024. If there is any delay in despatch of the circular by LSG beyond 24 June 2024, LSG will make further announcement(s) as appropriate in accordance with the requirements of the Listing Rules.

LSD

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but all of them are less than 75%, the Disposal and the transactions contemplated under the Offer Letter constitute a major transaction for LSD and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the LSD Directors, as at the date of this joint announcement, after having made all reasonable enquiries, no LSD Shareholders or any of their respective associates have any material interest in the Disposal and the transactions contemplated under the Offer Letter. As such, no LSD Shareholder is required to abstain from voting on the resolution approving the Disposal and the transactions contemplated under the Offer Letter if LSD is to convene a general meeting for the approval of the Disposal and the transactions contemplated under the Offer Letter.

LSD will obtain written approval in accordance with Rule 14.44 of the Listing Rules from LSG, the controlling shareholder of LSD which is beneficially interested in an aggregate of 808,084,296 LSD Shares representing approximately 55.60% of the entire issued share capital of LSD as at the date of this joint announcement. In the event the Written Approval is obtained by LSD, LSD is exempted from convening a general meeting to approve the Disposal and the transactions contemplated under the Offer Letter as permitted under Rule 14.44 of the Listing Rules. LSD will make further announcement(s) after it has obtained the Written Approval.

Pursuant to Rule 14.41(a) of the Listing Rules, LSD is required to despatch to the LSD Shareholders a circular in relation to the Disposal and other information required to be included therein under the Listing Rules within 15 business days after the publication of this announcement. Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, LSD expects that the circular will be despatched on or before 24 June 2024. If additional time is needed for LSD to prepare and finalise information for inclusion in the circular, LSD will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and make a further announcement regarding any delay in despatch of the circular in due course.

THE DISPOSAL

On 3 May 2024 (after trading hours), the Vendor (a wholly-owned subsidiary of LSD) and LSD entered into the Offer Letter with the Purchaser, pursuant to which the Purchaser has conditionally agreed to acquire the Sale Shares and take up the assignment of the Sale Loan, and the Vendor has agreed to sell the Sale Shares and LSD has agreed to assign the Sale Loan to the Purchaser at the Purchase Price (subject to Proforma NTAV Adjustments and Completion NTAV Adjustments). As at the date of this joint announcement, the Target Company is the sole legal and beneficial owner of the Property.

Upon Completion, the Target Company will cease to be a subsidiary of LSG and LSD, and the financial results of the Target Company will no longer be consolidated into the financial statements of the LSG Group and LSD Group.

Offer Letter

The principal terms of the Offer Letter are set out below:

- Date** : 3 May 2024 (after trading hours)
- Parties** : (i) the Vendor, a wholly-owned subsidiary of LSD, as vendor;
- (ii) LSD, as the assignor of the Sale Loan; and
- (iii) the Purchaser, as purchaser.

To the best of the knowledge, information and belief of LSG Directors and LSD Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

- Transaction structure** : The Disposal comprises the sale of the Sale Shares by the Vendor to the Purchaser and the assignment of Sale Loan by LSD to the Purchaser.

The Target Company is the sole legal and beneficial owner of the Property.

- Property** : Eighteenth Floor and Nineteenth Floor of May Tower II, May Road, Hong Kong and car parking spaces nos. 60 and 67 of May Tower I and May Tower II.

The Property shall be sold to the Purchaser on an “as is” basis.

- Purchase Price** : The aggregate Purchase Price for the Sale Shares and Sale Loan payable by the Purchaser to the Vendor in respect of the Disposal shall be HK\$215,800,000 (subject to Proforma NTAV Adjustments and Completion NTAV Adjustments), which shall be paid by the Purchaser to the Vendor and LSD in the manner as follows:
- (i) an initial deposit of HK\$10,790,000 shall be paid upon the signing of the Offer Letter;
 - (ii) a further deposit of HK\$10,790,000 shall be paid on or before 16 May 2024;
 - (iii) a part payment of HK\$21,580,000 shall be paid on or before 1 August 2024; and
 - (iv) the balance of the Purchase Price in the sum of HK\$172,640,000 (the “**Balance**”) shall be paid upon Completion.

