

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.



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)



LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1125)

JOINT ANNOUNCEMENT PURSUANT TO RULE 14.36 AND RULE 14.74(2) OF THE LISTING RULES IN RESPECT OF THE HRL SHAREHOLDERS' LOAN AGREEMENT AND THE HRL SHAREHOLDERS' AGREEMENT

This joint announcement is made by LSG and Lai Fung pursuant to Rule 14.36 and Rule 14.74(2) of the Listing Rules and by LSD as a voluntary announcement.

Reference is made to the joint announcement dated 2 January 2019 made by LSG, LSD, eSun and Lai Fung in relation to, among others, the deemed disposal of 30% interest in Harmonic Run.

The LSG Board, the LSD Board and the Lai Fung Board announce that after trading hours on 18 December 2024, Rosy Commerce, the Investor, Harmonic Run, Lai Fung and LSD entered into the Confirmation Letter, pursuant to which, (among other things) Rosy Commerce, the Investor, Harmonic Run, Lai Fung and LSD agreed to amend the terms of the HRL Shareholders' Loan Agreement and the HRL Shareholders' Agreement that, notwithstanding anything to the contrary in the HRL Shareholders' Loan Agreement or the HRL Shareholders' Agreement:

- (i) Rosy Commerce shall repay the Investor Loan, being US\$4,413,776.87, in full in immediately available funds no later than 31 December 2024 (the **"Repayment of Investor Loan"**);

- (ii) the consideration payable by Rosy Commerce to the Investor for the Buyback with respect to all shares in Harmonic Run held by the Investor shall be an aggregate sum equal to (i) the aggregate original subscription price, being US\$27,365,416.59, paid by the Investor to Harmonic Run, plus (ii) an interest on the foregoing original subscription price at a rate of 6% per annum for the Interest Period; and
- (iii) the Investor has exercised its Buyback Right under the HRL Shareholders' Agreement with immediate effect, pursuant to which Rosy Commerce is required to take all reasonable steps to: (i) complete the Buyback of all the shares in Harmonic Run held by the Investor in accordance with the HRL Shareholders' Agreement (including executing relevant definitive agreement and instrument of transfer for such sale and purchase); and (ii) make payment for the Buyback of all the shares in Harmonic Run held by the Investor, before the sixtieth day after the date of the Confirmation Letter or obtaining of the requisite approval (if required) (the **"Buyback Deadline"**), without requiring the issuance of a notice for the Buyback from the Investor.

Further, pursuant to the Confirmation Letter, notwithstanding the provisions in paragraph (iii) above, so long as Rosy Commerce completes the Repayment of Investor Loan in accordance with the Confirmation Letter, subject to compliance of all applicable laws and regulations including but not limited to the Listing Rules, the Buyback Deadline shall be adjusted to 31 December 2025.

INFORMATION OF HRL GROUP, ROSY COMMERCE GROUP, THE INVESTOR, LAI FUNG GROUP, LSD GROUP AND LSG GROUP

HRL Group

The HRL Group is principally engaged in the internal build-out, fitting, preparation and operation of a themed indoor experience centre under the intellectual property licenses granted by "Lionsgate".

Upon completion of the Buyback of all the shares in Harmonic Run held by the Investor, Harmonic Run will become a wholly-owned subsidiary of Rosy Commerce.

Rosy Commerce Group

Rosy Commerce is a company incorporated in the BVI with limited liability and principally engaged in investment holding. Rosy Commerce Group is principally engaged in design, development and operation of Phase I of Novotown project in Hengqin, Zhuhai City, Guangdong Province of the PRC, which is an integrated cultural, entertainment, tourism and hospitality project comprising two themed indoor experience centres, namely "Lionsgate Entertainment World®" and "National Geographic Ultimate Explorer Hengqin" under the intellectual property licenses granted by "Lionsgate" and "National Geographic" respectively, a 493-room Hyatt Regency Hengqin hotel, multi-function hall, wedding pavilion, offices, cultural workshops and studios, a central garden for hosting outdoor performances, shopping and leisure facilities.

The Investor

The Investor is a company incorporated in Hong Kong and principally engaged in asset management. It is an indirectly wholly-owned subsidiary of China Cinda Asset Management Co., Ltd., a joint stock company incorporated in the PRC with limited liability and whose shares and preference shares are listed on the Main Board of the Stock Exchange.

To the best of the knowledge, information and belief of the LSG Directors, the LSD Directors and the Lai Fung Directors, as at the date of this joint announcement, the Investor is the legal and beneficial owner of 30% of the issued share capital of Harmonic Run and hence is a substantial shareholder of Harmonic Run. As the total assets, profits and revenue of Harmonic Run compared to that of the LSG Group, the LSD Group and the Lai Fung Group are all less than 5% under the Percentage Ratios for the financial year ended 31 July 2024, Harmonic Run is an insignificant subsidiary of LSG, LSD and Lai Fung. Accordingly, notwithstanding the Investor's interests in Harmonic Run, the Investor (as substantial shareholder of an insignificant subsidiary of LSG, LSD and Lai Fung) and its ultimate beneficial owner(s) are not regarded as connected persons of LSG, LSD and Lai Fung pursuant to Rule 14A.09 of the Listing Rules.

Lai Fung Group

Lai Fung is an exempted company incorporated in the Cayman Islands 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 Lai Fung Group include property development for sale, property investment, and development and operation of and investment in cultural, leisure, entertainment and related facilities in the PRC.

LSD Group

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. As at the date of this joint announcement, LSD owns approximately 55.08% of the total issued shares of Lai Fung.