The consideration for the assignment of the Sale Loan shall be an amount equal to the Sale Loan on a dollar for dollar basis. The Purchase Price less the consideration for the Sale Loan shall be the consideration for the Sale Shares.

- Calculation of NTAV** : The NTAV shall be calculated as the aggregate of all tangible assets of the Target Company which are readily convertible into cash or cash equivalents (excluding the Property, any intangible assets and other fixed assets and deferred tax), less the aggregate of all liabilities (actual, contingent or otherwise but excluding the Sale Loan) and provisions of the Target Company as at the Completion Date.

- Proforma NTAV Adjustments** : The Purchase Price shall be subject to adjustment by reference to the Proforma Accounts to be produced by the Vendor and LSD at least five (5) working days prior to the Completion Date. If the NTAV as shown in the Proforma Accounts is more or less than zero, the Balance shall be adjusted upwards or downwards (as the case may be) accordingly.

- Completion NTAV Adjustments** : The Purchase Price shall be subject to further adjustment by reference to the Completion Accounts to be produced by the Vendor and LSD within sixty (60) days from the Completion Date. If the NTAV as shown in the Completion Accounts is more or less than the NTAV as shown in the Proforma Accounts, the Purchaser or the Vendor and the Assignor (as the case may be) shall pay the difference to the other party within five (5) working days.
- Completion Date** : Expected to take place before 1:00 p.m. on 15 January 2025.
- Formal Agreement** : The Vendor, LSD and the Purchaser shall negotiate in good faith and use all their reasonable endeavours to enter into a formal agreement in respect of the Disposal on or before 28 days from the date of the Offer Letter, which shall incorporate the terms of the Offer Letter. If the Vendor, LSD and the Purchaser do not reach an agreement on the terms of the formal agreement on or before the aforesaid date, the Offer Letter shall remain valid and of full force and effect.
- Conditions Precedent** : Completion is conditional upon fulfilment of all of the following conditions on or before the Completion Date:
- (a) compliance of all necessary requirements which each of LSG and LSD are required to comply with under the Listing Rules and/or other legislation or regulation and/or subsidiary legislation or regulation;
 - (b) the Purchaser having completed its due diligence investigation of the Target Company and be reasonably satisfied with the results thereof; and
 - (c) the Vendor and LSD shall, at their respective costs, procure the Target Company to show and prove title to the Property in accordance with Section 13 of the CPO and give title in accordance with Section 13A of the CPO.

Purchase Price

The Purchase Price of HK\$215,800,000 was determined after arm's length negotiation among the parties and calculated based on prevailing market price of similar properties in comparable locations.

Taking into the consideration of (i) the Purchase Price as determined above by the Purchaser, the Vendor and LSD with reference to the prevailing market price of similar properties in comparable locations; and (ii) the reasons for and benefits of the Disposal as stated under the section headed “Reasons for and Benefits of the Disposal and Intended Use of Proceeds of the Disposal” below, each of the LSG Directors and LSD Directors consider that the Purchase Price is fair and reasonable and in the interests of LSG and its Shareholders as a whole and LSD and its Shareholders as a whole, respectively.

INFORMATION OF THE TARGET COMPANY AND THE PROPERTY

Information of the Target Company and the Property

The Target Company is a company incorporated in Hong Kong with limited liability. As at the date of this joint announcement, the Target Company is a direct wholly-owned subsidiary of the Vendor, and is principally engaged in property investment and its sole asset is the Property.

The Target Company is the sole legal and beneficial owner of the Property. The Property is a residential property which comprises Eighteenth Floor and Nineteenth Floor of May Tower II, May Road, Hong Kong and car parking spaces nos. 60 and 67 of May Tower I and May Tower II. The total saleable area of the Property (excluding the car parking spaces) is approximately 5,338 square feet.

Financial Information of the Target Company

The table below sets out certain financial information of the Target Company as prepared in accordance with Hong Kong Financial Reporting Standards for the two years ended 31 July 2022 and 2023:

	For the year ended 31 July 2023 (audited) HK\$'000	For the year ended 31 July 2022 (audited) HK\$'000
Net loss before taxation	1,042	668
Net loss after taxation	986	673

As at 31 January 2024, the unaudited net book value of the Target Company, before deduction of shareholder’s loan of approximately HK\$69,300,000, was approximately HK\$45,300,000.

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, the Target Company will cease to be a subsidiary of LSG and LSD, and the financial results of the Target Company will no longer be consolidated into the financial statements of the LSG Group and LSD Group.

As at 31 January 2024, the unaudited net book value of the Target Company, before deduction of shareholder's loan, in respect of LSG Group was approximately HK\$115,400,000. Based on the Purchase Price of HK\$215,800,000, LSG Group is expected to recognise a net gain (after deducting relevant legal costs, commission and expenses) of approximately HK\$96,500,000 from the Disposal.

As at 31 January 2024, the unaudited net book value of the Target Company, before deduction of shareholder's loan, in respect of LSD Group was approximately HK\$45,300,000. Based on the Purchase Price of HK\$215,800,000, LSD Group is expected to recognise a net gain (after deducting relevant legal costs, commission and expenses) of approximately HK\$167,100,000 from the Disposal.

The aforesaid amount is arrived based on the difference between the Purchase Price and the unaudited net book value of the Target Company, before deduction of shareholder's loan, at 31 January 2024, and deduct the estimated relevant costs. The definitive amount of any gain or loss shall be adjusted taking into account the Purchase Price as adjusted by Proforma NTAV Adjustments and Completion NTAV Adjustments, and subject to audit to be performed by the auditors of LSG and LSD respectively, which is expected to be recorded in the financial statements of each of LSG and LSD for the financial year ending 31 July 2025.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in the British Virgin Islands with limited liability. Based on the information provided by the Purchaser, the Purchaser is principally engaged in investment holding.

To the best of the LSG Director's knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of each of LSG and its connected persons.

To the best of the LSD Director's knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of each of LSD and its connected persons.

INFORMATION OF LSG, LSD AND THE VENDOR

LSG is a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange. The principal activities of the LSG Group include property investment, property development, investment in and operation of hotels and restaurants, production and distribution of films and TV programs, music production and publishing, management and production of concerts, artiste management, cinema operation, cultural, leisure, entertainment and related facilities and investment holding. LSG owns approximately 55.60% of the total issued shares of LSD as at the date of this joint announcement.

LSD is a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange. The principal activities of the LSD Group include property investment, property development, investment in and operation of hotels and restaurants, production and distribution of films and TV programs, music production and publishing, management and production of concerts, artiste management, cinema operation, cultural, leisure, entertainment and related facilities and investment holding.

The Vendor is a company incorporated in British Virgin Islands with limited liability and is a wholly-owned subsidiary of LSD. The principal activity of the Vendor is property investment.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS OF THE DISPOSAL

The Property was acquired by the LSD Group, and is currently used by members of the LSD Group for self-use. The Disposal represents LSD Group's commitment to its non-core asset disposal plan so as to enable the LSD Group to reallocate more financial resources on capital structure enhancement and/or for general corporate purpose of the LSD Group, as well as, to enhance the cashflow and financial position of the LSG Group and the LSD Group as a whole.

The estimated gross proceeds from the Disposal amount to approximately HK\$215,800,000. The estimated net proceeds from the Disposal amount to approximately HK\$212,400,000 and HK\$211,900,000 for the LSD Group and LSG Group, respectively. The net proceeds from the Disposal are intended to be applied towards repayment of bank loans and/or as general working capital of the LSD Group.

The LSG Directors are of the view that the Disposal is in the interests of LSG and its shareholders as a whole and the terms and consideration thereof are fair and reasonable.

The LSD Directors are of the view that the Disposal is in the interests of LSD and its shareholders as a whole and the terms and consideration thereof are fair and reasonable.