LSG Group

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. As at the date of this joint announcement, LSG owns approximately 55.60% of the total issued shares of LSD, which owns approximately 55.08% of the total issued shares of Lai Fung.

REASONS FOR AND THE BENEFITS OF THE ENTERING INTO OF THE CONFIRMATION LETTER

The Confirmation Letter was entered into among the Parties to reflect their consensus on the timetable of the transactions and business arrangements contemplated under the HRL Shareholders' Loan Agreement and the HRL Shareholders' Agreement, which were determined by the Parties after arm's length negotiations with reference to, among others, Rosy Commerce's financial position as well as the general market environment. The entering into of the Confirmation Letter is expected to allow Rosy Commerce to deploy its financial resources more flexibly and effectively.

The LSG Directors (including the independent non-executive LSG Directors), the LSD Directors (including the independent non-executive LSD Directors) and the Lai Fung Directors (including the independent non-executive Lai Fung Directors) consider that the terms and conditions of the Confirmation Letter and the transactions contemplated thereunder are fair and reasonable and in the interests of the LSG Group, the LSD Group and the Lai Fung Group and their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

This joint announcement is made by LSG and Lai Fung pursuant to Rule 14.36 and Rule 14.74(2) of the Listing Rules and by LSD as a voluntary announcement, as the entering into of the Confirmation Letter constitutes a variation to the terms of the transaction previously announced under the joint announcement dated 2 January 2019 made by LSG, LSD, eSun and Lai Fung in relation to, among others, the deemed disposal of 30% interest in Harmonic Run and the exercise of the Buyback Right by the Investor.

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Buyback”	the buyback of (A) all the shares in and of Harmonic Run held by the Investor and (B) all outstanding principal amounts of shareholder loans to Harmonic Run, in each case, by Rosy Commerce from the Investor;
“Buyback Right”	the right which, upon exercise, entitles the Investor to require Rosy Commerce to carry out the Buyback;
“BVI”	the British Virgin Islands;
“Confirmation Letter”	the confirmation letter dated 18 December 2024 entered into among the Parties;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“eSun”	eSun Holdings Limited (豐德麗控股有限公司), an exempted company incorporated in Bermuda with limited liability and the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 571);
“Harmonic Run”	Harmonic Run Limited (和運有限公司), a company incorporated in the BVI with limited liability and as at the date of this joint announcement, owned by Rosy Commerce as to 70% and by the Investor as to 30%;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HRL Group”	Harmonic Run and its subsidiaries;
“HRL Shareholders’ Agreement”	the agreement dated 25 January 2019 entered into among Rosy Commerce, the Investor, Harmonic Run, Lai Fung and eSun with respect to the management of affairs of Harmonic Run (as amended and supplemented from time to time including by the supplemental agreement dated 10 March 2020 entered into among the aforesaid parties and LSD);

“HRL Shareholders’ Loan Agreement”	the agreement dated 25 January 2019 entered into among Rosy Commerce, the Investor and Harmonic Run with respect to the provision of initial shareholders’ loans by Rosy Commerce and the Investor to Harmonic Run;
“Interest Period”	the period from the date of the Confirmation Letter to the date when Rosy Commerce pays all the consideration upon the Investor’s exercise of the Buyback Right;
“Investor”	China Cinda (HK) Asset Management Co., Limited (中國信達(香港)資產管理有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司), a joint stock company incorporated in the PRC and whose shares and preference shares are listed on the Main Board of the Stock Exchange (Stock Code: 1359; Preference Shares Stock Code: 4621);
“Investor Loan”	the interest-free initial shareholder’s loan in the USD amount equivalent of RMB30 million advanced by the Investor to Harmonic Run pursuant to the HRL Shareholders’ Loan Agreement;
“Lai Fung”	Lai Fung Holdings Limited (麗豐控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1125);
“Lai Fung Board”	the board of Lai Fung Directors;
“Lai Fung Directors”	the directors of Lai Fung;
“Lai Fung Group”	Lai Fung and its subsidiaries;
“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;
“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);
“LSG Board”	the board of LSG Directors;
“LSG Directors”	the directors of LSG;
“LSG Group”	LSG and its subsidiaries;
“Parties”	the parties to the Confirmation Letter, namely Rosy Commerce, the Investor, Harmonic Run, Lai Fung and LSD, and each a “Party”;
“Percentage Ratios”	has the meaning ascribed to it in Rule 14.07 of the Listing Rules;
“PRC”	the People’s Republic of China and for the purpose of this joint announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Rosy Commerce”	Rosy Commerce Holdings Limited (業佳控股有限公司), a company incorporated in the BVI with limited liability and owned by Lai Fung and LSD as to 80% and 20%, respectively;
“Rosy Commerce Group”	Rosy Commerce and its subsidiaries;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;

“US\$” or “USD”

United States Dollars, the lawful currency of the United States of America; 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

By Order of the Board
Lai Fung Holdings Limited
Lam Kin Ngok, Peter
Chairman

Hong Kong, 18 December 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;*
- (b) *the LSD Board comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Lau Shu Yan, Julius (Chief Executive Officer), Mr. Cheung Sum, Sam, Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu) and Mr. 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; and*
- (c) *the Lai Fung Board comprises seven executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Lam Kin Hong, Matthew (Executive Deputy Chairman), Mr. Lam Hau Yin, Lester (Chief Executive Officer) (also alternate to Madam U Po Chu), Madam U Po Chu and Messrs. Cheng Shin How, Lee Tze Yan, Ernest and Cheung Sum, Sam; and six independent non-executive directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho, Mak Wing Sum, Alvin, Shek Lai Him, Abraham and Au Hoi Fung.*