LISTING RULES IMPLICATIONS

The Listing Rules implications to the Disposal and the transactions contemplated under the Offer Letter are summarised below:

LSG

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but all of them are less than 75%, the Disposal and the transactions contemplated under the Offer Letter constitute a major transaction for LSG and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Disposal will be subject to the approval by LSG Shareholders at the GM by way of poll. The GM will be held by LSG for the LSG Shareholders to consider, and if thought fit, pass the resolutions to approve the Disposal and the transactions contemplated under the Offer Letter.

To the best knowledge, information and belief of the LSG Directors, as at the date of this joint announcement, after having made all reasonable enquiries, no LSG Shareholders or any of their respective associates have any material interest in the Disposal and the transactions contemplated under the Offer Letter. As such, none of the LSG Shareholders is required to abstain from voting on the resolution approving the Disposal and the transactions contemplated under the Offer Letter at the GM.

Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, a circular containing, among other things, further information in relation to the Disposal will be despatched to the LSG Shareholders on or before 24 June 2024. If there is any delay in despatch of the circular by LSG beyond 24 June 2024, LSG will make further announcement(s) as appropriate in accordance with the requirements of the Listing Rules.

LSD

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but all of them are less than 75%, the Disposal and the transactions contemplated under the Offer Letter constitute a major transaction for LSD and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the LSD Directors, as at the date of this joint announcement, after having made all reasonable enquiries, no LSD Shareholders or any of their respective associates have any material interest in the Disposal and the transactions contemplated under the Offer Letter. As such, no LSD Shareholder is required to abstain from voting on the resolution approving the Disposal and the transactions contemplated under the Offer Letter if LSD is to convene an general meeting for the approval of the Disposal and the transactions contemplated under the Offer Letter.

LSD will obtain written approval in accordance with Rule 14.44 of the Listing Rules from LSG, the controlling shareholder of LSD which is beneficially interested in an aggregate of 808,084,296 LSD Shares representing approximately 55.60% of the entire issued share capital of LSD as at the date of this joint announcement. In the event the Written Approval is obtained by LSD, LSD is exempted from convening a general meeting to approve the Disposal and the transactions contemplated under the Offer Letter as permitted under Rule 14.44 of the Listing Rules. LSD will make further announcement after it has obtained the Written Approval.

Pursuant to Rule 14.41(a) of the Listing Rules, LSD is required to despatch to the LSD Shareholders a circular in relation to the Disposal and other information required to be included therein under the Listing Rules within 15 business days after the publication of this announcement. Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, LSD expects that the circular will be despatched on or before 24 June 2024. If additional time is needed for LSD to prepare and finalise information for inclusion in the circular, LSD will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and make a further announcement regarding any delay in despatch of the circular in due course.

Completion of the Disposal is subject to fulfilment of various Conditions Precedent as set out under the section headed “The Disposal — Offer Letter — Conditions Precedent” in this joint announcement. Accordingly, the Disposal may or may not proceed. The LSG Shareholders and the LSD Shareholders and potential investors of LSG and LSD are therefore advised to exercise caution when dealing in the securities of LSG and LSD.

DEFINITIONS

In this joint announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

- “Balance”** the balance of Purchase Price;
- “Board”** the board of Directors;
- “Completion”** completion of the Disposal in accordance with the terms and conditions of the Offer Letter;
- “Completion Accounts”** the financial statements audited by certified public accountants (practising) of the Target Company for the period from the beginning of the current financial year of the Target Company to the Completion Date;
- “Completion Date”** the date on which Completion takes place in accordance with the Offer Letter;
- “Completion NTAV Adjustments”** the adjustments to the Purchase Price after the Completion pursuant to the Offer Letter, as further described under the section headed “The Disposal — Offer Letter — Completion NTAV Adjustments” in this joint announcement;
- “Conditions Precedent”** the conditions precedent to the Completion pursuant to the Offer Letter, as further described under the section headed “The Disposal — Offer Letter — Conditions precedent” in this joint announcement;

“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“CPO”	the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong);
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchaser and assignment the Sale Loan by LSD to the Purchaser pursuant to the terms and conditions of the Offer Letter;
“GM”	a general meeting of LSG to be convened and held for considering, and, if thought fit, approving the Disposal;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	a third party or third parties independent of and not connected with (within the meaning of the Listing Rules) any directors, chief executive, substantial shareholders of each of LSG and LSD, its subsidiaries or any of their respective associates;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LSD”	Lai Sun Development Company Limited (麗新發展有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 488);
“LSD Board”	the board of LSD Directors;
“LSD Directors”	the directors of LSD;
“LSD Group”	LSD and its subsidiaries;
“LSD Shareholders”	the shareholders of LSD;
“LSD Shares”	the issued shares of LSD;
“LSG”	Lai Sun Garment (International) Limited (麗新製衣國際有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 191), the ultimate holding company of LSD;

“LSG Board”	the board of LSG Directors;
“LSG Directors”	the directors of LSG;
“LSG Group”	LSG and its subsidiaries;
“LSG Shareholders”	the shareholders of LSG;
“NTAV”	the aggregate of all tangible assets of the Target Company which are readily convertible into cash or cash equivalents (excluding the Property, any intangible assets and other fixed assets and deferred tax), less the aggregate of all liabilities (actual, contingent or otherwise but excluding the Sale Loan) and provisions of the Target Company as at the Completion Date;
“Offer Letter”	the offer letter dated 3 May 2024 entered into between the Vendor, LSD and the Purchaser in relation to the Disposal;
“Proforma Accounts”	the unaudited proforma completion accounts of the Target Company for the period from the beginning of the current financial year to the Completion Date;
“Proforma NTAV Adjustments”	the adjustments to the Balance of the Purchase Price pursuant to the Offer Letter, as further described under the section headed “The Disposal — Offer Letter — Proforma NTAV Adjustments” in this joint announcement;
“Property”	the residential property situated at Eighteenth Floor and Nineteenth Floor of May Tower II, May Road, Hong Kong and car parking spaces nos. 60 and 67 of May Tower I and May Tower II;
“Purchase Price”	the aggregate purchase price payable by the Purchaser to the Vendor and LSD for the Disposal, which amounts to HK\$215,800,000 and subject to Proforma NTAV Adjustments and the Completion NTAV Adjustments in accordance with the terms and conditions of the Offer Letter;
“Purchaser”	Star Gallery Limited, a company incorporated in the British Virgin Islands with limited liability;
“Sale Loan”	all such sum of money due and owing by the Target Company to LSD as at Completion;

“Sale Shares”	the entire issued share capital of the Target Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	Hong Kong Hill Limited (港嶽有限公司), a company incorporated in Hong Kong with limited liability;
“Vendor”	Boom Goal Limited, a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of LSD;
“Written Approval”	the written approval from LSG, which holds in an aggregate of 808,084,296 LSD Shares representing approximately 55.60% of the entire issued share capital of LSD as at the date of this joint announcement, in respect of the Disposal and the transactions as contemplated under the Offer Letter; and
“%”	per cent.

By order of the Board
Lai Sun Garment (International) Limited
Lam Kin Ngok, Peter
Chairman

By order of the Board
Lai Sun Development Company Limited
Lam Kin Ngok, Peter
Chairman

Hong Kong, 3 May 2024

As at the date of this joint announcement,

- (a) *the LSG Board comprises six executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Yang Yiu Chong, Ronald Jeffrey, Mr. Cheung Sum, Sam, Madam U Po Chu, Mr. Lam Kin Hong, Matthew and Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu); and four independent non-executive directors, namely Messrs. Leung Shu Yin, William, Lam Bing Kwan, Chow Bing Chiu and Ng Chi Ho, Dennis; and*
- (b) *the LSD Board comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman) and Messrs. Lau Shu Yan, Julius (Chief Executive Officer), Cheung Sum, Sam, Lam Hau Yin, Lester (also alternate to Madam U Po Chu) and Lee Tze Yan, Ernest; one non-executive director, namely Madam U Po Chu; and four independent non-executive directors, namely Messrs. Lam Bing Kwan, Leung Shu Yin, William, Ip Shu Kwan, Stephen and Luk Hon Man.*